

**Projected Cash Flow Summary**

Total operating inflow		282,322
Total operating outflow	(-)	230,010
Capital purchases	(-)	6,100
Capital sales	(+)	-
New credit	(+)	31,325
Loan payments	(-)	69,129
<b>Net cash flow</b>	<b>(=)</b>	<b>8,408</b>
Beginning cash balance	(+)	3,624
Operating loan borrowings	(+)	28,042
Operating loan principal payments	(-)	38,610
Ending cash balance	(=)	1,464

Beginning operating loan balance		10,568
Peak operating loan balance (Jul)		15,450
Ending operating loan balance		-

**Projected Change in Working Capital**

Change in cash		-2,160
Change in current inventories	(+)	14,465
Change in operating loan balance	(-)	-10,568
Change in other current loans	(-)	3,675
Estimated change in working capital	(=)	19,198

**Projected Income Statement**

Gross cash farm income		264,822
Inventory change - income items	(+)	12,529
Gross revenue	(=)	277,351
Cash farm operating expense		189,570
Interest expense	(+)	12,732
Depreciation	(+)	18,274
Inventory change - expense items	(+)	-1,936
Total farm expense	(=)	218,640
Net farm income		58,711

**Projected Net Worth Change**

Net farm income		58,711
Nonfarm income	(+)	17,500
Family living / owner withdrawals	(-)	45,000
Income & social security tax	(-)	10,000
Earned net worth change	(=)	21,211

**Term Debt Coverage**

Projected net farm income		58,711
Depreciation	(+)	18,274
Nonfarm income	(+)	17,500
Family living/owner withdrawals	(-)	45,000
Income and social security tax	(-)	10,000
Interest paid on term debt	(+)	11,079
Balance available for term debt	(=)	50,564
Term debt payments		30,269
Term debt coverage		167.0

**Farm Financial Standards Measures**

	Beginning	Ending
<b>Liquidity</b>		
Current ratio	1.7	2.2
Working capital	38,774	57,972

**Solvency (market)**

Debt to asset ratio	43.4	39.9
Equity to asset ratio	56.6	60.1
Debt to equity ratio	76.8	66.5

**Profitability (market)**

Rate of return on assets		7.3
Rate of return on equity		9.0
Operating profit margin		23.6
Net farm income		58,711

**Repayment Capacity**

Term debt coverage		167.0
Capital replacement margin		20,295

**Efficiency**

Asset turnover rate (market)		30.8
Operating expense ratio		67.6
Depreciation ratio		6.6
Interest expense ratio		4.6
Net farm income ratio		21.2

	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
<b>CASH INFLOWS</b>													
Beg cash bal	3624	500	15392	8601	12802	500	500	500	500	500	500	500	3624
Milk	13227	13227	13227	12246	12246	12246	11816	11816	11816	10892	10892	10892	144543
Raised Hogs	-	12500	-	-	-	12480	-	12120	-	-	-	11615	48715
Fin Yrlg Str	-	-	-	38911	-	-	-	-	-	-	-	-	38911
Soybeans	-	-	-	-	-	-	-	-	-	-	8459	-	8459
Cull stock	688	1104	688	1104	688	688	688	1104	688	1104	688	688	9922
Misc. Ivstk	258	258	258	258	258	258	258	258	258	258	258	258	3094
DCP payments	1384	-	-	-	-	-	-	-	-	1384	-	-	2768
Other govt	612	612	612	612	612	612	612	612	612	612	612	612	7345
Pat dividend	-	-	-	-	-	-	-	-	-	-	-	600	600
Other farm	39	39	39	39	39	39	39	39	39	39	39	39	465
N-Farm wages	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	17500
Total inflow	21290	29698	31674	63229	28103	28281	15372	27908	15372	16247	22906	26662	285946

**CASH OUTFLOWS**

Seed	-	-	645	6693	1890	-	-	-	-	-	-	-	9228
Fertilizer	-	-	919	-	7172	-	-	-	1024	-	-	-	9115
Chemicals	-	-	-	-	6520	-	-	-	-	-	-	-	6520
Crop insur.	-	-	-	-	-	-	-	-	-	1887	-	-	1887
Drying fuel	-	-	-	-	-	-	-	-	-	812	812	-	1624
C. Cust hire	-	-	-	-	-	414	414	414	1164	-	-	-	2406
Pur. Hay	-	-	-	1588	2142	-	-	-	-	-	-	147	3877
Feeder Ivstk	-	-	-	-	-	-	-	-	26325	-	-	-	26325
Purch. feed	4361	4017	4157	3974	4117	3999	4163	3835	4284	4386	4551	4222	50066
Breeding	167	167	167	182	182	182	174	174	174	174	174	174	2090
Veterinary	656	656	656	592	592	599	599	599	670	670	670	670	7631
Supplies	733	733	733	704	704	711	711	711	743	743	743	743	8712
L. Marketing	381	613	381	1044	367	586	367	601	367	373	352	566	5998
Fuel & oil	-	-	-	550	1100	550	-	550	550	1100	1100	-	5500
Repairs	-	-	-	1500	1500	1500	-	-	1500	3000	3000	-	12000
Labor	-	-	-	-	667	667	667	667	667	667	-	-	4000
RE taxes	-	-	-	-	1950	-	-	-	-	1950	-	-	3900
Farm insur.	-	-	-	-	1900	-	-	-	-	-	1900	-	3800
Utilities	583	583	583	583	583	583	583	583	583	583	583	583	7000
Dues & fees	58	58	58	58	58	58	58	58	58	58	58	58	700
Misc.	50	50	50	50	50	50	50	50	50	50	50	50	600
Accounts pay	2032	-	-	-	-	-	-	-	-	-	-	-	2032
Fam. living	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	3750	45000
Income taxes	-	-	10000	-	-	-	-	-	-	-	-	-	10000
Min end bal	500	500	500	500	500	500	500	500	500	500	500	500	500
Tot. outflow	13271	11129	22600	21769	35744	14149	12036	12493	42409	20704	18244	11463	230510
Opr. surplus	8019	18569	9074	41460	-7640	14132	3335	15415	-27037	-4457	4662	15199	55436

	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
<b>CAPITAL PURCHASES</b>													
Boars	-	-	-	600	-	-	-	-	-	-	-	-	600
Planter	-	-	5500	-	-	-	-	-	-	-	-	-	5500
Tot. cap pur	-	-	5500	600	-	-	-	-	-	-	-	-	6100
<b>NEW CREDIT</b>													
1st Ntl catt	-	-	-	-	-	-	-	-	26325	-	-	-	26325
1sr Ntl PTR	-	-	5000	-	-	-	-	-	-	-	-	-	5000
Tot new cred	-	-	5000	-	-	-	-	-	26325	-	-	-	31325
<b>LOAN PAYMENTS</b>													
1st Ntl catt	-	-	-	23677	-	-	-	-	-	-	-	-	23677
1st Ntl mach	-	-	-	-	6036	-	-	-	-	-	6036	-	12071
John Deere	-	-	-	-	-	-	2932	-	-	-	-	-	2932
1st Ntl cows	473	473	473	473	473	473	473	473	473	473	473	473	5680
1st Ntl RE	-	-	-	4298	-	-	-	-	-	4298	-	-	8596
1sr Ntl PTR	-	-	-	110	110	110	110	110	110	110	110	110	990
CCC loans	-	-	-	-	-	14560	-	-	-	-	-	-	14560
Tot loan pay	473	473	473	28558	6619	15143	3515	583	583	4881	6619	583	68506
<b>Surp. or def</b>	<b>7546</b>	<b>18096</b>	<b>8101</b>	<b>12302</b>	<b>-14259</b>	<b>-1011</b>	<b>-180</b>	<b>14831</b>	<b>-1296</b>	<b>-9339</b>	<b>-1957</b>	<b>14615</b>	<b>12155</b>
<b>ANNUAL OPERATING LOAN TRANSACTIONS &amp; BALANCES</b>													
Beg AO bal	10568	3185	-	-	-	14259	15271	15450	891	2186	11525	13482	10568
AO borrowing	-	-	-	-	14259	1011	180	-	1296	9339	1957	-	28042
AO int. pay	163	19	-	-	-	-	-	272	-	-	-	170	623
AO prin. pay	7383	3185	-	-	-	-	-	14560	-	-	-	13482	38610
<b>End AO bal.</b>	<b>3185</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14259</b>	<b>15271</b>	<b>15450</b>	<b>891</b>	<b>2186</b>	<b>11525</b>	<b>13482</b>	<b>-</b>	<b>-</b>
Accrued int.	-	-	-	-	-	86	178	-	5	19	88	-	-
End cash bal	500	15392	8601	12802	500	500	500	500	500	500	500	1464	1464

**CROP & LIVESTOCK PRODUCTION**

Enterprise	Units	Production Per		Share	Operator Production
		Unit	Unit		
Corn, Feed	74.0 Acres	130.0 bu.	100	9620 bu.	
Corn Silage	15.0 Acres	18.0 ton	100	270 ton	
Oats, Feed, with alfalfa establish	15.0 Acres	65.0 bu.	100	975 bu.	
Hay, Alfalfa	46.0 Acres	4.00 ton	100	184 ton	
Corn, Feed	70.0 Acres	130.0 bu.	60	5460 bu.	
Soybeans	70.0 Acres	38.0 bu.	60	1596 bu.	
Dairy	55.0 Cow	18750.0 lb.		1031250 lb.	
Hogs, Farrow To Finish	52.0 Litter	7.75 head		403 head	
Total crops	290 Acres				

**CROP & LIVESTOCK SUMMARY**

		Beg	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corn equivalents															
Produced	bu.	-	-	-	-	-	-	-	488	-	-	7540	7540	-	15568
From CCC	bu.	-	-	-	-	-	-	8000	-	-	-	-	-	-	8000
Fed	bu.	1360	1081	1234	1003	1129	933	1078	788	1134	1294	1468	1210	13712	
Inventory	bu.	8550	7190	6109	4875	3872	2744	9810	9220	8432	7298	13544	19616	18406	18406
Hay equivalents															
Produced	ton	-	-	-	-	-	-	46	46	46	46	-	-	-	184
Purchased	ton	-	-	-	-	19	25	-	-	-	-	-	-	2	46
Price	\$/ton	-	-	-	85.00	85.00	-	-	-	-	-	-	-	85.00	85.00
Fed	ton	28	28	28	25	25	25	25	25	25	27	27	28	28	320
Inventory	ton	90	62	34	7	-	-	21	42	62	81	54	26	-	
Silage equivalents															
Produced	ton	-	-	-	-	-	-	-	-	-	270	-	-	-	270
Fed	ton	29	30	31	16	16	16	16	16	16	25	26	28	29	278
Inventory	ton	220	191	161	130	114	97	81	65	49	294	268	241	212	212
Soybeans															
Produced	bu.	-	-	-	-	-	-	-	-	-	-	1596	-	-	1596
Sold	bu.	-	-	-	-	-	-	-	-	-	-	-	1596	-	1596
Price	\$/bu.	-	-	-	-	-	-	-	-	-	-	-	5.30	-	5.30
Inventory	bu.	-	-	-	-	-	-	-	-	-	-	1596	0	0	0
CCC Feed Corn															
Buy back	bu.	-	-	-	-	-	-	8000	-	-	-	-	-	-	8000
Inventory	bu.	8000	8000	8000	8000	8000	8000	-	-	-	-	-	-	-	-
Milk															
No. Cows		55	55	55	55	55	55	55	55	55	55	55	55	55	55
Produced		89674	89674	89674	85938	85938	85938	85938	85938	85938	85938	82201	82201	82201	1031250
Price	\$/cwt.	14.75	14.75	14.75	14.25	14.25	14.25	14.25	13.75	13.75	13.75	13.25	13.25	13.25	14.02

**CROP & LIVESTOCK SUMMARY (cont.)**

		<i>Beg</i>	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Total</i>
<b>Raised Hogs</b>															
No. Sows			26	26	26	26	26	26	26	26	26	26	26	26	26
Produced	head		-	101	-	-	-	101	-	101	-	-	-	101	403
Sold	head		-	100	-	-	-	104	-	101	-	-	-	101	406
Price	\$/cwt.		-	50.00	-	-	-	48.00	-	48.00	-	-	-	46.00	48.00
Inventory	head	175	175	176	176	176	176	173	173	172	172	172	172	172	172
<b>Fin Yrlg Str</b>															
Purchased	head		-	-	-	-	-	-	-	-	45	-	-	-	45
Price	\$/cwt.		-	-	-	-	-	-	-	-	90.00	-	-	-	90.00
Sold	head		-	-	-	41	-	-	-	-	-	-	-	-	41
Price	\$/cwt.		-	-	-	83.00	-	-	-	-	-	-	-	-	83.00
Inventory	head	41	41	41	41	-	-	-	-	-	45	45	45	45	45

**PROJECTED INVENTORY CHANGE**

Commodity	Begin Inventor	\$/Unit	Begin Value	Ending Inventory	\$/Unit	Ending Value	Change
Corn equivalents	8550	1.77	15135	18406	1.82	33498	18363
Hay equivalents	90	85.00	7650	0	85.00	0	-7650
Silage equivalents	220	18.00	3960	212	18.00	3811	-149
Soybeans	0	0.00	0	0	5.10	0	0
CCC Feed Corn	8000	0.00	0	0	0.00	0	0
Raised Hogs	175	57.00	11970	172	60.00	10320	-1650
Fin Yrlg Str	41	98.00	30135	45	750.00	33750	3615
Accounts receivable			14242			14242	1
Hedging accounts			0			0	0
Other current assets			0			0	0
Total income items			83092			95621	12529
Prepaid expenses & supplies			7647			7647	0
Growing crops			0			0	0
Accounts payable		(End)	0		(Beg)	2032	2032
Accrued interest		(End)	1947		(Beg)	1851	-96
Total expense items			9594			11530	1936
Total inventories			92685			107151	14465

**BALANCE SHEETS**

	<i>01/01/2005</i>	<i>Projected 01/01/2006</i>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & checking	3624	1464
Prepaid expense	7647	7647
Accounts receivable	14242	14242
Crops	26745	37309
CCC crops (net of loan)	-	-
Market livestock	42105	44070
Total current assets	94363	104731
<b>Intermediate Assets</b>		
Breeding livestock	92150	92750
Machinery & equipment	105109	99548
Titled vehicles	10000	9000
Total intermediate assets	207259	201298
<b>Long Term Assets</b>		
Land	184000	184000
Buildings & improvements	124260	118047
Other long term	30356	30356
Total long term assets	338616	332403
Total farm assets	640237	638432
Nonfarm assets	17634	17634
Total assets	657871	656066
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued interest	1851	1947
Accounts payable	2032	-
Current farm notes		
Operating loan	10568	-
First Natl Bank	22650	26325
Total current liabilities	37101	28272
<b>Intermediate Liabilities</b>		
First Natl - machinery	63910	56358
John Deere	7593	5253
1st Ntl cows	16030	11359
1sr Ntl Planter	-	4286
Total inter. liabilities	87533	77256
<b>Long Term Liabilities</b>		
1st Ntl RE	70621	66711
Total long term liab.	70621	66711
Total farm liabilities	195255	172238
Nonfarm liabilities	-	-
Total liabilities	195255	172238

Net worth	462616	483828
Net worth change		21211
Total debt to asset ratio	29 %	26 %

Note: The principal due within 12 months on term liabilities was not moved up to the current liabilities.  
The deferred liabilities have been excluded from above balance sheets.  
The CCC crops have been valued net of loan for the above balance sheets.