

Financial Summary
Minnesota and North Dakota Farm Business Mgmt Education
Red River Valley, 2006
(Farms Sorted By County)

	<u>Avg. Of</u> <u>All Farms</u>	<u>Clay</u>	<u>Marshall</u>	<u>Norman</u>	<u>Polk</u>	<u>Wilkin</u>	<u>Cass</u>	<u>Richland</u>
Number of farms	241	52	12	30	41	40	15	31
Income Statement								
Gross cash farm income	604,651	718,913	474,960	666,832	710,017	546,752	439,512	528,726
Total cash farm expense	508,716	585,840	479,385	575,528	589,289	445,284	368,759	454,664
Net cash farm income	95,935	133,073	-4,425	91,305	120,728	101,468	70,753	74,062
Inventory change	90,424	118,061	140,757	71,886	103,702	70,024	65,862	83,316
Depreciation and capital adjust	-26,783	-22,895	-34,242	-20,151	-31,013	-30,488	-28,642	-32,678
Net farm income	159,576	228,239	102,090	143,040	193,417	141,003	107,973	124,701
Profitability (cost)								
Labor and management earnings	117,688	183,330	71,601	104,484	140,294	102,392	83,026	70,520
Rate of return on assets	11.6 %	16.0 %	8.5 %	10.2 %	11.0 %	11.1 %	13.3 %	7.9 %
Rate of return on equity	15.8 %	23.2 %	11.4 %	14.3 %	14.7 %	15.2 %	19.1 %	8.8 %
Operating profit margin	21.7 %	26.7 %	16.5 %	18.8 %	21.7 %	21.6 %	20.7 %	18.3 %
Asset turnover rate	53.6 %	60.0 %	51.4 %	54.2 %	50.9 %	51.6 %	64.0 %	43.0 %
Liquidity								
Ending current ratio	1.51	1.51	1.53	1.31	1.31	1.54	1.33	1.85
Ending working capital	99,171	116,081	65,317	91,370	34,048	111,015	69,787	161,693
End working capital to gross inc	16.4 %	16.1 %	13.8 %	13.7 %	4.8 %	20.3 %	15.9 %	30.6 %
Term debt coverage ratio	226.1 %	263.7 %	165.4 %	178.3 %	224.4 %	215.4 %	332.5 %	218.4 %
Expense as a percent of income	73.0 %	69.2 %	77.7 %	78.2 %	72.3 %	72.4 %	72.2 %	74.3 %
Interest as a percent of income	5.6 %	5.4 %	7.0 %	6.5 %	5.6 %	5.8 %	4.2 %	5.1 %
Solvency (market)								
Number of sole proprietors	206	46	9	28	25	39	14	27
Ending farm assets	1,414,199	1,797,624	1,132,437	1,644,222	894,072	1,455,694	963,881	1,555,049
Ending farm liabilities	663,111	819,011	580,601	837,713	519,287	647,450	498,268	603,221
Ending total assets	1,641,320	2,142,289	1,320,576	1,887,826	1,046,106	1,634,829	1,145,170	1,783,396
Ending total liabilities	718,585	928,810	612,880	902,474	576,592	685,177	531,926	621,154
Ending net worth	922,736	1,213,479	707,696	985,352	469,515	949,652	613,244	1,162,241
Net worth change	114,251	183,452	63,732	126,259	53,739	120,947	70,134	76,939
Ending farm debt to asset ratio	47 %	46 %	51 %	51 %	58 %	44 %	52 %	39 %
Beg total debt to asset ratio	45 %	46 %	49 %	49 %	55 %	43 %	45 %	33 %
End total debt to asset ratio	44 %	43 %	46 %	48 %	55 %	42 %	46 %	35 %
Nonfarm Information								
Net nonfarm income	16,006	16,504	14,539	19,099	7,191	16,975	20,510	15,647
Crop Acres								
Total acres owned	394	393	561	499	349	395	203	424
Total crop acres	1,727	1,754	1,759	2,014	1,927	1,454	1,585	1,714
Total crop acres owned	355	320	475	410	404	348	142	392
Total crop acres cash rented	1,296	1,390	1,279	1,554	1,485	998	1,392	1,075
Total crop acres share rented	77	44	6	50	37	108	51	248