

Information for

Econ 430

Advanced Farm Business Analysis

Exam 1

Fall 2007

Crop Budget No.	1		2		3	
Crop	Corn, Feed		Corn Silage		Oats, Feed	
Unit	bu.		ton		bu.	
Type						
Description					with alfalfa establish	
	Lng Range	Year 1	Lng Range	Year 1	Lng Range	Year 1
Yield	130	-	18	-	65	-
Price	2.20	-	18.00	-	1.30	-
Product income	286.00	0.00	324.00	0.00	84.50	0.00
Miscellaneous income	-	-	-	-	-	-
Gross income	286.00	0.00	324.00	0.00	84.50	0.00
Seed	35.00	-	35.00	-	43.00	-
Fertilizer	47.35	-	47.35	-	57.60	-
Crop chemicals	28.00	-	28.00	-	-	-
Crop insurance	8.50	-	8.50	-	-	-
Drying fuel	12.00	-	-	-	-	-
Irrigation energy	-	-	-	-	-	-
Custom hire	-	-	50.00	-	-	-
Hired labor	-	-	-	-	-	-
Total direct expense	130.85	0.00	168.85	0.00	100.60	0.00
Return over direct expense	155.15	0.00	155.15	0.00	-16.10	0.00
Labor hours	3.5	-	4	-	2.7	-
Corn equivalents (bu.)	130.0	-	-	-	32.5	-
Silage equivalents (ton)	-	-	18.0	-	-	-

Crop Budget No.	4		5	
Crop	Hay, Alfalfa		Soybeans	
Unit	ton		bu.	
Type				
Description				
	Lng Range	Year 1	Lng Range	Year 1
Yield	4	-	38	-
Price	85.00	-	5.40	-
Product income	340.00	0.00	205.20	0.00
Miscellaneous income	-	-	-	-
Gross income	340.00	0.00	205.20	0.00
Seed	-	-	25.00	-
Fertilizer	18.75	-	-	-
Crop chemicals	-	-	18.00	-
Crop insurance	-	-	8.50	-
Drying fuel	-	-	-	-
Irrigation energy	-	-	-	-
Custom hire	36.00	-	-	-
Hired labor	-	-	-	-
Total direct expense	54.75	0.00	51.50	0.00
Return over direct expense	285.25	0.00	153.70	0.00
Labor hours	4	-	2.9	-
Hay equivalents (ton)	4.0	-	-	-



Livestock Budget No. 2
 Livestock Enterprise Hogs, Farrow To Finish
 Budget Unit Per Litter
 Description

	<i>Lng Range</i>	<i>Year 1</i>
Raised Hogs		
Quantity (head)	7.75	-
Weight (lb.)	250	-
Price (cwt.)	41.00	-
Product income	794.38	0.00
Cull income	32.00	-
Miscellaneous income	-	-
Gross income	826.38	0.00
Purchased feed	320.00	-
Breeding fees	-	-
Veterinary	38.00	-
BST	-	-
Supplies	13.00	-
DHIA	-	-
Contract production exp.	-	-
Marketing	10.00	-
Total direct expense	381.00	0.00
Labor hours	12	-
Corn equivalents (bu.)	105.0	-
Hay equivalents (ton)	-	-
Silage equivalents (ton)	-	-
Pasture equiv. (AUM)	-	-
Feed expense	231.00	-
Return over budget expense	214.38	0.00

Livestock Budget No. 3
 Livestock Enterprise Beef, Finish Yrlg Steers
 Budget Unit Per Head
 Description

	<i>Lng Range</i>	<i>Year 1</i>
Fin Yrlg Str		
Weight (lb.)	1150	-
Price (cwt.)	70.00	-
Product income	805.00	0.00
Miscellaneous income	-	-
Gross income	805.00	0.00
Purchase weight (lb.)	650	-
Purchase price (cwt.)	77.00	-
Purchased feed	38.00	-
Veterinary	6.00	-
Supplies	2.00	-
Contract production exp.	-	-
Marketing	16.00	-
Total direct expense	562.50	0.00
Labor hours	4.5	-
Death loss percent	1.0	-
Months on farm	7	-
Corn equivalents (bu.)	45.0	-
Hay equivalents (ton)	0.4	-
Silage equivalents (ton)	2.0	-
Pasture equiv. (AUM)	-	-
Feed expense	169.00	-
Death loss value	8.05	-
Return over budget expense	65.45	0.00

Feed Prices

	Sales Price	Purchase Price
Corn equivalents (bu.)	2.20	2.30
Hay equivalents (ton)	85.00	95.00
Silage equivalents (ton)	-	18.00
Pasture equiv. (AUM)	-	-

Figure 1-Barrows and Gilts (6 Markets)

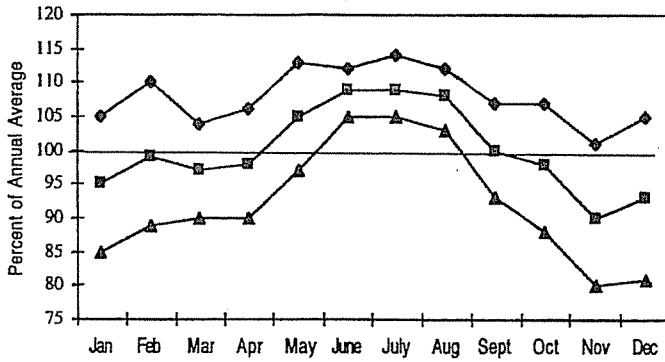


Figure 2-Barrows and gilts (Iowa-S. MN)

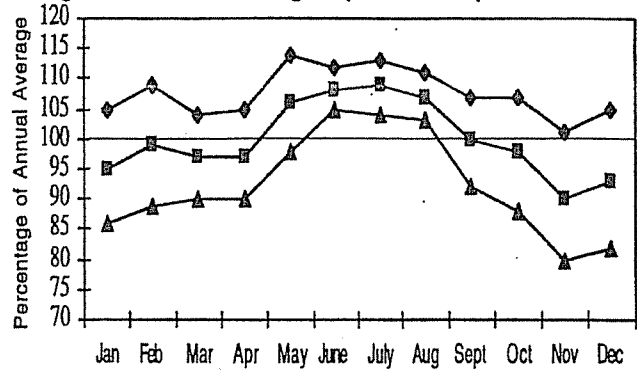


Figure 3-Sows (5 Markets)

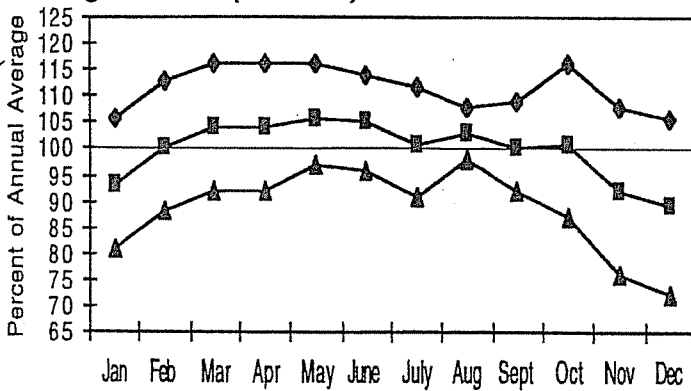


Figure 4-Feeder Pigs

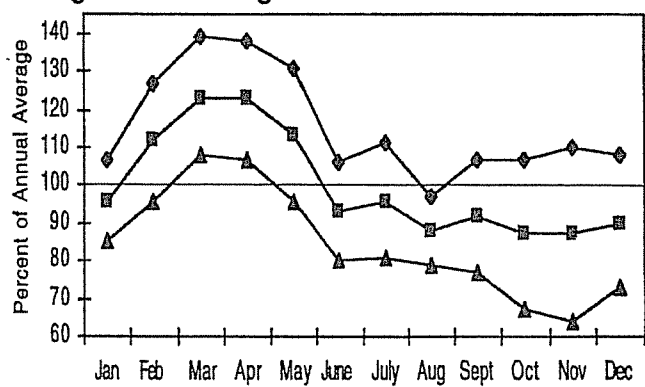


Table 1-Price index variability by type of hogs

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Barrows & gilts (6 markets)												
Price index	95	99	97	98	105	109	109	108	100	98	90	93
Variability	10.0	10.5	7.0	8.0	8.0	3.5	4.5	4.5	7.0	9.5	10.5	12.0
Barrow and gilts (Iowa-S. Minn)												
Price index	95	99	97	97	106	108	109	107	100	98	90	93
Variability	9.5	10.0	7.0	7.5	8.0	3.5	4.5	4.0	7.5	9.5	10.5	11.5
Sows (5 markets)												
Price index	93	100	104	104	106	105	101	103	100	101	92	89
Variability	12.5	12.5	12.0	12.0	9.5	9.0	10.5	5.0	8.5	14.5	16.0	17.0
Feeder pigs												
Price index	96	112	123	123	113	93	96	88	92	87	87	90
Variability	11.0	15.5	15.5	15.5	17.5	13.0	15.0	9.0	15.0	20.0	23.0	17.5

Page 1

FEEDER PIG WORKSHEET INPUTS

Number of pigs purchased (hd)	=====>	1000
Purchase price of feeder pigs (\$/hd)	=====>	45.00
Purchase weight of feeder pigs (lb/hd)	=====>	45
Market weight for finishing hogs (lb/hd)	=====>	260
Expected market selling price (\$/cwt)	=====>	40.00
Price of corn (\$/bu)	=====>	3.50
Price of supplement: SBM, vit. and min. (\$/ton)	=====>	160.00
Investment in facility (75 to 200 \$/hd)	=====>	125.00
Fixed costs on building and equip. (10 to 25%)	=====>	15
Operating and misc. costs (\$/hd)	=====>	4.50
Interest rate (%)	=====>	6.50
Hours of labor per head (.6 to 1)	=====>	0.25
Wage rate (\$/hr)	=====>	10.00
Expected death loss (%)	=====>	3
Marketing costs: hauling, commission, etc (\$/hd)	=====>	1.80
** RECALCULATE WORKSHEET **		
Expected feed efficiency	=====>	3.87 3.05
Expected days on feed	=====>	149 126

Feeder Pig Page 3

BREAK-EVEN SELLING PRICE NEEDED TO PAY TOTAL COSTS

Corn/ Suppmt Price	Feeder Pig Purchase Price (\$/hd)				
	39.00	42.00	45.00	48.00	51.00
3.30 120	36.78	38.00	39.22	40.43	41.65
3.40 140	37.63	38.85	40.06	41.28	42.50
3.50 160	38.48	39.69	40.91	42.13	43.34
3.60 180	39.32	40.54	41.76	42.97	44.19
3.70 200	40.17	41.39	42.60	43.82	45.04

FEEDER PIG PRICE TO RECOVER ALL COSTS AND PROFIT LEVEL

Corn/ Suppmt Price	Market Selling Price (\$/cwt)				
	38.00	39.00	40.00	41.00	42.00
3.30 120	37.25	39.72	42.19	44.65	47.12
3.40 140	35.17	37.63	40.10	42.57	45.03
3.50 160	33.08	35.54	38.01	40.48	42.94
3.60 180	30.99	33.46	35.92	38.39	40.86
3.70 200	28.90	31.37	33.83	36.30	38.77

Crop Share Lease Analysis
Iowa State University Extension

share

Name:

Jim and Cy's Mystic Acres

Expected Revenue	Yield	Price	Total	Tenant's Share-%	Tenant's Share-\$	Owner's Share-%	Owner's Share-\$
Value of crop	180	\$ 3.20	\$ 576.00	50%	\$ 288.00	50%	\$ 288.00
USDA farm payments			\$ 25.00	100%	\$ 25.00	0%	\$ -
Additional revenue (straw, stalks, etc.)					\$ -	100%	\$ -
Total			\$ 601.00		\$ 313.00		\$ 288.00

	Fixed Cost	Var. Cost or Custom Rate	Total	Tenant's Share-%	Tenant's Share-\$	Owner's Share-%	Owner's Share-\$
Preharvest machinery							
	\$ 14.00	\$ 12.00	\$ 26.00	100%	\$ 26.00	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
Subtotal of Preharvest Machinery	\$ 14.00	\$ 12.00	\$ 26.00		\$ 26.00		\$ -
Production Inputs							
Seed	Quantity	Price					
	30	\$2.00	\$ 60.00	50%	\$ 30.00	50%	\$ 30.00
Fertility							
Nitrogen	150	\$0.35	\$ 52.50	50%	\$ 26.25	50%	\$ 26.25
Phosphate	56	\$0.40	\$ 22.00		\$ -	100%	\$ 22.00
Potash	42	\$0.25	\$ 10.50		\$ -	100%	\$ 10.50
			\$ 0.00		\$ -	100%	\$ -
Herbicides							
Weeds No Grow	1	25	\$25.00	50%	\$ 12.50	50%	\$ 12.50
			\$ 0.00		\$ -	100%	\$ -
			\$ 0.00		\$ -	100%	\$ -
Insecticides							
Bug Off	1	10	\$10.00		\$ -	100%	\$ 10.00
			\$ 0.00		\$ -	100%	\$ -
Crop Insurance			\$ 7.00	50%	\$ 3.50	50%	\$ 3.50
Miscellaneous			\$ 5.00	100%	\$ 5.00	0%	\$ -
Interest on preharvest variable costs	Months	Int. Rate-%					
	6	7.0%	\$ 7.14		\$ 3.61		\$ 4.02
Subtotal of Production Inputs			\$ 199.14		\$ 80.86		\$ 118.77
Harvest machinery	Fixed	Var/Custom					
	\$10.00	\$12.00	\$ 22.00	100%	\$ 22.00	0%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	50%	\$ -	50%	\$ -
			\$ -	100%	\$ -	0%	\$ -
			\$ -	0%	\$ -	100%	\$ -
Subtotal of Harvest Machinery	\$10.00	\$12.00	\$ 22.00		\$ 22.00		\$ -
Labor (list)	Hours	Rate					
	2.5	\$12.00	\$ 30.00	100%	\$ 30.00	0%	\$ -
			\$ -		\$ -	100%	\$ -
			\$ -		\$ -	100%	\$ -
Subtotal of Labor Cost			\$ 30.00		\$ 30.00		\$ -
Management (% of nonland costs)	\$277.14	5%	\$ 13.86		\$158.86	\$118.77	\$ 5.94
Land							
a) Cash rent equivalent			\$ 220.00				
Or,	Land Value	% Return					
b) rate of return on investment			\$ -				
b) property taxes and upkeep							
Total land cost			\$ 220.00	0%	\$ -	100%	\$ 220.00
Subtotal of all costs			\$ 511.00		Tenant \$166.81		Owner \$344.70
Per acre			\$ 2.84		\$ -		\$ -
Per bushel							
Contribution							
Profit			\$ 90.00		\$ 140.00		\$ -

Projected Cash Flow Summary

Total operating inflow		252,189
Total operating outflow	(-)	197,880
Capital purchases	(-)	600
Capital sales	(+)	-
New credit	(+)	20,475
Loan payments	(-)	49,439
Net cash flow	(=)	24,745
Beginning cash balance	(+)	1,254
Operating loan borrowings	(+)	32,448
Operating loan principal payments	(-)	57,947
Ending cash balance	(=)	500
Beginning operating loan balance		28,345
Peak operating loan balance (May)		36,061
Ending operating loan balance		28,345

Projected Change in Working Capital

Change in cash		-754
Change in current inventories	(+)	8,038
Change in operating loan balance	(-)	-25,499
Change in other current loans	(-)	2,730
Estimated change in working capital	(=)	30,053

Projected Income Statement

Gross cash farm income		226,189
Inventory change - income items	(+)	4,764
Gross revenue	(=)	230,952
Cash farm operating expense		148,880
Interest expense	(+)	14,409
Depreciation	(+)	17,465
Inventory change - expense items	(+)	-3,275
Total farm expense	(=)	177,479
Net farm income		53,473

Projected Net Worth Change

Net farm income		53,473
Nonfarm income	(+)	26,000
Family living / owner withdrawals	(-)	45,000
Income & social security tax	(-)	4,000
Earned net worth change	(=)	30,473

Term Debt Coverage

Projected net farm income		53,473
Depreciation	(+)	17,465
Nonfarm income	(+)	26,000
Family living/owner withdrawals	(-)	45,000
Income and social security tax	(-)	4,000
Interest paid on term debt	(+)	12,023
Balance available for term debt	(=)	59,961
Term debt payments		29,279
Term debt coverage		204.8

Farm Financial Standards Measures

	Beginning	Ending
Liquidity		
Current ratio	1.3	2.2
Working capital	22,212	52,266
Solvency (market)		
Debt to asset ratio	50.5	44.4
Equity to asset ratio	49.5	55.6
Debt to equity ratio	102.0	79.9
Profitability (market)		
Rate of return on assets		5.3
Rate of return on equity		5.7
Operating profit margin		19.6
Net farm income		53,473
Repayment Capacity		
Term debt coverage		204.8
Capital replacement margin		30,682
Efficiency		
Asset turnover rate (market)		27.3
Operating expense ratio		63.1
Depreciation ratio		7.6
Interest expense ratio		6.2
Net farm income ratio		23.2



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
CASH INFLOWS													
Beg cash bal	1254	500	500	500	500	500	500	500	500	500	500	500	1254
Milk	10761	10761	10761	10519	10519	10519	10725	10725	10725	10259	10259	10259	126790
Raised Hogs	-	10250	-	-	-	11440	-	10858	-	-	-	10100	42648
Fin Yrlg Str	-	-	-	29878	-	-	-	-	-	-	-	-	29878
Soybeans	-	-	-	-	-	-	-	2031	-	-	8459	-	10489
Cull stock													
Cull cows	688	688	688	688	688	688	688	688	688	688	688	688	8258
Other Cull	-	416	-	416	-	-	-	416	-	416	-	-	1664
Total	688	1104	688	1104	688	688	688	1104	688	1104	688	688	9922
Misc. Ivstck													
Bull calves	258	258	258	258	258	258	258	258	258	258	258	258	3094
DCP payments	1384	-	-	-	-	-	-	-	-	1384	-	-	2768
Pat dividend	-	-	-	-	-	-	-	-	-	-	-	600	600
N-Farm wages	2167	2167	2167	2167	2167	2167	2167	2167	2167	2167	2167	2167	26000
Total inflow	16512	25040	14374	44425	14131	25571	14338	27642	14338	15671	22330	24571	253443
CASH OUTFLOWS													
Seed	-	-	-	6210	1750	-	-	-	-	-	-	-	7960
Fertilizer	-	-	-	864	6203	-	431	431	-	-	-	-	7929
Chemicals	-	-	-	-	5712	-	-	-	-	-	-	-	5712
Crop insur.	-	-	-	-	-	-	-	-	128	357	986	-	1471
Drying fuel	-	-	-	-	-	-	-	-	-	-	1392	-	1392
C. Cust hire	-	-	-	-	-	580	414	414	998	-	-	-	2406
Pur. Hay	-	-	-	1131	2142	-	-	-	-	-	-	147	3419
Feeder Ivstck													
Fin Yrlg St	-	-	-	-	-	-	-	-	20475	-	-	-	20475
Purch. feed	3492	3196	3330	3210	3346	3147	3293	3002	3388	3490	3636	3343	39872
Breeding	167	167	167	182	182	182	174	174	174	174	174	174	2090
Veterinary	627	627	627	594	594	600	600	600	638	638	638	638	7422
Supplies	660	660	660	649	649	652	652	652	665	665	665	665	7894
L. Marketing	286	415	286	911	275	397	275	405	275	276	264	383	4448
Fuel & oil	-	-	-	500	1000	500	-	500	500	1000	1000	-	5000
Repairs	-	-	-	1275	1275	1275	-	-	1275	2550	2550	-	10200
Labor	-	-	-	-	600	600	600	600	600	600	-	-	3600
RE taxes	-	-	-	-	1800	-	-	-	-	1800	-	-	3600
Farm insur.	-	-	-	-	1700	-	-	-	-	-	1700	-	3400
Utilities	525	525	525	525	525	525	525	525	525	525	525	525	6300
Dues & fees	50	50	50	50	50	50	50	50	50	50	50	50	600
Misc.	42	42	42	42	42	42	42	42	42	42	42	42	500
Accounts pay	3190	-	-	-	-	-	-	-	-	-	-	-	3190
Fam. living	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	45000
Income taxes	-	-	4000	-	-	-	-	-	-	-	-	-	4000
Min end bal	500	500	500	500	500	500	500	500	500	500	500	500	500
Tot. outflow	13288	9932	13936	20392	32094	12799	11306	11645	33983	16417	17872	10217	198380
Opr. surplus	3224	15108	438	24034	-17963	12772	3032	15997	-19645	-745	4458	14354	55063

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
CAPITAL PURCHASES													
Boars	-	-	-	600	-	-	-	-	-	-	-	-	600
Tot. cap pur	-	-	-	600	-	-	-	-	-	-	-	-	600
NEW CREDIT													
1st Ntl catt	-	-	-	-	-	-	-	-	20475	-	-	-	20475
Tot new cred	-	-	-	-	-	-	-	-	20475	-	-	-	20475
LOAN PAYMENTS													
1st Ntl catt													
Prin pay	-	-	-	17745	-	-	-	-	-	-	-	-	17745
Int. pay	-	-	-	805	-	-	-	-	-	-	-	-	805
Total	-	-	-	18550	-	-	-	-	-	-	-	-	18550
1st Ntl mach													
Prin pay	-	-	-	-	3646	-	-	-	-	-	3798	-	7444
Int. pay	-	-	-	-	2390	-	-	-	-	-	2237	-	4627
Total	-	-	-	-	6036	-	-	-	-	-	6036	-	12071
John Deere													
Prin pay	-	-	-	-	-	-	2171	-	-	-	-	-	2171
Int. pay	-	-	-	-	-	-	761	-	-	-	-	-	761
Total	-	-	-	-	-	-	2932	-	-	-	-	-	2932
1st Ntl cows													
Prin pay	350	352	354	357	359	361	363	365	368	370	372	374	4345
Int. pay	123	121	119	117	115	112	110	108	106	104	101	99	1335
Total	473	473	473	473	473	473	473	473	473	473	473	473	5680
1st Ntl RE													
Prin pay	-	-	-	1735	-	-	-	-	-	1590	-	-	3325
Int. pay	-	-	-	2563	-	-	-	-	-	2708	-	-	5271
Total	-	-	-	4298	-	-	-	-	-	4298	-	-	8596
Tot loan pay	473	473	473	23321	6509	473	3405	473	473	4771	6509	473	47829
Surp. or def	2750	14634	-36	113	-24472	12299	-374	15524	356	-5510	-2051	13881	27109

ANNUAL OPERATING LOAN TRANSACTIONS & BALANCES

Beg AO bal	28345	26030	11554	11589	11589	36061	24077	24451	9220	8920	14436	16487	28345
AO borrowing	-	-	36	-	24472	-	374	-	-	5516	2051	-	32448
AO int. pay	436	157	-	113	-	315	-	293	56	-	-	241	1610
AO prin. pay	2315	14477	-	-	-	11984	-	15230	301	-	-	13640	57947
End AO bal.	26030	11554	11589	11589	36061	24077	24451	9220	8920	14436	16487		2846
Accrued int.	-	-	70	27	97	-	145	-	-	54	141	-	-
End cash bal	500	500	500	500	500	500	500	500	500	500	500	500	500

CROP & LIVESTOCK PRODUCTION

Enterprise	Units	Production Per Unit	Share	Operator Production
Corn, Feed	74.0 Acres	130.0 bu.	100	9620 bu.
Corn Silage	15.0 Acres	18.0 ton	100	270 ton
Oats, Feed, with alfalfa establish	15.0 Acres	65.0 bu.	100	975 bu.
Hay, Alfalfa	46.0 Acres	4.00 ton	100	184 ton
Corn, Feed	70.0 Acres	130.0 bu.	60	5460 bu.
Soybeans	70.0 Acres	38.0 bu.	60	1596 bu.
Dairy	55.0 Cow	18000.0 lb.		990000 lb.
Hogs, Farrow To Finish	52.0 Litter	7.75 head		403 head
Total crops	290 Acres			

CROP & LIVESTOCK SUMMARY

	Beg	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corn equivalents														
Produced	bu.	-	-	-	-	-	-	488	-	-	15080	-	-	15568
Fed	bu.	1355	1084	1245	1040	1175	933	1078	788	1134	1294	1468	1210	13805
Inventory	bu.	14275	12920	11836	10591	9551	8376	7443	6853	6064	4930	18716	17248	16038
Hay equivalents														
Produced	ton	-	-	-	-	-	64	46	46	28	-	-	-	184
Purchased	ton	-	-	-	13	25	-	-	-	-	-	-	2	40
Price	\$/ton	-	-	-	85.00	85.00	-	-	-	-	-	-	85.00	85.00
Fed	ton	28	28	28	25	25	25	25	25	27	27	28	28	319
Inventory	ton	95	67	40	12	-	39	60	81	81	54	26	-	
Silage equivalents														
Produced	ton	-	-	-	-	-	-	-	-	270	-	-	-	270
Fed	ton	28	29	31	16	16	16	16	16	25	26	28	29	276
Inventory	ton	220	192	162	132	116	100	84	67	51	296	270	243	214
Soybeans														
Produced	bu.	-	-	-	-	-	-	-	-	-	1596	-	-	1596
Sold	bu.	-	-	-	-	-	-	-	-	-	-	1596	-	1596
Price	\$/bu.	-	-	-	-	-	-	-	-	-	-	5.30	-	5.30
Inventory	bu.	-	-	-	-	-	-	-	-	-	1596	0	0	0
CCC Soybeans														
Liquidated	bu.	-	-	-	-	-	-	-	1850	-	-	-	-	1850
Price	\$/bu.	-	-	-	-	-	-	-	6.00	-	-	-	-	6.00
Inventory	bu.	1850	1850	1850	1850	1850	1850	1850	1850	-	-	-	-	
Milk														
No. Cows		55	55	55	55	55	55	55	55	55	55	55	55	55
Produced		86087	86087	86087	82500	82500	82500	82500	82500	82500	78913	78913	78913	990000
Price	\$/cwt.	12.50	12.50	12.50	12.75	12.75	12.75	13.00	13.00	13.00	13.00	13.00	13.00	12.81

CROP & LIVESTOCK SUMMARY (cont.)

		Beg	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Raised Hogs															
No. Sows			26	26	26	26	26	26	26	26	26	26	26	26	26
Produced	head		-	101	-	-	-	101	-	101	-	-	-	101	403
Sold	head		-	100	-	-	-	104	-	101	-	-	-	101	406
Price	\$/cwt.		-	41.00	-	-	-	44.00	-	43.00	-	-	-	40.00	42.02
Inventory	head	188	188	189	189	189	189	186	186	185	185	185	185	185	185
Fin Yrlg Str															
Purchased	head		-	-	-	-	-	-	-	-	45	-	-	-	45
Price	\$/cwt.		-	-	-	-	-	-	-	-	70.00	-	-	-	70.00
Sold	head		-	-	-	39	-	-	-	-	-	-	-	-	39
Price	\$/cwt.		-	-	-	67.00	-	-	-	-	-	-	-	-	67.00
Inventory	head	39	39	39	39	-	-	-	-	-	45	45	45	45	45

PROJECTED INVENTORY CHANGE

Commodity	Begin Inventor	\$/Unit	Begin Value	Ending Inventory	\$/Unit	Ending Value	Change
Corn equivalents	14275	2.26	32306	16038	2.28	36502	4196
Hay equivalents	95	85.00	8075	0	85.00	0	-8075
Silage equivalents	220	18.00	3960	214	18.00	3848	-112
Soybeans	0	0.00	0	0	5.40	0	0
CCC Soybeans	1850	0.91	1685	0	0.00	0	-1685
Raised Hogs	188	38.00	8573	185	38.00	8752	180
Fin Yrlg Str	39	80.00	23400	45	80.00	33660	10260
Accounts receivable			10192			10192	0
Hedging accounts			0			0	0
Other current assets			0			0	0
Total income items			88191			92954	4764
Prepaid expenses & supplies			2835			2835	0
Growing crops			0			0	0
Accounts payable		(End)	1412		(Beg)	4602	3190
Accrued interest		(End)	1990		(Beg)	2075	85
Total expense items			6237			9512	3275
Total inventories			94428			102466	8038

TOTAL PLANNED INPUT QUANTITIES

Description	Unit	2004
Urea	lb	17030
0-0-60	lbs.	28800
DAP 18-46-0	lbs.	9570
Lime	tons	30
Urea 46-0-0	lbs.	375

BALANCE SHEETS

	01/01/2004	Projected 01/01/2005
ASSETS		
Current Assets		
Cash & checking	1254	500
Prepaid expense	2835	2835
Accounts receivable	10192	10192
Crops		
Corn equivalents	32306	36502
Hay equivalents	8075	-
Silage equivalents	3960	3848
Soybeans	-	-
CCC crops		
Soybeans	1685	-
Market livestock		
Raised Hogs	8573	8752
Fin Yrlg Str	23400	33660
Total current assets	92280	96289
Intermediate Assets		
Breeding livestock	76425	77025
Machinery & equipment	100520	90468
Titled vehicles	12000	10800
Total intermediate assets	188945	178293
Long Term Assets		
Land	184000	184000
Buildings & improvements	124260	118047
Other long term	30356	30356
Total long term assets	338616	332403
Total farm assets	619841	606985
Nonfarm assets	18634	18634
Total assets	638475	625619
LIABILITIES		
Current Liabilities		
Accrued interest		
Operating loan	265	-
First Natl Bank	361	512
First Natl - machinery	415	350
John Deere	319	245
1st Natl RE	714	883
Accounts payable	4602	1412
Current farm notes		
Operating loan	28345	2846
First Natl Bank	17745	20475
Total current liabilities	52767	26723
Intermediate Liabilities		
First Natl - machinery	65362	57918
John Deere	9766	7595

1st Ntl cows	20377	16032
Total inter. liabilities	95505	81545
Long Term Liabilities		
1st Ntl RE	73950	70625
Total long term liab.	73950	70625
Total farm liabilities	222222	178893
Nonfarm Liabilities		
Accts pay & acc. int.	-	-
Total nonfarm liab.	-	-
Total liabilities	222222	178893
Net worth	416253	446727
Net worth change		30473
Total debt to asset ratio	34 %	28 %

Note: The principal due within 12 months on term liabilities was not moved up to the current liabilities.
The deferred liabilities have been excluded from above balance sheets.
The CCC crops have been valued net of loan for the above balance sheets.