

Information for Econ 430
Advanced Farm Business Analysis
Exam 2

Fall 2008



Crown Hog Farm 2006
ACCRUED INCOME STATEMENT

IOWA STATEWIDE

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Production Year

Farm: 1499997

Run Date: 10/2/2007

Iowa Farm Business Association	Operator(s)	High Profit 1/3 62 Farms	Size 4 185 Farms	Low Profit 1/3 62 Farms	Group Avg 657 Farms	
101	Accrued Net Farm Income	\$ 139,640	290,259	181,377	79,442	132,202
102	Accrued Net/Operator	\$ 139,640	249,945	163,682	71,383	122,333
103						
104	Sources of Cash Income					
105	Corn	\$ 146,672	178,514	179,332	184,250	122,151
106	Soybeans	\$ 103,439	130,254	117,150	99,618	84,421
107	Other Crop	\$ 1,236	3,740	3,777	4,141	3,793
108	Hogs	\$ 207,856	211,573	122,849	63,862	112,389
109	Cattle	\$	101,510	92,044	131,529	105,675
110	Other Livestock	\$	1,488	6,311	14,293	5,416
111	Miscellaneous	\$ 71,221	71,532	70,576	78,182	50,437
112	Total Cash Farm Incomes	\$ 530,424	698,609	592,038	575,875	484,281
113	Accrued Incomes	\$	1,305	1,834	1,660	1,875
114	Food from Farm	\$ 120	236	208	254	225
115	Inventory Increase	\$ 59,884	182,470	123,343	63,336	87,162
116	Total Business Credits	\$ 585,480	879,987	714,705	638,804	570,692
117						
118	Expenditures					
119	Machine & Equipment Repairs	\$ 35,196	20,580	20,695	21,600	15,769
120	Fuel & Oil Farm Use	\$ 27,757	20,878	22,011	24,789	15,985
121	Power & Machine Hire	\$ 16,859	8,857	9,263	12,514	7,368
122	Owned Truck	\$	4,172	6,305	11,065	3,770
123	Auto Expense Farm Share	\$ 846	1,237	1,004	886	1,150
124	Utilities Farm Share	\$ 6,619	6,901	6,809	7,008	6,232
125	Labor Hired	\$ 17,270	9,140	10,970	15,541	10,481
126	Livestock Expense	\$ 15,135	16,241	10,826	9,387	12,656
127	Crop Expense	\$ 42,618	73,648	67,779	65,191	48,813
128	Fertilizer & Lime	\$ 39,255	45,070	43,363	41,855	30,130
129	Miscellaneous Expense	\$ 3,375	7,266	6,680	6,998	5,835
130	Rent	\$ 85,887	78,252	78,537	79,132	52,830
131	Taxes	\$ 5,279	8,325	6,941	5,940	5,591
132	Interest	\$ 30,571	22,850	27,907	35,210	21,643
133	Insurance	\$ 5,466	14,396	15,886	17,852	11,497
134	Building & Improvement Repairs	\$ 3,345	6,851	6,344	6,032	5,345
135	Total Feed Bought	\$ 57,185	70,817	47,732	37,338	51,352
136	Hogs Bought	\$ 12,679	70,377	32,816	5,433	28,253
137	Cattle Bought	\$	61,232	54,729	74,358	53,599
138	Other Livestock Bought	\$	58	206	378	868
139	Beans Bought from Seal	\$	3,082	3,169	2,273	1,714
140	Total Cash Expense	\$ 405,342	550,228	479,972	480,779	390,881
141	Economic Depreciation	\$ 39,177	37,750	39,894	43,979	30,481
142	Inventory Decrease & Mach Value	\$ 2,440	2,043	12,694	32,735	16,536
143	Accrued Expenses	\$	1,139	768	1,869	593
144	Total Business Debits	\$ 445,840	589,728	533,328	559,362	438,491
145	Accrued Net Farm Income	\$ 139,640	290,341	181,411	79,444	132,016
146	Less 4% Charge on Equity	\$ 49,282	51,592	43,332	41,192	33,034
147	Less Unpaid Family Labor	\$ 20,400	22,826	22,364	22,371	20,229
148	Management Return	\$ 69,958	215,923	115,715	15,881	78,753
149						
150	Total Cash Farm Incomes	\$ 530,424	698,609	592,038	575,875	484,281
151	Less Cash Farm Expenses	\$ 405,342	550,228	479,972	480,779	390,881
152	Plus Loans Received	\$	219,876	202,320	247,545	148,993
153	Less Loan Payments	\$	169,092	173,259	225,411	133,424
154	Total Farm Cash Flow	\$ 125,082	199,165	141,126	117,230	108,969
155	Plus Non Farm Incomes	\$	17,257	14,492	13,988	15,516
156	Remaining Cash Available	\$ 125,082	216,422	155,619	131,218	124,485
157	Non Farm Income % Cash Available		8	9	11	12



Crown Hog Farm 2006

FINANCIAL ANALYSIS DATA

IOWA STATEWIDE

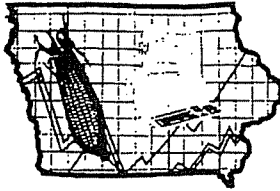
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Production Year

Farm: 1499997

Run Date: 10/22/07

<i>Iowa Farm Business Association</i>	Operator(s)	High Profit 1/3 62 Farms	Size 4 185 Farms	Low Profit 1/3 62 Farms	Group Avg 657 Farms	
201	Accrued Net Farm Income	\$ 139,640	290,259	181,377	79,442	132,202
202	Management Return	\$ 69,958	215,923	115,715	15,881	78,753
203						
204	Gross Profits/Man Year Equivalent	\$ 257,148	529,602	444,239	362,350	348,580
205	Gross Profits/\$ Expense	\$ 1.37	1.81	1.53	1.24	1.53
206	Return on Capital-Unpaid Labor	\$ 6.5	18.3	12.6	5.5	10.9
207	GVC - Fert & Crop Expense/OCA	\$ 308.49	384.28	358.17	326.46	354.36
208	Livestock Prod/\$100 Feed Fed	\$ 193.72	173.22	168.23	166.71	170.72
209	Mach & Pwr Cost-75% Cust/OCA	\$ 83.17	69.37	75.70	83.93	78.64
210	Mach & Pwr Investment/OCA	\$ 314.29	262.47	281.82	323.24	288.24
211	Months of Labor	MO 24	18	18	20	16
212	Operator Age	YR 44	54	53	51	53
213	Gross Profits	\$ 514,295	672,753	562,624	484,423	417,592
214	Total Crop Production	\$ 401,794	495,511	454,876	414,387	322,747
215	Livestock Prod/Feed Cost	\$ 89,773	81,407	51,207	36,500	56,286
216	Income Other Sources	\$ 7,344	41,627	32,016	32,591	22,901
217	Crop Marketing & Inventory +or-	\$ 15,384	54,208	24,525	945	15,658
218						
219	Number of Farms	1	60	179	61	619
220	Feeding Livestock	\$ 43,264	117,302	87,833	95,893	84,411
221	Corn	\$ 232,804	280,526	217,162	154,609	155,733
222	Beans	\$ 145,549	156,436	121,461	88,614	80,701
223	Other Feedstuffs	\$ 2,955	9,342	7,542	9,593	8,426
224	Prepaid Expense & Supplies	\$ 79,165	104,315	80,881	67,997	60,149
225	Farm Short Term Assets	\$ 503,737	667,921	514,879	416,706	389,419
226	Breeding Livestock	\$ 11,160	7,007	15,896	27,055	22,597
227	Mach & Equip Value	\$ 298,632	266,488	297,461	344,526	212,904
228	Farm Intermediate Assets	\$ 309,792	273,495	313,357	371,581	235,501
229	Bare Land Value	\$ 928,000	820,181	725,318	755,279	549,767
230	Improvement Econ Value	\$ 97,494	94,659	85,133	79,385	84,537
231	Total Farm Assets	\$ 1,839,023	1,856,257	1,638,686	1,622,950	1,259,224
232	Operator Notes	144,113	172,337	163,673	195,536	119,918
233	Accrued Accts Payable	\$ 14,557	2,594	4,697	6,996	2,967
234	Int & Long Term Due in 12 Mo	\$ 47,878	2,483	7,267	14,358	3,661
235	CCC Loans	\$ 11,922	11,922	16,790	16,673	12,565
236	Short Term Liabilities	\$ 206,548	189,336	192,426	233,563	139,111
237	Intermediate Notes	\$ 47,232	47,232	75,014	101,243	52,916
238	Long Term Land & Imprv Notes	\$ 381,310	188,018	202,395	245,755	153,773
239	Total Farm Liabilities	\$ 587,858	424,586	469,835	580,561	345,800
240	Net Farm Worth	\$ 1,251,165	1,431,671	1,168,851	1,042,389	913,424
241	Personal Net Worth	\$ 123,200	163,690	135,927	122,222	136,122
242	Total Net Worth	\$ 1,374,365	1,595,361	1,304,778	1,164,611	1,049,546
243	Net Worth Change for Year	\$ 63,140	202,820	111,709	11,722	90,580
244	Liquidity Measurement					
245	Current Ratio	CA/CL 2.439	3.528	2.676	1.784	2.799
246	Current Debt Ratio	CL/TL 0.351	0.446	0.410	0.402	0.402
247	Solvency Measurement					
248	Leverage Ratio	TL/NW 0.470	0.297	0.402	0.557	0.379
249	Debt to Asset Ratio	TL/TA 0.320	0.229	0.287	0.358	0.275
250	Equity Value Ratio	NW/TA 0.680	0.771	0.713	0.642	0.725
251	Profitability Analysis					
252	Return on Equity	(NFI-UL)/NW 0.095	0.187	0.136	0.055	0.123
253	Return on Investment	(NFI+IN-UL)/TA 0.081	0.156	0.114	0.057	0.106
254	Profit Margin	(NFI+IN-UL)/GP 0.291	0.431	0.332	0.190	0.320
255	Gross Income Ratio	TE/TCI 0.704	0.545	0.648	0.711	0.606
256	Turnover Ratio	GP/TA 0.280	0.362	0.343	0.298	0.332
257	Expense Structure	FE/TE 0.349	0.344	0.354	0.351	0.338



ENTERPRISE ANALYSIS DATA

IOWA STATEWIDE

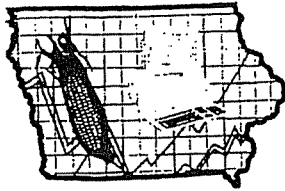
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Production Year

Grain/HogFarm

Run Date: 10/3/2003

Iowa Farm Business Association		Operator(s)		High Profit 1/3		Size 1		Low Profit 1/3		Group Avg	
1 GENERAL CROP INFORMATION											
2	Total Value Production	85,621		76,349		67,238		63,187		206,351	
3	% of Total Gross Profit	69.2		52.1		59.6		54.9		78.7	
4	Owned Acres: Total, Rotated	468	312	97	71	115	87	140	96	226	196
5	Rented Acres: Total, Rotated			214	204	180	169	159	147	563	531
7 CORN - FEED ENTERPRISE (10)											
8	Number of Farms	1		49		139		43		635	
9	Operator Bushel Equivalent	28,224		18,018		16,026		16,445		51,275	
10	Operator Share of Acres	167		109		103		111		316	
11	Yield/Acre	169.0		165.3		155.6		148.2		162.3	
12	Crop Value/Acre	349.84		346.10		330.95		318.15		348.83	
13	Insurance & Other Value	6,077		4,642		2,736		2,206		9,598	
14	Total "Net" Crop Value/Acre	386.23		388.69		357.52		338.02		379.20	
15	Total Allocated Costs	54,923		37,111		39,523		46,509		123,611	
16	Net Crop Return	9,578		5,256		(2,698)		(8,988)		(3,784)	
17	Net Crop Return/Acre	57.35		48.22		(26.19)		(80.97)		(11.97)	
18											
19	Bushels Sold	6,519		13,609		12,620		10,725		41,159	
20	Average Selling Price/Bushel	2.07		1.92		1.95		1.98		2.00	
21		\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A
22	Seed		38.98	0.21	34.83	0.21	33.09	0.21	31.06	0.21	34.80
23	Insecticide			0.01	1.54	0.02	2.85	0.03	4.34	0.02	2.70
24	Herbicide		34.08	0.18	29.16	0.18	28.21	0.19	28.39	0.17	28.15
25	Fertilizer & Lime		34.37	0.25	42.14	0.28	43.71	0.30	45.06	0.29	47.22
26	Drying & Storage		4.76	0.05	7.98	0.06	8.58	0.05	7.11	0.05	7.77
27	Other Crop Expense		0.60	0.01	2.41	0.02	2.63	0.03	3.77	0.02	2.69
28											
29	Cash Mach & Equip Cost		59.61	0.20	32.57	0.27	41.93	0.33	49.00	0.20	31.76
30	Miscellaneous		20.01	0.04	5.99	0.04	6.24	0.04	5.68	0.04	6.25
31	Utilities		3.08	0.04	6.93	0.05	7.14	0.04	6.52	0.03	5.12
32	Rent			0.32	52.55	0.32	49.03	0.39	57.50	0.57	93.18
33	Property Tax & Building Repair		14.48	0.05	8.59	0.09	14.59	0.13	19.52	0.06	10.40
34	Interest		35.21	0.10	16.75	0.13	19.67	0.14	21.18	0.13	21.55
35	Insurance		4.07	0.06	10.49	0.07	11.25	0.07	10.02	0.07	10.93
36	Labor Hired			0.01	1.50	0.01	1.51	0.01	1.57	0.04	6.82
37	Irrigation									0.00	0.03
38	Total Cash Expense		249.25	1.53	253.42	1.74	270.45	1.96	290.71	1.91	309.37
39											
40	Mach & Equip Depreciation	0.05	9.02	0.11	18.03	0.14	21.66	0.16	23.36	0.14	21.96
41	Bldg & Imprv Depreciation	0.02	3.14	0.04	7.09	0.05	7.90	0.06	8.98	0.04	5.71
42	Unpaid Labor Expenses	0.18	30.54	0.23	38.10	0.29	44.94	0.32	48.13	0.15	23.92
43	Equity Charge	0.22	36.94	0.14	23.82	0.25	38.76	0.32	47.82	0.19	30.22
44	Total Economic Cost	1.95	328.88	2.06	340.47	2.47	383.71	2.83	419.00	2.41	391.17
45											
46	Family Living Expense	0.56	93.96	0.49	81.57	0.58	89.95	0.57	84.42	0.28	44.63
47	Principal Payments	0.08	13.11	0.07	11.12	0.05	7.49	0.02	2.40	0.11	17.74
48	Total Cash Flow Cost	2.11	356.32	2.09	346.11	2.36	367.88	2.55	377.53	2.29	371.73
49											
50											
51											
52	Corn Expense as % Total Expense	39.0		39.4		43.3		41.6		51.0	
53											
54	Corn Labor as % Total Labor	76.8		103.0		113.0		84.6		80.1	
55											
56	Return to Capital (%)	5.46		0.43		(1.66)		(0.77)		156.71	
57	Return to Hour Labor (\$/Hr)	16.66		19.37		(1.57)		(14.95)		(2.36)	



ENTERPRISE ANALYSIS DATA

IOWA STATEWIDE

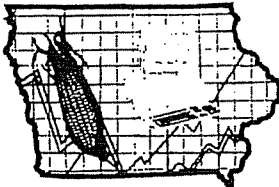
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Production Year

Grain/HogFarm

Run Date: 10/3/2003

Iowa Farm Business Association		Operator(s)		High Profit 1/3		Size 1		Low Profit 1/3		Group Avg	
1	GENERAL CROP INFORMATION										
2	Total Value Production	85,621		76,349		67,238		63,187		206,351	
3	% of Total Gross Profit	69.2		52.1		59.6		54.9		78.7	
4	Owned Acres: Total, Rotated	468	312	97	71	115	87	140	96	226	196
5	Rented Acres: Total, Rotated			214	204	180	169	159	147	563	531
6											
7	SOYBEANS - COMMERCIAL ENTERPRISE (20)										
8	Number of Farms	1		48		135		40		659	
9	Operator Bushel Equivalent	5,703		5,498		4,779		4,330		14,453	
10	Operator Share of Acres	145		105		96		90		293	
11	Yield/Acre	39.3		52.4		49.8		48.1		49.3	
12	Crop Value/Acre	156.52		281.76		267.73		258.83		264.59	
13	Insurance & Other Value	7,886		2,295		1,939		1,435		5,563	
14	Total "Net" Crop Value/Acre	210.91		303.62		287.93		274.77		283.57	
15	Total Allocated Costs	39,403		28,107		30,073		32,605		91,169	
16	Net Crop Return	(8,821)		3,773		(2,432)		(7,875)		(8,081)	
17	Net Crop Return/Acre	(60.83)		35.93		(25.33)		(87.50)		(27.58)	
18											
19	Bushels Sold	9,314		5,399		4,902		4,781		14,946	
20	Average Selling Price/Bushel	4.33		4.56		4.64		4.63		4.72	
21		\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A	\$/Bu	\$/A
22	Seed	0.63	24.81	0.39	20.57	0.42	20.95	0.45	21.70	0.43	21.28
23	Insecticide			0.02	1.23	0.01	0.73	0.01	0.44	0.02	0.83
24	Herbicide	0.58	22.75	0.41	21.54	0.45	22.48	0.54	25.84	0.42	20.81
25	Fertilizer & Lime			0.07	3.41	0.09	4.69	0.06	2.79	0.09	4.56
26	Drying & Storage			0.03	1.70	0.03	1.48	0.03	1.34	0.02	1.08
27	Other Crop Expense	0.02	0.69	0.02	1.08	0.04	1.96	0.09	4.35	0.04	2.02
28											
29	Cash Mach & Equip Cost	1.88	73.79	0.63	33.23	0.81	40.15	0.99	47.46	0.61	29.94
30	Miscellaneous	0.49	19.44	0.12	6.54	0.13	6.27	0.10	5.04	0.12	5.94
31	Utilities	0.08	3.11	0.10	5.42	0.12	6.17	0.13	6.37	0.09	4.22
32	Rent			1.00	52.41	1.00	49.82	1.21	58.15	1.90	93.76
33	Property Tax & Building Repair	0.36	14.29	0.15	8.10	0.27	13.29	0.36	17.47	0.20	9.94
34	Interest	0.66	26.07	0.26	13.80	0.36	18.03	0.43	20.45	0.42	20.55
35	Insurance	0.10	4.10	0.22	11.29	0.25	12.49	0.25	11.88	0.23	11.19
36	Labor Hired			0.02	1.07	0.03	1.27	0.03	1.56	0.13	6.41
37	Irrigation										
38	Total Cash Expense	4.81	189.05	3.46	181.37	4.01	199.79	4.67	224.84	4.71	232.52
39											
40	Mach & Equip Depreciation	0.23	9.09	0.35	18.36	0.44	21.97	0.53	25.34	0.43	21.02
41	Bldg & Imprv Depreciation	0.08	3.16	0.14	7.19	0.16	8.09	0.22	10.50	0.11	5.58
42	Unpaid Labor Expenses	0.89	35.17	0.72	37.52	0.92	45.77	1.11	53.20	0.47	23.34
43	Equity Charge	0.90	35.28	0.44	23.26	0.76	37.64	1.01	48.40	0.58	28.71
44	Total Economic Cost	6.91	271.75	5.11	267.69	6.29	313.26	7.53	362.27	6.31	311.16
45											
46	Family Living Expense	2.75	108.22	1.51	79.05	1.67	83.36	1.62	77.76	0.88	43.47
47	Principal Payments	0.33	12.94	0.20	10.53	0.15	7.72	0.06	3.05	0.39	19.06
48	Total Cash Flow Cost	7.89	310.20	5.17	270.95	5.84	290.87	6.35	305.65	5.98	295.06
49											
50											
51											
52	Soybean Expense as % Total Expense	28.0		31.3		32.9		28.6		37.8	
53											
54	Soybean Labor as % Total Labor	76.8		88.3		86.4		41.6		69.2	
55											
56	Return to Capital (%)	(5.03)		0.10		(1.22)		(0.86)		169.40	
57	Return to Hour Labor (\$/Hr)	(15.34)		13.22		(1.25)		(8.92)		(5.65)	



ENTERPRISE ANALYSIS DATA

IOWA STATEWIDE

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Production Year

Grain/HogFarm

Run Date: 10/3/2003

Iowa Farm Business Association	Operator(s)	High Profit 1/3	Size 1	Low Profit 1/3	Group Avg					
1 GENERAL LIVESTOCK AVERAGE										
2 Total Livestock Value Increase	114,678	177,171	190,578	227,064	186,528					
3 Total Feed Fed to Livestock	74,690	135,723	132,233	152,095	128,481					
4 Feed Return/\$100 Feed Fed	153.54	130.54	144.12	149.29	145.18					
5 Purchased as % of Total Feed	61.0	60.9	57.5	61.3	104.5					
7 HOG - FARROW TO FINISH ENTERPRISE (60)										
8 Number of Farms	1	3	17	9	72					
9 Total Value of Production	114,678	114,421	278,677	425,690	208,063					
10 Cwt Produced	2,922	3,416	7,943	11,875	6,290					
11 Value/Cwt Produced	39.25	33.50	35.08	35.85	33.08					
12 Purchased Feed Fed	47,455	37,512	143,831	234,780	99,659					
13 Raised Feed Fed	27,235	36,871	31,076	29,995	36,820					
14 Feed Cost/Cwt of Production	25.56	21.77	22.02	22.30	21.70					
15 Feed Lbs/Lb Gain	3.76	3.79	3.70	3.71	3.66					
16 Feed Return/\$100 Feed Fed	153.54	153.83	159.33	160.77	152.45					
17	\$/Cwt	\$/Sow	\$/Cwt	\$/Sow	\$/Cwt	\$/Sow	\$/Cwt	\$/Sow	\$/Cwt	\$/Sow
18 Cash Mach & Equip Cost	2.35	76.29	1.82	47.31	6.99	534.71	8.16	777.90	3.22	139.20
19 Rent & Miscellaneous	1.43	46.40	0.49	17.80	0.54	37.61	0.48	42.25	1.01	35.87
20 Utilities	1.87	60.77	1.15	72.49	0.77	54.67	0.73	66.88	0.86	36.09
21 Livestock Health	4.72	153.17	1.33	98.28	1.34	89.00	1.26	99.62	1.58	61.21
22 Livestock Supply/Bedding	0.69	22.44	1.41	39.77	0.99	72.15	0.92	89.49	1.56	68.05
23 Property Tax & Building Repair	1.01	32.79	1.50	42.45	0.66	41.46	0.53	46.68	0.76	30.60
24 Interest	1.49	48.22	0.18	14.53	0.57	43.60	0.55	51.99	0.59	24.61
25 Insurance	0.29	9.43	0.44	27.73	0.31	20.67	0.28	23.59	0.45	18.55
26 Labor Hired	0.01	0.41	0.94	15.30	1.47	110.54	1.77	169.45	1.69	75.26
27 Total Cash Expense	13.86	449.92	9.27	375.65	13.64	1004.41	14.68	1367.87	11.71	489.44
28 Mach & Equip Depreciation	2.26	73.22	1.34	21.25	0.80	50.28	0.71	61.55	1.16	43.91
29 Bldg & Imprv Depreciation	0.78	25.47	0.98	24.57	0.94	66.66	0.96	88.86	0.80	33.71
30 Unpaid Labor Charge	3.49	113.33	3.86	136.00	1.68	91.71	0.97	66.80	1.67	61.08
31 Equity Charge	1.29	41.79	2.19	152.35	1.10	73.05	1.06	90.20	1.70	65.13
32 Total Econ Cost w/ Feed	47.24	1533.63	39.42	1492.61	40.17	2831.16	40.67	3683.38	38.74	1560.39
33 Family Living Costs	10.74	348.71	7.71	431.11	4.22	262.79	3.19	257.58	4.02	154.56
34 Principal Payments	0.75	24.32	0.56	44.23	0.56	44.23	0.71	68.30	0.72	30.70
35 Total Cash Flow Cost w/ Feed	50.91	1652.84	38.75	1589.55	40.44	2856.47	40.86	3701.86	38.14	1541.83
37 Misc. Production and Marketing Data										
38 Sows Farrowed, Pigs Weaned	135	1120	187	1462	314	3457	382	4637	320	2725
39 Weaning Average										
40 Death Loss Weight %		4.1		2.7		2.2		2.0		2.6
41 Average Sow Units		90		90		155		184		189
42 Number Feeder Purchased						227		429		187
43 Avg Feeder Purchase Wt/Head						11		11		24
44 Average Feeder Price/Head						28.90		28.90		32.17
45 No. Market Fat/Feeder Sold	918	164	1151		2893	2052	4377		2244	360
46 Avg Market Fat/Feeder Weight	265	55	267		260	60	262		261	50
47 Avg Market Fat/Feeder \$/Cwt	34.73	331.42	34.53		34.41	75.42	34.53		34.61	98.46
48 No Brdg Sold, Avg Wt	64	454	76	514	111	468	147	471	97	467
49 Average Breeding Selling Price/Cwt		24.05		25.13		20.80		19.46		21.03
50 Hogs Produced/Sow Unit		11.64		15.69		12.21		10.60		11.28
51 Hogs Produced/Crate				54.26		37.16		23.65		69.54
52 Breeding Stock Inventory Change		(27)		(8)		29		64		10
53 Swine Enterprise Net		(23,348)		(20,221)		(40,406)		(57,218)		(35,587)
54 Average Feed Cost/Cwt		6.80		5.84		6.38		6.61		6.25
55										
56 Return to Capital (%)		(9.52)		(2.35)		(6.50)		(7.58)		(5.01)
57 Return to Hour Labor (\$/Hr)		(19.30)		(10.54)		(16.17)		(20.03)		(24.02)

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

Tax Year	Mid-Year Convention	Mid-Quarter 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

Tax Year	Mid-Year Convention	Mid-Quarter 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

Tax Year	Mid-Year Convention	Mid-Quarter 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

INCOME STATEMENT

IS

Actual
 Projected

For a 12-month period Ending Dec. 31, 2009

Name George A. and Ann Profit
 Address Anywhere, USA Phone _____

REVENUE			
Feeder livestock and poultry:			
cash sales	\$	<u>54,836</u>	(1a)
<u>inventory change</u> (Sch. 16, line a)	=	<u>+ 600</u>	(1b)
feeder livestock transferred to breeding herd (Sch. 16, line b) ..			(1c)
	\$	<u>55,456</u>	(1)
Crops and feed:			
cash sales	\$	<u>216,650</u>	(2a)
<u>inventory change</u> (Sch. 16, line c)	=	<u>+ 9,030</u>	(2b)
		<u>225,680</u>	(2)
Livestock and poultry products (milk, wool, eggs, etc.)—cash sales			(3)
Custom work—cash received			(4)
Government payments: cash—(a) <u>660</u> certificates—(b) _____		<u>660</u>	(5)
Patronage dividends: cash—(a) _____ non-cash—(b) _____			(6)
<u>Change in accounts receivable</u> (Sch. 16, line d)	=	<u>+ 2,000</u>	(7)
Income from hedging transactions (Sch. 17, line d)	=		(8)
Other revenue: cash—(a) _____ non-cash—(b) _____			(9)
GROSS REVENUE (add lines 1 through 9)			(10)
minus Feeder livestock and poultry purchases	-\$		(11)
minus Feed purchased	-	<u>1,565</u>	(12)
VALUE OF FARM PRODUCTION (line 10 minus lines 11 and 12)			(13)
	\$	<u>283,796</u>	
EXPENSES			
Cash operating expenses (Sch. 18)	\$	<u>172,514</u>	(14)
<u>Accrual expense adjustments</u> : Unused assets (Sch. 19, line a)	=\$	<u>< 21,166 ></u>	(15a)
Unpaid items (Sch. 19, line b)	=	<u>< 8,725 ></u>	(15b)
		<u>< 29,891 ></u>	(15)
Depreciation: Breeding and dairy livestock	\$	<u>170</u>	(16a)
Machinery and equipment		<u>31,551</u>	(16b)
Buildings and improvements		<u>19,432</u>	(16c)
		<u>51,653</u>	(16)
Total operating expenses (add lines 14, 15, and 16)			(17)
		<u>194,276</u>	
Interest expense: Interest paid in cash or by loan renewal (Sch. 20, line c)	\$	<u>38,599</u>	(18a)
<u>Change in accrued interest payable</u> (Sch. 20, line f)	=	<u>< 729 ></u>	(18b)
		<u>37,870</u>	(18)
NET FARM INCOME FROM OPERATIONS (line 13 minus lines 17 and 18)			(19)
	\$	<u>50,685</u>	
Capital asset account adjustment and/or capital gains (losses) on sales of:			
Raised breeding & dairy livestock not capitalized and not depreciated (Sch. 21)	±\$	<u>+ 47</u>	(20a)
Breeding & dairy livestock fully capitalized and depreciated (Sch. 22)	±		(20b)
Machinery, capital leased assets, real estate & other farm assets (Sch. 23)	±	<u>4,400</u>	(20c)
		<u>+ 1,447</u>	(20)
NET FARM INCOME (add line 19 plus line 20)			(21)
	\$	<u>51,532</u>	
NON-FARM INCOME (available to the business)			
Wages: Operator's wage off farm—(a) _____ spouse's wage off farm—(b) <u>9,100</u>	\$	<u>9,100</u>	(22)
Interest, dividends, and capital gains distributions:			
Received in cash or credited to checking & savings accounts ...	\$	<u>550</u>	(23a)
Earned and re-invested in bonds, securities & other investments		<u>550</u>	(23b)
		<u>550</u>	(23)
Change in accrued interest earned (Sch. 16, line e)	=		(24)
Royalties and mineral lease income			(25)
Gain (loss) on sales of non-farm assets (Sch. 24)			(26)
Net income—other entities, farms, businesses & real estate (Sch. 25)			(27)
Other: Cash—(a) _____ non-cash—(b) _____			(28)
NON-FARM INCOME (add lines 22 through 28)			(29)
	\$	<u>9,650</u>	
NET INCOME			
TOTAL INCOME BEFORE INCOME TAXES AND EXTRAORDINARY ITEMS (line 21 plus line 29)			(30)
	\$	<u>61,182</u>	
Income and social security taxes:			
Amount of tax paid in cash (Sch. 26, line c)	\$	<u>6,225</u>	(31a)
<u>Change in accrued tax & deferred tax</u> in current assets (Sch. 26, line g)	=	<u>16,459</u>	(31b)
	-\$	<u>22,684</u>	(31)
Extraordinary items (explain)	=		(32)
NET INCOME (line 30 minus line 31 plus/minus line 32)			(33)
	\$	<u>38,498</u>	

BALANCE SHEET

BS

As of 12/31/2007

Business
 Combined (Business & personal)

Name GEORGE A. and ANN PROFIT
 Address ANYWHERE, U.S.A. Phone _____

ASSETS					LIABILITIES AND OWNER EQUITY				
Current Assets					Current Liabilities				
		Cost	Market Value						
Cash on hand & in checking accounts.....		\$	5,490	(1)	Accounts payable:				
Savings & money market accounts.....			1,450	(2)	Labor	\$ 154	Feed & seed	\$	
Marketable bonds & securities (Sch. 1).....			25,050	(3)	Repairs	560	Fert & chem		
Futures/Options account equity.....			-	(4)	Storage		Fuel & oil	115	
Accounts receivable:				(5)	Rent		Mach. hire		
Government program payments.....			10,762	(6)	Other				\$ 829
Other.....			-	(7)	Credit card balances (business accounts).....				
Notes & contracts receivable:				(8)	Commodity Credit Corporation (CCC loans):				
Portion due within 12 months (Sch. 11).....			-	(9)					
Accrued interest earned (Sch. 11).....			-	(10)					
Feeder livestock & poultry:				(11)					
Kind	No.	Avg. Wt.	\$/Unit	Value					
HOGS	152	212	44	514,179					
"	149	174	49	12,704					
"	154	130	58	11,612					
"	160	92	58	8,538					
"	162	54	85	7,436					
"	167	20	85	2,839					
CATTLE	55	450	68	16,830					
"	57	975	63	35,012					
				109,150					
Crops and feed:									
Item	Quantity	Unit	\$/Unit	Value					
CORN	29,500	bu	2.40	570,800					
BEANS	7,680	bu	6.05	46,464					
HAY	56	Ton	55	3,080					
SILAGE	130	Ton	20	2,600					
SLLP.	1	TON	300	300					
				123,244					
Prepaid expenses (Sch. 2).....			1,366	(21)	Accounts payable & credit cards \$				
Supplies (Sch. 3).....			2,270	(22)	Notes due within 12 months.....	1,302		1,302	
Investment in growing crops (Sch. 4).....			1,218	(23)	Accrued interest on all				
Other current assets.....			-	(24)	non-current liabilities (Sch. 12, line f).....	15,366			
				(25)	Principal due within 12 months on all				
				(26)	non-current liabilities (Sch. 12, line f).....	28,225			
				(27)	Accrued tax liabilities:				
				(28)	Property.....	\$			
				(29)	Real estate.....	3,950			
				(30)	Employer payroll withholdings...	586		4,536	
				(31)	Estimated accrued income & soc. sec. tax.....			2,464	
				(32)	Other current liabilities.....				
				(33)					
				(34)	Deferred tax on current assets (Sch. 13, line 22)...			83,296	
				(35)	TOTAL CURRENT LIABILITIES			\$ 207,027	
TOTAL CURRENT ASSETS			\$ 280,000	(36)	Non-Current Liabilities				
Non-Current Assets				(37)	(Principal portion due beyond 12 months)				
Raised breeding livestock, not depreciated (Sch. 6) \$			51,958	(38)	Notes (Sch. 12, line a).....		\$ 33,844		
Raised breeding livestock, depreciated (Sch. 7)...			-	(39)	Capital leases (Sch. 12, line b).....				
Purchased breeding livestock (Sch. 8)			2,441	(40)	Sales/Land contracts (Sch. 12, line c).....				
Cost or basis.....		\$	7,980	(41)	Real estate mortgages (Sch. 12, line d).....		197,081		
minus Accumulated depr. (-)			4,439	(42)	Other loans (Sch. 12, line e).....		79,391		
Machinery & equipment (Sch. 9)			137,500	(43)	Other non-current liabilities.....				
Cost or basis.....		\$	231,522	(44)	TOTAL NON-CURRENT LIABILITIES			\$ 310,316	
minus Accumulated depr. (-)			168,520	(45)					
Capital leased assets (Sch. 5).....			-	(46)	Total current and				
Investments in cooperatives (Sch. 5).....			14,780	(47)	non-current liabilities.....	\$	\$ 517,343		
Investments in other entities (Sch. 5).....			-	(48)	Deferred tax on non-current				
Notes & contracts receivable—portion due				(49)	assets (Sch. 13, line 38).....		111,905		
beyond 12 months (Sch. 11).....			-	(50)	TOTAL BUSINESS LIABILITIES			\$ 629,248	
Real estate (Sch. 10).....			625,000	(51)	Personal liabilities (Sch. 14).....		44,210		
Cost or basis.....		\$	616,000	(52)	TOTAL LIABILITIES			\$ 643,458	
minus Accumulated depr. (-)			185,375	(53)					
Other non-current assets:				(54)	OWNER EQUITY:				
				(55)	Retained Earnings		\$ 803,000		
				(56)	Contributed Capital				
				(57)	Personal Net Worth (Sch. 14).....		45,310		
				(58)	Valuation Equity.....		180,331		
				(59)	TOTAL OWNER EQUITY			\$ 1,527,641	
				(60)	TOTAL LIABILITIES and OWNER EQUITY			\$ 1,171,099	
TOTAL NON-CURRENT ASSETS			\$ 831,579						
TOTAL BUSINESS ASSETS			\$ 1,111,579						
Personal assets (Sch. 14)			59,520						
TOTAL ASSETS			\$ 1,171,099						