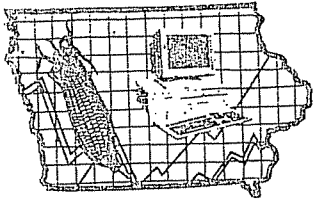


Information for Econ 333
Advanced Farm Business Analysis

Exam 2

Fall 2009



ACCRUED INCOME STATEMENT

IOWA STATEWIDE

Crown Farm

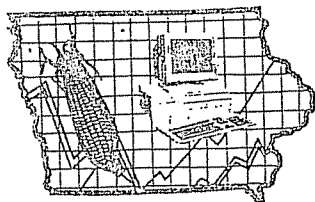
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Production Year

Farm: 1499999

Run Date:

<i>Iowa Farm Business Association</i>	Operator(s)	High Profit 1/3 73 Farms	Size 3 219 Farms	Low Profit 1/3 73 Farms	Group Avg 882 Farms
101 Accrued Net Farm Income	\$ 38,909	132,421	67,260	16,140	64,169
102 Accrued Net/Operator	\$ 38,909	127,194	64,890	15,106	58,711
103					
104 Sources of Cash Income					
105 Corn	\$ 79,512	73,740	84,202	95,058	94,150
106 Soybeans	\$ 104,378	70,777	73,663	74,794	78,734
107 Other Crop	\$ 2,210	2,210	1,477	1,368	2,212
108 Hogs	\$ 156,371	156,371	90,257	45,495	83,903
109 Cattle	\$ 206,634	206,634	79,685	18,205	89,641
110 Other Livestock	\$ 230	230	890	765	1,491
111 Miscellaneous	\$ 27,486	47,658	39,952	35,390	42,691
112 Total Cash Farm Incomes	\$ 211,376	557,620	370,126	271,074	392,821
113 Accrued Incomes	\$ (6,000)	(1,970)	(2,080)	(1,762)	(1,313)
114 Food from Farm	\$ 319	319	218	194	197
115 Inventory Increase	\$ 2,057	54,993	27,411	9,642	29,267
116 Total Business Credits	\$ 207,433	610,963	395,674	279,147	420,972
117					
118 Expenditures					
119 Machine & Equipment Repairs	\$ 5,985	12,294	11,958	11,439	12,473
120 Fuel & Oil Farm Use	\$ 4,396	8,707	7,561	6,763	8,136
121 Power & Machine Hire	\$ 1,436	6,359	5,225	5,470	6,765
122 Owned Truck	\$ 8,257	3,004	2,686	2,443	2,378
123 Auto Expense Farm Share	\$ 1,216	1,216	973	773	962
124 Utilities Farm Share	\$ 1,089	6,337	5,148	4,667	5,198
125 Labor Hired	\$ 11,307	11,307	6,522	4,568	8,041
126 Livestock Expense	\$ 15,471	15,471	10,264	8,106	10,253
127 Crop Expense	\$ 46,527	40,359	40,459	41,000	43,257
128 Fertilizer & Lime	\$ 26,252	18,816	19,574	20,400	20,425
129 Miscellaneous Expense	\$ 1,992	6,336	4,836	4,416	4,505
130 Rent	\$ 31,081	34,941	36,033	37,384	44,589
131 Taxes	\$ 2,320	5,750	5,602	6,640	5,829
132 Interest	\$ 6,697	18,119	15,983	16,878	17,447
133 Insurance	\$ 7,726	9,389	8,634	8,615	9,028
134 Building & Improvement Repairs	\$ 4,220	4,220	3,015	2,643	3,619
135 Total Feed Bought	\$ 82,920	82,920	42,828	20,187	43,431
136 Hogs Bought	\$ 32,775	32,775	22,124	15,227	20,620
137 Cattle Bought	\$ 114,866	114,866	41,077	5,755	47,007
138 Other Livestock Bought	\$ 1	1	76	186	152
139 Beans Bought from Seal	\$ 824	824	904	583	1,228
140 Total Cash Expense	\$ 143,758	434,012	291,483	224,142	315,344
141 Economic Depreciation	\$ 24,971	27,087	21,882	19,801	24,445
142 Inventory Decrease & Mach Value	\$ 17,789	17,789	15,225	19,002	17,070
143 Accrued Expenses	\$ (205)	(347)	(175)	61	(56)
144 Total Business Debits	\$ 168,524	478,542	328,414	263,007	356,803
145 Accrued Net Farm Income	\$ 38,909	132,736	67,021	15,166	64,091
146 Less 4% Charge on Equity	\$ 18,855	24,369	24,342	25,993	25,100
147 Less Unpaid Family Labor	\$ 20,400	21,627	20,407	20,033	19,988
148 Management Return	\$ (346)	86,739	22,272	(30,861)	19,002
149					
150 Total Cash Farm Incomes	\$ 211,376	557,620	370,126	271,074	392,821
151 Less Cash Farm Expenses	\$ 143,758	434,012	291,483	224,142	315,344
152 Plus Loans Received	\$ 142,541	151,469	100,762	73,752	140,237
153 Less Loan Payments	\$ 102,137	162,867	110,871	81,636	144,690
154 Total Farm Cash Flow	\$ 108,022	112,210	68,534	39,047	73,026
155 Plus Non Farm Incomes	\$ 30,027	10,877	12,989	14,686	15,213
156 Remaining Cash Available	\$ 138,049	123,087	81,524	53,733	88,238
157 Non Farm Income % Cash Available	22	9	16	27	17



FINANCIAL ANALYSIS DATA

IOWA STATEWIDE

Crown Farm

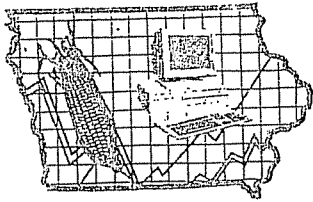
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Production Year

Farm: 1499999

Run Date: 1

Iowa Farm Business Association		Operator(s)	High Profit 1/3 73 Farms	Size 3 219 Farms	Low Profit 1/3 73 Farms	Group Avg 882 Farms
201	Accrued Net Farm Income	\$ 38,909	132,421	67,260	16,140	64,169
202	Management Return	\$ (346)	86,739	22,272	(30,861)	19,002
203						
204	Gross Profits/Man Year Equivalent	\$ 207,638	277,353	238,534	199,775	247,306
205	Gross Profits/\$ Expense	\$ 1.23	1.60	1.33	1.09	1.30
206	Return on Capital-Unpaid Labor	\$ 2.7	13.6	5.4	(1.8)	4.0
207	GVC - Fert & Crop Expense/OCA	\$ 184.65	268.07	242.29	217.56	237.32
208	Livestock Prod/\$100 Feed Fed	\$	191.71	176.87	152.63	174.21
209	Mach & Pwr Cost-75% Cust/OCA	\$ 59.01	60.97	61.95	66.52	64.11
210	Mach & Pwr Investment/OCA	\$ 202.19	244.10	219.81	221.82	232.34
211	Months of Labor	MO 12	18	15	14	15
212	Operator Age	YR 48	49	51	53	52
213	Gross Profits	\$ 207,638	362,449	273,376	217,172	291,441
214	Total Crop Production	\$ 204,564	213,870	200,191	189,398	217,514
215	Livestock Prod/Feed Cost	\$	113,876	52,017	16,996	51,731
216	Income Other Sources	\$ 3,035	30,459	20,795	15,672	21,121
217	Crop Marketing & Inventory +/-	\$ 39	4,243	373	(4,893)	1,075
218						
219	Number of Farms	1	63	200	69	823
220	Feeding Livestock	\$	133,976	61,498	29,296	65,918
221	Corn	\$ 114,812	92,293	83,014	74,223	87,590
222	Beans	\$ 60,710	59,368	50,378	40,400	51,249
223	Other Feedstuffs	\$	11,134	5,288	2,842	5,769
224	Prepaid Expense & Supplies	\$ 11,640	53,387	44,544	40,247	43,616
225	Farm Short Term Assets	\$ 187,162	350,153	244,722	187,008	254,142
226	Breeding Livestock	\$	22,093	16,570	16,596	17,690
227	Mach & Equip Value	\$ 207,442	174,021	152,541	147,521	165,159
228	Farm Intermediate Assets	\$ 207,442	196,114	169,111	164,117	182,849
229	Bare Land Value	\$ 267,805	343,997	427,665	521,282	456,629
230	Improvement Econ Value	\$ 17,300	106,702	63,192	42,507	65,119
231	Total Farm Assets	\$ 679,709	996,971	904,690	914,914	958,739
232	Operator Notes	106,500	100,063	74,679	73,258	90,333
233	Accrued Accts Payable	\$ 5,205	1,535	1,939	3,799	1,816
234	Int & Long Term Due in 12 Mo	\$ 11,001	513	1,696	2,072	2,813
235	CCC Loans	\$ 37,492	6,010	9,043	9,472	9,631
236	Short Term Liabilities	\$ 160,198	108,121	87,359	88,600	104,593
237	Intermediate Notes	\$ 61,625	35,278	33,338	30,858	41,759
238	Long Term Land & Imprv Notes	\$	122,003	107,803	112,948	128,091
239	Total Farm Liabilities	\$ 221,823	265,402	228,500	232,406	274,443
240	Net Farm Worth	\$ 457,886	731,569	676,190	682,508	684,296
241	Personal Net Worth	\$ 196,500	163,252	119,119	87,521	99,594
242	Total Net Worth	\$ 654,386	894,821	795,308	770,029	783,890
243	Net Worth Change for Year	\$ 6,280	79,565	42,800	(11,609)	39,682
244	Liquidity Measurement					
245	Current Ratio	CA/CL 1.168	3.239	2.801	2.111	2.430
246	Current Debt Ratio	CL/TL 0.722	0.407	0.382	0.381	0.381
247	Solvency Measurement					
248	Leverage Ratio	TL/NW 0.484	0.363	0.338	0.341	0.401
249	Debt to Asset Ratio	TL/TA 0.326	0.266	0.253	0.254	0.286
250	Equity Value Ratio	NW/TA 0.674	0.734	0.747	0.746	0.714
251	Profitability Analysis					
252	Return on Equity	(NFI-UL)/NW 0.040	0.151	0.069	(0.006)	0.065
253	Return on Investment	(NFI+IN-UL)/TA 0.037	0.129	0.069	0.014	0.064
254	Profit Margin	(NFI+IN-UL)/GP 0.121	0.356	0.230	0.060	0.211
255	Gross Income Ratio	TE/TCI 0.797	0.420	0.562	0.752	0.593
256	Turnover Ratio	GP/TA 0.305	0.364	0.302	0.237	0.304
257	Expense Structure	FE/TE 0.284	0.309	0.333	0.354	0.352



ENTERPRISE ANALYSIS DATA

IOWA STATEWIDE

Crow Farm

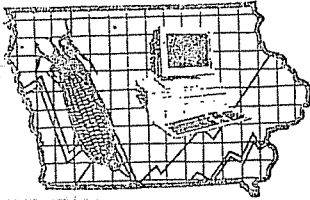
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Production Year

Farm: 1499999

Run Date:

Iowa Farm Business Association		Operator(s)		High Profit 1/3		Size 3		Low Profit 1/3		Group Avg	
1 GENERAL CROP INFORMATION											
2	Total Value Production	204,564		213,870		200,191		189,398		219,387	
3	% of Total Gross Profit	98.5		59.0		73.2		87.2		75.0	
4	Owned Acres: Total, Rotated	95	86	219	193	243	205	286	232	252	215
5	Rented Acres: Total, Rotated	945	938	558	526	525	489	469	427	561	527
6											
7 CORN - FEED ENTERPRISE (10)											
8	Number of Farms	1		62		182		61		739	
9	Operator Bushel Equivalent	58,807		52,054		47,630		45,083		53,095	
10	Operator Share of Acres	427		310		295		289		329	
11	Yield/Acre	137.7		167.9		161.5		156.0		161.4	
12	Crop Value/Acre	302.99		371.34		359.23		343.95		356.25	
13	Insurance & Other Value	(2,814)		5,593		3,358		3,662		4,659	
14	Total "Net" Crop Value/Acre	296.40		389.38		370.62		356.62		370.41	
15	Total Allocated Costs	143,470		111,689		113,016		120,153		125,194	
16	Net Crop Return	(16,908)		9,019		(3,684)		(17,089)		(3,328)	
17	Net Crop Return/Acre	(39.60)		29.09		(12.49)		(59.13)		(10.12)	
18											
19	Bushels Sold	39,258		31,519		38,454		43,826		44,212	
20	Average Selling Price/Bushel	2.03		2.12		2.13		2.12		2.14	
21		\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A
22	Seed	0.34	47.06	0.23	37.83	0.23	37.04	0.23	35.90	0.23	37.09
23	Insecticide			0.02	3.70	0.02	3.09	0.02	2.81	0.02	2.78
24	Herbicide	0.23	31.97	0.16	27.21	0.18	28.73	0.20	30.85	0.18	28.78
25	Fertilizer & Lime	0.45	61.48	0.27	45.10	0.32	51.23	0.37	57.46	0.31	49.36
26	Drying & Storage	0.08	10.70	0.05	8.00	0.05	8.11	0.05	7.58	0.05	7.57
27	Other Crop Expense			0.01	2.29	0.02	3.43	0.02	3.46	0.02	2.88
28											
29	Cash Mach & Equip Cost	0.17	23.29	0.21	35.01	0.22	35.56	0.25	39.37	0.22	34.93
30	Miscellaneous	0.02	2.80	0.05	7.88	0.04	6.97	0.05	7.18	0.03	5.63
31	Utilities	0.01	1.53	0.03	4.89	0.04	5.87	0.05	7.23	0.03	5.40
32	Rent	0.32	43.67	0.33	55.18	0.38	61.48	0.42	65.27	0.43	68.65
33	Property Tax & Building Repair	0.02	3.26	0.06	10.38	0.07	10.98	0.09	14.09	0.07	11.10
34	Interest	0.07	9.12	0.12	20.68	0.13	21.13	0.15	23.91	0.13	20.77
35	Insurance	0.08	10.86	0.07	11.06	0.07	12.02	0.08	13.25	0.07	11.54
36	Labor Hired			0.05	8.10	0.04	6.49	0.05	7.13	0.05	7.45
37	Irrigation									0.00	0.02
38	Total Cash Expense	1.78	245.75	1.65	277.31	1.81	292.14	2.02	315.49	1.82	293.95
39											
40	Mach & Equip Depreciation	0.24	32.39	0.13	21.98	0.14	22.61	0.16	24.18	0.14	23.33
41	Bldg & Imprv Depreciation	0.02	2.70	0.04	7.18	0.04	6.30	0.03	5.39	0.04	6.57
42	Unpaid Labor Expenses	0.21	28.67	0.15	25.74	0.17	28.07	0.19	30.23	0.15	24.41
43	Equity Charge	0.19	26.49	0.17	28.07	0.21	33.99	0.26	40.47	0.20	32.26
44	Total Economic Cost	2.44	336.00	2.15	360.29	2.37	383.11	2.67	415.75	2.36	380.53
45											
46	Family Living Expense	0.65	89.83	0.30	50.75	0.31	49.51	0.30	46.21	0.29	46.87
47	Principal Payments	0.00	0.00	0.04	6.06	0.07	11.91	0.09	13.28	0.11	17.13
48	Total Cash Flow Cost	2.44	335.58	1.99	334.13	2.19	353.55	2.40	374.98	2.22	357.95
49											
50											
51											
52	Corn Expense as % Total Expense	69.0		44.6		47.0		48.8		46.9	
53											
54	Corn Labor as % Total Labor	188.0		67.8		67.8		65.2		85.4	
55											
56	Return to Capital (%)	(5.16)		40.29		13.13		(1.11)		3.16	
57	Return to Hour Labor (\$/Hr)	(12.23)		12.66		(1.81)		(15.92)		(2.85)	



ENTERPRISE ANALYSIS DATA

IOWA STATEWIDE

Crown Farm

Page: 4

Production Year

Farm: 1499999

Run Date:

Iowa Farm Business Association		Operator(s)		High Profit 1/3		Size 3		Low Profit 1/3		Group Avg	
1	GENERAL CROP INFORMATION										
2	Total Value Production	204,564		213,870		200,191		189,398		219,387	
3	% of Total Gross Profit	98.5		59.0		73.2		87.2		75.0	
4	Owned Acres: Total, Rotated	95	86	219	193	243	205	286	232	252	215
5	Rented Acres: Total, Rotated	945	938	558	526	525	489	469	427	561	527
6											
7	SOYBEANS - COMMERCIAL ENTERPRISE (20)										
8	Number of Farms	1		68		206		66		794	
9	Operator Bushel Equivalent	8,204		9,901		9,463		9,010		10,641	
10	Operator Share of Acres	263		261		269		271		303	
11	Yield/Acre	31.2		37.9		35.2		33.2		35.1	
12	Crop Value/Acre	230.84		275.91		255.51		240.69		253.60	
13	Insurance & Other Value	6,914		9,187		7,367		3,569		7,449	
14	Total "Net" Crop Value/Acre	257.13		311.11		282.90		253.86		278.18	
15	Total Allocated Costs	65,072		74,062		79,562		85,527		88,642	
16	Net Crop Return	2,552		7,137		(3,462)		(16,731)		(4,353)	
17	Net Crop Return/Acre	9.70		27.34		(12.87)		(61.74)		(14.37)	
18											
19	Bushels Sold	18,460		12,470		12,718		13,011		13,943	
20	Average Selling Price/Bushel	5.65		5.89		5.92		5.89		5.89	
21		\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A
22	Seed	0.49	15.18	0.62	23.38	0.66	23.27	0.73	24.34	0.66	23.11
23	Insecticide			0.07	2.65	0.08	2.64	0.06	2.16	0.07	2.55
24	Herbicide	0.87	27.00	0.54	20.51	0.61	21.35	0.68	22.45	0.60	21.03
25	Fertilizer & Lime			0.10	3.87	0.12	4.14	0.14	4.50	0.14	4.95
26	Drying & Storage	0.17	5.30	0.03	1.14	0.03	1.18	0.02	0.64	0.02	0.71
27	Other Crop Expense			0.06	2.15	0.06	2.28	0.07	2.26	0.06	2.04
28											
29	Cash Mach & Equip Cost	0.81	25.21	0.90	33.96	0.95	33.50	1.04	34.50	0.91	31.93
30	Miscellaneous	0.09	2.95	0.19	7.37	0.18	6.43	0.19	6.46	0.15	5.38
31	Utilities	0.05	1.66	0.12	4.49	0.14	4.91	0.16	5.45	0.12	4.39
32	Rent	1.52	47.27	1.43	54.33	1.66	58.34	1.82	60.51	1.86	65.25
33	Property Tax & Building Repair	0.11	3.53	0.26	9.93	0.30	10.61	0.40	13.35	0.30	10.43
34	Interest	0.32	9.87	0.46	17.55	0.58	20.27	0.69	22.96	0.55	19.33
35	Insurance	0.38	11.75	0.33	12.57	0.36	12.70	0.40	13.25	0.34	11.91
36	Labor Hired			0.18	6.73	0.15	5.37	0.18	6.00	0.19	6.61
37	Irrigation										
38	Total Cash Expense	4.80	149.74	5.29	200.64	5.88	207.00	6.58	218.80	5.97	209.63
39											
40	Mach & Equip Depreciation	1.12	35.06	0.59	22.21	0.64	22.57	0.71	23.66	0.64	22.34
41	Bldg & Imprv Depreciation	0.09	2.92	0.18	6.69	0.17	5.99	0.18	5.92	0.17	5.99
42	Unpaid Labor Expenses	0.99	31.03	0.66	24.94	0.77	27.12	0.86	28.46	0.67	23.46
43	Equity Charge	0.92	28.68	0.77	29.28	0.94	33.08	1.17	38.75	0.89	31.12
44	Total Economic Cost	7.93	247.42	7.48	283.76	8.41	295.77	9.49	315.60	8.33	292.55
45											
46	Family Living Expense	3.12	97.23	1.28	48.38	1.33	46.63	1.31	43.58	1.27	44.71
47	Principal Payments	0.00	0.00	0.34	12.78	0.50	17.69	0.54	17.80	0.45	15.67
48	Total Cash Flow Cost	7.92	246.97	6.90	261.80	7.71	271.32	8.43	280.19	7.69	270.01
49											
50											
51											
52	Soybean Expense as % Total Expense	31.3		29.8		33.9		35.5		34.2	
53											
54	Soybean Labor as % Total Labor	125.4		55.6		60.4		60.2		77.6	
55											
56	Return to Capital (%)	0.95		(541.97)		(179.29)		(1.34)		(46.81)	
57	Return to Hour Labor (\$/Hr)	2.77		10.46		(1.04)		(17.05)		(2.74)	

TABLE 4. ANNUAL DEPRECIATION PERCENTAGES FOR 3-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	25.000%	43.750%	31.250%	18.750%	6.250%
2	37.500	28.125	34.375	40.625	46.875
3	25.000	25.000	25.000	25.000	25.000
4	12.500	3.125	9.375	15.625	21.875
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 5. ANNUAL DEPRECIATION PERCENTAGES FOR 5-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	15.000%	26.250%	18.750%	11.250%	3.750%
2	25.500	22.125	24.375	26.625	28.875
3	17.850	16.520	17.062	18.637	20.212
4-5	16.660	16.520	16.763	16.567	16.404
6	8.330	2.065	6.287	10.354	14.355
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 6. ANNUAL DEPRECIATION PERCENTAGES FOR 6-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	12.500%	21.875%	15.625%	9.375%	3.125%
2	21.875	19.531	21.094	22.656	24.219
3	16.406	14.649	15.820	16.992	18.164
4-6	14.063	14.062	14.063	14.063	14.062
7	7.032	1.759	5.272	8.788	12.306
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 7. ANNUAL DEPRECIATION PERCENTAGES FOR 7-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	10.714%	18.750%	13.393%	8.036%	2.679%
2	19.133	17.411	18.559	19.707	20.854
3	15.033	13.680	14.582	15.484	16.386
4	12.249	12.160	12.221	12.275	12.874
5-7	12.249	12.160	12.221	12.275	12.182
8	6.124	1.520	4.582	7.673	10.661
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 8. ANNUAL DEPRECIATION PERCENTAGES, 10-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	7.500%	13.125%	9.375%	5.625%	1.875%
2	13.875	13.031	13.594	14.156	14.719
3	11.794	11.077	11.555	12.033	12.511
4	10.025	9.415	9.821	10.228	10.634
5	8.739	8.711	8.730	8.748	9.039
6-10	8.739	8.710	8.730	8.748	8.718
11	4.372	1.092	3.275	5.470	7.632
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 9. ANNUAL DEPRECIATION PERCENTAGES, 12-YR PROPERTY, 150% DB
Mid-Quarter Convention

Tax Year	Mid-Year Convention	Quarter Placed in Service			
		1	2	3	4
1	6.250%	10.938%	7.813%	4.688%	1.563%
2	11.719	11.133	11.523	11.914	12.305
3	10.254	9.741	10.083	10.425	10.767
4	8.972	8.524	8.823	9.122	9.421
5	7.851	7.458	7.720	7.981	8.243
6-12	7.327	7.327	7.327	7.327	7.327
13	3.665	0.917	2.749	4.581	6.412
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 10. ANNUAL DEPRECIATION PERCENTAGES, 15-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	5.000%	8.750%	6.250%	3.750%	1.250%
2	9.500	9.125	9.375	9.625	9.875
3	8.550	8.212	8.437	8.662	8.887
4	7.695	7.391	7.593	7.796	7.998
5	6.925	6.652	6.834	7.017	7.198
6	6.232	5.987	6.151	6.315	6.479
7-15	5.905	5.905	5.905	5.905	5.905
16	2.953	0.738	2.215	3.691	5.168
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 11. ANNUAL DEPRECIATION PERCENTAGES, 20-YR PROPERTY, 150% DB

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	3.750%	6.562%	4.687%	2.812%	0.937%
2	7.218	7.007	7.148	7.289	7.429
3	6.677	6.482	6.612	6.742	6.872
4	6.176	5.996	6.116	6.236	6.357
5	5.713	5.546	5.657	5.769	5.880
6	5.285	5.130	5.233	5.336	5.439
7	4.888	4.745	4.841	4.936	5.031
8	4.522	4.457	4.477	4.568	4.654
9-20	4.461	4.460	4.463	4.460	4.458
21	2.239	0.555	1.673	2.792	3.905
Total	100.000%	100.000%	100.000%	100.000%	100.000%

TABLE 12. ANNUAL FRACTIONS FOR STRAIGHT LINE OVER N YEARS (N < 26)

Tax Year	Mid-Year Convention	Mid-Quarter Convention			
		Quarter Placed in Service			
		1	2	3	4
1	1/2	7/8	5/8	3/8	1/8
2-N	1	1	1	1	1
N+1	1/2	1/8	3/8	5/8	7/8

DEPRECIATION FORMULA: Basis ÷ N times number from above table.

TABLE 13. ANNUAL FRACTIONS FOR 27½ YEAR PROPERTY, REGULAR MACRS

Tax Year	Month Placed in Service											
	1	2	3	4	5	6	7	8	9	10	11	12
1	11.5	10.5	9.5	8.5	7.5	6.5	5.5	4.5	3.5	2.5	1.5	0.5
2-27	12	12	12	12	12	12	12	12	12	12	12	12
28	6.5	7.5	8.5	9.5	10.5	11.5	12	12	12	12	12	12
29	-	-	-	-	-	-	0.5	1.5	2.5	3.5	4.5	5.5

DEPRECIATION FORMULA: Basis ÷ 27½ ÷ 12 times number from above table.

TABLE 14. ANNUAL FRACTIONS FOR 31½ YEAR PROPERTY, REGULAR MACRS

Tax Year	Month Placed in Service											
	1	2	3	4	5	6	7	8	9	10	11	12
1	11.5	10.5	9.5	8.5	7.5	6.5	5.5	4.5	3.5	2.5	1.5	0.5
2-31	12	12	12	12	12	12	12	12	12	12	12	12
32	6.5	7.5	8.5	9.5	11.5	12	12	12	12	12	12	12
33	-	-	-	-	-	-	0.5	1.5	2.5	3.5	4.5	5.5

DEPRECIATION FORMULA: Basis ÷ 31½ ÷ 12 times number from above table.

TABLE 15. ANNUAL FRACTIONS FOR ALTERNATIVE MACRS, 40 YEARS

Tax Year	Month Placed in Service											
	1	2	3	4	5	6	7	8	9	10	11	12
1	11.5	10.5	9.5	8.5	7.5	6.5	5.5	4.5	3.5	2.5	1.5	0.5
2-40	12	12	12	12	12	12	12	12	12	12	12	12
41	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5

DEPRECIATION FORMULA: BASIS ÷ 40 ÷ 12 times number from above table.

COOPERATIVE EXTENSION SERVICE
 U.S. DEPARTMENT OF AGRICULTURE
 UNIVERSITY OF MISSOURI
 CLARK HALL, COLUMBIA, MISSOURI 65211



BULK RATE
 POSTAGE & FEES PAID
 EXTENSION SERVICE
 PERMIT NO. G-268.

OFFICIAL BUSINESS
 PENALTY FOR PRIVATE USE, \$300

THIRD CLASS BULK RATE

Cyclone Farms

Net Worth Statement

Date Dec 31, 2004

Name _____

<i>Farm Assets</i>		Cost Value	Market Value	<i>Farm Liabilities</i>		Market Value
Checking and savings accounts.		2,535	2,535	Accounts payable (Schod. N)		1,420
		7,000	7,000	Farm taxes due (Schod. O)		1,000
Crops held for sale or feed (Schod. A)		37,950	37,950	Current notes and credit lines (Schod. P)		12,000
Investment in growing crops (Schod. B)		1,520	1,520	Accrued interest - short (Schod. P)		540
Commercial feed on hand (Schod. C)		1,840	1,840	- fixed (Schod. Q)		12,300
Prepaid expenses (Schod. D)		1,000	1,000			
Market livestock (Schod. E)		41,209	41,209	Due in 12 months - fixed (Schod. Q)		10,800
Supplies on hand (Schod. F)		3,630	3,630			
Accounts receivable (Schod. G)		3,240	3,240	Other current liabilities		
Other current assets						
Total Current Assets		99,924	99,924	Total Current Liabilities		38,060
Unpaid coop. distributions (Schod. H)		5,150	5,150	Notes and contracts, remainder (Schod. Q)		147,700
Breeding livestock (Schod. I)		40,800	40,800			
Machinery and equipment (Schod. J)		89,881	84,000			
Buildings/improvements (Schod. K)		34,650	30,000			
Farmland (Schod. L)		231,000	147,000			
Farm securities, certificates (Schod. M)		2,000	2,000			
Other fixed assets				Other fixed liabilities		
Total Fixed Assets		403,481	308,950	Total Fixed Liabilities		147,700
a. Total Farm Assets		503,405	408,874	b. Total Farm Liabilities		185,760
c. Farm Net Worth (a - b)		317,645	223,114			
d. Farm Net Worth Last Year		304,927	211,745			
e. Change (c - d)		12,718	11,369			
Personal Assets				Personal Liabilities		
Bank accounts, stocks, bonds			1,240	Credit card, charge accounts, other loans		1,385
Automobiles, boats, etc.			26,500	Automobile loans		8,221
Household goods, clothing			18,000	Other loans, taxes due		0
Real estate			0	Real estate, other long-term loans		0
f. Total Personal Assets			45,740	g. Total Personal Liabilities		9,606
h. Total Personal Net Worth (f - g)			36,134	Total Personal Liabilities	= <u>21%</u>	Debt to asset ratio
i. Total Net Worth, Market Value (c + h)			259,248	Total Personal Assets		

Cyclone Farms

Net Farm Income Statement

Year **2004**

Name _____

Income			
		Income Adjustments	Ending Beginning
Cash Income			
Sale of livestock, other bought for resale	0	Crops held for sale or feed (Sched. A)	37,950 40,630
Sales of market livestock, grain, produce	79,830	Market livestock (Sched. E)	41,209 43,050
Cooperative distributions paid	516	Accounts receivable (Sched. G)	3,240 0
Agricultural program payments	8,318	Unpaid coop. distributions (Sched. H)	5,150 4,660
Crop insurance proceeds	637	Breeding livestock (Sched. I)	40,800 41,150
Custom hire income	1,162		
Other cash income	991	Subtotal of Adjustments	b) 28,349 c) 29,490
Sales of breeding livestock	10,190	d. Value of Home Used Production	760
a. Total Cash Income	101,644	e. Gross Farm Revenue (a + b - c + d)	101,263

Expenses			
		Expense Adjustments	Beginning Ending
Cash Expenses			
Car and truck expenses		Investment in growing crops (Sched. B)	1,600 1,520
Chemicals	2,160	Commercial feed on hand (Sched. C)	720 1,840
Conservation expenses		Prepaid expenses (Sched. D)	150 1,000
Custom hire	650	Supplies on hand (Sched. F)	450 3,630
Employee benefits			Ending Beginning
Feed purchased	21,900	Accounts payable (Sched. N)	1,420 780
Fertilizer and lime	4,010	Farm taxes due (Sched. O)	1,000 960
Freight, trucking	1,540	Accrued interest (Sched. P, Q)	11,340 12,360
Gasoline, fuel, oil	2,700	Subtotal of Adjustments	g) 16,680 h) 22,090
Insurance	1,820		
Interest paid	17,689	i. Depreciation (Sched. J, K)	8,281
Labor hired	4,300	j. Gross Farm Expenses (f + g - h + i)	81,935
Pension and profit-share plans			
Rent or lease payments	1,200		
Repairs, maintenance	5,200	k. Net Farm Income From Operations (a - j)	19,328
Seeds, plants	5,350		
Storage, warehousing			
Supplies purchased	1,320	l. Sales of Farm Capital Assets	3,500
Taxes (farm)	2,000	m. Cost Value of Items Sold (Sched. J, K, L)	0
Utilities	1,880	n. Capital Gains or Losses (l - m)	3,500
Veterinary fees, medicine, breeding	3,560		
Other cash expenses	560		
Livestock purchased	1,225		
f. Total Cash Expenses	79,064	o. Net Farm Income (k + n)	22,828