

Financial Summary
Minnesota and North Dakota Farm Business Mgmt Education
Red River Valley, 2006
(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	241	34	42	90	60	15
Income Statement						
Gross cash farm income	604,651	271,448	563,448	756,279	599,434	586,384
Total cash farm expense	508,716	238,366	477,687	643,939	490,755	468,897
Net cash farm income	95,935	33,082	85,761	112,340	108,679	117,488
Inventory change	90,424	56,432	73,552	105,279	98,124	94,785
Depreciation and capital adjust	-26,783	-8,735	-18,282	-31,392	-35,064	-30,726
Net farm income	159,576	80,780	141,031	186,226	171,739	181,547
Profitability (cost)						
Labor and management earnings	117,688	70,201	113,328	136,590	116,843	127,495
Rate of return on assets	11.6 %	15.4 %	13.3 %	11.2 %	10.9 %	11.2 %
Rate of return on equity	15.8 %	31.0 %	20.4 %	15.4 %	13.5 %	14.6 %
Operating profit margin	21.7 %	22.0 %	20.5 %	20.5 %	23.5 %	25.7 %
Asset turnover rate	53.6 %	70.2 %	64.7 %	54.9 %	46.3 %	43.6 %
Liquidity						
Ending current ratio	1.51	1.34	1.68	1.41	1.72	1.20
Ending working capital	99,171	37,818	113,979	105,174	131,995	29,453
End working capital to gross inc	16.4 %	13.9 %	20.2 %	13.9 %	22.0 %	5.0 %
Term debt coverage ratio	226.1 %	242.5 %	217.7 %	204.6 %	262.1 %	255.5 %
Expense as a percent of income	73.0 %	72.9 %	74.1 %	74.7 %	70.2 %	69.3 %
Interest as a percent of income	5.6 %	5.5 %	5.2 %	5.6 %	5.5 %	6.6 %
Solvency (market)						
Number of sole proprietors	206	33	36	73	54	10
Ending farm assets	1,414,199	525,101	1,145,036	1,749,204	1,677,949	1,447,428
Ending farm liabilities	663,111	339,911	570,339	866,164	650,490	649,514
Ending total assets	1,641,320	588,836	1,266,732	2,027,674	2,013,224	1,634,377
Ending total liabilities	718,585	372,477	634,686	930,875	705,022	686,303
Ending net worth	922,736	216,359	632,046	1,096,800	1,308,202	948,074
Net worth change	114,251	58,350	98,740	141,037	119,946	128,271
Ending farm debt to asset ratio	47 %	65 %	50 %	50 %	39 %	45 %
Beg total debt to asset ratio	45 %	66 %	52 %	48 %	35 %	46 %
End total debt to asset ratio	44 %	63 %	50 %	46 %	35 %	42 %
Nonfarm Information						
Net nonfarm income	16,006	13,260	13,273	15,615	19,202	19,445
Crop Acres						
Total acres owned	394	119	226	442	536	637
Total crop acres	1,727	820	1,519	2,164	1,684	1,922
Total crop acres owned	355	139	176	435	427	577
Total crop acres cash rented	1,296	647	1,300	1,633	1,167	1,236
Total crop acres share rented	77	34	42	96	89	109