

**Depreciation and Other Capital Adjustments**  
**Minnesota and North Dakota Farm Business Mgmt Education**  
**Red River Valley, 2006**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	241	48	48	49
Net operating profit	186,359	24,544	145,719	442,195
<b>Breeding Livestock</b>				
Ending inventory	1,004	83	1,877	2,091
Capital sales	43	-	-	213
Beginning inventory	957	63	1,151	2,199
Capital purchases	-	-	-	-
Depreciation, capital adjust.	91	21	726	105
<b>Machinery and Equipment</b>				
Ending inventory	334,908	156,695	299,991	632,522
Capital sales	5,462	11,860	3,290	6,823
Beginning inventory	318,038	165,359	273,480	599,267
Capital purchases	53,896	17,777	57,442	102,029
Depreciation, capital adjust.	-31,563	-14,580	-27,640	-61,951
<b>Buildings and Improvements</b>				
Ending inventory	58,140	28,305	53,870	101,174
Capital sales	-	-	-	-
Beginning inventory	55,417	25,748	52,434	93,430
Capital purchases	4,165	3,255	2,859	9,610
Depreciation, capital adjust.	-1,442	-698	-1,423	-1,866
<b>Other Capital Assets</b>				
Ending inventory	213,546	31,937	165,726	533,878
Capital sales	6,555	1,185	3,724	6,967
Beginning inventory	211,309	30,455	160,957	519,905
Capital purchases	2,661	2,188	3,325	3,530
Depreciation, capital adjust.	6,131	481	5,168	17,411
Total depreciation, capital adj.	-26,783	-14,776	-23,169	-46,302
Net farm income	159,576	9,768	122,551	395,894