



Missouri

2014

Farm Business Management Analysis Record Summary

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Department of Agricultural Education
College of Agriculture, Food and Natural Resources
University of Missouri - Columbia

EXECUTIVE SUMMARY 2014 ANNUAL REPORT OF MISSOURI FARM BUSINESS MANAGEMENT ANALYSIS PROGRAM

By
Bruce Fowler Missouri FBMA Specialist

The average net farm income (NFI) for the 137 farms included in the 2014 annual report of the Missouri Farm Business Management Analysis Program was \$122,567. As is the case every year, there was a wide range in income among program participants. The lowest 20% of the farms (27) showed an average NFI of -\$41,147, while the highest 20% (28) averaged \$432,658. Of the 137 farms, 15 had a negative net farm income.

Median net farm income, or the income earned by the middle farm, was \$62,440, substantially lower than the average NFI, indicating that the average was skewed by high profits of the most profitable farms.

2014 Distribution of Net Farm Income (Cost)

(NFI from all farms are included in the Median and Average figures. 4 farms have been excluded from the graphic, 2 from the upper and 2 from the lower)

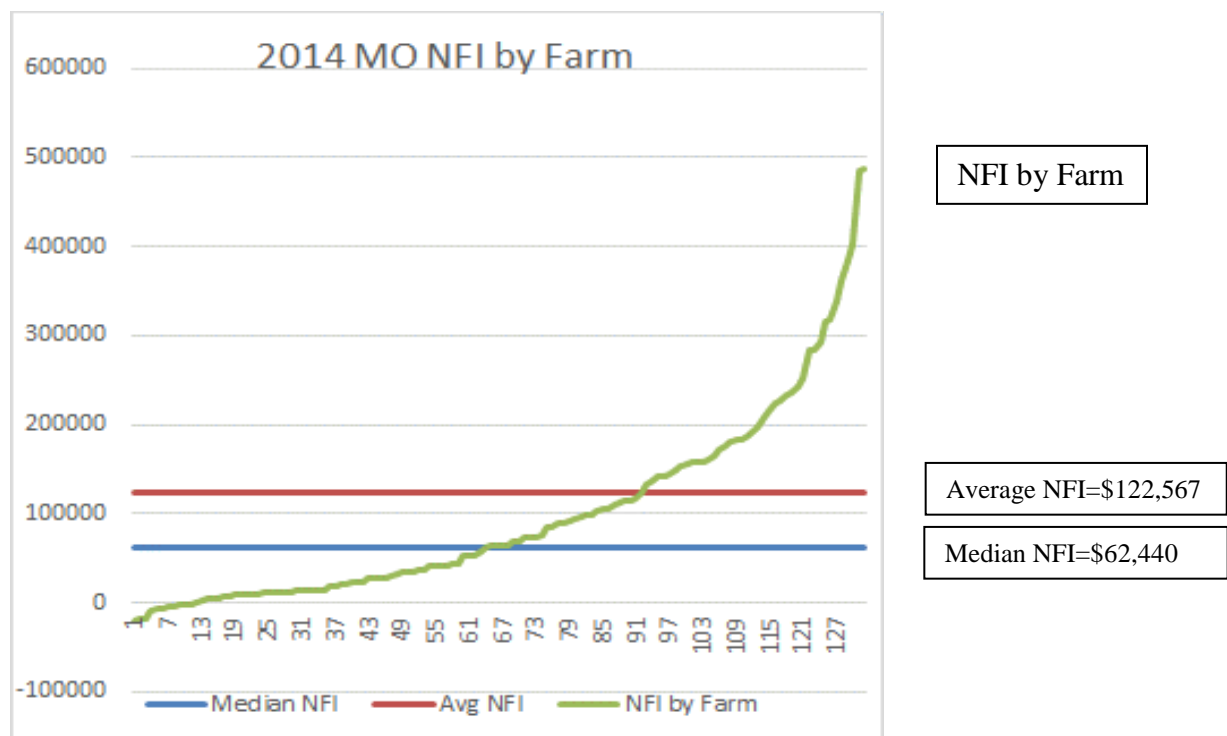


Figure 1

Highlights

- The average age of the operator on the 137 FBMA farms was 51.6 years, with a range from 92 years old down to 17 years old. The average years in farming was 28.7 years, with a range from 75 years to 2 years.

- The net farm income/unpaid labor hour averaged \$92.06 and ranged from -\$14.62 in the low profit group to \$204.94 in the high profit group. This figure is used for comparison to a per-hour wage in non-farm occupations.
- Government payments (including CRP, but not crop insurance proceeds) averaged \$13,348, representing approximately 2.1% of the gross cash farm income and approximately 10.9% of the net farm income. This amount is down significantly from 19.9% of NFI in 2013 and down from the recent high of 27.6% of NFI in 2008.
- The relationship of farm income and expense sources as compared to gross farm income and total farm expenses maintains a very durable pattern from year to year. Even though some new farms are added to the group each year while others drop out, the income and expense patterns change slowly.
 - As an example, income sources that increased their share of the total by more than two percentage points from 2013 were hogs which increased from 24.1% in 2013 to 26.8% in 2014 and corn that increased from 2012 level of 15.0% to 19.8% in 2014. Beef income also increased from 2013 to 2014 by just over 2%, going from 11.2 to 13.3. Income sources that decreased by more than two percentage points were other income, which decreased from 16.9% of gross income in 2013 to 5.7% in 2014. All other income sources remained within two percent of where they were in 2013.
 - Likewise, there were only two expense sources that changed more than two percentage point's share of the total from 2013 to 2014. Purchased Feed Expense decreased from 22.7% in 2013 to 20.6% in 2014, and Purchased Feeder Livestock increased from 4.5% to 7.6%.

2014 Missouri FBMA Income Sources

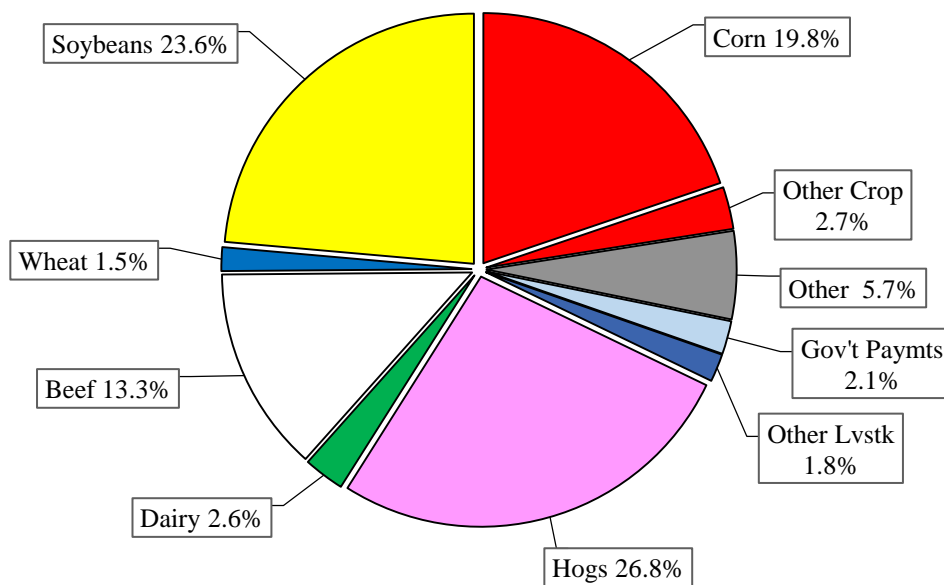


Figure 2
2014 Missouri FBMA Expense Sources

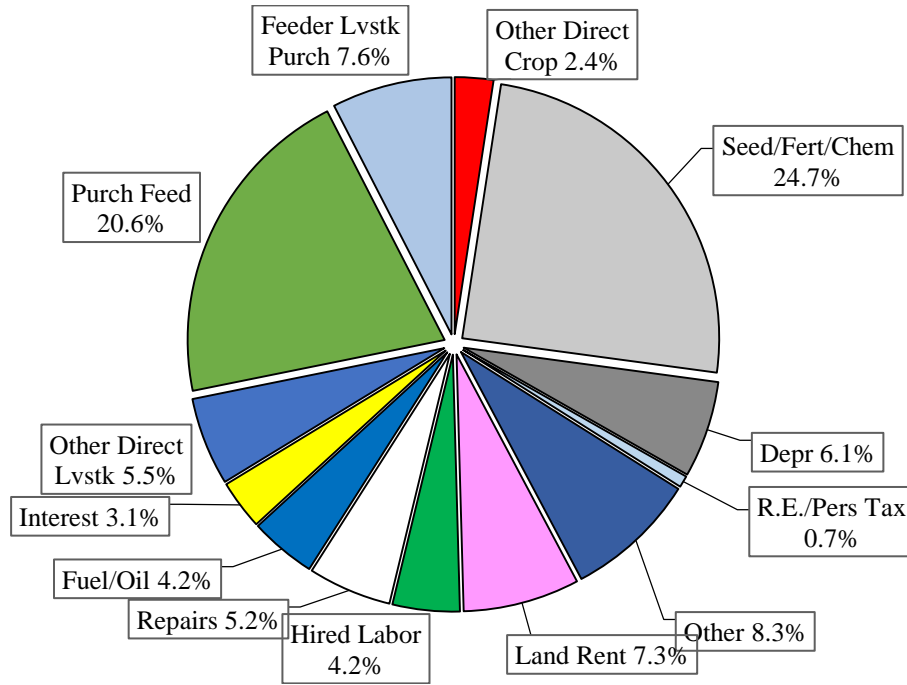


Figure 3

- The average rates of returns on assets (ROA) and equity (ROE) did not change significantly in comparing 2014 to 2013. ROA increased .1%, moving from 6.8% in 2013 to 6.9% in 2014. ROE decreased by the same percentage, dropping from 8.0% in 2013 to 7.9% in 2014.

2014 Rate of Return on Assets by Type (Cost)

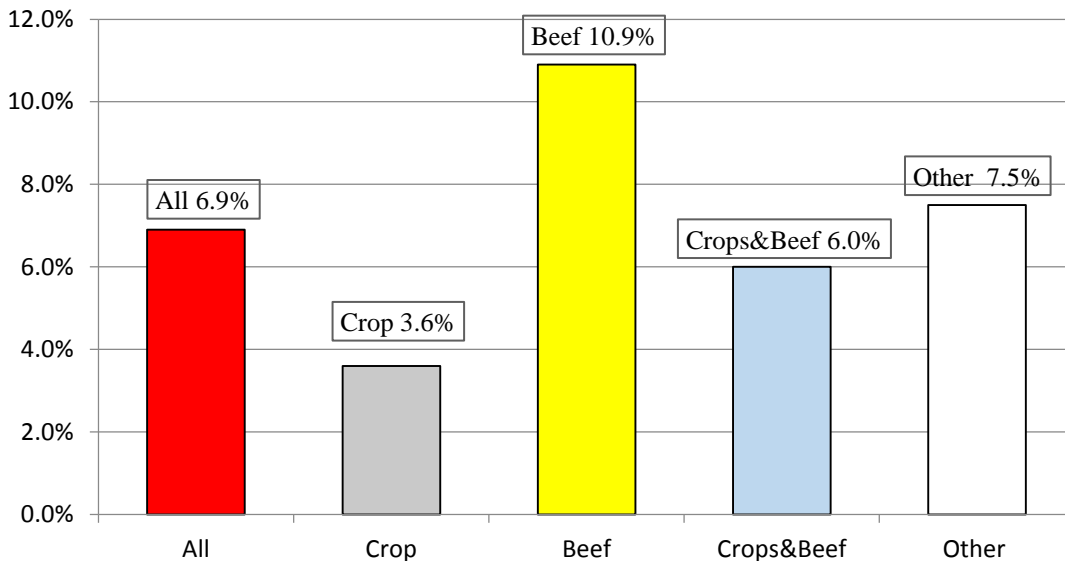


Figure 4

- On the cost balance sheet, the average farm reported net worth growth of \$130,240.. The average farm market value balance sheet grew \$208,472. The average farm debt to asset ratio (farm) was 19% at market values and 26% at cost values. The average farm borrowed \$218,563 and paid \$186,272 in principal payments in 2014.

2014 Rate of Return on Assets by Type (Market)

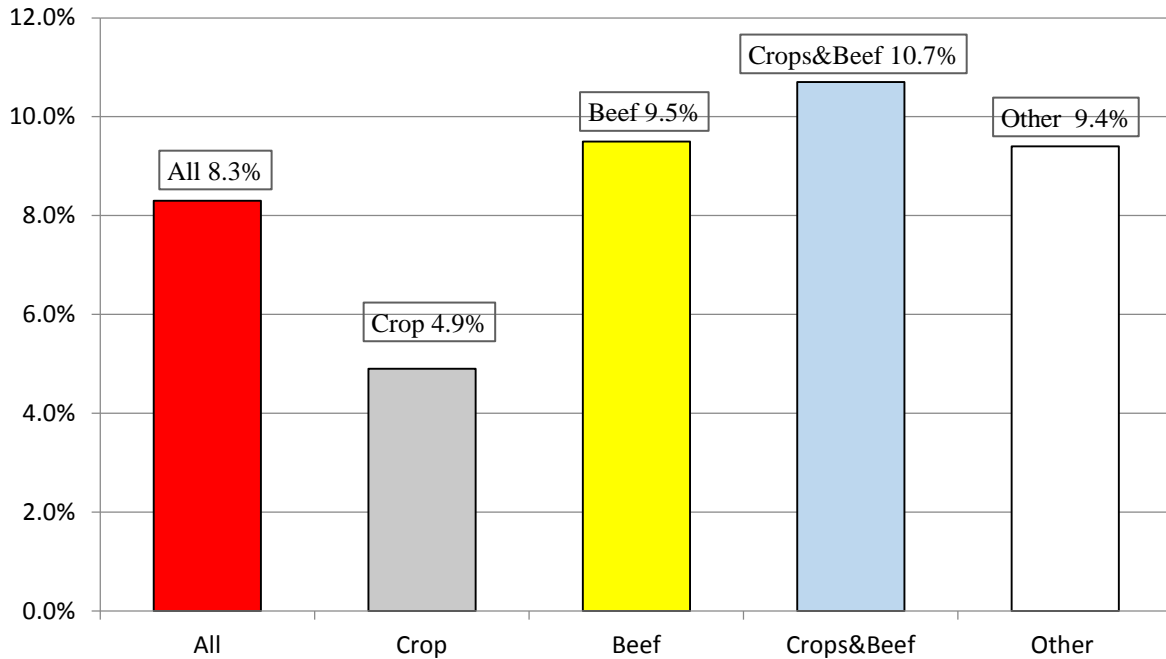


Figure 5

- Average gross cash income was up 1 % from 2013, while cash expenses decreased by just short of 1 %.
- Crop sales accounted for 46% (including government payments) of gross income (same as 2013), while livestock sales were 43% (up from 37% in 2013).

Crops

- Corn yields averaged 195.02 bushels per acre, a more than 70 bushel increase over the 2013 crop. Soybeans yields increased over 50%, rising from 32.45 bushels per acre in 2013 to 49.62 bushels per acre in 2014. Wheat yields also increased from 61.01 bushels per acre in 2013 to 66.99 bushels per acre in 2014.
- While yields were going up, prices were coming down. The average price received for a bushel of corn in 2014 was \$3.85, a nearly \$2 drop from the previous year's price of \$5.83. The average price received for soybeans in 2014 was \$11.67, a \$2.12 decrease 2013. Wheat prices averaged \$5.66, which was a \$1.09 decrease from 2013 prices.

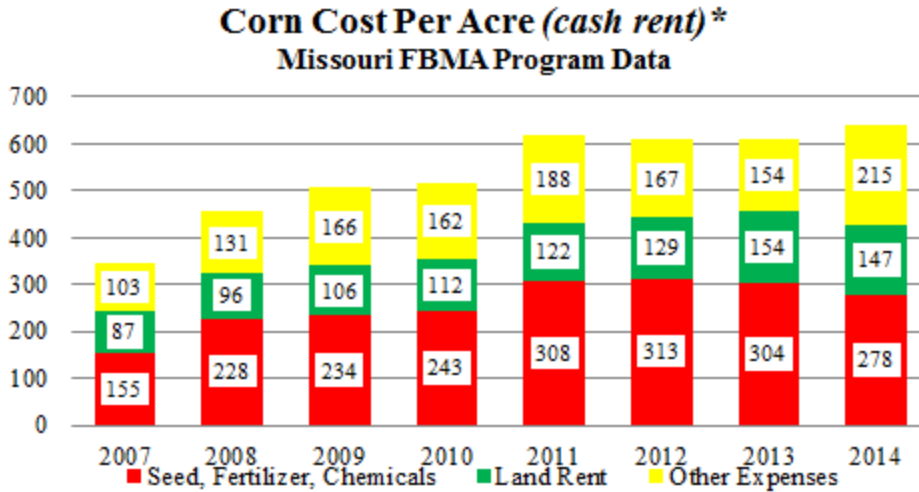


Figure 6

* FBMA farms that included a complete crop enterprise analysis, including all direct and overhead costs (43 farms with cash rent corn in 2014).

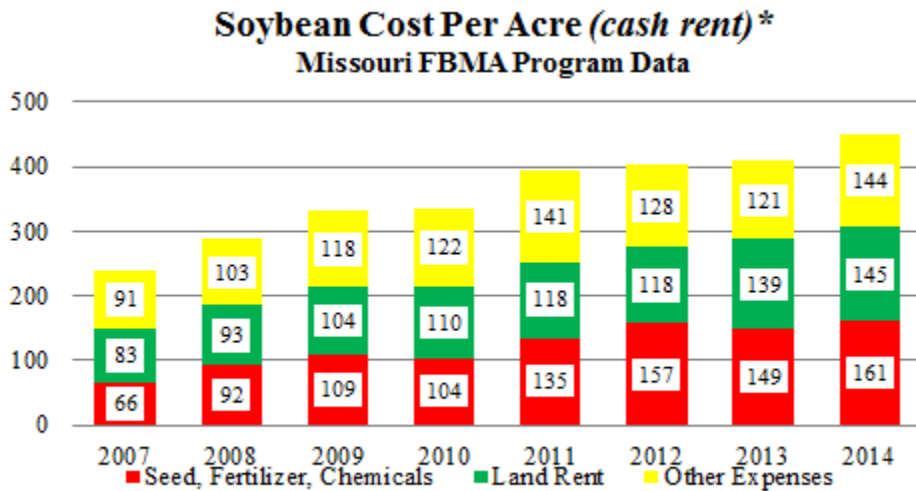


Figure 7

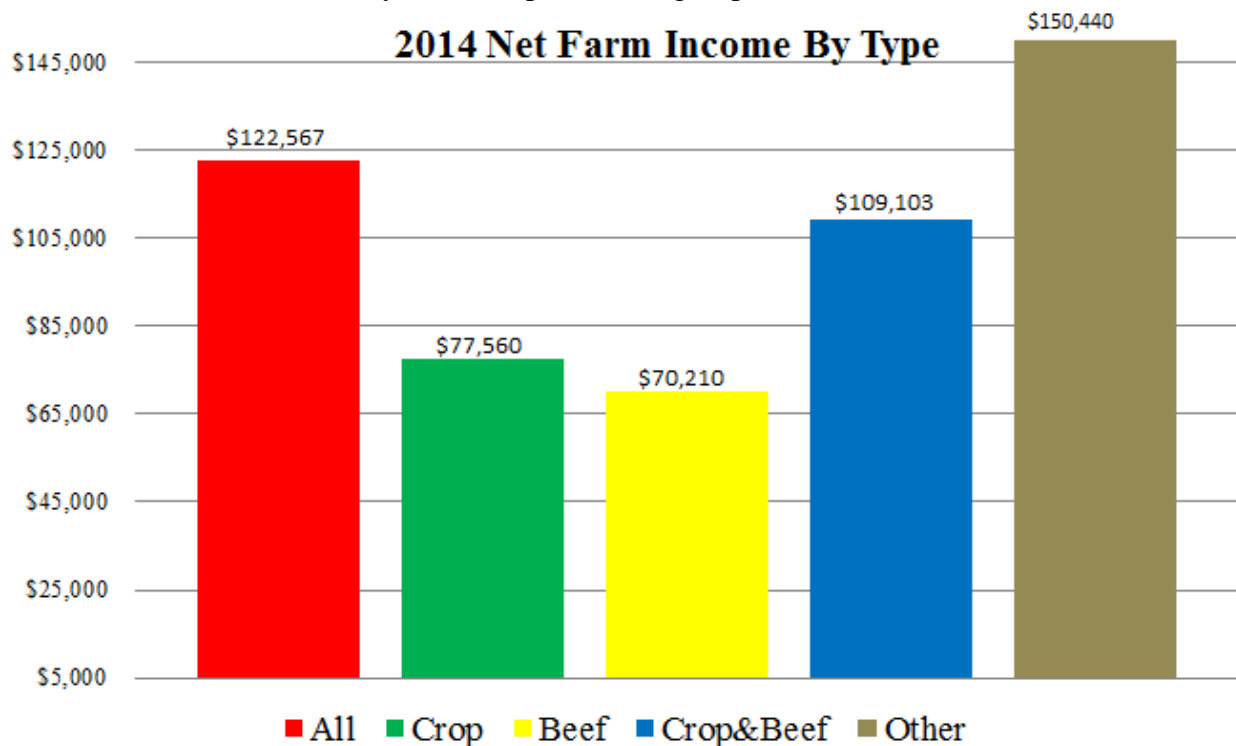
* FBMA farms that included a complete crop enterprise analysis, including all direct and overhead costs (44 farms with cash rent soybeans in 2014).

Livestock

- Average price received per hundred weight for the beef cow-calf enterprise increased from \$151.83 in 2013 to \$189.99 in 2014. The average weight of beef calves sold in 2014 was 611 lbs. 44 farms completed a beef cow-calf enterprise analysis in 2014.
- Five farms completed the beef backgrounding enterprise analysis for 2014, with the average net return per head over all costs (including labor and management) was \$334.

Observations from the 2014 Summary

- Even though making comparisons between annual record summaries is imperfect when a few farms drop out and new farms are added each year, a large percentage of the farms in the summary are the same ones as 2013, so it is reasonable to make several general observations when comparing this year's summary to 2013. Even though the average net farm income of FBMA farms in 2014 declined somewhat from the net farm incomes of 2013, it was still a very profitable year overall for Missouri farms. Average net farm income decreased by an average of \$3,537 per farm, or a 2.8% decrease from 2013.
- The 137 farms in the report were classified by type (e.g. crop, beef, hog) on the basis of having at least 70% of gross sales in each category (reference page 36). Using this 70% rule, there were 69 crop farms, 17 beef farms, 27 crop and beef farms, and 19 “other” farms. “Other” farms were those that did not have a single source (or pair of sources) of income over 70%. Also, when there are less than four farms with a single source of income over 70%, they are not reported as a group.



* Groups of less than four farms are not reported here.

Figure 8

- The old adage of “rain makes grain” held true for many Missouri crop producers, 2014 was a year of record or near-record yields. (see Missouri yield maps on following pages, maps prepared by USDA/NASS, HRL RFO).
- While timely rains made some crop farms quite productive, excessive rains proved problematic for others. Planting delays and replant situations reduced yields in some

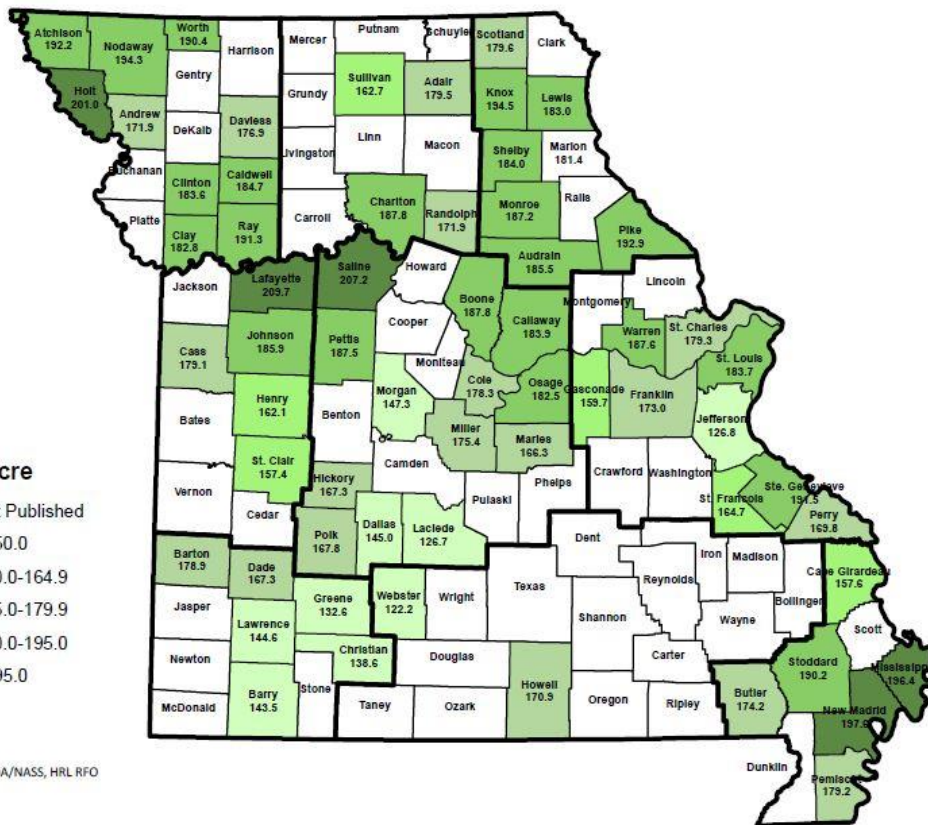
instances, and flooding rains dramatically reduced or eliminated production in limited areas. Several farms in the summary included crop insurance income for 2014 losses.

- While grain farmers dealt with challenges of reduced commodity prices, livestock producers were able to reap the benefits of lower feed costs. Lower grain prices combined with higher cattle prices made beef production more profitable in 2014. It also appears, judging from the data, combining beef production and crop production increased farm profitability in 2014.

Key Points and Limitations in Interpreting the Data

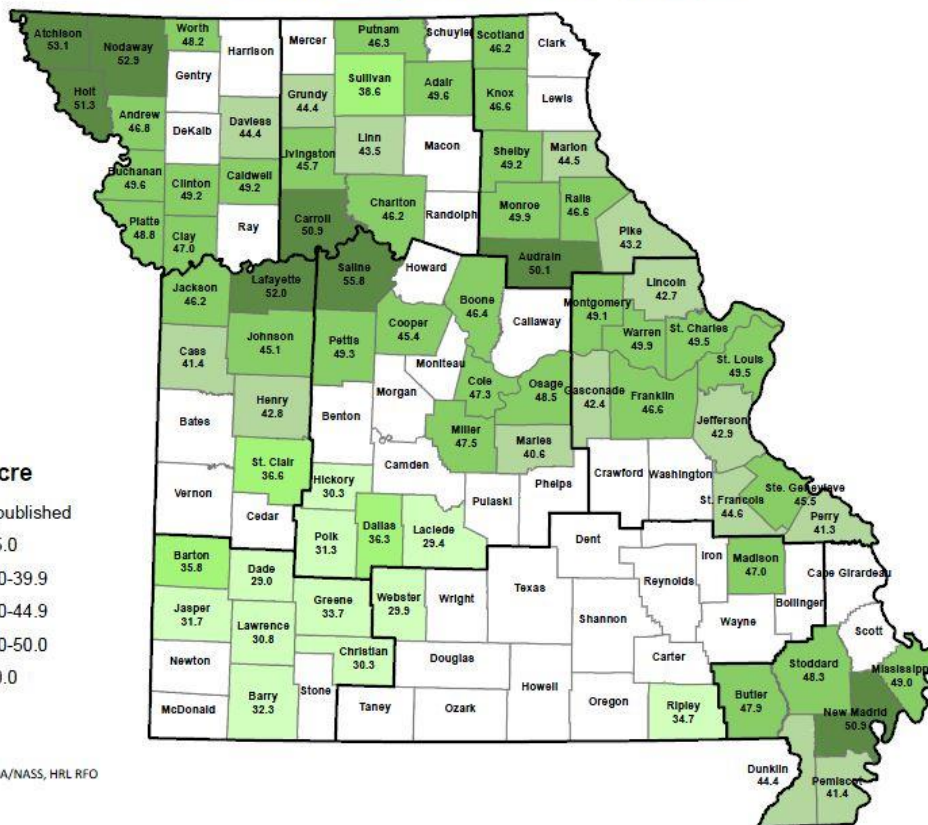
1. There is a wide range in size and type of farms included in the group of 137. A few large farms can have considerable input on the averages, particularly when sorted down to a small number for comparison (e.g. five hog enterprises or five wheat enterprises).
2. Farm financial information throughout the report was carefully checked for complete and defensible farm data. However, the non-farm income and expenses and non-farm assets and liabilities, while complete on many farms, were incomplete on a number of others, making any data resulting from non-farm information less useful for accurate comparisons.
3. Naturally, the greater the number of farms or enterprises in a database, the more reliable the output information will be. Consequently, when as small a group as five farms is averaged for crop or livestock enterprise data, comparisons are more limited than for a larger group.
4. People often think of farm operations as one-family units, but it's important to note that many of the farms in the group represented here provide the primary livelihood for more than one family.

2014 Missouri Corn Yield Estimates



Prepared By: USDA/NASS, HRL RFO

2014 Missouri Soybean Yield Estimates



Prepared By: USDA/NASS, HRL RFO

***2014 ANNUAL REPORT OF MISSOURI
FARM BUSINESS MANAGEMENT ANALYSIS PROGRAM**

By
Bruce Fowler, Missouri FBMA Specialist

This report summarizes the individual farm records of the cooperators of the Missouri Farm Business Management Analysis (FBMA) Program for 2014. The Farm Business Management Analysis Program is a component of the public school agriculture offerings for adults. The state of Missouri, through the Division of College and Career Readiness of the Department of Elementary and Secondary Education and the National Institute of Food and Agriculture (USDA), through the Farm Business Management and Benchmarking Program, provided funds in support of the program. The staff of the Department of Agricultural Education and Leadership at the University of Missouri developed the program and worked with staff in the Department of Elementary and Secondary Education in implementing the program.

The purpose of FBMA is to help farm families achieve their farm business and family goals through improved management, organization, and efficiency of their farm businesses. To accomplish the purpose, local adult agricultural education instructors assist enrollees in establishing a solid accounting system, make regular on-site visits to enrollees' farms to assist in developing strategies to improve the profitability of the farm business, teach in-depth classes relating to farm business management skills, and use FinPack along with the enrollees' accounting program to complete an annual analysis of records, providing a comparative database for assisting in management decisions.

Whole-farm financial information and enterprise costs and returns are reported. The year-end analysis of the individual farms was performed by local adult agriculture instructors of Missouri. The individual analyses were checked and summarized by Bruce Fowler, FBMA Specialist. Tables in this report were created using FinPack and RankEm Central, copyrighted software of the Center for Farm Financial Management, University of Minnesota.

Data from 137 Missouri farms are included in this report. Additional farms' records were submitted, but omitted from the summary because of incomplete information at the time the report was prepared.

This report was partially funded by a Farm Business Management and Benchmarking Grant from the USDA National Institute of Food and Agriculture.

All of the farms in the Missouri database submitted information for a *whole farm* financial analysis. A smaller number submitted data for complete *crop and livestock enterprise* analyses in addition to the whole farm data. This summary includes crop and livestock reports on each enterprise with four or more farms submitting complete enterprise records.

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Agricultural Education Section
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University of Missouri

**Missouri Farm Business Management Analysis Program
Program Locations – 2014**

Central / South Central / Southwest

Boonville	John Sponaugle
California	Dale Hodges
Fatima/ Westphalia	John Juergensmeyer
Lebanon	Craig Evans
Pleasant Hill	A. J. Wingard & Mike Keilholz
Santa Fe (Alma)	Jarred Lewis
Sweet Springs	Dennis Dohrman

Northeast

Edina (Knox Co.)	Joanie Baker
Kirksville	Tom Primmer
Mexico	Ted DeVault
Monroe City	Steve Yates
North Shelby	Jenny Bradley
Ralls Co. (Center)	Joe Dameron

Northwest

Chillicothe	Brian Thompson & Jim Grozinger
Maryville	Jackie Lacy

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Whole-Farm Report

The whole-farm report summarizes the financial performance of FBMA member farms in 2014. Each table includes the average of the 137 farms included in the report and the average of five 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 2014. 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. *Current Ratio* is current farm assets divided by current farm liabilities. *Working Capital* is current farm assets minus current farm liabilities. Businesses with more working capital are generally in a better position to overcome short-term financial downturns or production problems. Working Capital to Gross Income measures liquidity relative to business size.

Repayment capacity measures the ability of the business to meet debt payments and replace capital assets. The *Term Debt Coverage Ratio* reflects the ability of the business to repay

intermediate and long term liabilities. A term debt coverage ratio of greater than 1.0 indicates that the business produced more than enough earnings to meet its scheduled debt payments. The *Replacement Coverage Ratio* is an indication of the business's capital replacement capacity. A replacement coverage ratio of greater than 1.0 indicates that the business produced more than enough earnings to meet its payments and replace its depreciable assets.

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 Standards 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. *Cash From Financing Activities* reflect cash used to buy and sell capital assets. *Cash From Financing Activities* includes sources and uses of borrowed funds as well as cash from non-farm activities.

Financial Standards Measures

The Farm Financial Standards Council recommends that farms use these measures as standard measures of farm financial performance. Many are repeated from the Profitability, Liquidity, and Balance Sheet tables. For a complete description of the guidelines and ordering information, see the website <http://www.ffsc.org/guidelines/>.

Crop Production and Marketing

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

Household and Personal Expenses

This table reports family living and other non-farm expenditures from thirteen sole proprietors who provided detailed family living records.

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.

Financial Summary

The Financial Summary report provides a summary of the key financial measures and ratios included on the other detailed whole farm reports.

Farm Income Statement
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Cash Farm Income						
Clover Seed	69	-	-	-	-	339
Corn	123,367	88,854	47,137	107,429	178,351	193,075
Corn Silage	78	-	-	-	-	381
CRP	686	430	216	1,439	-	1,296
Grass Seed, Fescue	69	-	24	-	197	123
Hay, Alfalfa	24	-	-	4	117	-
Hay, Grass	354	812	109	29	570	265
Hay, Mixed	643	395	-	758	849	1,188
Pasture	32	-	-	156	-	-
Rye	34	-	-	-	171	-
Sorghum, Grain	243	157	741	322	-	-
Soybeans	147,040	75,102	62,817	120,960	205,917	266,926
Straw	52	117	33	46	11	52
Wheat, Winter	9,535	1,733	4,964	16,842	10,775	12,961
Custom Work	683	-	-	-	739	2,629
Rented Out	912	185	-	4,286	-	-
Miscellaneous crop income	47	41	-	120	-	73
Beef Bulls	66	-	333	-	-	-
Beef Cow-Calf, Beef Calves	37,035	8,869	14,429	48,778	35,299	75,927
Beef Replacement Heifers	302	103	-	929	-	452
Beef Backgrounding	16,713	10,148	919	14,829	47,723	10,256
Beef Finishing	8,997	260	-	1,166	-	42,605
Beef Finish Yearlings	1,638	93	-	1,324	-	6,599
Dairy, Milk	4,894	-	-	-	-	23,946
Dairy, Dairy Calves	78	-	-	-	-	380
Dairy Finishing	7,814	-	-	-	-	38,231
Hogs, Farrow To Finish, Raised Hog	20,004	2,026	-	42,634	1,396	51,945
Hogs, Finish Feeder Pigs	457	-	-	-	2,320	-
Sheep, Feeder Lamb Prod, Fdr Lambs	58	296	-	-	-	-
Sheep, Lamb Finishing	44	222	-	-	-	-
Sheep, Market Lamb Prod, Mkt Lambs	2,158	657	1,406	26	8,780	75
Sheep, Market Lamb Prod, Wool	27	-	-	1	126	11
Beef Finish Cull Cows	17,924	-	-	-	-	87,697
Hogs, Weaning to Finish	146,642	83	-	-	-	717,420
Goats, Meat, Meat Goats	112	398	21	-	-	143
Dairy Backgrounding	3,613	-	-	-	-	17,676
Cull breeding livestock	5,113	235	1,215	4,607	6,476	12,768
Misc. livestock income	443	73	104	69	240	1,694
Crop government payments	3,241	2,976	898	3,416	2,584	6,215
CRP payments	482	249	13	-	1,794	376
Livestock govt payments	3,412	1,703	1,517	1,714	3,560	8,446
Other government payments	6,213	1,760	991	7,562	6,083	14,320
Custom work income	4,604	498	341	8,865	7,756	5,373
Patronage dividends, cash	9,550	860	1,825	1,897	10,875	31,756
Crop insurance income	15,317	325	14,937	9,955	30,134	21,212
Property insurance income	700	-	2,899	-	119	512
Sale of resale items	4,463	1,925	132	5,373	4,799	9,851
Livestock insurance inc	149	-	-	36	-	692
Contract livestock income	3,116	-	-	-	11,067	4,573
Other farm income	14,467	6,508	2,501	17,611	24,554	20,812
Gross Cash Farm Income	623,712	208,093	160,522	423,182	603,384	1,691,269

Farm Income Statement (continued)
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Cash Farm Expense						
Seed	45,320	22,657	22,601	44,259	57,451	78,446
Fertilizer	56,344	33,781	18,672	49,727	69,170	108,678
Crop chemicals	33,140	23,356	13,796	25,316	48,255	54,474
Crop insurance	9,682	7,254	5,233	8,871	9,303	17,489
Drying expense	1,340	324	373	1,789	1,452	2,692
Storage	857	870	57	138	17	3,145
Crop marketing	261	-	271	15	817	211
Crop miscellaneous	1,029	218	140	860	1,425	2,458
Crop consultants	32	-	-	104	-	50
Feeder livestock purchase	41,187	2,307	526	13,911	41,182	145,168
Purchased feed	112,461	9,749	2,708	26,247	24,596	488,278
Breeding fees	2,102	54	28	126	-	10,080
Veterinary	7,593	843	356	3,623	2,297	30,158
Supplies	2,574	812	217	2,049	884	8,702
Contract production exp.	11,713	-	-	1,223	3,680	52,541
Livestock insurance	42	10	-	105	-	91
Grazing fees	442	33	56	-	-	2,076
Hauling and trucking	188	-	-	-	-	920
Livestock marketing	4,797	127	62	240	124	22,930
Livestock miscellaneous	693	211	57	217	1,495	1,474
Livestock consultants	45	-	-	218	-	-
Interest	16,911	6,271	7,114	21,782	12,856	35,656
CCC buyback	897	-	-	4,388	-	-
Fuel & oil	22,689	12,040	7,706	23,915	28,385	40,685
Repairs	28,612	10,334	9,036	24,926	40,609	57,230
Custom hire	10,438	8,231	2,426	8,098	16,783	16,512
Hired labor	23,034	7,765	1,858	14,038	11,027	78,752
Land rent	39,934	6,470	18,990	41,232	63,387	68,487
Machinery leases	2,529	99	1,086	3,323	85	7,826
Building leases	1,875	-	-	1,016	-	8,159
Real estate taxes	2,868	2,889	1,209	2,579	3,178	4,439
Personal property taxes	1,290	540	501	1,469	1,578	2,317
Farm insurance	6,506	2,252	2,228	5,866	7,467	14,445
Utilities	6,867	3,298	1,789	3,928	5,059	19,887
Dues & professional fees	3,174	2,627	769	1,574	4,825	6,030
Purchase of resale items	961	-	-	2,979	1,787	-
Miscellaneous	11,955	12,258	4,123	14,807	8,613	19,585
Total cash expense	512,380	177,679	123,988	354,958	467,788	1,410,071
Net cash farm income	111,332	30,414	36,535	68,223	135,596	281,197
Inventory Changes						
Prepays and supplies	-1,782	-2,004	-391	-7,919	-1,634	3,084
Accounts receivable	-9,432	-282	-10,477	-16,060	-24,177	3,597
Hedging accounts	-12,253	-	832	799	778	-62,302
Other current assets	-1,516	-701	-1,007	-4,467	637	-1,920
Crops and feed	30,829	-17,615	5,798	35,612	46,079	82,192
Market livestock	40,776	3,626	4,179	12,052	20,307	160,349
Breeding livestock	3,909	-2,145	-829	-2,166	-5,207	29,183
Other assets	1,225	-	-29	1,849	-483	4,640
Accounts payable	-1,491	315	-1,069	4,952	1,797	-13,253
Accrued interest	-280	376	-68	-1,678	-8	20
Total inventory change	49,985	-18,429	-3,061	22,974	38,088	205,592
Net operating profit	161,317	11,985	33,473	91,198	173,684	486,789
Depreciation						
Machinery and equipment	-26,919	-20,471	-10,554	-18,691	-39,709	-44,813
Titled vehicles	-3,816	-6,568	-1,455	-3,143	-2,806	-5,084
Buildings and improvements	-2,412	-120	-987	-1,777	-3,277	-5,796
Total depreciation	-33,147	-27,158	-12,996	-23,611	-45,792	-55,694
Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Gain or loss on capital sales	-5,603	-25,974	-303	-3,959	331	1,562
Net farm income	122,567	-41,147	20,174	63,627	128,224	432,658

Inventory Changes
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Net cash farm income	111,332	30,414	36,535	68,223	135,596	281,197
Crops and Feed						
Ending inventory	225,260	93,824	87,291	180,578	334,207	424,670
Beginning inventory	194,431	111,439	81,492	144,966	288,129	342,478
Inventory change	30,829	-17,615	5,798	35,612	46,079	82,192
Market Livestock						
Ending inventory	125,382	16,715	15,675	64,177	59,335	460,850
Beginning inventory	84,606	13,089	11,496	52,124	39,028	300,502
Inventory change	40,776	3,626	4,179	12,052	20,307	160,349
Accts Receivable						
Ending inventory	9,700	734	912	1,836	7,869	36,446
Beginning inventory	19,132	1,016	11,389	17,896	32,046	32,849
Inventory change	-9,432	-282	-10,477	-16,060	-24,177	3,597
Prepaid Expenses and Supplies						
Ending inventory	44,782	6,568	9,492	24,749	92,110	90,056
Beginning inventory	46,564	8,572	9,884	32,668	93,744	86,972
Inventory change	-1,782	-2,004	-391	-7,919	-1,634	3,084
Hedging Activities						
Ending inventory	1,846	-	222	2,718	778	5,350
Withdrawals	5,973	-	803	1,508	-	26,944
Beginning inventory	7,277	-	80	3,428	-	32,100
Deposits	12,795	-	112	-	-	62,495
Gain or loss	-12,253	-	832	799	778	-62,302
Other Current Assets						
Ending inventory	4,283	1,475	1,261	6,160	6,555	5,835
Beginning inventory	5,799	2,176	2,267	10,627	5,917	7,755
Inventory change	-1,516	-701	-1,007	-4,467	637	-1,920
Breeding Livestock						
Ending inventory	61,477	21,857	21,521	56,394	54,183	150,328
Capital sales	9,670	3,335	1,246	4,274	2,381	36,328
Beginning inventory	57,734	24,082	20,577	54,148	44,921	141,955
Capital purchases	9,504	3,256	3,020	8,685	16,850	15,518
Depreciation, capital adjust	3,909	-2,145	-829	-2,166	-5,207	29,183
Other Capital Assets						
Ending inventory	88,541	25,046	1,682	47,119	40,830	320,952
Capital sales	1,058	-	-	-	-	5,179
Beginning inventory	85,636	18,768	1,648	45,270	41,313	314,209
Capital purchases	2,738	6,278	64	-	-	7,282
Depreciation, capital adjust	1,225	-	-29	1,849	-483	4,640
Accounts Payable						
Beginning inventory	7,138	1,503	5,464	6,670	3,637	18,028
Ending inventory	8,629	1,188	6,534	1,719	1,840	31,281
Inventory change	-1,491	315	-1,069	4,952	1,797	-13,253
Accrued Interest						
Beginning inventory	3,300	1,884	2,659	3,984	2,491	5,379
Ending inventory	3,580	1,508	2,728	5,662	2,499	5,359
Inventory change	-280	376	-68	-1,678	-8	20
Total inventory change	49,985	-18,429	-3,061	22,974	38,088	205,592
Net operating profit	161,317	11,985	33,473	91,198	173,684	486,789

Depreciation
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Net operating profit	161,317	11,985	33,473	91,198	173,684	486,789
Machinery and Equipment						
Ending inventory	296,666	177,273	105,859	257,167	449,221	488,178
Capital sales	23,006	51,987	652	17,773	14,199	30,344
Beginning inventory	287,920	222,722	110,425	238,385	424,506	439,773
Capital purchases	58,671	27,009	6,640	55,246	78,622	123,562
Depreciation, capital adjust.	-26,919	-20,471	-10,554	-18,691	-39,709	-44,813
Titled Vehicles						
Ending inventory	25,383	17,799	11,514	25,468	31,491	40,095
Capital sales	1,794	4,767	130	2,572	667	841
Beginning inventory	24,475	23,412	10,194	22,279	29,834	36,300
Capital purchases	6,517	5,722	2,904	8,905	5,130	9,720
Depreciation, capital adjust.	-3,816	-6,568	-1,455	-3,143	-2,806	-5,084
Buildings and Improvements						
Ending inventory	93,086	32,599	19,901	77,900	113,386	217,597
Capital sales	905	4,593	-	-	-	-
Beginning inventory	83,395	31,684	19,450	74,363	109,556	178,727
Capital purchases	13,008	5,627	1,438	5,314	7,107	44,667
Depreciation, capital adjust.	-2,412	-120	-987	-1,777	-3,277	-5,796
Total depreciation, capital adj.	-33,147	-27,158	-12,996	-23,611	-45,792	-55,694
Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Gain or loss on capital sales	-5,603	-25,974	-303	-3,959	331	1,562
Net farm income	122,567	-41,147	20,174	63,627	128,224	432,658

Profitability Measures
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28

Profitability (assets valued at cost)

Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Rate of return on assets	6.9 %	-3.6 %	2.0 %	4.7 %	5.4 %	11.6 %
Rate of return on equity	7.9 %	-5.5 %	1.1 %	4.4 %	5.9 %	14.7 %
Operating profit margin	20.1 %	-15.8 %	7.4 %	13.8 %	16.3 %	30.2 %
Asset turnover rate	34.1 %	22.7 %	27.2 %	34.3 %	33.1 %	38.3 %

Farm interest expense	17,190	5,895	7,182	23,460	12,864	35,636
Value of operator lbr and mgmt.	39,951	19,160	16,034	34,061	47,370	81,798
Return on farm assets	105,410	-28,439	11,626	56,985	93,388	384,933
Average farm assets	1,536,326	790,457	575,583	1,199,855	1,732,611	3,329,183
Return on farm equity	88,220	-34,333	4,444	33,525	80,523	349,297
Average farm equity	1,115,605	624,328	403,451	769,699	1,367,314	2,379,242
Value of farm production	524,325	179,798	156,762	412,131	573,190	1,276,057

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28

Profitability (assets valued at market)

Net farm income from operations	200,225	28,245	86,647	124,683	181,796	568,900
Rate of return on assets	8.3 %	1.2 %	8.9 %	6.3 %	5.8 %	12.3 %
Rate of return on equity	9.3 %	0.9 %	10.0 %	6.6 %	6.2 %	14.7 %
Operating profit margin	33.8 %	8.3 %	49.6 %	27.7 %	25.7 %	41.0 %
Asset turnover rate	24.4 %	14.8 %	17.9 %	22.8 %	22.7 %	29.9 %

Farm interest expense	17,190	5,895	7,182	23,460	12,864	35,636
Value of operator lbr and mgmt.	39,951	19,160	16,034	34,061	47,370	81,798
Return on farm assets	177,465	14,980	77,795	114,081	147,290	522,737
Average farm assets	2,148,885	1,213,835	876,125	1,806,036	2,520,729	4,262,130
Return on farm equity	160,275	9,085	70,613	90,622	134,426	487,102
Average farm equity	1,728,164	1,047,706	703,993	1,375,879	2,155,433	3,312,189
Value of farm production	524,325	179,798	156,762	412,131	573,190	1,276,057

Liquidity & Repayment Capacity Measures
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Liquidity						
Current ratio	3.16	4.69	2.48	2.04	3.67	3.42
Working capital	330,236	153,483	103,380	166,024	410,265	806,474
Working capital to gross inc	48.6 %	80.0 %	64.6 %	36.5 %	64.0 %	42.2 %
Current assets	483,016	195,067	173,275	325,440	563,734	1,139,101
Current liabilities	152,780	41,584	69,895	159,417	153,469	332,627
Gross revenues (accrual)	678,934	191,854	159,996	455,268	640,755	1,909,503
Repayment capacity						
Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Depreciation	33,147	27,158	12,996	23,611	45,792	55,694
Personal income	32,630	20,233	27,488	38,796	44,419	32,010
Family living/owner withdrawals	-50,861	-25,801	-30,310	-47,349	-58,159	-91,319
Cash discrepancy	1,739	16	-109	-11	-235	8,835
Payments on personal debt	-1,378	-564	-833	-2,626	-1,487	-1,334
Income taxes paid	-11,123	-5,871	-4,880	-6,786	-9,216	-28,386
Interest on term debt	12,357	4,554	4,751	11,277	7,852	32,641
Capital debt repayment capacity	142,943	4,537	29,690	84,510	157,094	430,401
Scheduled term debt payments	-40,092	-24,029	-17,404	-44,122	-36,219	-77,162
Capital debt repayment margin	102,851	-19,493	12,286	40,388	120,875	353,239
Cash replacement allowance	-20,944	-13,326	-5,463	-10,607	-38,967	-36,178
Replacement margin	81,907	-32,818	6,822	29,781	81,908	317,061
Term debt coverage ratio	3.57	0.19	1.71	1.92	4.34	5.58
Replacement coverage ratio	2.34	0.12	1.30	1.54	2.09	3.80

Balance Sheet at Cost Values
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Assets						
Current Farm Assets						
Cash and checking balance	68,367	75,752	54,222	32,651	62,879	115,894
Prepaid expenses & supplies	44,782	6,568	9,492	24,749	92,110	90,056
Growing crops	3,315	1,127	1,261	6,160	4,584	3,338
Accounts receivable	9,700	734	912	1,836	7,869	36,446
Hedging accounts	1,846	-	222	2,718	778	5,350
Crops held for sale or feed	225,441	93,824	88,601	180,202	334,207	424,670
Crops under government loan	3,216	-	2,889	12,948	-	-
Market livestock held for sale	125,382	16,715	15,675	64,177	59,335	460,850
Other current assets	968	348	-	0	1,971	2,498
Total current farm assets	483,016	195,067	173,275	325,440	563,734	1,139,101
Intermediate Farm Assets						
Breeding livestock	61,477	21,857	21,521	56,394	54,183	150,328
Machinery and equipment	296,666	177,273	105,859	257,167	449,221	488,178
Titled vehicles	25,383	17,799	11,514	25,468	31,491	40,095
Other intermediate assets	43,991	10,296	1,380	45,929	30,375	128,762
Total intermediate farm assets	427,516	227,225	140,274	384,958	565,269	807,363
Long Term Farm Assets						
Farm land	570,075	280,163	243,039	444,016	555,171	1,305,419
Buildings and improvements	93,086	32,599	19,901	77,900	113,386	217,597
Other long-term assets	44,550	14,750	302	1,191	10,455	192,189
Total long-term farm assets	707,711	327,512	263,242	523,106	679,011	1,715,206
Total Farm Assets	1,618,243	749,804	576,791	1,233,504	1,808,014	3,661,670
Total Nonfarm Assets	178,780	113,403	76,989	194,408	238,007	267,238
Total Assets	1,797,023	863,207	653,780	1,427,913	2,046,021	3,928,908
Liabilities						
Current Farm Liabilities						
Accrued interest	3,584	1,508	2,728	5,684	2,499	5,359
Accounts payable	8,629	1,188	6,534	1,719	1,840	31,281
Current notes	110,142	24,459	47,790	112,233	115,502	245,632
Government crop loans	1,665	-	1,689	6,518	-	-
Principal due on term debt	28,760	14,430	11,155	33,263	33,628	50,356
Total current farm liabilities	152,780	41,584	69,895	159,417	153,469	332,627
Total intermediate farm liab	57,237	23,564	21,613	68,881	72,202	97,983
Total long term farm liabilities	228,126	83,686	77,471	214,348	162,634	589,614
Total farm liabilities	438,143	148,835	168,979	442,646	388,305	1,020,224
Total nonfarm liabilities	30,243	20,972	11,286	36,160	32,638	49,237
Total liabilities	468,386	169,806	180,265	478,806	420,943	1,069,462
Net worth (farm and nonfarm)	1,328,637	693,401	473,515	949,106	1,625,079	2,859,446
Net worth change	130,240	-60,900	12,352	46,366	120,237	521,752
Percent net worth change	11 %	-8 %	3 %	5 %	8 %	22 %
Ratio Analysis						
Current farm liabilities / assets	32 %	21 %	40 %	49 %	27 %	29 %
Intermediate farm liab. / assets	13 %	10 %	15 %	18 %	13 %	12 %
Long term farm liab. / assets	32 %	26 %	29 %	41 %	24 %	34 %
Total debt to asset ratio	26 %	20 %	28 %	34 %	21 %	27 %

Balance Sheet at Market Values
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Assets						
Current Farm Assets						
Cash and checking balance	68,367	75,752	54,222	32,651	62,879	115,894
Prepaid expenses & supplies	44,782	6,568	9,492	24,749	92,110	90,056
Growing crops	3,315	1,127	1,261	6,160	4,584	3,338
Accounts receivable	9,700	734	912	1,836	7,869	36,446
Hedging accounts	1,846	-	222	2,718	778	5,350
Crops held for sale or feed	225,441	93,824	88,601	180,202	334,207	424,670
Crops under government loan	3,216	-	2,889	12,948	-	-
Market livestock held for sale	125,382	16,715	15,675	64,177	59,335	460,850
Other current assets	968	348	-	0	1,971	2,498
Total current farm assets	483,016	195,067	173,275	325,440	563,734	1,139,101
Intermediate Farm Assets						
Breeding livestock	86,430	32,344	30,739	81,171	71,562	211,882
Machinery and equipment	349,466	197,542	123,202	277,578	541,898	600,477
Titled vehicles	29,808	17,354	12,368	25,360	44,777	48,647
Other intermediate assets	51,452	11,556	1,446	46,889	43,293	150,572
Total intermediate farm assets	517,155	258,796	167,754	430,998	701,530	1,011,578
Long Term Farm Assets						
Farm land	1,101,534	684,567	545,330	1,027,431	1,218,710	2,001,060
Buildings and improvements	109,985	41,398	23,757	83,174	128,654	268,079
Other long-term assets	55,140	15,064	302	1,191	10,456	243,701
Total long-term farm assets	1,266,658	741,028	569,389	1,111,795	1,357,821	2,512,840
Total Farm Assets	2,266,830	1,194,891	910,418	1,868,233	2,623,084	4,663,519
Total Nonfarm Assets	228,854	137,425	108,732	233,377	358,660	303,155
Total Assets	2,495,683	1,332,316	1,019,150	2,101,610	2,981,744	4,966,674
Liabilities						
Current Farm Liabilities						
Accrued interest	3,584	1,508	2,728	5,684	2,499	5,359
Accounts payable	8,629	1,188	6,534	1,719	1,840	31,281
Current notes	110,142	24,459	47,790	112,233	115,502	245,632
Government crop loans	1,665	-	1,689	6,518	-	-
Principal due on term debt	28,760	14,430	11,155	33,263	33,628	50,356
Total current farm liabilities	152,780	41,584	69,895	159,417	153,469	332,627
Total intermediate farm liabs	57,237	23,564	21,613	68,881	72,202	97,983
Total long term farm liabilities	228,126	83,686	77,471	214,348	162,634	589,614
Total farm liabilities	438,143	148,835	168,979	442,646	388,305	1,020,224
Total nonfarm liabilities	30,243	20,972	11,286	36,160	32,638	49,237
Total liabs excluding deferreds	468,386	169,806	180,265	478,806	420,943	1,069,462
Total deferred liabilities	-	-	-	-	-	-
Total liabilities	468,386	169,806	180,265	478,806	420,943	1,069,462
Retained earnings	1,328,637	693,401	473,515	949,106	1,625,079	2,859,446
Market valuation equity	698,660	469,109	365,370	673,698	935,723	1,037,767
Net worth (farm and nonfarm)	2,027,298	1,162,510	838,885	1,622,804	2,560,802	3,897,212
Net worth excluding deferreds	2,027,298	1,162,510	838,885	1,622,804	2,560,802	3,897,212
Net worth change	208,472	-6,738	85,658	110,081	202,494	638,577
Percent net worth change	11 %	-1 %	11 %	7 %	9 %	20 %
Ratio Analysis						
Current farm liabilities / assets	32 %	21 %	40 %	49 %	27 %	29 %
Intermediate farm liab. / assets	11 %	9 %	13 %	16 %	10 %	10 %
Long term farm liab. / assets	18 %	11 %	14 %	19 %	12 %	23 %
Total debt to asset ratio	19 %	13 %	18 %	23 %	14 %	22 %
Debt to assets excl deferreds	19 %	13 %	18 %	23 %	14 %	22 %

Statement Of Cash Flows
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Beginning cash (farm & nonfarm)	79,114	136,730	63,552	51,192	50,514	94,065
Cash Provided By Operating Activities						
Gross cash farm income	623,712	208,093	160,522	423,182	603,384	1,691,269
Total cash farm expense	-512,380	-177,679	-123,988	-354,958	-467,788	-1,410,071
Net cash from hedging transactions	-6,822	-	691	1,508	-	-35,551
Cash provided by operating	104,511	30,414	37,225	69,732	135,596	245,646
Cash Provided By Investing Activities						
Sale of breeding livestock	9,604	3,325	1,215	3,988	2,381	36,327
Sale of machinery & equipment	17,667	27,372	380	14,764	14,505	30,932
Sale of titled vehicles	1,534	3,419	129	1,907	692	1,509
Sale of farm land	2,898	3,444	-	2,321	-	8,536
Sale of farm buildings	905	4,593	-	-	-	-
Sale of other farm assets	1,058	-	-	-	-	5,179
Sale of nonfarm assets	3,247	2,914	1,242	3,375	8,144	652
Purchase of breeding livestock	-9,504	-3,256	-3,020	-8,685	-16,850	-15,518
Purchase of machinery & equip.	-58,671	-27,009	-6,640	-55,246	-78,622	-123,562
Purchase of titled vehicles	-6,517	-5,722	-2,904	-8,905	-5,130	-9,720
Purchase of farm land	-75,609	-3,142	-11,702	-5,675	-39,491	-311,877
Purchase of farm buildings	-13,008	-5,627	-1,438	-5,314	-7,107	-44,667
Purchase of other farm assets	-2,738	-6,278	-64	-	-	-7,282
Purchase of nonfarm assets	-14,219	-7,198	-5,614	-20,167	-4,739	-32,481
Cash provided by investing	-143,355	-13,166	-28,416	-77,636	-126,218	-461,973
Cash Provided By Financing Activities						
Money borrowed	218,563	14,148	55,261	139,239	165,546	703,594
Principal payments	-186,272	-49,035	-63,850	-115,644	-123,973	-567,359
Personal income	32,630	20,233	27,488	38,796	44,419	32,010
Family living/owner withdrawals	-50,752	-25,801	-30,310	-47,349	-57,603	-91,319
Income and social security tax	-11,127	-5,871	-5,066	-6,625	-9,216	-28,386
Capital contributions	232	-	776	-	401	-
Capital distributions	-141	-	-	-	-	-689
Dividends paid	-109	-	-	-	-556	-
Cash gifts and inheritances	43,175	5,417	1,956	620	8,364	195,456
Gifts given	-921	-870	-183	-315	-1,675	-1,560
Other cash flows	-	-	-	-	-	-
Cash provided by financing	45,278	-41,778	-13,928	8,723	25,706	241,746
Net change in cash balance	6,434	-24,530	-5,119	819	35,085	25,420
Ending cash (farm & nonfarm)	87,287	112,216	58,325	52,000	85,364	128,320
Discrepancy	-1,739	-16	109	11	235	-8,835

Financial Standards Measures
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Liquidity						
Current ratio	3.16	4.69	2.48	2.04	3.67	3.42
Working capital	330,236	153,483	103,380	166,024	410,265	806,474
Working capital to gross inc	48.6 %	80.0 %	64.6 %	36.5 %	64.0 %	42.2 %
Solvency (market)						
Farm debt to asset ratio	19 %	12 %	19 %	24 %	15 %	22 %
Farm equity to asset ratio	81 %	88 %	81 %	76 %	85 %	78 %
Farm debt to equity ratio	0.24	0.14	0.23	0.31	0.17	0.28
Profitability (cost)						
Rate of return on farm assets	6.9 %	-3.6 %	2.0 %	4.7 %	5.4 %	11.6 %
Rate of return on farm equity	7.9 %	-5.5 %	1.1 %	4.4 %	5.9 %	14.7 %
Operating profit margin	20.1 %	-15.8 %	7.4 %	13.8 %	16.3 %	30.2 %
Net farm income	122,567	-41,147	20,174	63,627	128,224	432,658
EBITDA	178,508	17,880	40,655	114,658	186,549	522,425
Repayment Capacity						
Capital debt repayment capacity	142,943	4,537	29,690	84,510	157,094	430,401
Capital debt repayment margin	102,851	-19,493	12,286	40,388	120,875	353,239
Replacement margin	81,907	-32,818	6,822	29,781	81,908	317,061
Term debt coverage ratio	3.57	0.19	1.71	1.92	4.34	5.58
Replacement coverage ratio	2.34	0.12	1.30	1.54	2.09	3.80
Efficiency						
Asset turnover rate (cost)	34.1 %	22.7 %	27.2 %	34.3 %	33.1 %	38.3 %
Operating expense ratio	73.7 %	90.7 %	74.6 %	74.8 %	70.9 %	72.6 %
Depreciation expense ratio	4.9 %	14.2 %	8.1 %	5.2 %	7.1 %	2.9 %
Interest expense ratio	2.5 %	3.1 %	4.5 %	5.2 %	2.0 %	1.9 %
Net farm income ratio	18.1 %	-21.4 %	12.6 %	14.0 %	20.0 %	22.7 %

Crop Production and Marketing Summary
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Acreage Summary						
Total acres owned	410	266	254	389	435	695
Total crop acres	762	483	309	740	956	1,302
Crop acres owned	252	172	114	215	262	488
Crop acres cash rented	261	45	135	288	376	452
Crop acres share rented	250	266	60	237	319	363
Total pasture acres	129	56	75	123	134	252
Percent crop acres owned	33 %	36 %	37 %	29 %	27 %	37 %
Mach invest/crop acre cost	408	438	384	365	489	371
Mach invest/crop acre market	476	456	436	391	590	459
Average Price Received (Cash Sales Only)						
Soybeans per bushel	11.67	10.65	11.74	11.25	11.90	11.99
Corn per bushel	3.85	3.57	3.80	3.76	3.80	4.13
Wheat, Winter per bushel	5.66	5.01	5.57	5.87	5.77	5.41
Hay, Grass per ton	63.48	-	-	-	-	-
Hay, Mixed per ton	58.00	-	-	-	-	62.92
Straw per ton	90.60	-	-	-	-	-
CRP per \$	1.00	-	-	-	-	-
Average Yield Per Acre						
Soybeans (bushel)	49.26	46.59	46.42	46.76	49.62	52.65
Corn (bushel)	195.09	194.69	179.23	194.06	194.00	200.12
Pasture (aum)	4.24	3.33	5.60	3.60	4.02	4.85
Hay, Mixed (ton)	1.64	1.71	1.59	1.92	1.60	1.35
Wheat, Winter (bushel)	67.72	53.81	55.19	70.48	72.11	66.87
Hay, Grass (ton)	1.73	2.55	-	-	2.31	1.18
CRP (\$)	76.79	-	-	67.67	-	88.92
Custom Work (\$)	69.69	-	-	-	277.27	43.15
Rented Out (\$)	154.13	-	-	-	-	-
Hay, Alfalfa (ton)	2.64	-	-	-	-	-
Corn Silage (ton)	16.66	-	-	-	-	-

Household and Personal Expenses
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms
Number of farms	13
Average family size	2.5
Family Living Expenses	
Food and meals expense	6,703
Medical care	3,651
Health insurance	3,864
Cash donations	2,280
Household supplies	2,667
Clothing	1,102
Personal care	661
Child / Dependent care	1,199
Alimony and child support	-
Gifts	2,031
Education	693
Recreation	2,605
Utilities (household share)	3,281
Personal vehicle operating exp	4,208
Household real estate taxes	641
Dwelling rent	-
Household repairs	518
Personal interest	984
Disability / Long term care ins	108
Life insurance payments	1,684
Personal property insurance	457
Miscellaneous	7,167
Total cash family living expense	46,505
Family living from the farm	62
Total family living	46,567
Other Nonfarm Expenditures	
Income taxes	11,159
Furnishing & appliance purchases	1,030
Nonfarm vehicle purchases	535
Nonfarm real estate purchases	8,076
Other nonfarm capital purchases	7,062
Nonfarm savings & investments	-3,600
Total other nonfarm expenditures	24,261
 Total cash family living investment & nonfarm capital purch	 70,766

Operator and Labor Information
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Operator Information						
Average number of operators	1.1	1.1	1.0	1.1	1.1	1.2
Average age of operators	51.6	50.6	52.6	50.7	51.0	53.3
Average number of years farming	28.7	26.5	28.6	27.9	30.2	30.3
Results Per Operator						
Working capital	297,158	141,677	99,687	147,577	375,497	664,155
Total assets (market)	2,245,705	1,229,830	982,752	1,868,098	2,729,054	4,090,202
Total liabilities	421,470	156,744	173,827	425,605	385,270	880,733
Net worth (market)	1,824,235	1,073,086	808,925	1,442,492	2,343,784	3,209,469
Net worth excl deferred liabs	1,824,235	1,073,086	808,925	1,442,492	2,343,784	3,209,469
Gross farm income	610,929	177,096	154,282	404,683	586,454	1,572,532
Total farm expense	495,596	191,102	134,536	344,606	469,399	1,217,512
Net farm income from operations	115,333	-14,006	19,746	60,077	117,054	355,020
Net nonfarm income	29,362	18,677	26,506	34,485	40,654	26,361
Family living & tax withdrawals	54,211	29,221	34,038	48,129	61,879	91,304
Total acres owned	368.6	245.8	245.3	345.4	397.9	572.0
Total crop acres	685.7	445.7	297.8	657.9	875.3	1,072.6
Crop acres owned	226.4	158.8	110.2	191.3	239.4	401.5
Crop acres cash rented	234.5	41.3	130.1	255.6	343.9	372.3
Crop acres share rented	224.7	245.6	57.5	211.0	292.1	298.8
Total pasture acres	115.8	51.7	72.0	108.9	122.6	207.7
Labor Analysis						
Number of farms	135	27	25	28	27	28
Total unpaid labor hours	1,409	1,038	849	1,200	1,796	2,104
Total hired labor hours	1,505	725	97	1,061	850	4,591
Total labor hours per farm	2,914	1,763	947	2,260	2,646	6,694
Unpaid hours per operator	1,266	958	816	1,066	1,644	1,732
Value of farm production / hour	182.35	101.98	175.13	182.32	216.64	190.62
Net farm income / unpaid hour	92.06	-14.62	23.90	56.34	71.20	204.94
Average hourly hired labor wage	18.81	10.71	21.67	15.95	12.96	21.63
Partnerships & LLCs						
Number of farms	16	1	2	3	3	7
Number of operators	1.7	-	-	-	-	1.7
Owner withdrawals per farm	-	-	-	-	-	-
Withdrawals per operator	-	-	-	-	-	-

Nonfarm Summary
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Nonfarm Income						
Personal wages & salary	19,109	16,070	20,895	25,144	15,744	17,526
Net nonfarm business income	161	-52	2,265	-630	583	-1,280
Personal rental income	649	37	345	1,715	928	199
Personal interest income	844	157	154	2,054	1,464	365
Personal cash dividends	685	-	947	184	449	1,822
Tax refunds	564	803	925	432	417	259
Other nonfarm income	10,618	3,219	1,956	9,897	24,833	13,118
Total nonfarm income	32,630	20,233	27,488	38,796	44,419	32,010
Gifts and inheritances	43,175	5,417	1,956	620	8,364	195,456
Nonfarm Assets (market)						
Checking & savings	18,920	36,465	4,102	19,349	22,485	12,426
Stocks & bonds	26,674	1,494	10,082	44,652	32,454	43,405
Other current assets	5,582	738	1,102	2,338	3,050	20,258
Furniture & appliances	6,703	4,036	7,423	9,684	8,226	4,131
Nonfarm vehicles	11,397	8,434	10,741	11,073	14,899	11,833
Cash value of life ins.	6,457	3,741	2,036	10,819	6,308	9,123
Retirement accounts	46,922	28,864	27,134	24,641	66,502	86,815
Other intermediate assets	8,137	2,809	2,389	10,675	9,887	14,593
Nonfarm real estate	72,228	46,459	34,490	71,725	132,029	76,303
Personal bus. investment	5,136	-	5,343	-	7,148	13,084
Other long term assets	20,697	4,384	3,889	28,421	55,671	11,183
Total nonfarm assets	228,854	137,425	108,732	233,377	358,660	303,155
Nonfarm Liabilities						
Accrued interest	104	70	40	49	12	343
Accounts payable	207	70	56	893	-	-
Current notes	552	1,297	164	543	-	750
Princ due on term debt	1,560	659	832	2,894	2,009	1,364
Total current liabilities	2,514	2,097	1,382	4,539	2,021	2,456
Intermediate liabilities	2,614	3,416	2,107	3,958	1,829	1,743
Long term liabilities	25,116	15,459	7,797	27,663	28,788	45,039
Total nonfarm liabilities	30,243	20,972	11,286	36,160	32,638	49,237
Nonfarm net worth	198,610	116,453	97,446	197,216	326,022	253,918
Nonfarm debt to asset ratio	13 %	15 %	10 %	15 %	9 %	16 %

Financial Summary
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Income Statement						
Gross cash farm income	623,712	208,093	160,522	423,182	603,384	1,691,269
Total cash farm expense	512,380	177,679	123,988	354,958	467,788	1,410,071
Net cash farm income	111,332	30,414	36,535	68,223	135,596	281,197
Inventory change	49,985	-18,429	-3,061	22,974	38,088	205,592
Depreciation	-33,147	-27,158	-12,996	-23,611	-45,792	-55,694
Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Gain or loss on capital sales	-5,603	-25,974	-303	-3,959	331	1,562
Average net farm income	122,567	-41,147	20,174	63,627	128,224	432,658
Median net farm income	62,440	-1,995	19,776	60,160	123,193	274,628
Profitability (cost)						
Rate of return on assets	6.9 %	-3.6 %	2.0 %	4.7 %	5.4 %	11.6 %
Rate of return on equity	7.9 %	-5.5 %	1.1 %	4.4 %	5.9 %	14.7 %
Operating profit margin	20.1 %	-15.8 %	7.4 %	13.8 %	16.3 %	30.2 %
Asset turnover rate	34.1 %	22.7 %	27.2 %	34.3 %	33.1 %	38.3 %
Profitability (market)						
Rate of return on assets	8.3 %	1.2 %	8.9 %	6.3 %	5.8 %	12.3 %
Rate of return on equity	9.3 %	0.9 %	10.0 %	6.6 %	6.2 %	14.7 %
Operating profit margin	33.8 %	8.3 %	49.6 %	27.7 %	25.7 %	41.0 %
Asset turnover rate	24.4 %	14.8 %	17.9 %	22.8 %	22.7 %	29.9 %
Liquidity & Repayment (end of year)						
Current assets	483,016	195,067	173,275	325,440	563,734	1,139,101
Current liabilities	152,780	41,584	69,895	159,417	153,469	332,627
Current ratio	3.16	4.69	2.48	2.04	3.67	3.42
Working capital	330,236	153,483	103,380	166,024	410,265	806,474
Working capital to gross inc	48.6 %	80.0 %	64.6 %	36.5 %	64.0 %	42.2 %
Term debt coverage ratio	3.57	0.19	1.71	1.92	4.34	5.58
Replacement coverage ratio	2.34	0.12	1.30	1.54	2.09	3.80
Term debt to EBITDA	1.50	7.20	2.74	2.50	1.21	1.09
Solvency (end of year at cost)						
Number of farms	137	27	27	28	27	28
Total assets	1,797,023	863,207	653,780	1,427,913	2,046,021	3,928,908
Total liabilities	468,386	169,806	180,265	478,806	420,943	1,069,462
Net worth	1,328,637	693,401	473,515	949,106	1,625,079	2,859,446
Net worth change	130,240	-60,900	12,352	46,366	120,237	521,752
Farm debt to asset ratio	27 %	20 %	29 %	36 %	21 %	28 %
Total debt to asset ratio	26 %	20 %	28 %	34 %	21 %	27 %
Change in earned net worth %	11 %	-8 %	3 %	5 %	8 %	22 %
Solvency (end of year at market)						
Number of farms	137	27	27	28	27	28
Total assets	2,495,683	1,332,316	1,019,150	2,101,610	2,981,744	4,966,674
Total liabilities	468,386	169,806	180,265	478,806	420,943	1,069,462
Net worth	2,027,298	1,162,510	838,885	1,622,804	2,560,802	3,897,212
Total net worth change	208,472	-6,738	85,658	110,081	202,494	638,577
Farm debt to asset ratio	19 %	12 %	19 %	24 %	15 %	22 %
Total debt to asset ratio	19 %	13 %	18 %	23 %	14 %	22 %
Change in total net worth %	11 %	-1 %	11 %	7 %	9 %	20 %
Nonfarm Information						
Net nonfarm income	32,630	20,233	27,488	38,796	44,419	32,010
Farms reporting living expenses	13	2	3	4	4	-
Total family living expense	46,567	-	-	-	-	-
Total living, invest, cap. purch	70,766	-	-	-	-	-
Crop Acres						
Total crop acres	762	483	309	740	956	1,302
Total crop acres owned	252	172	114	215	262	488
Total crop acres cash rented	261	45	135	288	376	452
Total crop acres share rented	250	266	60	237	319	363
Machinery value per crop acre	476	456	436	391	590	459

Summary Farm Income Statement
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Crop sales	283,867	167,826	116,041	252,390	397,698	479,307
Crop inventory change	30,829	-17,615	5,798	35,612	46,079	82,192
Gross crop income	314,696	150,211	121,839	288,002	443,776	561,499
Livestock sales	268,579	23,166	17,109	109,686	95,650	1,073,363
Livestock inventory change	40,776	3,626	4,179	12,052	20,307	160,349
Gross livestock income	309,355	26,792	21,288	121,738	115,957	1,233,711
Government payments	13,349	6,688	3,419	12,692	14,021	29,357
Other cash farm income	57,917	10,413	23,953	48,413	96,015	109,242
Change in accounts receivable	-9,432	-282	-10,477	-16,060	-24,177	3,597
Gain or loss on hedging accounts	-12,253	-	832	799	778	-62,302
Change in other assets	1,392	176	-29	1,849	-408	5,215
Gain or loss on breeding lvst	3,909	-2,145	-829	-2,166	-5,207	29,183
Gross farm income	678,934	191,854	159,996	455,268	640,755	1,909,503
Cash operating expenses	495,470	171,408	116,874	333,177	454,932	1,374,415
Change in prepaids and supplies	1,782	2,004	391	7,919	1,634	-3,084
Change in growing crops	1,683	877	1,007	4,467	-562	2,494
Change in accounts payable	1,491	-315	1,069	-4,952	-1,797	13,253
Depreciation	33,147	27,158	12,996	23,611	45,792	55,694
Total operating expense	533,573	201,132	132,337	364,222	499,998	1,442,772
Interest paid	16,911	6,271	7,114	21,782	12,856	35,656
Change in accrued interest	280	-376	68	1,678	8	-20
Total interest expense	17,190	5,895	7,182	23,460	12,864	35,636
Total expenses	550,763	207,027	139,519	387,682	512,862	1,478,408
Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Gain or loss on capital sales	-5,603	-25,974	-303	-3,959	331	1,562
Net farm income	122,567	-41,147	20,174	63,627	128,224	432,658

Crop Reports

The Crop Enterprise Analysis tables show the average physical production, gross return, direct costs, overhead costs, and net returns per acre. There are potentially four tables for each crop depending on the farmer's tenure on the land: owned land, cash rented land, share rented land (share-rent returns and costs represent only the producer's share) and land rented out. It is possible for an individual farm to have data in all four tables if all three land tenure categories are represented in that farm business.

Gross Return Per Acre includes the value of the crop produced plus any other income directly associated with production of the crop, including crop insurance proceeds and any disaster payments that might have been received. It does not include direct and counter-cyclical government payments (see Net Return With Government Payments).

The *Value Per Unit* is assigned by the producer. For cash crops, the value is based on the actual price for crops sold or contracted before year-end and the inventory value for crops still in inventory at year-end. The local harvest-time price is used for forages and other feed crops.

Net Return Per Acre is the amount contributed toward operator labor, management, and equity capital. Any wages and benefits paid to the operator are removed from labor costs (and added to *Labor and Management Charge*) so that all farms are on equal footing. **Land costs include land rent on the rented land pages but only actual interest paid and real estate taxes on owned land. For this reason, net returns from owned and rented land should only be compared with that in mind.**

Net Return With Government Payments is the net return per acre after decoupled government payments such as direct and counter-cyclical government payments have been added. These payments are often allocated evenly to all crops except vegetables and pasture.

Net Return Over Labor and Management is the return, including government payments, remaining after compensating the operator for unpaid labor and management. This is the per acre return to equity capital.

Cost of Production shows the average cost per unit produced in each cost category. *Total Direct and Overhead Expense per Unit* is the breakeven price needed to cover cash costs and depreciation. *Less Government and Other Income* is the breakeven price if government payments and any miscellaneous income are used to offset some of the expenses. *With Labor and Management* is the breakeven price to provide a labor and management return for the operator(s).

Machinery Cost Per Acre includes fuel and oil, repairs, custom hire, machinery lease payments, machinery depreciation, and interest on intermediate debt.

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Corn

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>	<u>Cash Rent</u>	<u>Share Rent</u>	<u>Rented Out</u>
Number of farms	81	48	43	44	13
Acres	390.18	169.95	239.57	255.49	146.50
Yield per acre (bu.)	195.02	193.08	199.08	192.90	193.88
Operators share of yield %	77.87	100.00	100.00	44.54	56.36
Value per bu.	3.50	3.54	3.52	3.44	3.26
Total product return per acre	531.56	683.90	701.15	295.36	355.90
Crop insurance per acre	2.01	-	4.05	1.93	-
LDP income per acre	0.18	-	0.48	0.06	-
Other crop income per acre	1.34	0.53	3.03	0.60	-
Gross return per acre	535.08	684.43	708.71	297.95	355.90
Direct Expenses					
Seed	76.23	101.23	91.95	48.02	50.62
Fertilizer	114.34	149.64	136.46	72.22	92.07
Crop chemicals	41.12	54.27	49.81	25.65	29.09
Crop insurance	18.81	23.62	23.52	11.77	14.25
Drying expense	4.00	5.60	6.27	1.19	1.50
Storage	1.28	1.50	1.98	0.39	1.80
Fuel & oil	25.05	26.36	32.56	20.02	8.51
Repairs	27.85	31.58	33.67	23.11	8.38
Custom hire	5.84	12.91	3.37	2.37	9.29
Hired labor	4.01	4.94	6.10	2.10	0.00
Land rent	47.96	-	147.15	-	-
Machinery leases	1.01	0.27	2.68	0.19	-
Utilities	3.25	3.61	3.83	2.33	4.00
Operating interest	5.04	4.13	7.41	3.90	2.75
Miscellaneous	1.11	1.95	1.34	0.48	0.06
Total direct expenses per acre	376.90	421.62	548.12	213.74	222.34
Return over direct exp per acre	158.18	262.82	160.60	84.21	133.56
Overhead Expenses					
Custom hire	2.70	2.97	0.58	4.57	2.00
Hired labor	8.75	14.44	9.83	4.97	0.77
Machinery leases	2.56	0.58	6.33	0.96	0.07
Building leases	0.62	1.27	0.90	0.00	-
RE & pers. property taxes	3.92	10.60	1.57	0.92	5.68
Farm insurance	5.18	5.98	5.68	4.21	4.83
Utilities	1.33	1.77	1.04	1.29	1.30
Dues & professional fees	5.41	10.90	4.37	2.91	2.38
Interest	9.58	24.20	7.19	2.44	2.07
Mach & bldg depreciation	40.25	44.62	44.23	36.65	21.31
Miscellaneous	10.28	12.00	10.06	9.85	6.71
Total overhead expenses per acre	90.60	129.34	91.78	68.77	47.11
Total dir & ovhd expenses per acre	467.50	550.95	639.89	282.51	269.45
Net return per acre	67.58	133.48	68.82	15.43	86.45
Government payments	3.32	5.14	4.27	1.38	1.77
Net return with govt pmts	70.90	138.62	73.09	16.81	88.22
Labor & management charge	37.94	41.87	40.25	33.94	32.22
Net return over lbr & mgt	32.96	96.75	32.84	-17.13	56.00
Cost of Production					
Total direct expense per bu.	2.48	2.18	2.75	2.49	2.03
Total dir & ovhd exp per bu.	3.08	2.85	3.21	3.29	2.47
Less govt & other income	3.03	2.82	3.15	3.24	2.45
With labor & management	3.28	3.04	3.36	3.64	2.74
Net value per unit	3.50	3.54	3.52	3.44	3.26
Machinery cost per acre	107.34	117.77	128.86	89.99	48.72
Est. labor hours per acre	2.13	2.69	2.11	1.89	1.21

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

CRP

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>
Number of farms	13	12
Acres	102.52	110.73
Yield per acre (\$)	74.02	74.24
Operators share of yield %	100.00	100.00
Value per \$	1.07	1.07
Total product return per acre	78.98	79.08
Other crop income per acre	3.47	3.48
Gross return per acre	82.45	82.56
Direct Expenses		
Fuel & oil	3.88	3.89
Repairs	4.40	4.42
Hired labor	1.88	1.88
Total direct expenses per acre	10.53	10.56
Return over direct exp per acre	71.92	72.00
Overhead Expenses		
Custom hire	0.60	0.60
Hired labor	0.74	0.74
RE & pers. property taxes	4.59	4.60
Farm insurance	1.29	1.29
Utilities	1.28	1.28
Dues & professional fees	1.29	1.30
Interest	2.63	2.63
Mach & bldg depreciation	20.84	20.91
Miscellaneous	0.49	0.49
Total overhead expenses per acre	33.75	33.85
Total dir & ovhd expenses per acre	44.28	44.41
Net return per acre	38.17	38.15
Government payments	-	-
Net return with govt pmts	38.17	38.15
Labor & management charge	15.01	15.05
Net return over lbr & mgt	23.16	23.10
Cost of Production		
Total direct expense per \$	0.14	0.14
Total dir & ovhd exp per \$	0.60	0.60
Less govt & other income	0.55	0.55
With labor & management	0.75	0.75
Net value per unit	1.07	1.07
Machinery cost per acre	29.08	29.16
Est. labor hours per acre	0.87	0.87

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Hay, Grass

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>	<u>Cash Rent</u>	<u>Share Rent</u>
Number of farms	19	15	5	5
Acres	87.97	68.97	42.40	85.00
Yield per acre (ton)	1.48	1.36	1.65	1.69
Operators share of yield %	85.49	100.00	100.00	50.00
Value per ton	48.62	50.36	46.61	43.78
Total product return per acre	61.51	68.46	76.74	36.98
Gross return per acre	61.51	68.46	76.74	36.98
Direct Expenses				
Seed	0.18	0.10	0.94	-
Fertilizer	14.47	11.53	38.52	9.65
Crop chemicals	0.74	0.84	-	0.89
Fuel & oil	12.44	11.77	12.81	13.90
Repairs	18.91	17.78	20.36	20.95
Custom hire	2.03	3.02	1.27	-
Hired labor	1.62	1.45	-	2.85
Land rent	2.89	-	22.78	-
Operating interest	3.50	3.91	3.12	2.71
Miscellaneous	0.68	0.67	0.76	0.68
Total direct expenses per acre	57.47	51.05	100.57	51.62
Return over direct exp per acre	4.03	17.42	-23.83	-14.64
Overhead Expenses				
Custom hire	1.95	2.31	0.00	2.05
Hired labor	1.63	0.78	2.48	3.29
Machinery leases	0.97	0.00	7.67	-
RE & pers. property taxes	9.49	14.95	0.37	0.74
Farm insurance	3.61	3.83	3.17	3.28
Utilities	1.30	1.70	0.70	0.61
Dues & professional fees	1.07	1.35	0.66	0.59
Interest	4.64	7.08	0.54	0.75
Mach & bldg depreciation	16.82	18.78	15.42	12.74
Miscellaneous	4.75	5.81	4.90	2.08
Total overhead expenses per acre	46.22	56.58	35.91	26.14
Total dir & ovhd expenses per acre	103.70	107.63	136.48	77.77
Net return per acre	-42.19	-39.17	-59.74	-40.79
Government payments	-	-	-	-
Net return with govt pmnts	-42.19	-39.17	-59.74	-40.79
Labor & management charge	18.86	20.77	18.58	14.35
Net return over lbr & mgt	-61.05	-59.93	-78.32	-55.14
Cost of Production				
Total direct expense per ton	45.44	37.55	61.08	61.11
Total dir & ovhd exp per ton	81.98	79.17	82.89	92.06
Less govt & other income	81.98	79.17	82.89	92.06
With labor & management	96.88	94.45	94.18	109.05
Net value per unit	48.62	50.36	46.61	43.78
Machinery cost per acre	52.64	52.37	58.46	50.39
Est. labor hours per acre	1.17	1.11	1.28	1.27

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Hay, Mixed

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>	<u>Cash Rent</u>	<u>Share Rent</u>
Number of farms	35	25	12	13
Acres	102.91	73.54	64.94	67.56
Yield per acre (ton)	1.61	1.51	1.72	1.76
Operator share of yield %	91.80	100.00	100.00	73.74
Value per ton	54.10	54.25	56.97	50.62
Total product return per acre	80.14	82.12	97.96	65.85
Crop insurance per acre	0.23	0.26	-	0.38
Other crop income per acre	0.91	1.78	-	-
Gross return per acre	81.27	84.16	97.96	66.23
Direct Expenses				
Seed	1.63	0.17	6.68	0.39
Fertilizer	8.03	4.98	10.71	12.33
Crop insurance	0.19	0.11	-	0.53
Fuel & oil	10.31	9.51	11.57	11.92
Repairs	12.77	12.39	11.86	15.63
Custom hire	8.34	4.69	20.82	4.65
Hired labor	2.86	2.11	7.32	0.80
Land rent	13.97	-	64.59	-
Utilities	0.94	0.54	-	2.72
Operating interest	1.25	0.94	1.82	1.53
Miscellaneous	0.13	0.11	0.26	0.05
Total direct expenses per acre	60.20	35.57	135.63	49.70
Return over direct exp per acre	21.07	48.59	-37.67	16.53
Overhead Expenses				
Custom hire	1.03	1.12	0.57	1.36
Hired labor	6.98	11.88	0.61	3.12
RE & pers. property taxes	3.50	5.47	1.70	0.86
Farm insurance	3.80	2.65	8.21	2.68
Utilities	1.15	1.31	1.27	0.78
Dues & professional fees	1.02	0.82	1.55	0.89
Interest	6.35	9.37	5.69	1.21
Mach & bldg depreciation	12.31	13.61	13.12	10.02
Miscellaneous	2.83	2.20	3.10	4.22
Total overhead expenses per acre	38.84	48.42	35.82	24.58
Total dir & ovhd expenses per acre	99.04	83.98	171.44	74.29
Net return per acre	-17.77	0.17	-73.48	-8.05
Government payments	0.76	0.52	2.28	-
Net return with govt pmts	-17.01	0.69	-71.21	-8.05
Labor & management charge	18.58	17.46	15.50	25.17
Net return over lbr & mgt	-35.59	-16.77	-86.71	-33.22
Cost of Production				
Total direct expense per ton	40.64	23.50	78.87	38.21
Total dir & ovhd exp per ton	66.86	55.48	99.70	57.11
Less govt & other income	65.58	53.79	98.38	56.82
With labor & management	78.13	65.32	107.39	76.16
Net value per unit	54.10	54.25	56.97	50.62
Machinery cost per acre	45.95	42.02	62.51	42.94
Est. labor hours per acre	1.32	1.60	0.89	1.25

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Pasture

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>	<u>Cash Rent</u>	<u>Share Rent</u>
Number of farms	54	40	27	7
Acres	191.08	138.53	136.16	88.13
Yield per acre (aum)	3.68	4.00	3.30	3.88
Operators share of yield %	98.58	100.00	100.00	89.95
Value per aum	10.52	9.98	11.20	12.05
Total product return per acre	38.14	39.95	37.00	42.08
Crop insurance per acre	0.25	0.33	-	1.30
Gross return per acre	38.39	40.28	37.00	43.38
Direct Expenses				
Seed	1.62	0.97	2.03	5.56
Fertilizer	20.20	23.06	17.66	11.48
Crop chemicals	1.70	1.74	1.61	-
Crop insurance	0.65	0.38	0.67	1.81
Fuel & oil	2.93	3.05	2.85	3.94
Repairs	4.18	3.95	4.89	4.08
Custom hire	1.00	1.72	0.21	-
Hired labor	1.52	1.01	1.44	3.91
Land rent	12.48	-	35.02	-
Utilities	0.52	0.70	0.30	-
Operating interest	0.60	0.53	0.80	0.13
Miscellaneous	0.22	0.29	0.19	-
Total direct expenses per acre	47.44	37.39	67.67	27.99
Return over direct exp per acre	-9.05	2.89	-30.66	15.39
Overhead Expenses				
Hired labor	1.48	1.98	1.04	0.97
Machinery leases	0.25	0.06	0.46	-
RE & pers. property taxes	1.82	2.93	0.30	1.02
Farm insurance	1.91	2.57	1.33	0.56
Utilities	0.42	0.60	0.22	0.22
Dues & professional fees	0.53	0.67	0.26	0.59
Interest	9.34	16.98	0.56	0.42
Mach & bldg depreciation	3.62	4.26	3.27	2.71
Miscellaneous	0.91	0.82	0.97	1.23
Total overhead expenses per acre	20.23	30.88	8.41	6.65
Total dir & ovhd expenses per acre	67.68	68.28	76.08	34.64
Net return per acre	-29.28	-27.99	-39.07	8.74
Government payments	0.26	0.17	0.48	-
Net return with govt pmts	-29.02	-27.82	-38.59	8.74
Labor & management charge	4.84	5.54	3.86	5.35
Net return over lbr & mgt	-33.86	-33.36	-42.45	3.39
Cost of Production				
Total direct expense per aum	13.09	9.34	20.49	8.02
Total dir & ovhd exp per aum	18.67	17.05	23.04	9.92
Less govt & other income	18.53	16.93	22.89	9.55
With labor & management	19.86	18.31	24.06	11.08
Net value per unit	10.52	9.98	11.20	12.05
Machinery cost per acre	12.32	13.38	12.43	9.02
Est. labor hours per acre	0.37	0.41	0.34	0.20

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Soybeans

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>	<u>Cash Rent</u>	<u>Share Rent</u>	<u>Rented Out</u>
Number of farms	82	54	44	46	14
Acres	490.02	203.28	277.20	310.85	193.46
Yield per acre (bu.)	49.62	48.15	50.98	48.25	56.58
Operators share of yield %	78.97	100.00	100.00	49.07	55.70
Value per bu.	10.11	10.01	10.18	10.25	9.69
Total product return per acre	396.19	481.92	519.08	242.79	305.24
Crop insurance per acre	2.49	0.29	5.83	1.80	-
Other crop income per acre	3.41	3.62	6.62	1.14	-
Gross return per acre	402.09	485.84	531.53	245.73	305.24
Direct Expenses					
Seed	50.09	57.88	64.82	34.12	36.42
Fertilizer	40.10	52.65	44.67	28.85	28.09
Crop chemicals	46.21	61.27	51.71	32.37	33.46
Crop insurance	11.80	14.85	14.56	7.79	8.16
Storage	0.87	2.10	0.78	0.14	0.06
Fuel & oil	17.65	17.71	21.83	16.15	6.54
Repairs	21.52	24.60	23.62	19.81	8.64
Custom hire	6.39	14.10	4.09	2.48	6.13
Hired labor	3.69	3.63	5.97	2.48	0.00
Land rent	44.04	-	145.08	-	-
Machinery leases	0.96	0.79	2.20	0.20	-
Utilities	1.58	2.09	2.04	1.03	0.33
Operating interest	3.60	2.73	5.22	3.23	1.84
Miscellaneous	1.05	1.14	1.52	0.77	0.09
Total direct expenses per acre	249.54	255.55	388.11	149.43	129.74
Return over direct exp per acre	152.55	230.29	143.42	96.30	175.49
Overhead Expenses					
Custom hire	1.92	2.01	0.74	2.83	2.09
Hired labor	5.87	8.90	5.45	4.65	1.93
Machinery leases	1.41	0.59	2.67	1.13	0.59
Building leases	0.24	0.27	0.55	0.01	-
RE & pers. property taxes	3.05	7.83	1.21	0.68	4.52
Farm insurance	4.06	4.35	4.29	3.78	3.29
Utilities	1.27	1.74	0.87	1.28	1.16
Dues & professional fees	2.76	4.27	1.98	2.43	1.93
Interest	8.07	20.27	5.30	2.08	2.69
Mach & bldg depreciation	28.85	29.94	30.85	28.22	18.81
Miscellaneous	7.11	6.54	8.08	7.31	4.01
Total overhead expenses per acre	64.64	86.72	62.00	54.41	41.01
Total dir & ovhd expenses per acre	314.18	342.27	450.11	203.83	170.75
Net return per acre	87.91	143.56	81.43	41.90	134.49
Government payments	2.96	3.29	5.06	1.29	0.94
Net return with govt pmts	90.87	146.85	86.49	43.18	135.42
Labor & management charge	27.17	29.41	28.32	25.31	22.75
Net return over lbr & mgt	63.69	117.44	58.17	17.87	112.67
Cost of Production					
Total direct expense per bu.	6.37	5.31	7.61	6.31	4.12
Total dir & ovhd exp per bu.	8.02	7.11	8.83	8.61	5.42
Less govt & other income	7.79	6.96	8.48	8.43	5.39
With labor & management	8.49	7.57	9.04	9.50	6.11
Net value per unit	10.11	10.01	10.18	10.25	9.69
Machinery cost per acre	80.65	90.08	89.92	72.74	42.40
Est. labor hours per acre	1.62	2.06	1.53	1.47	1.04

Crop Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Wheat, Winter

	<u>Avg. Of All Farms</u>	<u>Owned Land</u>	<u>Cash Rent</u>	<u>Share Rent</u>	<u>Rented Out</u>
Number of farms	36	18	15	16	6
Acres	111.86	76.25	60.59	83.81	67.45
Yield per acre (bu.)	66.99	67.39	74.75	63.29	60.53
Operators share of yield %	81.00	100.00	100.00	50.76	61.35
Value per bu.	5.59	5.61	5.50	5.90	5.04
Total product return per acre	303.49	377.72	411.18	189.61	187.23
Crop insurance per acre	1.47	2.99	1.03	0.65	-
Other crop income per acre	0.23	-	0.59	0.28	-
Gross return per acre	305.19	380.72	412.80	190.54	187.23
Direct Expenses					
Seed	34.38	43.54	46.30	21.36	19.63
Fertilizer	97.07	124.15	117.37	65.32	64.81
Crop chemicals	16.81	24.51	29.10	4.62	3.46
Crop insurance	9.39	12.69	10.87	5.92	6.40
Fuel & oil	16.20	17.98	24.16	11.98	6.24
Repairs	24.01	30.05	22.05	23.07	10.99
Custom hire	4.22	3.95	9.17	0.34	6.84
Hired labor	4.15	5.54	8.25	0.48	2.44
Land rent	25.33	-	112.26	-	-
Machinery leases	3.33	4.22	8.15	0.15	-
Utilities	1.41	1.99	2.29	0.53	0.37
Marketing	0.22	-	0.93	0.03	-
Operating interest	3.34	4.22	5.08	1.73	1.78
Miscellaneous	0.55	1.37	0.37	-	-
Total direct expenses per acre	240.40	274.22	396.33	135.54	122.95
Return over direct exp per acre	64.79	106.50	16.47	55.00	64.28
Overhead Expenses					
Custom hire	0.36	0.08	0.00	0.80	0.65
Hired labor	7.17	7.26	2.55	11.99	1.25
Machinery leases	1.16	0.01	1.64	1.31	3.43
RE & pers. property taxes	2.92	6.10	1.05	0.70	3.64
Farm insurance	4.96	5.71	4.56	5.30	2.13
Utilities	0.78	0.95	0.31	0.86	1.00
Dues & professional fees	1.53	1.06	1.67	1.43	3.16
Interest	9.77	24.75	1.59	2.37	1.90
Mach & bldg depreciation	27.68	29.30	27.25	32.38	7.52
Miscellaneous	4.49	3.72	6.26	4.14	4.33
Total overhead expenses per acre	60.81	78.94	46.89	61.29	29.01
Total dir & ovhd expenses per acre	301.21	353.16	443.22	196.83	151.96
Net return per acre	3.98	27.56	-30.42	-6.29	35.27
Government payments	1.29	1.68	2.97	0.13	-
Net return with govt pmts	5.26	29.24	-27.45	-6.16	35.27
Labor & management charge	24.86	26.86	27.55	23.08	17.87
Net return over lbr & mgt	-19.59	2.38	-55.01	-29.24	17.39
Cost of Production					
Total direct expense per bu.	4.43	4.07	5.30	4.22	3.31
Total dir & ovhd exp per bu.	5.55	5.24	5.93	6.13	4.09
Less govt & other income	5.50	5.17	5.87	6.09	4.09
With labor & management	5.95	5.57	6.24	6.81	4.57
Net value per unit	5.59	5.61	5.50	5.90	5.04
Machinery cost per acre	78.23	86.66	93.44	72.37	34.90
Est. labor hours per acre	1.67	1.78	1.40	1.79	1.52

Livestock Reports

The Livestock Enterprise Analysis tables show the average physical production, gross margin over purchase costs, direct costs, overhead costs, and net returns per budget unit.

Gross Margin is the accrual gross value produced by the enterprise. It includes income from sale of offspring and livestock products, cull income, non-cash transfers to other enterprises, and the value of production used in the home or for feed. It also includes the value of inventory change from beginning to the end of the year. The cost of livestock purchased and the value of animals transferred in are deducted.

Net Return is the amount contributed by a unit of the enterprise toward operator labor, management, and equity capital. Any wages and benefits paid to the operator are removed from labor costs (and added to *Labor and Management Charge*) so that all farms are on equal footing.

Net Return Over Labor and Management is the return remaining after compensating the operator for unpaid labor and management. This is the per unit return to equity capital.

Cost of Production section shows the average cost per unit sold in each cost category. *Total direct and overhead expense per unit* is the breakeven price needed to cover cash costs and depreciation. For grow/finish enterprises, this includes the purchase cost or transfer-in value of the animal. *With other revenue adjustments* is the final breakeven price adjusted for cull sales, other offspring sales, the cost of replacement stock, and other miscellaneous income. *With labor and management* is the breakeven price to provide labor and management return for the operator.

Other Information contains both economic and technical efficiency measures for each enterprise.

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 5 farms complete analysis on any given livestock enterprise, information for that enterprise is not reported.

Livestock Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Return to Overhead)

Beef Cow-Calf -- Average Per Cwt. Produced

	<u>Avg. Of All Farms</u>		<u>Low 20%</u>		<u>20 - 40%</u>		<u>40 - 60%</u>		<u>60 - 80%</u>		<u>High 20%</u>	
Number of farms	44		8		9		9		9		9	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	68.62	130.38	116.95	223.01	41.40	74.98	75.07	143.20	72.51	148.03	72.40	131.97
Transferred out (lb)	5.80	12.49	-	-	2.85	6.78	12.96	28.25	4.41	10.11	3.38	5.49
Cull sales (lb)	18.83	21.86	39.66	52.68	3.13	3.41	22.94	23.97	20.82	22.11	23.37	30.28
Other income		1.40		4.40		0.31		2.92		0.95		-
Purchased (lb)	-11.77	-33.64	-64.66	-124.55	-5.37	-42.87	-2.17	-4.68	-18.34	-25.23	-6.76	-33.85
Transferred in (lb)	-1.75	-3.79	-	-	-2.02	-5.12	-1.95	-4.87	-	-	-3.38	-5.49
Inventory change (lb)	19.60	55.98	5.83	37.62	59.80	53.53	-8.46	31.45	20.60	46.15	10.99	107.33
Gross margin		195.98		205.42		94.58		236.25		220.97		243.45
Direct Expenses												
Protein Vit Minerals (lb.)	35.61	7.97	4.81	13.71	65.28	7.13	9.74	7.83	-	5.41	76.18	9.32
Complete Ration (lb.)	33.78	10.12	273.57	20.79	4.97	5.17	22.20	10.19	27.35	21.18	0.52	2.37
Corn (bu.)	1.89	6.66	2.67	8.53	1.47	5.42	2.48	9.29	1.33	4.27	1.84	6.11
Corn Silage (lb.)	144.91	3.43	-	-	20.73	0.57	408.94	10.22	-	-	132.15	2.31
Hay, Grass (lb.)	903.49	22.69	1,771.81	42.47	556.45	13.44	1,164.17	32.98	1,019.14	21.49	560.49	14.17
Pasture (aum)	1.56	15.32	2.52	28.09	1.17	13.42	1.60	17.26	2.35	14.97	0.94	10.64
Other feed stuffs (lb)	57.43	1.62	477.72	4.03	7.05	0.35	31.91	3.48	46.20	0.31	5.91	0.96
Veterinary		4.06		7.41		2.49		3.09		5.30		4.94
Supplies		3.21		6.73		2.46		2.10		4.25		3.39
Contract production exp.		1.83		-		-		-		9.99		-
Fuel & oil		9.90		19.30		8.64		11.51		8.84		6.72
Repairs		10.31		33.55		8.12		10.86		7.45		6.08
Custom hire		3.91		2.74		0.61		10.15		0.68		3.07
Hired labor		6.16		19.35		1.74		14.72		0.91		-
Utilities		2.16		10.12		1.69		2.06		0.82		1.07
Operating interest		2.30		8.18		3.49		1.47		0.22		1.56
Total direct expenses		110.80		225.02		74.75		146.11		103.09		72.70
Return over direct expense		85.18		-19.60		19.83		90.14		117.88		170.74
Overhead Expenses												
RE & pers. property taxes		1.58		5.20		1.07		1.80		0.65		1.40
Farm insurance		2.60		6.20		2.13		2.14		3.35		1.79
Dues & professional fees		1.23		3.82		0.93		1.26		1.60		0.27
Interest		3.30		3.87		2.53		4.92		2.81		2.33
Mach & bldg depreciation		11.75		32.64		6.74		11.73		8.05		13.46
Miscellaneous		4.66		13.60		1.21		6.45		3.54		4.19
Total overhead expenses		23.96		65.34		14.61		25.90		17.22		23.45
Total dir & ovhd expenses		134.76		290.36		89.36		172.01		120.30		96.15
Net return		61.22		-84.94		5.22		64.24		100.66		147.29
Labor & management charge		17.07		35.26		10.30		17.95		14.32		19.95
Net return over lbr & mgt		44.15		-120.21		-5.08		46.29		86.34		127.34
Cost of Production Per Cwt. Produced												
Total direct expense per unit		110.80		224.86		74.75		146.11		103.09		72.70
Total dir & ovhd expense per unit		134.76		290.16		89.36		172.01		120.30		96.15
With other revenue adjustments		120.60		336.21		111.41		137.47		87.37		57.84
With labor and management		137.67		371.45		121.71		155.42		101.69		77.79
Est. labor hours per unit		1.46		3.09		0.83		1.92		1.12		1.33
Other Information												
Number of cows		67.0		49.3		62.1		109.1		60.8		51.7
Pregnancy percentage		94.8		97.0		95.7		92.5		93.3		98.5
Pregnancy loss percentage		6.6		15.7		16.0		1.2		4.0		1.3
Culling percentage		11.4		13.5		3.1		12.5		11.0		17.8
Calving percentage		88.6		81.7		80.4		91.3		89.6		97.2
Weaning percentage		82.8		77.9		74.9		86.2		84.8		87.3
Calves sold per cow		0.78		0.80		0.64		0.76		0.84		0.89
Calf death loss percent		5.7		9.4		5.4		6.9		5.1		1.6
Cow death loss percent		1.9		2.8		3.4		1.4		1.8		0.6
Cows per FTE		302.3		245.1		392.8		279.1		399.3		254.4
Average weaning weight		463		530		448		421		503		471
Lb. weaned/exposed female		384		413		336		363		427		411
Feed cost per cow		436.49		434.34		392.75		489.72		434.52		380.81
Avg wgt/ Beef Calves sold		611		542		589		621		585		695
Avg price / cwt.		189.99		190.69		181.14		190.74		204.16		182.27

Livestock Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Return to Overhead)

Beef Cow-Calf -- Average Per Cow

	<u>Avg. Of All Farms</u>		<u>Low 20%</u>		<u>20 - 40%</u>		<u>40 - 60%</u>		<u>60 - 80%</u>		<u>High 20%</u>	
Number of farms	44		8		9		9		9		9	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	435.4	827.22	431.8	823.46	357.3	647.23	392.6	748.81	453.9	926.67	600.9	1,095.28
Transferred out (lb)	36.8	79.26	-	-	24.6	58.50	67.8	147.74	27.6	63.27	28.1	45.59
Cull sales (lb)	119.5	138.71	146.5	194.54	27.1	29.43	120.0	125.36	130.3	138.42	194.0	251.34
Other income		8.87		16.24		2.68		15.27		5.95		-
Purchased (lb)	-74.7	-213.46	-238.8	-459.90	-46.3	-370.01	-11.4	-24.48	-114.8	-157.94	-56.1	-280.89
Transferred in (lb)	-11.1	-24.05	-	-	-17.4	-44.19	-10.2	-25.46	-	-	-28.1	-45.59
Inventory change (lb)	124.4	355.19	21.5	138.93	516.2	462.09	-44.2	164.46	128.9	288.92	91.2	890.72
Gross margin		1,243.50		758.50		816.36		1,235.44		1,383.25		2,020.42
Direct Expenses												
Protein Vit Minerals (lb.)	226.0	50.56	17.8	50.62	563.5	61.50	50.9	40.96	-	33.84	632.3	77.35
Complete Ration (lb.)	214.3	64.20	1,010.2	76.77	42.9	44.60	116.1	53.27	171.2	132.58	4.3	19.71
Corn (bu.)	12.0	42.25	9.8	31.50	12.7	46.82	13.0	48.59	8.3	26.76	15.2	50.68
Corn Silage (lb.)	919.4	21.77	-	-	178.9	4.92	2,138.5	53.46	-	-	1,096.8	19.19
Hay, Grass (lb.)	5,732.6	143.97	6,542.4	156.83	4,803.0	116.05	6,087.8	172.46	6,379.8	134.55	4,651.6	117.59
Pasture (aum)	9.9	97.23	9.3	103.73	10.1	115.81	8.4	90.24	14.7	93.70	7.8	88.30
Other feed stuffs (lb)	364.4	10.25	1,764.0	14.89	60.8	3.04	166.9	18.20	289.2	1.92	49.0	7.99
Veterinary		25.74		27.37		21.53		16.14		33.16		40.97
Supplies		20.37		24.85		21.19		10.97		26.59		28.11
Contract production exp.		11.62		-		-		-		62.56		-
Fuel & oil		62.80		71.27		74.61		60.18		55.34		55.74
Repairs		65.39		123.90		70.12		56.76		46.66		50.42
Custom hire		24.83		10.11		5.24		53.07		4.24		25.46
Hired labor		39.11		71.46		15.04		76.97		5.69		-
Utilities		13.72		37.38		14.59		10.78		5.15		8.91
Operating interest		14.60		30.19		30.09		7.69		1.35		12.96
Total direct expenses		703.04		830.87		645.17		764.06		645.31		603.39
Return over direct expense		540.46		-72.38		171.19		471.38		737.94		1,417.03
Overhead Expenses												
RE & pers. property taxes		10.05		19.21		9.25		9.43		4.08		11.60
Farm insurance		16.53		22.90		18.42		11.18		20.99		14.89
Dues & professional fees		7.81		14.10		8.02		6.58		10.04		2.25
Interest		20.94		14.30		21.82		25.71		17.60		19.37
Mach & bldg depreciation		74.58		120.54		58.22		61.36		50.41		111.69
Miscellaneous		29.54		50.23		10.41		33.74		22.17		34.81
Total overhead expenses		152.02		241.27		126.13		135.44		107.79		194.61
Total dir & ovhd expenses		855.06		1,072.14		771.30		899.50		753.10		798.00
Net return		388.44		-313.65		45.06		335.94		630.15		1,222.42
Labor & management charge		108.31		130.21		88.89		93.87		89.63		165.57
Net return over lbr & mgt		280.14		-443.86		-43.83		242.08		540.52		1,056.85
Cost of Production Per Cwt. Produced												
Total direct expense per unit		110.80		224.86		74.75		146.11		103.09		72.70
Total dir & ovhd expense per unit		134.76		290.16		89.36		172.01		120.30		96.15
With other revenue adjustments		120.60		336.21		111.41		137.47		87.37		57.84
With labor and management		137.67		371.45		121.71		155.42		101.69		77.79
Est. labor hours per unit		9.26		11.42		7.13		10.03		7.01		11.01
Other Information												
Number of cows		67.0		49.3		62.1		109.1		60.8		51.7
Pregnancy percentage		94.8		97.0		95.7		92.5		93.3		98.5
Pregnancy loss percentage		6.6		15.7		16.0		1.2		4.0		1.3
Culling percentage		11.4		13.5		3.1		12.5		11.0		17.8
Calving percentage		88.6		81.7		80.4		91.3		89.6		97.2
Weaning percentage		82.8		77.9		74.9		86.2		84.8		87.3
Calves sold per cow		0.78		0.80		0.64		0.76		0.84		0.89
Calf death loss percent		5.7		9.4		5.4		6.9		5.1		1.6
Cow death loss percent		1.9		2.8		3.4		1.4		1.8		0.6
Cows per FTE		302.3		245.1		392.8		279.1		399.3		254.4
Average weaning weight		463		530		448		421		503		471
Lb. weaned/exposed female		384		413		336		363		427		411
Feed cost per cow		436.49		434.34		392.75		489.72		434.52		380.81
Avg wgt/ Beef Calves sold		611		542		589		621		585		695
Avg price / cwt.		189.99		190.69		181.14		190.74		204.16		182.27

Livestock Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Return to Overhead)

Beef Backgrounding -- Average Per Cwt. Produced

	<u>Avg. Of</u>	
	<u>All Farms</u>	
Number of farms	5	
	Quantity	Value
Backgnd Beef sold (lb)	274.99	541.03
Other income		1.13
Purchased (lb)	-154.62	-337.51
Transferred in (lb)	-64.73	-142.63
Inventory change (lb)	43.42	193.57
Gross margin		255.59
Direct Expenses		
Protein Vit Minerals (lb.)	64.95	3.64
Creep / Starter (lb.)	104.03	12.01
Complete Ration (lb.)	22.70	3.15
Corn Silage (lb.)	302.63	11.55
Hay, Grass (lb.)	376.39	0.61
Pasture (aum)	1.92	1.53
Other feed stuffs (lb)	376.89	1.19
Veterinary		16.43
Livestock insurance		1.90
Fuel & oil		13.32
Repairs		8.55
Custom hire		3.78
Hired labor		0.04
Utilities		2.78
Marketing		2.76
Operating interest		0.42
Miscellaneous		0.02
Total direct expenses		95.81
Return over direct expense		159.78
Overhead Expenses		
Hired labor		0.97
Farm insurance		2.17
Dues & professional fees		1.56
Interest		5.63
Mach & bldg depreciation		7.98
Miscellaneous		7.48
Total overhead expenses		14.71
Total dir & ovhd expenses		110.52
Net return		145.07
Labor & management charge		14.33
Net return over lbr & mgt		130.74
Cost of Production Per Cwt. Produced		
Total direct expense per unit		138.64
Total dir & ovhd expense per unit		143.99
With other revenue adjustments		143.99
With labor and management		149.20
Est. labor hours per unit		1.39
Other Information		
No. purchased or trans in		95
Number sold or trans out		81
Percentage death loss		1.6
Avg. daily gain (lb.)		1.23
Lb. of conc / lb. of gain		4.78
Lb. of feed / lb. of gain		7.89
Feed cost per cwt. of gain		70.77
Feed cost per head		181.19
Average purchase weight		500
Avg wgt / Backgnd Beef sold		715
Avg purch price / cwt.		218.28
Avg sales price / cwt.		196.75

**Livestock Enterprise Analysis
2014 Missouri FBMA Farm Summary
(Farms Sorted By Return to Overhead)**

Beef Backgrounding -- Average Per Head

	<u>Avg. Of All Farms</u>	
Number of farms	5	
	Quantity	Value
Backgnd Beef sold (lb)	704.0	1,385.17
Other income		2.91
Purchased (lb)	-395.9	-864.11
Transferred in (lb)	-165.7	-365.17
Inventory change (lb)	111.2	495.57
Gross margin		654.37
Direct Expenses		
Protein Vit Minerals (lb.)	166.3	9.31
Creep / Starter (lb.)	266.3	30.74
Complete Ration (lb.)	58.1	8.07
Corn Silage (lb.)	774.8	29.57
Hay, Grass (lb.)	963.6	1.57
Pasture (aum)	4.9	3.92
Other feed stuffs (lb)	964.9	3.05
Veterinary		42.06
Livestock insurance		4.86
Fuel & oil		34.11
Repairs		21.89
Custom hire		9.68
Hired labor		0.11
Utilities		7.12
Marketing		7.08
Operating interest		1.07
Miscellaneous		0.05
Total direct expenses		245.29
Return over direct expense		409.08
Overhead Expenses		
Hired labor		2.49
Farm insurance		5.55
Dues & professional fees		3.99
Interest		14.42
Mach & bldg depreciation		20.43
Miscellaneous		19.15
Total overhead expenses		37.67
Total dir & ovhd expenses		282.96
Net return		371.40
Labor & management charge		36.68
Net return over lbr & mgt		334.72
Cost of Production Per Cwt. Produced		
Total direct expense per unit		138.64
Total dir & ovhd expense per unit		143.99
With other revenue adjustments		143.99
With labor and management		149.20
Est. labor hours per unit		3.55
Other Information		
No. purchased or trans in		95
Number sold or trans out		81
Percentage death loss		1.6
Avg. daily gain (lb.)		1.23
Lb. of conc / lb. of gain		4.78
Lb. of feed / lb. of gain		7.89
Feed cost per cwt. of gain		70.77
Feed cost per head		181.19
Average purchase weight		500
Avg wgt / Backgnd Beef sold		715
Avg purch price / cwt.		218.28
Avg sales price / cwt.		196.75

Financial Summary Tables

The following pages are one-page financial summaries of the whole farm analysis sorted 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

This table summarizes whole-farm financial performance by net farm income. Farms are categorized into 5 groups from low to high net farm income.

Financial Summary by Farm Size (Gross Farm Income)

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

Financial Summary by Farm Type

This table summarizes 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. If a given type includes less than four farms, they are not reported here.

Financial Summary by Debt To Asset Ratio

This table summarizes 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

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

Financial Summary
2014 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	137	27	27	28	27	28
Income Statement						
Gross cash farm income	623,712	208,093	160,522	423,182	603,384	1,691,269
Total cash farm expense	512,380	177,679	123,988	354,958	467,788	1,410,071
Net cash farm income	111,332	30,414	36,535	68,223	135,596	281,197
Inventory change	49,985	-18,429	-3,061	22,974	38,088	205,592
Depreciation	-33,147	-27,158	-12,996	-23,611	-45,792	-55,694
Net farm income from operations	128,171	-15,173	20,477	67,587	127,893	431,096
Gain or loss on capital sales	-5,603	-25,974	-303	-3,959	331	1,562
Average net farm income	122,567	-41,147	20,174	63,627	128,224	432,658
Median net farm income	62,440	-1,995	19,776	60,160	123,193	274,628
Profitability (cost)						
Rate of return on assets	6.9 %	-3.6 %	2.0 %	4.7 %	5.4 %	11.6 %
Rate of return on equity	7.9 %	-5.5 %	1.1 %	4.4 %	5.9 %	14.7 %
Operating profit margin	20.1 %	-15.8 %	7.4 %	13.8 %	16.3 %	30.2 %
Asset turnover rate	34.1 %	22.7 %	27.2 %	34.3 %	33.1 %	38.3 %
Profitability (market)						
Rate of return on assets	8.3 %	1.2 %	8.9 %	6.3 %	5.8 %	12.3 %
Rate of return on equity	9.3 %	0.9 %	10.0 %	6.6 %	6.2 %	14.7 %
Operating profit margin	33.8 %	8.3 %	49.6 %	27.7 %	25.7 %	41.0 %
Asset turnover rate	24.4 %	14.8 %	17.9 %	22.8 %	22.7 %	29.9 %
Liquidity & Repayment (end of year)						
Current assets	483,016	195,067	173,275	325,440	563,734	1,139,101
Current liabilities	152,780	41,584	69,895	159,417	153,469	332,627
Current ratio	3.16	4.69	2.48	2.04	3.67	3.42
Working capital	330,236	153,483	103,380	166,024	410,265	806,474
Working capital to gross inc	48.6 %	80.0 %	64.6 %	36.5 %	64.0 %	42.2 %
Term debt coverage ratio	3.57	0.19	1.71	1.92	4.34	5.58
Replacement coverage ratio	2.34	0.12	1.30	1.54	2.09	3.80
Term debt to EBITDA	1.50	7.20	2.74	2.50	1.21	1.09
Solvency (end of year at cost)						
Number of farms	137	27	27	28	27	28
Total assets	1,797,023	863,207	653,780	1,427,913	2,046,021	3,928,908
Total liabilities	468,386	169,806	180,265	478,806	420,943	1,069,462
Net worth	1,328,637	693,401	473,515	949,106	1,625,079	2,859,446
Net worth change	130,240	-60,900	12,352	46,366	120,237	521,752
Farm debt to asset ratio	27 %	20 %	29 %	36 %	21 %	28 %
Total debt to asset ratio	26 %	20 %	28 %	34 %	21 %	27 %
Change in earned net worth %	11 %	-8 %	3 %	5 %	8 %	22 %
Solvency (end of year at market)						
Number of farms	137	27	27	28	27	28
Total assets	2,495,683	1,332,316	1,019,150	2,101,610	2,981,744	4,966,674
Total liabilities	468,386	169,806	180,265	478,806	420,943	1,069,462
Net worth	2,027,298	1,162,510	838,885	1,622,804	2,560,802	3,897,212
Total net worth change	208,472	-6,738	85,658	110,081	202,494	638,577
Farm debt to asset ratio	19 %	12 %	19 %	24 %	15 %	22 %
Total debt to asset ratio	19 %	13 %	18 %	23 %	14 %	22 %
Change in total net worth %	11 %	-1 %	11 %	7 %	9 %	20 %
Nonfarm Information						
Net nonfarm income	32,630	20,233	27,488	38,796	44,419	32,010
Farms reporting living expenses	13	2	3	4	4	-
Total family living expense	46,567	-	-	-	-	-
Total living, invest, cap. purch	70,766	-	-	-	-	-
Crop Acres						
Total crop acres	762	483	309	740	956	1,302
Total crop acres owned	252	172	114	215	262	488
Total crop acres cash rented	261	45	135	288	376	452
Total crop acres share rented	250	266	60	237	319	363
Machinery value per crop acre	476	456	436	391	590	459

Financial Summary
2014 Missouri FBMA Farm Summary
(Farms Sorted By Gross Farm Income)

	<u>Avg. Of All Farms</u>	<u>Less than 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>1,000,001- 2,000,000</u>	<u>Over 2,000,000</u>
Number of farms	137	38	27	24	31	11	6
Income Statement							
Gross cash farm income	623,712	44,932	171,043	378,236	682,017	1,447,624	5,496,494
Total cash farm expense	512,380	30,517	132,539	281,985	550,790	1,201,737	4,732,778
Net cash farm income	111,332	14,415	38,504	96,251	131,227	245,887	763,716
Inventory change	49,985	7,235	21,469	61,756	70,255	68,367	263,545
Depreciation	-33,147	-2,847	-10,127	-37,746	-45,388	-103,186	-118,581
Net farm income from operations	128,171	18,803	49,847	120,261	156,095	211,068	908,680
Gain or loss on capital sales	-5,603	-414	-194	-27,893	1,998	-13,679	1,873
Average net farm income	122,567	18,389	49,653	92,368	158,093	197,390	910,553
Median net farm income	62,440	12,540	37,677	110,791	142,189	187,070	315,994
Profitability (cost)							
Rate of return on assets	6.9 %	3.9 %	4.7 %	6.3 %	5.6 %	4.6 %	13.6 %
Rate of return on equity	7.9 %	4.1 %	4.9 %	6.9 %	6.2 %	4.6 %	21.0 %
Operating profit margin	20.1 %	24.5 %	17.6 %	23.1 %	17.6 %	12.5 %	27.2 %
Asset turnover rate	34.1 %	16.1 %	26.6 %	27.3 %	31.6 %	36.9 %	50.0 %
Profitability (market)							
Rate of return on assets	8.3 %	3.6 %	9.1 %	7.0 %	6.4 %	9.9 %	12.3 %
Rate of return on equity	9.3 %	3.7 %	9.8 %	7.6 %	7.0 %	11.2 %	17.3 %
Operating profit margin	33.8 %	35.1 %	63.3 %	35.4 %	28.5 %	36.8 %	28.5 %
Asset turnover rate	24.4 %	10.3 %	14.4 %	19.9 %	22.4 %	26.8 %	43.3 %
Liquidity & Repayment (end of year)							
Current assets	483,016	80,307	197,702	403,944	660,688	1,205,801	2,390,632
Current liabilities	152,780	5,778	38,054	109,171	226,772	388,493	960,057
Current ratio	3.16	13.90	5.20	3.70	2.91	3.10	2.49
Working capital	330,236	74,529	159,648	294,773	433,915	817,309	1,430,574
Working capital to gross inc	48.6 %	141.8 %	79.9 %	67.3 %	57.9 %	53.5 %	24.5 %
Term debt coverage ratio	3.57	8.72	3.14	4.22	3.47	1.72	5.15
Replacement coverage ratio	2.34	3.39	2.00	2.33	2.16	1.26	3.89
Term debt to EBITDA	1.50	1.46	1.59	1.11	1.40	1.96	1.53
Solvency (end of year at cost)							
Number of farms	137	38	27	24	31	11	6
Total assets	1,797,023	381,681	914,813	1,789,146	2,403,317	4,052,802	7,494,199
Total liabilities	468,386	43,511	199,800	334,391	563,510	1,090,420	3,272,009
Net worth	1,328,637	338,170	715,013	1,454,754	1,839,807	2,962,382	4,222,191
Net worth change	130,240	14,842	44,025	64,092	271,535	129,598	784,818
Farm debt to asset ratio	27 %	10 %	22 %	19 %	24 %	28 %	44 %
Total debt to asset ratio	26 %	11 %	22 %	19 %	23 %	27 %	44 %
Change in earned net worth %	11 %	5 %	7 %	5 %	17 %	5 %	23 %
Solvency (end of year at market)							
Number of farms	137	38	27	24	31	11	6
Total assets	2,495,683	574,967	1,611,716	2,420,346	3,377,556	5,675,776	8,552,914
Total liabilities	468,386	43,511	199,800	334,391	563,510	1,090,420	3,272,009
Net worth	2,027,298	531,456	1,411,916	2,085,955	2,814,046	4,585,356	5,280,905
Total net worth change	208,472	25,752	138,368	124,169	367,186	473,982	711,574
Farm debt to asset ratio	19 %	7 %	12 %	14 %	17 %	20 %	39 %
Total debt to asset ratio	19 %	8 %	12 %	14 %	17 %	19 %	38 %
Change in total net worth %	11 %	5 %	11 %	6 %	15 %	12 %	16 %
Nonfarm Information							
Net nonfarm income	32,630	32,849	27,759	30,434	47,965	13,485	17,820
Farms reporting living expenses	13	4	3	2	4	-	-
Total family living expense	46,567	-	-	-	-	-	-
Total living, invest, cap. purch	70,766	-	-	-	-	-	-
Crop Acres							
Total crop acres	762	72	356	722	1,116	2,336	2,399
Total crop acres owned	252	37	178	238	360	725	567
Total crop acres cash rented	261	11	78	148	316	1,116	1,262
Total crop acres share rented	250	25	101	336	440	495	570
Machinery value per crop acre	476	593	384	489	509	475	419

Financial Summary
2014 Missouri FBMA Farm Summary
(Farms Sorted By Farm Type)

	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Beef</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	137	69	17	27	19
Income Statement					
Gross cash farm income	623,712	492,453	324,846	407,080	528,561
Total cash farm expense	512,380	388,584	299,110	352,714	420,092
Net cash farm income	111,332	103,869	25,736	54,366	108,469
Inventory change	49,985	29,684	55,583	79,264	65,739
Depreciation	-33,147	-45,045	-10,777	-24,824	-23,784
Net farm income from operations	128,171	88,508	70,543	108,806	150,423
Gain or loss on capital sales	-5,603	-10,948	-333	297	17
Average net farm income	122,567	77,560	70,210	109,103	150,440
Median net farm income	62,440	54,773	29,421	88,732	114,273
Profitability (cost)					
Rate of return on assets	6.9 %	3.6 %	10.9 %	6.0 %	7.5 %
Rate of return on equity	7.9 %	3.5 %	13.2 %	7.3 %	10.0 %
Operating profit margin	20.1 %	11.4 %	35.2 %	20.0 %	28.4 %
Asset turnover rate	34.1 %	32.0 %	31.0 %	30.1 %	26.5 %
Profitability (market)					
Rate of return on assets	8.3 %	4.9 %	9.5 %	10.7 %	9.4 %
Rate of return on equity	9.3 %	5.0 %	10.8 %	12.4 %	11.6 %
Operating profit margin	33.8 %	20.9 %	42.0 %	59.5 %	50.0 %
Asset turnover rate	24.4 %	23.5 %	22.7 %	18.0 %	18.8 %
Liquidity & Repayment (end of year)					
Current assets	483,016	488,349	212,005	423,975	498,928
Current liabilities	152,780	127,383	96,105	174,257	212,874
Current ratio	3.16	3.83	2.21	2.43	2.34
Working capital	330,236	360,966	115,900	249,718	286,053
Working capital to gross inc	48.6 %	68.6 %	30.3 %	52.2 %	46.8 %
Term debt coverage ratio	3.57	2.50	10.23	3.25	4.13
Replacement coverage ratio	2.34	1.45	5.22	2.57	2.82
Term debt to EBITDA	1.50	1.43	0.97	1.51	2.15
Solvency (end of year at cost)					
Number of farms	137	69	17	27	19
Total assets	1,797,023	1,852,282	725,218	1,608,197	2,188,542
Total liabilities	468,386	345,343	178,108	486,833	828,345
Net worth	1,328,637	1,506,939	547,110	1,121,365	1,360,197
Net worth change	130,240	93,728	56,659	99,996	142,164
Farm debt to asset ratio	27 %	19 %	26 %	30 %	41 %
Total debt to asset ratio	26 %	19 %	25 %	30 %	38 %
Change in earned net worth %	11 %	7 %	12 %	10 %	12 %
Solvency (end of year at market)					
Number of farms	137	69	17	27	19
Total assets	2,495,683	2,482,471	977,787	2,698,095	3,061,900
Total liabilities	468,386	345,343	178,108	486,833	828,345
Net worth	2,027,298	2,137,128	799,679	2,211,262	2,233,556
Total net worth change	208,472	137,092	80,800	275,644	279,442
Farm debt to asset ratio	19 %	14 %	19 %	18 %	29 %
Total debt to asset ratio	19 %	14 %	18 %	18 %	27 %
Change in total net worth %	11 %	7 %	11 %	14 %	14 %
Nonfarm Information					
Net nonfarm income	32,630	25,107	38,702	47,888	33,692
Farms reporting living expenses	13	5	1	5	2
Total family living expense	46,567	45,269	-	49,139	-
Total living, invest, cap. purch	70,766	68,938	-	80,119	-
Crop Acres					
Total crop acres	762	986	173	650	634
Total crop acres owned	252	266	61	326	298
Total crop acres cash rented	261	366	53	151	134
Total crop acres share rented	250	353	59	173	202
Machinery value per crop acre	476	505	595	416	408

Financial Summary
2014 Missouri FBMA Farm 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	137	81	32	18	5
Income Statement					
Gross cash farm income	623,712	380,512	629,717	684,141	4,268,734
Total cash farm expense	512,380	272,176	579,568	599,016	3,533,170
Net cash farm income	111,332	108,336	50,149	85,125	735,564
Inventory change	49,985	21,035	99,014	36,378	124,407
Depreciation	-33,147	-34,078	-32,729	-34,191	-23,602
Net farm income from operations	128,171	95,293	116,434	87,311	836,369
Gain or loss on capital sales	-5,603	-7,859	-770	-5,947	118
Average net farm income	122,567	87,434	115,664	81,364	836,487
Median net farm income	62,440	64,603	70,985	48,251	94,352
Profitability (cost)					
Rate of return on assets	6.9 %	4.6 %	5.6 %	6.2 %	28.7 %
Rate of return on equity	7.9 %	4.7 %	6.9 %	8.1 %	60.6 %
Operating profit margin	20.1 %	17.3 %	16.0 %	14.2 %	40.9 %
Asset turnover rate	34.1 %	26.6 %	34.8 %	43.7 %	70.3 %
Profitability (market)					
Rate of return on assets	8.3 %	6.5 %	6.4 %	11.6 %	28.0 %
Rate of return on equity	9.3 %	6.7 %	7.8 %	18.0 %	55.0 %
Operating profit margin	33.8 %	38.3 %	22.8 %	32.7 %	42.4 %
Asset turnover rate	24.4 %	17.1 %	28.1 %	35.4 %	66.2 %
Liquidity & Repayment (end of year)					
Current assets	483,016	414,100	550,258	454,700	1,104,632
Current liabilities	152,780	53,626	265,880	323,908	288,252
Current ratio	3.16	7.72	2.07	1.40	3.83
Working capital	330,236	360,474	284,377	130,792	816,381
Working capital to gross inc	48.6 %	89.1 %	38.4 %	18.2 %	18.4 %
Term debt coverage ratio	3.57	5.04	2.30	1.79	5.43
Replacement coverage ratio	2.34	2.19	1.86	1.53	5.00
Term debt to EBITDA	1.50	0.76	2.26	3.33	1.28
Solvency (end of year at cost)					
Number of farms	137	81	32	18	5
Total assets	1,797,023	1,662,032	2,028,330	1,600,136	3,307,987
Total liabilities	468,386	149,000	833,444	941,087	1,536,542
Net worth	1,328,637	1,513,031	1,194,885	659,049	1,771,446
Net worth change	130,240	115,531	85,542	50,085	880,108
Farm debt to asset ratio	27 %	10 %	42 %	61 %	46 %
Total debt to asset ratio	26 %	9 %	41 %	59 %	46 %
Change in earned net worth %	11 %	8 %	8 %	8 %	99 %
Solvency (end of year at market)					
Number of farms	137	81	32	18	5
Total assets	2,495,683	2,559,790	2,488,234	2,002,598	3,515,340
Total liabilities	468,386	149,000	833,444	941,087	1,536,542
Net worth	2,027,298	2,410,790	1,654,789	1,061,511	1,978,798
Total net worth change	208,472	211,481	105,954	168,525	912,242
Farm debt to asset ratio	19 %	6 %	34 %	48 %	44 %
Total debt to asset ratio	19 %	6 %	33 %	47 %	44 %
Change in total net worth %	11 %	10 %	7 %	19 %	86 %
Nonfarm Information					
Net nonfarm income	32,630	33,513	31,519	31,277	17,443
Farms reporting living expenses	13	7	4	1	1
Total family living expense	46,567	46,259	-	-	-
Total living, invest, cap. purch	70,766	70,269	-	-	-
Crop Acres					
Total crop acres	762	644	983	1,041	365
Total crop acres owned	252	314	167	199	25
Total crop acres cash rented	261	158	387	552	125
Total crop acres share rented	250	172	430	291	215
Machinery value per crop acre	476	571	405	348	342

Financial Summary
2014 Missouri FBMA Farm 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	137	16	25	21	25	50
Income Statement						
Gross cash farm income	623,712	179,969	348,626	1,509,513	584,815	550,666
Total cash farm expense	512,380	157,264	294,701	1,205,349	480,038	459,981
Net cash farm income	111,332	22,705	53,925	304,164	104,777	90,685
Inventory change	49,985	48,759	45,786	60,091	70,470	37,991
Depreciation	-33,147	-8,785	-22,917	-44,411	-43,483	-36,158
Net farm income from operations	128,171	62,679	76,794	319,843	131,764	92,518
Gain or loss on capital sales	-5,603	-1,206	-641	-5,534	-116	-12,265
Average net farm income	122,567	61,472	76,153	314,309	131,648	80,253
Median net farm income	62,440	49,723	41,736	84,091	106,692	63,242
Profitability (cost)						
Rate of return on assets	6.9 %	13.1 %	6.0 %	14.8 %	5.2 %	3.6 %
Rate of return on equity	7.9 %	24.4 %	7.5 %	19.0 %	6.0 %	3.4 %
Operating profit margin	20.1 %	29.1 %	14.6 %	31.6 %	19.2 %	12.2 %
Asset turnover rate	34.1 %	45.2 %	40.8 %	46.8 %	27.2 %	29.2 %
Profitability (market)						
Rate of return on assets	8.3 %	16.0 %	7.9 %	14.7 %	8.6 %	5.3 %
Rate of return on equity	9.3 %	26.7 %	10.2 %	18.0 %	10.1 %	5.5 %
Operating profit margin	33.8 %	41.7 %	22.1 %	36.9 %	43.1 %	29.6 %
Asset turnover rate	24.4 %	38.5 %	35.9 %	39.8 %	19.9 %	18.0 %
Liquidity & Repayment (end of year)						
Current assets	483,016	164,813	258,421	755,973	579,218	534,396
Current liabilities	152,780	76,187	116,445	200,031	220,451	141,776
Current ratio	3.16	2.16	2.22	3.78	2.63	3.77
Working capital	330,236	88,626	141,976	555,942	358,767	392,620
Working capital to gross inc	48.6 %	38.4 %	35.9 %	35.1 %	54.3 %	66.2 %
Term debt coverage ratio	3.57	4.52	3.08	5.14	2.94	2.91
Replacement coverage ratio	2.34	3.79	2.36	3.66	1.94	1.65
Term debt to EBITDA	1.50	1.63	2.37	0.96	2.07	1.36
Solvency (end of year at cost)						
Number of farms	137	16	25	21	25	50
Total assets	1,797,023	544,708	1,132,174	2,446,170	2,480,280	1,915,919
Total liabilities	468,386	300,341	429,502	607,802	810,739	311,871
Net worth	1,328,637	244,367	702,672	1,838,368	1,669,541	1,604,048
Net worth change	130,240	55,165	32,486	533,982	93,459	51,960
Farm debt to asset ratio	27 %	57 %	38 %	25 %	34 %	18 %
Total debt to asset ratio	26 %	55 %	38 %	25 %	33 %	16 %
Change in earned net worth %	11 %	29 %	5 %	41 %	6 %	3 %
Solvency (end of year at market)						
Number of farms	137	16	25	21	25	50
Total assets	2,495,683	636,624	1,313,133	2,873,804	3,361,466	3,090,155
Total liabilities	468,386	300,341	429,502	607,802	810,739	311,871
Net worth	2,027,298	336,284	883,631	2,266,002	2,550,727	2,778,284
Total net worth change	208,472	80,212	47,938	588,360	232,019	158,455
Farm debt to asset ratio	19 %	49 %	33 %	21 %	25 %	11 %
Total debt to asset ratio	19 %	47 %	33 %	21 %	24 %	10 %
Change in total net worth %	11 %	31 %	6 %	35 %	10 %	6 %
Nonfarm Information						
Net nonfarm income	32,630	17,734	37,812	49,114	35,355	26,521
Farms reporting living expenses	13	1	3	2	1	6
Total family living expense	46,567	-	-	-	-	49,828
Total living, invest, cap. purch	70,766	-	-	-	-	63,744
Crop Acres						
Total crop acres	762	305	757	877	865	811
Total crop acres owned	252	52	89	201	371	358
Total crop acres cash rented	261	119	308	292	283	258
Total crop acres share rented	250	134	360	384	211	195
Machinery value per crop acre	476	275	278	548	533	528

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 2014 “average” or “mean” net farm income of the 137 farms in this summary was \$122,567. This is found by simply adding the NFI of each farm in the group to a total and then dividing by 137 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 2014, the “average” or “mean” NFI for 137 farms in the summary was \$122,567. However, the NFI of the “median”, or farm at the half-way point, was \$62,440. This indicates there were a group of 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 2014 FBMA farms are reported on page 43 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.

Financial Summary - Detail 2014

Benchmark Report, 137 Farms

	Group Median	Count	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Gross cash farm income	300,008	137	24,654	37,304	79,043	141,716	221,270	345,097	497,131	640,019	866,964	1,942,832
Total cash operating expense	198,354	137	1,700,596	779,303	539,617	383,493	263,996	172,748	120,268	65,321	22,342	13,724
Net cash farm income	44,182	137	-24,948	3,308	11,617	23,469	34,333	53,614	87,706	134,828	198,984	317,358
Inventory change	13,898	137	-90,996	-24,933	-7,788	-1,113	5,651	22,856	53,220	77,411	163,098	262,677
Depreciation	-14,000	137	-129,348	-69,501	-44,379	-25,775	-18,099	-9,976	-4,716	-1,843	0	0
Net farm income from operations	64,603	137	-9,426	6,688	12,927	27,372	42,772	73,597	108,370	156,442	211,727	361,346
Gain or Loss from capital sales	0	137	-13,773	0	0	0	0	0	0	0	0	3,733
Net farm income	62,440	137	-9,426	5,402	11,534	27,372	42,772	73,597	105,661	153,924	205,308	361,346
Rate of return on assets (cost)	4.8	137	-4.4	-1.8	0.8	2.5	4.0	5.4	7.3	10.5	13.5	27.3
Rate of return on equity (cost)	4.9	137	-7.9	-3.9	-0.5	2.3	4.3	6.1	8.6	13.0	18.0	41.5
Operating profit margin (cost)	17.5	137	-32.5	-4.6	4.9	10.5	14.7	20.3	29.5	35.8	43.2	55.5
Asset turnover rate (cost)	28.6	137	7.4	13.7	19.5	24.1	27.1	29.9	35.5	41.7	53.5	74.0
Rate of return on assets (mkt)	5.6	137	-2.9	0.4	1.6	3.0	4.6	6.2	8.7	11.8	15.9	31.8
Rate of return on equity (mkt)	5.7	137	-4.2	-1.1	1.2	3.2	4.5	6.8	9.4	15.7	21.4	46.2
Operating profit margin (mkt)	27.5	137	-10.7	2.4	10.9	17.3	22.8	33.0	37.3	47.9	58.2	141.1
Asset turnover rate (mkt)	21.5	137	5.3	7.4	10.9	14.9	19.6	23.7	27.7	32.8	50.8	68.2
Current ratio	2.97	137	0.91	1.35	1.67	1.97	2.41	3.58	5.62	11.61	17.11	55.50
Working capital	169,170	137	-6,772	19,099	52,347	98,570	144,220	209,075	273,404	387,596	674,170	1,328,743
Working capital to revenue ratio	61.7	137	-2.1	16.6	29.2	42.5	50.3	67.3	86.5	104.1	138.6	247.2
Term debt coverage ratio	2.00	137	-0.72	0.21	0.58	1.12	1.49	2.49	3.58	4.98	8.84	19.72
Replacement coverage ratio	2.14	137	-0.42	0.33	0.70	1.24	1.76	2.47	3.57	5.37	8.18	17.58
Term debt to EBITDA	0.83	137	7.40	4.14	2.77	1.44	1.00	0.70	0.19	0.00	0.00	0.00
Total assets	1,716,456	137	179,281	377,150	598,610	1,007,434	1,470,171	2,002,922	2,519,043	3,162,749	4,569,169	8,734,326
Total liabilities	171,560	137	1,974,780	853,762	538,663	404,162	237,316	131,498	41,344	7,567	0	0
Net worth	1,307,315	137	114,870	299,059	451,059	691,815	1,241,153	1,473,626	2,052,642	2,762,001	3,698,450	8,155,915
Change in retained earnings	32,094	137	-70,368	-12,471	6,070	16,178	25,624	42,573	70,368	117,625	180,404	356,045
Net worth change	64,869	137	-37,265	4,191	13,018	29,004	52,365	74,523	121,333	209,857	300,917	847,347
Farm debt to asset ratio	11	137	59	42	31	23	13	9	5	1	0	0
Total debt to asset ratio	11	137	58	44	30	23	14	10	4	1	0	0
Change in earned net worth %	6	137	-6	-1	1	3	5	8	11	17	32	83
Net nonfarm income	15,000	137	0	0	0	13	8,841	20,544	32,477	45,881	80,225	144,448
Family living / owner withdrawals	38,780	137	158,594	80,098	66,856	51,206	43,927	35,180	23,213	7,727	0	0
Income tax (accrued)	0	137	57,560	21,987	14,698	5,967	1,005	0	0	0	0	0
Farm capital purchases	39,956	137	0	1,500	9,875	16,700	28,285	48,000	78,485	125,726	207,451	384,449
Total crop acres	472	137	0	44	102	200	349	560	778	1,051	1,546	2,977
Crop acres owned	102	137	0	0	0	47	87	120	189	341	531	1,034
Crop acres cash rented	35	137	0	0	0	0	13	59	143	246	508	1,262
Crop acres share rented	30	137	0	0	0	0	0	52	175	328	584	1,054
Machinery investment per acre	442	137	1,680	855	708	597	489	403	336	233	46	0

Appendix I

Whole Farm Analysis Procedures and Measures

The whole-farm reports include summary financial statements and measures for all farms included in this report. Rounding of individual items may have caused minor discrepancies between those items and the printed totals which are calculated before rounding.

Financial Summary

This table summarizes key measures reported in several of the following tables.

Income Statement

This section summarizes key totals from the Income Statement table. *Average Net Farm Income* is the mean or average farm earnings of the group calculated on an accrual adjusted basis. *Median Net Farm Income* is the farm earnings of the median or middle farm in the group. If it is lower than the average, the average earnings are skewed because some farms had much higher earnings than the rest of the group. If it is higher than the average, the average earnings are skewed because some farms had much lower earnings than the rest of the group.

Profitability

See the Profitability Measures section below for an explanation of these measures.

Liquidity and Repayment

See the Financial Standards Measures and Liquidity Measures sections below for an explanation of these measures.

Solvency

This section summarizes key measures from the Balance Sheet reports.

Nonfarm Information

This section summarizes non-farm earnings for all farms and family living withdrawals for those sole proprietors who kept accurate family living records. More detail is included on the Household and Personal Expenses and Nonfarm Summary pages.

Crop Acres

This section summarizes acres used for cropping the Crop Production and Marketing Table.

Financial Standards Measures

This table contains the Farm Financial Standards Council's 21 financial measures for evaluating a farm's financial position and performance.

Liquidity

Current Ratio is calculated by dividing the total current farm assets by the total current farm liabilities.

Working Capital is calculated by subtracting current farm liabilities from current farm assets.

Working Capital to Gross Income is *Working Capital* divided by *Gross Revenues (accrual)*.

Solvency

Farm Debt to Asset Ratio is calculated by dividing the total farm liabilities by the total farm assets. It measures the proportion of farm assets financed by debt capital.

Farm Equity to Asset Ratio is calculated by dividing farm equity or net worth by the total farm assets. It measures the proportion of the farm assets financed by the owner's equity as opposed to debt. This is the opposite of the debt to asset ratio. These two measures always add up to 100% because they describe how total farm assets are financed.

Farm Debt to Equity Ratio measures farm debt relative to farm equity. It is calculated by dividing the total farm liabilities by the total farm net worth. The debt to equity ratio measures the amount of borrowed capital being employed for every dollar of equity capital.

Profitability

Rate of Return on Farm Assets can be thought of as the average interest rate being earned on all investments in the farm or ranch business. If assets are valued at market value, the rate of return on assets can be looked at as the "opportunity cost" of farming versus alternate investments. If assets are valued at cost value, the rate of return on assets more closely represents the actual return on the average dollar invested in the farm. The rate of return on farm assets is calculated as follows: $\text{Rate of Return on Assets} = \text{Return on Farm Assets} \div \text{Average Farm Investment}$, where: $\text{Return on Farm Assets} = \text{Net Farm Income} + \text{Farm Interest} - \text{Value of Operator's Labor \& Management}$, and $\text{Average Farm Investment} = (\text{Beginning Total Farm Assets} + \text{Ending Total Farm Assets}) \div 2$.

Rate of Return on Farm Equity represents the interest rate being earned on farm net worth. If assets are valued at market value, this return can be compared to returns available if the assets were liquidated and invested in alternate investments. If assets are valued at cost value, this more closely represents the actual return on the funds that have been invested or retained in the business. The rate of return on farm equity is calculated as follows: $\text{Rate of Return on Equity} = \text{Return on Farm Equity} \div \text{Average Farm Net Worth}$, where: $\text{Return on Farm Equity} = \text{Net Farm Income} - \text{Value of Operator's Labor \& Management}$, and $\text{Average Farm Net Worth} = (\text{Beginning Farm Net Worth} + \text{Ending Farm Net Worth}) \div 2$.

Operating Profit Margin is a measure of the operating efficiency of the business. It is calculated as follows: $\text{Operating Profit Margin} = \text{Return to Farm Assets} \div \text{Value of Farm Production}$. If expenses are held in line relative to the value of output produced, the farm will have a healthy operating profit margin. A low net profit margin may be caused by low prices, high operating expenses, or inefficient production.

Net Farm Income represents the returns to unpaid labor, management, and equity capital invested in the business.

EBITDA is Earnings Before Interest, Taxes, Depreciation and Amortization. It is Net Farm Income from Operations from the income statement plus interest expense and depreciation expense. This measure is common in commercial financial analysis but is not commonly used in agriculture.

Repayment Capacity

Capital Debt Repayment Capacity is *Net Farm Income From Operations* plus *Depreciation, Personal Income*, and *Interest on Term Debt* minus *Family Living/Owner Withdrawals, Payments on Personal Debt* and *Income Taxes Paid*. This represents total earnings available for debt repayment and cash capital replacement.

Capital Debt Repayment Margin is *Capital Debt Repayment Capacity* minus *Scheduled Term Debt Payments*. This is the amount by which earnings available for debt repayment exceeded payments due.

Replacement Margin is *Capital Debt Repayment Margin* minus *Cash Replacement Allowance*. This is the amount by which earnings available for debt repayment and replacement exceed payments due and cash replacement needs.

Term Debt Coverage Ratio measures whether the business generated enough income to cover term debt payments. It is calculated by dividing the funds generated by the business for debt repayment (net cash farm income + nonfarm income + interest expense – family living expense – income taxes) by total term debt payments (annual scheduled principal and interest payments on intermediate and long term debt). A ratio less than 1.0 indicates that the business did not generate sufficient cash to meet scheduled payments in the past year. A ratio greater than 1.0 indicates the business generated enough cash to pay all term debt payments.

Replacement Coverage Ratio measures whether the business generated enough income to cover scheduled term debt payments plus estimated cash capital replacement needs. A ratio less than 1.0 indicates that the business did not generate sufficient income to meet replacement needs. A ratio greater than 1.0 indicates the business generated enough income to pay all term debt payments and cover an allowance for capital replacement.

Efficiency

Asset turnover Rate is a measure of efficiency in using capital. It is calculated as follows: $\text{Asset Turnover Rate} = \text{Value of Farm Production} \div \text{Total Farm Assets}$.

The last four ratios reflect the distribution of gross income to cover operating expenses and generate farm income. The sum of the operating expense ratio, the depreciation expense ratio, and the interest expense ratio equals the percent of gross income used to pay business expenses. The amount remaining is net farm income. The gross farm income used to calculate these ratios is the accrual gross farm income.

Operating Expense Ratio is calculated as $(\text{Total Farm Operating Expense} - \text{Farm Interest Expense}) \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income that was used to pay operating expenses. Total farm operating expense is the accrual total operating expense.

Depreciation Expense Ratio is calculated as $\text{Depreciation} \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income that was used to cover depreciation and other capital adjustments.

Interest Expense Ratio is calculated as $\text{Farm Interest Expenses} \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income used for farm interest expenses. This is the same ratio as the accrual interest as a percent of income from the Liquidity table.

Net Farm Income Ratio is calculated as $\text{Net Farm Income} \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income that remained after all expenses.

Farm Income Statement

The farm Income Statement is a summary of income, expenses, and resultant profit or loss from farming operations during the calendar year. The first section lists cash farm income from all sources. The second section lists *cash* expenses. “Interest” includes only interest actually paid. No opportunity charges on farm equity capital or unpaid labor are included. The difference between *Gross Cash Farm Income* and *Total Cash Expense* is the *Net Cash Farm Income*. This is net farm income on a *cash* basis.

The third and fourth sections deal with noncash changes in the farm business. The *Inventory Changes* and *Depreciation* sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement. The resulting “Net Farm Income” represents the return to the operator’s and family’s unpaid labor, management, and equity capital (net worth). In other words, it represents the return to all of the resources which are owned by the farm family and, hence, not purchased or paid a wage. However, it does not include any asset appreciation, debt forgiveness or asset repossessions.

Profitability Measures

Profitability is measured using assets valued first at cost and then at market. The reports include five measures of profit followed by the values used to calculate the measures.

Net Farm Income is repeated from the Farm Income Statement report. When assets are valued at market, it includes the change in market valuation of capital for the year.

Rate of Return on Assets is the *Return to Farm Assets* divided by *Average Farm Assets*.

Rate of Return on Equity is the *Return to Farm Equity* divided by *Average Farm Equity*.

Operating Profit Margin is the *Return to Farm Assets* divided by *Value of Farm Production*.

Asset Turnover Rate is the *Value of Farm Production* divided by *Average Farm Assets*.

Farm Interest Expense is the accrued interest cost so it will be different from the cash interest paid shown in the Farm Income Statement.

Value of Operator's Labor and Management is its opportunity cost. It is assigned by farm within suggested guidelines.

Return on Farm Assets is calculated by adding *Farm Interest Expense* and *Net Farm Income* and then subtracting the *Value of Operator's Labor and Management*.

Average Farm Assets is the average of beginning and ending total farm assets for all farms, not just those included in the Balance Sheet report.

Return to Farm Equity is calculated by subtracting the *Value of Operator's Labor and Management* from *Net Farm Income*.

Average Farm Equity is the average of beginning and ending farm net worth.

Value of Farm Production is gross farm income minus feeder livestock and feed purchased and adjusted for inventory changes in crops, market livestock and breeding livestock.

Liquidity and Repayment Capacity Measures

Current Ratio is total *Current Assets* divided by total *Current Liabilities*.

Working Capital is total *Current Assets* minus total *Current Liabilities*.

Working Capital to Gross Income is *Working Capital* divided by *Gross Revenues (accrual)*.

Current Assets are taken from the ending balance sheet and include all assets that will be sold or used up in production within one business year.

Current Liabilities are taken from the ending balance sheet and include all loans and other debt due to be repaid within one business year. Principal due within a twelve months on intermediate and long term loans is included.

Gross Revenues (accrual) is gross cash farm income from the income statement adjusted for inventory changes in crops and feed, market livestock, accounts receivable, hedging accounts, breeding livestock and other income related inventories.

Net Farm Income from Operations is from the Income Statement.

Depreciation is the total depreciation from the Income Statement. It is added as a source of repayment because it is a non-cash expense that was subtracted to arrive at *Net Farm Income From Operations*.

Personal Income is the average for all farms, not including *Gifts and Inheritances*.

Family Living/Owner Withdrawals is the amount of owner withdrawals for family living, partnership withdrawals, and corporate dividends. Reported withdrawals are adjusted to include any discrepancy with actual cash disappearance.

Payments on personal debt is the total principal payments made during the year on all non-farm loans.

Income Taxes Paid are total federal, state, and social security taxes paid during the year on farm and personal earnings.

Interest on Term Debt is the amount of interest paid on intermediate and long term loans during the year. Interest is added as a source of repayment because it was previously subtracted to arrive at *Net Farm Income from Operations*.

Capital Debt Repayment Capacity is *Net Farm Income From Operations* plus *Depreciation*, *Personal Income*, and *Interest on Term Debt* minus *Family Living/Owner Withdrawals*, *Payments on Personal Debt* and *Income Taxes Paid*. This represents total earnings available for debt repayment and cash capital replacement.

Scheduled Term Debt Payments is the scheduled amount of principal and interest payments due on farm intermediate and long term loans from the beginning balance sheet.

Capital Debt Repayment Margin is *Capital Debt Repayment Capacity* minus *Scheduled Term Debt Payments*. This is the amount by which earnings available for debt repayment exceeded payments due.

Cash Replacement Allowance is the estimated amount of cash needed to cover the portion of capital replacement needs that normally come from cash flow. It is estimated for each operator based on their financial structure.

Replacement Margin is *Capital Debt Repayment Margin* minus *Cash Replacement Allowance*. This is the amount by which earnings available for debt repayment and replacement exceed payments due and cash replacement needs.

Term Debt Coverage Ratio is *Capital Debt Repayment Capacity* divided by *Scheduled Term Debt Payments*. This represents how many times scheduled payments are covered by repayment capacity.

Replacement Coverage Ratio is *Capital Debt Repayment Capacity* divided by the total of *Scheduled Term Debt Payments* and the *Cash Replacement Allowance*. This represents how many times scheduled payments and cash replacement needs are covered by repayment capacity.

Balance Sheets at Cost and Market Values

These tables include all farm and personal assets and liabilities reported by these farms on their beginning and ending balance sheets. Government crop loans are treated consistently as loans on these tables, meaning that the full asset value is included as an asset and total accrued interest and outstanding principal balances are included as liabilities. Capital assets are valued at original purchase price minus economic depreciation on the Cost Value table.

Statement of Cash Flows

This table reports the sources from which cash was available or obtained and where that cash was used or remains at the end of the year.

Crop Production and Marketing Summary

This table contains three sections. The first section reports average acreage by tenure and general use. The next two sections show average price received from cash sales and average yields for major crops.

Household and Personal Expenses

For those farms that kept records, the household and personal expenses are summarized in this table. Since not all farms keep these records, the number of farms may be different for each group. Averages are determined by the number of farms keeping these records.

Operator and Labor Information

This table has four sections. The first reports the averages for the number of operators per farm, the operator's age, and the number of years farming. The second section reports various measures and results per operator compared to per farm in other reports.

The third section reports the amount of labor used and the returns to that labor. *Total Unpaid Labor Hours* and *Total Hired Labor Hours* are based on farmers' estimates of labor use. No labor records are kept for unpaid labor. *Value of Farm Production/Hour* is the Value of Farm Production divided by Total Labor Hours per Farm. *Net Farm Income/Unpaid Hour* is Net Farm Income divided by Total Unpaid Labor Hours.

The fourth section reports the number of partnerships and withdrawals in each grouping.

Appendix II

Crop Enterprise Analysis Procedures and Measures

The Crop Enterprise Analysis tables show the profitability of each crop enterprise produced by four or more farms.

Gross Return is the average Yield multiplied by the Value Per Unit plus any other production or income related to the crop. Value Per Unit for cash crops is the average sales price for crops sold or an average sale price during the harvest season. For feed crops, it is the estimated average cost for the year. LDP repayments and other commodity-specific income are added to estimate the total value received for crop production.

Direct Expenses include expenses that are directly related to the production of the specific crop. Most direct expenses are directly assigned to production of the crop and simply divided by acres. Some, such as Fuel and Oil and Repairs, which are difficult to assign directly to specific fields or crops, are determined by allocating the total annual expense across all enterprises using allocation factors entered for each crop.

Overhead Expenses are also determined by allocating the total annual expense across all enterprises using allocation factors entered for each crop.

Net Return per Acre is the Gross Return per Acre minus Total Direct and Overhead Expenses.

Net return with government payments is Net Return Over Lbr & Mgt plus Government Payments. Government Payments includes only direct payments and counter-cyclical payments. Payments that are directly attached to production of the crop, such as LDP and disaster payments are included in Gross Return. Because direct government payments have been decoupled from actual production, these payments are generally allocated to all crops excluding vegetables and pasture. This is done for each farm by allocating the direct payments from the whole farm to these crops.

Net Return over Labor and Management is calculated by allocating the farmer's charge for unpaid labor and management across all enterprises and subtracting it from Net Return With Government Payments.

Cost of Production is calculated by dividing the total expense for each category by the yield per acre. *Total Expense Less Government and Other Income* is total expense minus government payments, income from secondary products, and other income, divided by yield per acre.

Machinery Cost Per Acre is the sum of fuel and oil, repairs, custom hire expense, machinery lease payments, machinery depreciation, and interest on intermediate debt divided by acres.

Estimated Labor Hours Per Acre is calculated by allocating the farmer's estimate of total operator and hired labor hours for the year across all enterprises.

note - Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 4 farms have a certain crop enterprise, that information is not reported.

Appendix III

Livestock Enterprise Analysis Procedures and Measures

The Livestock Enterprise Analysis tables show the profitability of each livestock enterprise produced by four or more farms.

Gross Margin includes product and livestock sales, cull sales, the value of offspring transferred out of the enterprise, the value of inventory change from beginning to end of year, and any other income assigned to the enterprise. Livestock purchases and the value of animals transferred in from other enterprises are subtracted.

Direct Expenses include expenses that are directly related to the specific livestock enterprise. Feed and most other direct expenses are directly assigned based on farm records. Some, such as Fuel and Oil and Repairs, which are difficult to assign directly to enterprises, are determined by allocating the total annual expense across all enterprises using a percentage factor entered for each enterprise.

Overhead Expenses are also determined by allocating the total annual expense across all enterprises by entering a percentage factor for each enterprise.

Net Return is the Gross Return minus Total Direct and Overhead Expenses.

Net Return over Labor and Management is calculated by allocating the farmer's charge for unpaid labor and management across all enterprises and subtracting it from Net Return.

Estimated Labor Hours is calculated by allocating the farmer's estimate of total operator and hired labor hours for the year across all enterprises.

Cost of Production is calculated by dividing the total expense for each category by Total Production. For grow/finish enterprises, the Purchases and Transfers In are included in direct expense. Cull sales, other offspring sales, and any other miscellaneous income are subtracted and replacement purchases and transfers in are added to arrive at the cost *With other revenue adjustments*. *With Labor and Management* is the cost with other revenue adjustments plus the producer's charge for operator's labor and management. This is the breakeven price for the primary product to provide a return for operator labor and management.

The last section of each livestock table contains both economic and technical efficiency measures. *Lbs. feed per lb. of gain* is the pounds of total feed divided by total production. For grains, these pounds per bushel are used: corn, 56; oats, 32; barley, 48; grain sorghum, 56; wheat, 60; and millet, 48. For these forages, the units are converted to pounds and then adjusted by these factors: alfalfa haylage, 0.5; corn silage, 0.33; oatlage, 0.5; sorghum silage, 0.33; and small grain silage, 0.33.

The calving and weaning percentages are calculated as the number of calves which are calved and weaned, respectively, divided by the number of cows which are supposed to bear young.

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 5 farms have a certain crop enterprise, that information is not reported.

