

Financial Summary
Minnesota and North Dakota Farm Business Mgmt. Education
Red River Valley, 2005
(Farms Sorted By Gross Farm Income)

	<u>Avg. Of All Farms</u>	<u>Less than 50,000</u>	<u>50,001 - 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>Over 1,000,000</u>
Number of farms	234	5	8	43	75	71	32
Income Statement							
Gross cash farm income	546,515	28,116	72,799	181,707	370,342	687,362	1,336,555
Total cash farm expense	454,623	33,839	77,140	152,253	303,947	562,533	1,134,778
Net cash farm income	91,891	-5,722	-4,341	29,454	66,395	124,829	201,777
Inventory change	-19,979	7,989	13,021	-1,670	-13,841	-29,792	-49,819
Depreciation and capital adjust	-27,752	-2,132	-4,495	-10,330	-20,854	-33,019	-65,462
Net farm income	44,160	135	4,185	17,454	31,700	62,018	86,496
Profitability (cost)							
Labor and management earnings	4,715	-2,585	-1,577	3,218	3,957	11,625	-4,113
Rate of return on assets	2.1 %	-1.1 %	0.5 %	1.4 %	2.0 %	2.9 %	1.4 %
Rate of return on equity	-0.6 %	-14.4 %	-4.2 %	-2.4 %	-0.8 %	0.9 %	-2.0 %
Operating profit margin	4.8 %	-6.8 %	1.0 %	3.4 %	4.7 %	6.9 %	2.9 %
Asset turnover rate	44.0 %	15.8 %	49.5 %	40.8 %	42.6 %	42.4 %	48.1 %
Liquidity							
Ending current ratio	1.20	0.91	1.14	1.33	1.27	1.22	1.01
Ending working capital	37,596	-2,659	6,862	28,194	45,433	56,918	2,968
End working capital to gross inc	6.9 %	-9.5 %	9.4 %	15.5 %	12.3 %	8.3 %	0.2 %
Term debt coverage ratio	61.9 %	151.4 %	63.1 %	68.9 %	61.1 %	70.1 %	49.1 %
Expense as a percent of income	86.5 %	94.1 %	90.2 %	84.9 %	85.3 %	85.6 %	88.5 %
Interest as a percent of income	5.6 %	11.8 %	5.6 %	6.4 %	5.7 %	5.8 %	5.1 %
Solvency (market)							
Number of sole proprietors	197	5	8	43	70	57	14
Ending farm assets	1,277,886	200,932	225,925	582,088	1,071,332	1,864,844	3,043,738
Ending farm liabilities	606,023	149,688	111,080	277,681	478,905	869,660	1,622,523
Ending total assets	1,509,183	253,501	311,678	755,940	1,288,260	2,156,750	3,423,557
Ending total liabilities	661,455	162,239	151,507	326,927	520,125	946,956	1,702,870
Ending net worth	847,729	91,262	160,171	429,013	768,135	1,209,794	1,720,687
Net worth change	23,848	10,973	-9,845	11,939	18,124	49,830	7,117
Ending farm debt to asset ratio	47 %	74 %	49 %	48 %	45 %	47 %	53 %
Beg total debt to asset ratio	43 %	59 %	41 %	41 %	39 %	43 %	48 %
End total debt to asset ratio	44 %	64 %	49 %	43 %	40 %	44 %	50 %
Nonfarm Information							
Net nonfarm income	16,497	41,029	24,468	25,622	15,673	14,147	5,553
Crop Acres							
Total acres owned	396	194	37	235	367	519	526
Total crop acres	1,734	178	327	775	1,378	2,095	3,654
Total crop acres owned	356	173	18	188	328	465	519
Total crop acres cash rented	1,298	-	239	514	980	1,536	3,040
Total crop acres share rented	80	5	70	73	70	94	95