

Table of Contents

Consultants and Instructors	1
Introduction	2
Comments and Observations	3
Whole Farm Analysis	
Table 1A: Farm/Ranch Business Income, 2002	4
Table 1B: Farm/Ranch Business Expense, 2002	5
Table 2A: Gross Cash Farm Income, 2002	6
Table 2B: Gross Cash Farm Expense, 2002	7
Table 3A: Inventory Change, 2002	8
Table 3B: Depreciation and Other Capital Adjustments, 2002	9
Table 4A: Profitability Analysis at Cost, 2002	10
Table 4B: Profitability Analysis at Market, 2002	11
Table 5: Liquidity Analysis, 2002	12
Table 6: Statement of Cash Flows, 2002	13
Table 7A: Balance Sheet - Assets at Cost Value, 2002	14
Table 7B: Balance Sheet - Liabilities at Cost Value, 2002	15
Table 8A: Balance Sheet - Assets at Market Value, 2002	16
Table 8B: Balance Sheet - Liabilities at Market Value, 2002	17
Table 9A: Financial Guidelines Measures, 2002	18
Table 9B: Compare Your Financial Guidelines, 2002	19
Table 10A: Household & Personal Expense, 2002	20
Table 10B: Family Living Summary, 1991-2002	21
Table 11: Operator Information and Non-Farm Summary, 2002	22
Table 12: Crop Production, Marketing & Labor Summary, 2002	23
Table 13: Type of Farm by Enterprise, 2002	24-25
Table 14: Size of Farm by Gross Cash Farm Income, 2002	26-27
Table 15: Comparison by Age of Operator, 2002	28-29
Table 16: Debt to Asset Ratio, 2002	30-31
Crop Enterprise Analysis	
Crop Enterprise Reports	32
Table 17A: Crop Summary, 2002	33
Table 17B: Crop Summary, 2002	34
Table 18: Irrigated Corn on All Tenure Types, 2002	35
Table 19: Irrigated Corn on Owned Land, 2002	36
Table 20: Irrigated Corn on Cash Rented Land, 2002	37
Table 21: Irrigated Corn on Share Rented Land, 2002	38
Table 22: Irrigated Seed Corn on All Tenure Types, 2002	39
Table 23: Irrigated Seed Corn, 2002	40
Table 24: Dryland Corn on All Tenure Types, 2002	41
Table 25: Dryland Corn on Owned Land, 2002	42

Table of Contents, (Cont.)

Table 26:	Dryland Corn on Cash Rented Land, 2002	43
Table 27:	Dryland Corn on Share Rented Land, 2002	44
Table 28:	Dryland Grain Sorghum, 2002	45
Table 29:	Irrigated Soybeans on All Tenure Types, 2002	46
Table 30:	Irrigated Soybeans on Owned Land, 2002	47
Table 31:	Irrigated Soybeans on Cash Rented Land, 2002	48
Table 32:	Irrigated Soybeans on Share Rented Land, 2002	49
Table 33:	Dryland Soybeans on All Tenure Types, 2002	50
Table 34:	Dryland Soybeans on Owned Land, 2002	51
Table 35:	Dryland Soybeans on Cash Rented Land, 2002	52
Table 36:	Dryland Soybeans on Share Rented Land, 2002	53
Table 37:	Dryland Wheat, 2002	54
Table 38:	Irrigated Alfalfa on All Tenure Types, 2002	55
Table 39:	Dryland Alfalfa, 2002	56
Table 40:	Dryland Alfalfa on All Tenure Types, 2002	57
Livestock Enterprise Analysis		
Livestock Enterprise Reports		58
Table 41:	Livestock Enterprise Summary, 2002	59
Table 42:	Beef Cow-Calf Per Cwt. Basis, 2002	60
Table 43:	Beef Cow-Calf Per Cow Basis, 2002	61
Table 44:	Beef Finishing Beef Calves, Per Cwt. & Per Head Basis, 2002	62
Table 45:	Hog Farrow to Finish, Per Cwt. & Per Litter Basis, 2002	63
Table 46:	Feeder Pig Finishing, Per Cwt. & Per Head Basis, 2002	64
Financial Guideline Ratios		65



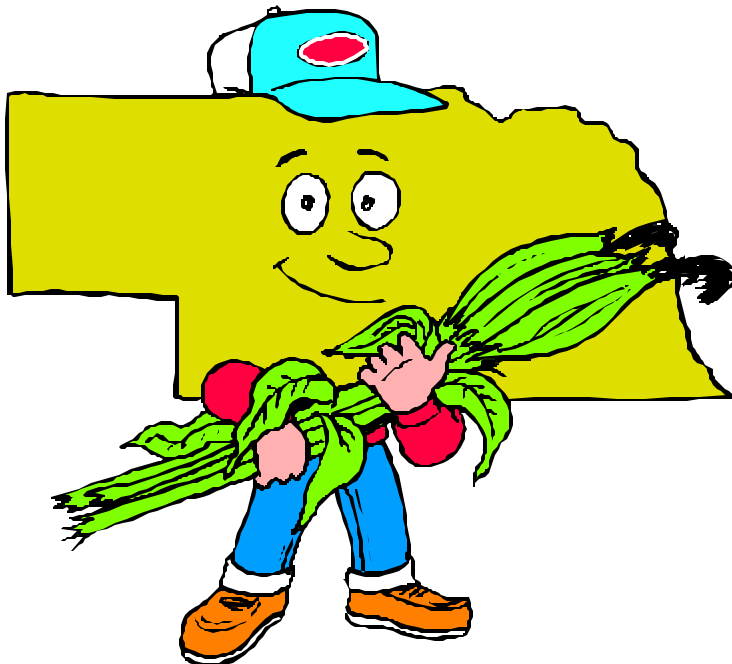
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(All historical data being presented in graphical form was collected from past Nebraska Farm Business Association averages.)

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Introduction

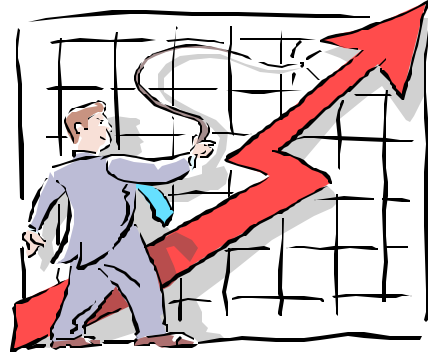
Average data included in this publication was compiled from 153 Nebraska farms and ranches enrolled either in the Nebraska Farm Business Association (NFBA) or Nebraskaland Farm and Ranch Management Educational Program (NFRM). The results were generated through the cooperation of Ag Financial Records education programs of both UNL Cooperative Extension and Nebraska Community Colleges. This is the eighth year that the two organizations have combined data for joint publication.

Data included are averages from individual farm or ranch operations and, although we cannot guarantee 100% accuracy, individual records included in the averages are reconciled for financial and quantitative reliability. Data was processed using “FinAn” software developed by the Center for Farm Financial Management, University of Minnesota, Minnesota Extension Service.

The first section of this book contains “whole farm” data. This information is categorized into the Low and High Profit 1/3 based on accrual net farm income, meaning that the same farms are included in the High Profit 1/3 for all the numbers in the first part of the book. In other words, the High Profit 1/3 may have a higher operating expense ratio than the average, but that is because they are able to have a higher net income even if they are less efficient.

The last ½ of the book is our “enterprise” data. These reports are all generated separately, so just because a farm is in the high profit 1/3 for irrigated corn, doesn't mean that farm is included in the high 1/3 for dryland corn. These farms are categorized by net return per acre, but all costs of production are

averages for the same farms.



In between the “whole farm” and “enterprise” information are several other sets of information sorted other ways, for example, we have provided a brief summary of operations by age of the operator, type of operations, debt-to-asset ration and by gross farm income. These sorts contain the same information as the “whole farm”, but they are just reported differently. These comparisons offer producers another viewpoint to compare their information to. For example, they may want to be comparing themselves to the High/Low Profit when looking at Net Income, but an operation that is younger than average may want to compare his debt-to-asset ratio to others his age that are trying to start a viable operation or a hog farmer may want to compare his asset turnover ratio to others in predominately hog operations since that ratio can vary so much from a dryland crop operation.

We hope this information is valuable to you and that you find many of the ways to utilize the actual information provided. The only way to make this information more accurate is to add more operations to the data. If you or someone you know is interested in adding your farm's information to our averages next year, please contact someone on the previous page.

Comments & Observations

In 2002 profitability was down 30% from last year and was the fifth lowest net farm income since 1976. (See Chart Below). The Net Farm Incomes of the 153 farms ranged over \$600,000 this year. Of those 153 farms, 33.3% had negative net farm incomes while 6.5% had incomes over \$100,000.

	Net Income	Net Worth Change
1983	\$13,931	-\$5,000
1984	-\$15,087	-\$34,000
1985	\$20,795	\$1,125
1998	\$4,736	-\$21,060
2002	\$25,252	-\$4,420

This year's net worth change of -\$4,420 was the fourth lowest recorded since 1976. In addition to Net Farm Income, Non-farm Income, Gifts & Inheritance, Taxes and Family Living contribute to this calculation. The net worth change shows the true progress of the operation, because it doesn't matter how much a farm makes if their taxes and family living are more than the income. There were 52% of the 153 farms lost net worth in 2002.

Government payments have received much publicity in the past few years due to the fact that they have been far exceeding the Net Farm Income since 1998. This year, the Net Farm Income was higher than government payments for the first time since 1997. This was obviously not due to a return to profitability in farming, but rather to dropping support to the lowest level since 1997. (See page 4 for more details) With the redo of the farm bill and higher prices (or lack of LDP's), support received by producers was dramatically cut by 59% in 2002.

One question we receive a lot is how is an average net farm income of \$25,252 a disaster? It is hard to explain to those who

don't understand farming or accrual accounting when our averages end up higher than expected when there was, in fact, a disaster in farming this year. One thing that needs to be pointed out is the change that occurred this year in the rise in commodity prices. Because we base our analysis off accrual accounting, inventories held at the end of the year adjust net cash income to truly reflect the profitability for the current year. Last year (December 31st, 2001), we inventoried corn at \$1.90 and this year (December 31st, 2002) we used the current price of \$2.30. Due to various reasons, many of the producers included in these averages carry grain over into the year following production. If the average producer carried over 50,000 from 2001 into 2002 and another 50,000 from 2002 to 2003, there would be an inventory adjustment to net income up of \$20,000. Without the change in inventory price, the net income would have been reduced to only \$5,252 making it the third lowest year our history.

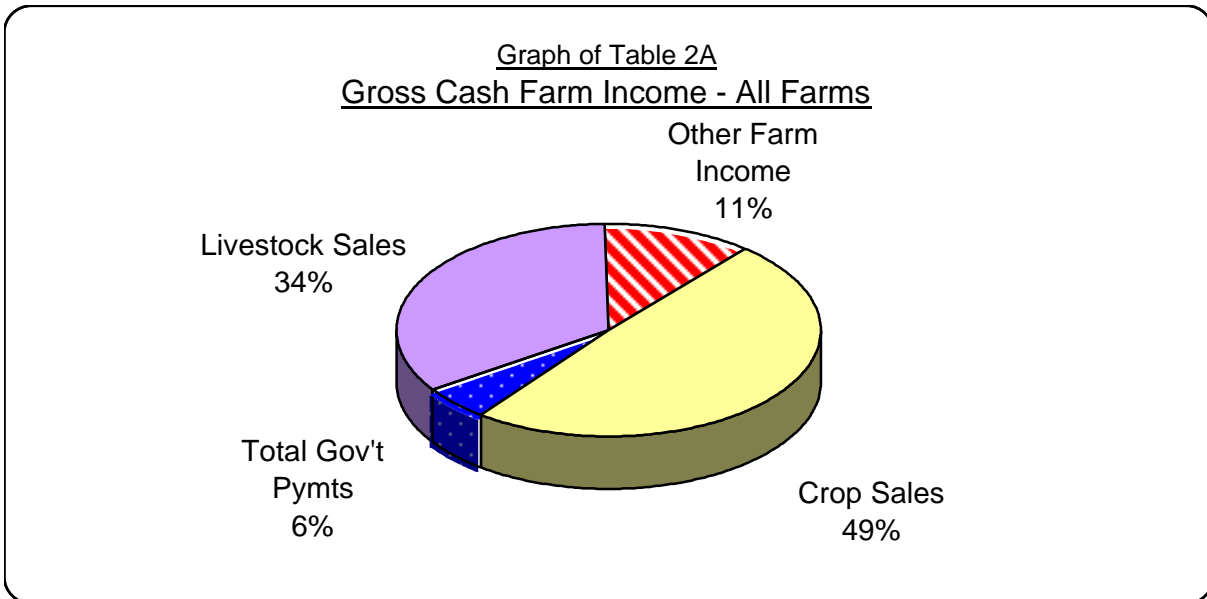
This book looks at all the farms we work with, but we also publish four regional books that take a closer look at the different areas of Nebraska that vary so much. This year's drought drew those lines very deep to highlight the differences between the regions. To give you an idea of the differences, here are the average net farm incomes in each of the areas:

Whole State	\$25,252
South Central	\$46,055
North East	\$39,446
South East	\$ 9,544
Western	\$-18,721

These net incomes clearly show the effects of irrigation ability and where the few rains fell. If you would like more detail about these regions, please contact the Nebraska Farm Business Association at (402) 472-1399.

Table 1A: Farm / Ranch Business Income, 2002

This chart shows the percentages of total cash income of the "Average" Farm / Ranch Business. Refer to Page 6 for a detailed comparison of cash farm income.



Government Payments as a Percent of Net Farm Income

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>5 Year Average</u>
Government Payments Received	\$32,992	\$51,153	\$57,561	\$52,694	\$21,793	\$43,239
Net Farm Income	\$4,446	\$46,996	\$48,279	\$36,025	\$25,250	\$32,199
% of Net Farm	742.1%	108.8%	119.2%	146.3%	86.3%	134.3%
Net Worth Change (Cost)*	(\$21,060)	\$34,683	\$21,280	\$11,488	(\$4,420)	\$8,394
Government Payment as % of Net Worth Change	-156.0%	147.5%	270.5%	458.7%	-493.1%	515.1%

* Net Worth Change - Cost Value: Farm capital assets are reported at cost or remaining value. Non-farm assets are included here as well and generally reported at current value.

Table 2A: Gross Cash Farm Income, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Crop Income			
Corn	98,210	106,023	120,918
Seed Corn	17,242	1,383	37,597
Soybeans	60,068	50,291	83,586
Wheat	6,610	10,721	4,852
Hay Crops	4,220	7,568	2,318
Grain Sorghum	2,380	1,149	3,610
White Corn	2,540	407	3,091
Sugar Beets	574	1,756	0
Great Northern Beans	541	1,657	0
Miscellaneous Crop Income	1,444	1,312	2,317
Total Crop Income	193,829	182,267	258,289
Livestock and Product Income			
Beef Finishing	42,593	23,428	79,498
Beef Calves	24,644	28,925	33,131
Background Beef	141	0	188
Farrow-to-Finish, Hogs	16,870	25,101	20,950
Finish Feeder Pigs	20,206	43,945	14,597
Dairy, Milk	17,678	10,472	27,544
Cull Breeding Livestock	9,594	12,631	6,927
Miscellaneous Livestock Income	2,995	3,503	3,538
Total Livestock Income	134,721	148,005	186,373
Other Farm Income			
Direct and CC Gov't Payments	14,976	12,368	20,904
CRP & Other Gov't Payments	6,817	6,440	7,938
Custom Work	12,344	4,529	28,690
Patronage Dividends, Cash	1,195	708	1,903
Insurance Income	15,644	19,000	13,642
Cash from Hedging Accounts	3,315	1,890	6,073
Contract Livestock Income	2,554	34	4,975
Other Miscellaneous Farm Income	9,803	5,909	18,260
Total Other Farm Income	66,648	50,878	102,385
Total Gross Cash Farm Income	\$395,198	\$381,150	\$547,047

Table 2B: Gross Cash Farm Expenses, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Crop Expense			
Seed	20,977	20,226	25,453
Fertilizer	19,587	21,407	23,267
Crop Chemicals	17,460	14,731	21,594
Crop Insurance	5,636	5,792	6,438
Drying Fuel	614	93	1,311
Irrigation Energy	11,194	9,547	17,639
Irrigation Repairs	0	0	0
Crop Marketing	1,730	2,737	1,355
Crop Miscellaneous	5,356	2,923	8,788
CCC Buyback	5,632	6,500	7,533
Total Crop Expense	\$88,186	\$83,956	\$113,378
Livestock Expense			
Feeder Livestock Purchases	35,216	17,894	68,146
Purchased Feed	44,040	60,084	57,141
Breeding Fees	1,072	886	1,567
Veterinary	5,307	6,087	7,516
Livestock Supplies	2,097	1,262	3,815
Livestock Leases	3,809	9,925	1,620
Grazing Fees	3,426	4,801	3,842
Livestock Marketing	2,329	3,927	2,123
Livestock Custom Hire	743	635	1,292
Total Livestock Expense	\$98,039	\$105,501	\$147,062
Other Farm Expense			
Interest	23,060	25,957	27,812
Fuel and Oil	10,733	10,228	13,676
Repairs	24,337	23,643	31,915
Custom Hire	6,382	7,691	9,274
Hired Labor	17,377	18,835	25,071
Land Rent	24,123	25,575	28,384
Machinery and Building Lease	6,411	4,379	8,877
Real Estate Taxes	7,135	6,463	8,956
Personal Property Taxes	1,171	1,128	1,502
Farm Insurance	5,136	5,012	6,622
Utilities	5,379	6,086	6,518
Dues and Professional Fees	2,572	2,391	3,316
Hedging Account Deposits	8,819	13,457	7,727
Miscellaneous	4,087	4,832	5,226
Total Other Cash Farm Expense	\$146,722	\$155,677	\$184,876
Total Gross Cash Operating Expense	\$332,947	\$345,134	\$445,316
Summary			
Gross Cash Farm Income (Table 2A)	\$395,198	\$381,150	\$547,047
- Total Cash Operating Expense	\$332,947	\$345,134	\$445,316
= Net Cash Farm Income	\$62,251	\$36,016	\$101,731

Table 3A: Inventory Changes, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Net Cash Farm Income	62,251	36,016	101,731
Crops and Feed			
Ending Inventory	121,380	67,422	203,558
Beginning Inventory	137,630	108,468	198,228
Inventory Change	(16,250)	(41,046)	5,330
Market Livestock			
Ending Inventory	65,064	60,378	96,153
Beginning Inventory	55,061	57,418	74,226
Inventory Change	10,003	2,960	21,927
Accounts Receivable & Other Current Assets			
Ending Inventory	16,700	17,982	19,977
Beginning Inventory	10,345	9,258	14,036
Inventory Change	6,355	8,724	5,941
Prepaid Expenses and Supplies			
Ending Inventory	10,579	12,041	11,661
Beginning Inventory	13,683	16,994	15,406
Inventory Change	(3,104)	(4,953)	(3,745)
Accounts Payable			
Ending Inventory	15,887	14,082	23,020
Beginning Inventory	17,799	20,058	22,610
Inventory Change	(1,912)	(5,976)	410
Total Inventory Change	(4,908)	(40,291)	29,863
Net Accrual Operating Income	57,343	(4,275)	131,594

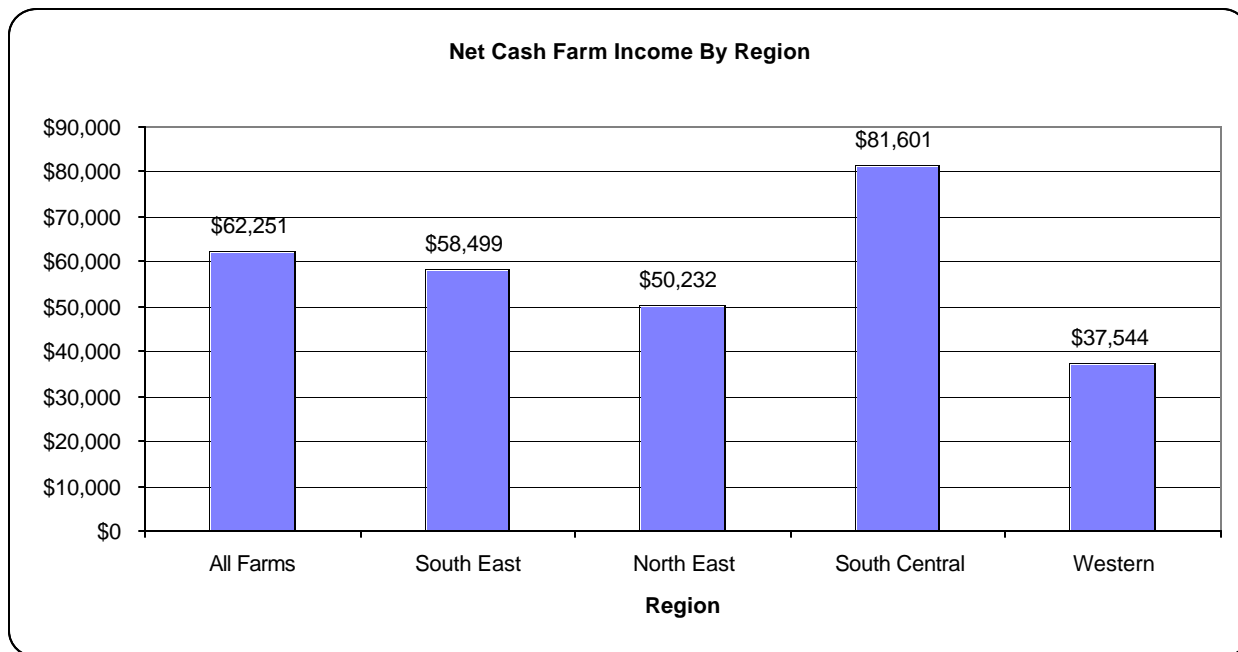


Table 3B: Depreciation and Other Capital Adjustments, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Net Accrual Operating Income	57,343	(4,275)	131,594
Breeding Livestock			
Ending Inventory	15,595	17,563	21,732
Capital Sales	1,187	1,734	1,533
Beginning Inventory	16,928	18,973	24,401
Capital Purchases	5,878	8,999	6,426
Depreciation & Capital Adjustments	(6,024)	(8,675)	(7,562)
Machinery and Equipment			
Ending Inventory	89,232	106,327	108,220
Capital Sales	3,393	4,286	4,355
Beginning Inventory	88,722	109,388	103,655
Capital Purchases	26,923	26,484	38,055
Depreciation & Capital Adjustments	(23,020)	(25,259)	(29,135)
Buildings and Improvements			
Ending Inventory	40,778	54,617	48,329
Capital Sales	28	87	0
Beginning Inventory	40,888	52,486	51,275
Capital Purchases	4,386	7,767	2,892
Depreciation & Capital Adjustments	(4,468)	(5,549)	(5,838)
Other Capital Assets			
Ending Inventory	28,646	21,291	36,138
Capital Sales	3,400	859	6,767
Beginning Inventory	27,690	18,907	36,719
Capital Purchases	2,935	2,515	3,450
Depreciation & Capital Adjustments	1,421	728	2,736
Total Depreciation & Capital Adjustments	(32,091)	(38,755)	(39,799)
Net Farm Income	25,252	(43,030)	91,795

**Graph of Table 3B
Net Farm Income - All Farms**

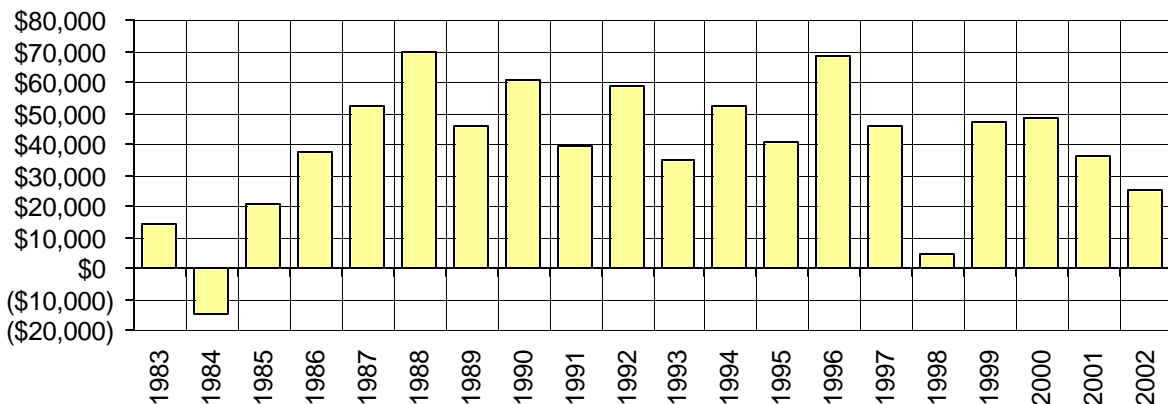


Table 4A: Profitability Analysis At Cost, 2002

	Average Of <u>153 Farms</u>	Average Of <u>Low 33 %</u>	Average Of <u>High 33%</u>
Profitability			
Net Farm Income	\$25,252	(\$43,030)	\$91,795
Labor and Mgt. Earnings	\$3,178	(\$57,669)	\$58,084
Rate of Return on Assets	3.1%	-5.4%	8.9%
Rate of Return on Equity	-0.2%	-31.4%	11.1%
Operating Profit Margin	7.5%	-13.4%	19.8%
Asset Turnover Rate	42.1%	40.1%	44.9%
Interest on Farm Net Worth	\$22,073	\$14,638	\$33,712
Farm Interest Expense	\$24,031	\$29,882	\$27,010
Operator Labor & Mgt.	\$26,116	\$22,290	\$30,316
Return on Farm Assets	\$23,116	(\$35,439)	\$88,489
Average Farm Assets	\$736,403	\$661,887	\$996,084
Return on Farm Equity	(\$865)	(\$65,321)	\$61,479
Average Farm Equity	\$350,173	\$208,031	\$553,367
Value of Farm Production	\$310,024	\$265,135	\$447,396

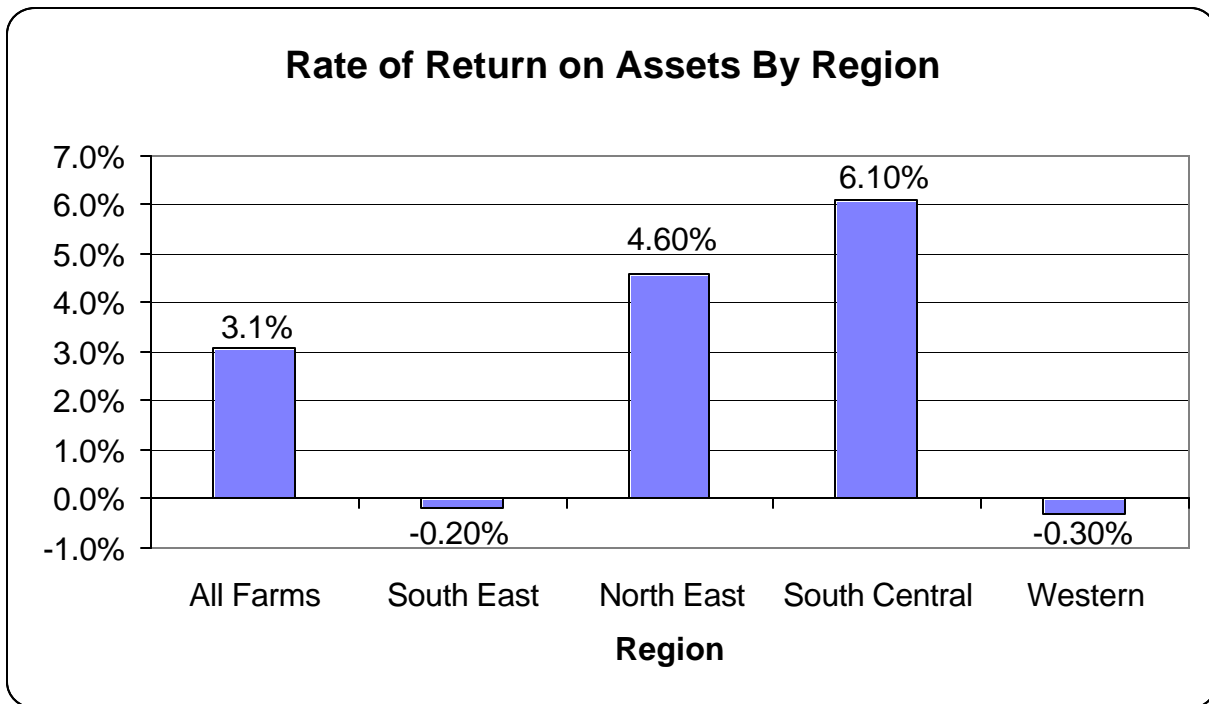


Table 4B: Profitability Analysis At Market, 2002

	Average Of 153 Farms	Average Of Low 33 %	Average Of High 33 %
Profitability			
Net Farm Income	\$29,691	(\$34,083)	\$96,266
Labor and Mgt Earnings	(\$8,299)	(\$62,016)	\$40,513
Rate of Return on Assets	2.7%	-2.9%	6.8%
Rate of Return on Equity	0.6%	-12.6%	7.1%
Operating Profit Margin	8.9%	-10.0%	20.8%
Asset Turnover Rate	30.5%	29.3%	32.6%
Interest on Farm Net Worth	\$37,990	\$27,933	\$55,753
Farm Interest Expense	\$24,031	\$29,882	\$27,010
Operator Labor & Mgt	\$26,116	\$22,290	\$30,316
Return on Farm Assets	\$27,605	(\$26,491)	\$92,960
Average Farm Assets	\$1,014,931	\$905,898	\$1,371,932
Return on Farm Equity	\$3,574	(\$56,374)	\$65,950
Average Farm Equity	\$626,874	\$446,451	\$929,215
Value of Farm Production	\$310,024	\$265,135	\$447,396

**Graph of Table 4B
Farm Interest Expense**

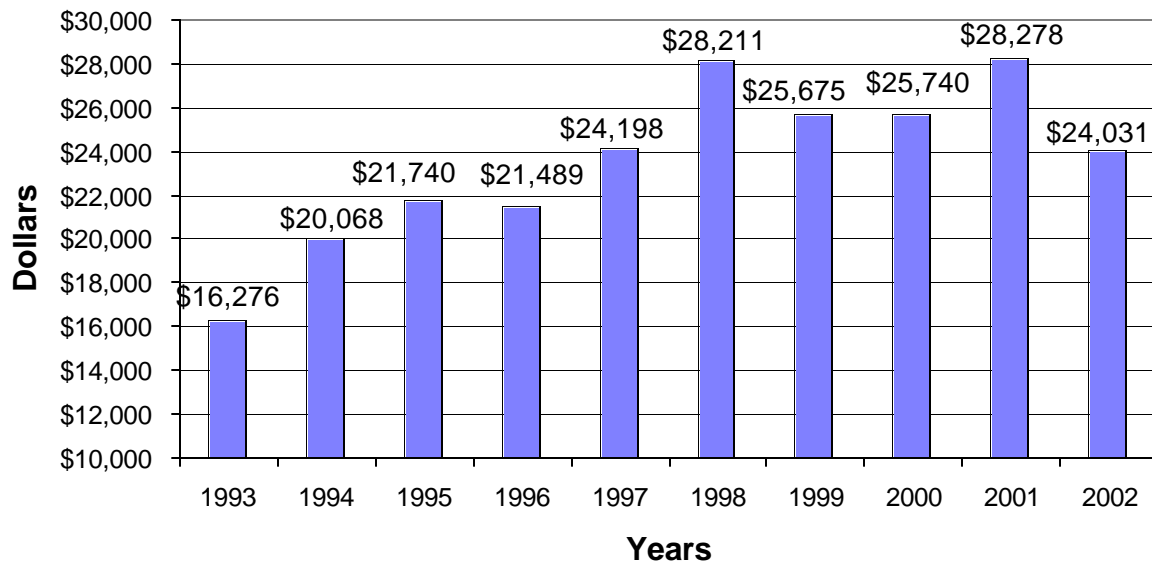


Table 5: Liquidity Analysis, 2002

		Average of 153 Farms	Average Of Low 33%	Average Of High 33%
Liquidity (Cash)				
Net Cash Farm Income	(+)	62,248	36,016	101,732
Net Non-Farm Income	(+)	14,518	16,576	15,192
Family Living and Taxes	(-)	48,043	33,806	67,099
Real Estate Principal Payments	(-)	8,227	9,172	10,253
Cash Available for Intern. Debt	(=)	20,496	9,614	39,572
<hr/>				
Average Intermediate Debt		\$78,841	\$105,552	\$84,514
<hr/>				
Years to Turnover Intern. Debt		3.8	11.0	2.1
Expense as a % of Income		84%	91%	81%
Interest as a % of Income		6.0%	7.0%	5.0%

Liquidity (Accrual)				
Total Accrual Farm Income	(+)	395,303	351,790	580,245
Total Accrual Farm Expense	(-)	337,962	356,064	448,649
Net Accrual Operating Income	(=)	57,341	(4,274)	131,596
Net Non-Farm Income	(+)	14,518	16,576	15,192
Family Living and Taxes	(-)	48,043	33,806	67,099
Real Estate Principle Payments	(-)	8,227	9,172	10,253
Cash & Inventory for Intern. Debt	(=)	15,589	(30,676)	69,436
<hr/>				
Average Intermediate Debt		78,841	105,552	84,514
<hr/>				
Years to Turnover Intern. Debt		5.1	**	1.2
Expense as a % of Income		85%	101%	77%
Interest as a % of Income		6.1%	8.0%	5.0%

** Income Insufficient to Meet Debt Servicing Requirement

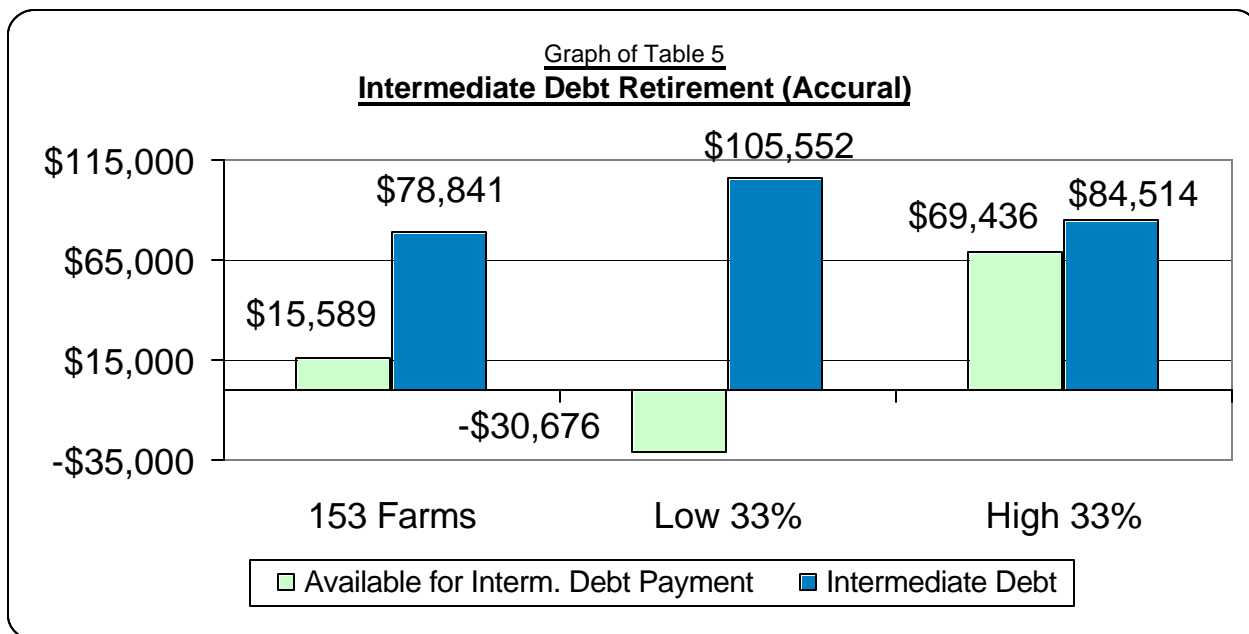


Table 6: Statement of Cash Flows, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
(A) Beginning Cash Balance (Farm & Non-farm)	\$25,928	\$13,791	\$38,415
Cash From Operating Activities			
Gross Cash Farm Income (+)	395,195	381,151	547,046
Net Non-farm Income (+)	14,518	16,576	15,192
Total Cash Farm Expense (-)	332,947	345,135	445,313
Apparent Family Living Expense (-)	39,147	30,281	53,299
Income and Social Security Tax (-)	8,747	3,525	13,370
(B) Net Cash From Operating Activities (=)	\$28,872	\$18,786	\$50,256
Cash From Investing Activities			
Sale of Breeding Livestock (+)	1,187	1,734	1,533
Sale of Machinery & Equipment (+)	3,393	4,286	4,355
Sale of Farm Land (+)	6	0	0
Sale of Farm Buildings (+)	28	87	0
Sale of Other Farm Assets (+)	3,400	859	6,767
Sale of Non-farm Assets (+)	7,639	4,719	11,319
Purchase of Breeding Livestock (-)	5,878	8,999	6,426
Purchase of Machinery & Equip. (-)	26,923	26,483	38,055
Purchase of Farm Land (-)	14,825	14,874	11,059
Purchase of Farm Buildings (-)	4,386	7,767	2,892
Purchase of Other Farm Assets (-)	2,935	2,515	3,450
Purchase of Non-farm Assets (-)	7,744	3,055	13,454
(C) Net Cash From Investing Activities (=)	(\$47,038)	(\$52,008)	(\$51,362)
Cash From Financing Activities			
Money Borrowed (+)	326,246	445,326	341,259
Cash Gifts and Inheritances (+)	5,842	5,138	1,184
Principal Payments (-)	309,710	414,630	326,311
Dividends Paid (-)	149	0	430
Gifts Given (-)	998	3,038	0
(D) Net Cash From Financing Activities (=)	\$21,231	\$32,796	\$15,702
(E) Net Change In Cash Balance (B+C+D)	\$3,065	(\$426)	\$14,596
(F) Ending Cash Balance (A+E)	\$28,993	\$13,365	\$53,011

Table 7A: Balance Sheet - Assets at Cost Value, 2002

	Average Of 153 Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Accounts	14,889	15,382	7,723	7,635	22,321	29,178
Prepaid Expenses & Supplies	13,683	10,579	16,994	12,041	15,406	11,661
Growing Crops	1,291	1,581	2,164	2,197	193	404
Accounts Receivable	5,760	10,182	5,256	9,030	7,932	13,709
Hedging Accounts	2,967	4,703	1,161	6,217	5,860	5,839
Crops Held for Sale or Feed	133,441	116,694	101,877	59,715	194,414	199,305
Crops Under Government Loan	12,439	14,211	15,358	24,272	11,482	12,793
Market Livestock Held for Sale	55,061	65,064	57,418	60,378	74,226	96,153
Other Current Assets	326	235	677	538	51	25
Total Current Farm Assets	\$239,857	\$238,631	\$208,628	\$182,023	\$331,885	\$369,067
Intermediate Farm Assets						
Breeding Livestock	16,928	15,595	18,973	17,563	24,401	21,732
Machinery and Equipment	88,722	89,232	109,388	106,327	103,655	108,220
Other Intermediate Assets	22,536	23,519	14,128	16,491	29,962	31,466
Total Intermediate Farm Assets	\$128,186	\$128,346	\$142,489	\$140,381	\$158,018	\$161,418
Long Term Farm Assets						
Farm Land	325,544	340,354	273,469	288,343	434,514	445,534
Buildings and Improvements	40,888	40,778	52,486	54,617	51,275	48,329
Other Long Term Assets	5,154	5,126	4,779	4,800	6,757	4,672
Total Long Term Farm Assets	\$371,586	\$386,258	\$330,734	\$347,760	\$492,546	\$498,535
Total Farm Assets	\$739,629	\$753,235	\$681,851	\$670,164	\$982,449	\$1,029,020
Non-farm Assets	142,192	142,596	122,492	118,876	168,679	174,844
Total Farm & Non-farm Assets	\$881,821	\$895,831	\$804,343	\$789,040	\$1,151,128	\$1,203,864

Graph of Table 7A
Total Assets - All Farms
(Ending Cost Value)

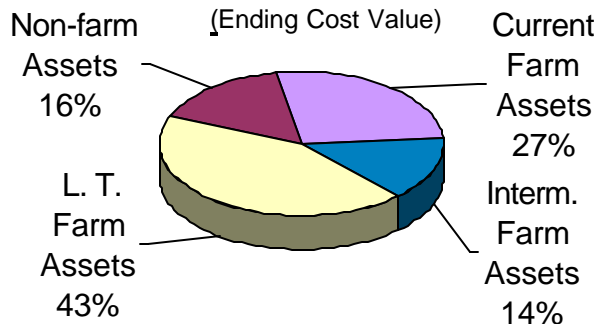


Table 7B: Balance Sheet - Liabilities at Cost Value, 2002

	Average Of 153 Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	10,326	11,296	12,539	16,468	12,137	11,329
Accounts Payable	5,562	6,503	1,541	3,591	10,886	11,278
Current Notes	124,618	122,847	147,648	134,612	138,437	149,074
Government Crop Loans	11,869	12,217	14,620	20,788	11,175	11,206
Principal Due on Term Debt	17,943	17,608	24,339	21,640	17,633	18,375
Total Current Farm Liabilities	\$170,318	\$170,471	\$200,687	\$197,099	\$190,268	\$201,262
Intermediate Farm Liabilities	\$67,490	\$70,661	\$88,946	\$93,158	\$74,127	\$79,412
Long Term Farm Liabilities	\$149,847	\$163,734	\$157,096	\$198,967	\$183,237	\$176,427
Total Farm Liabilities	\$387,655	\$404,866	\$446,729	\$489,224	\$447,632	\$457,101
Non-farm Liabilities	7,451	8,671	6,755	8,042	7,092	10,701
Total Liabilities	\$395,106	\$413,537	\$453,484	\$497,266	\$454,724	\$467,802
Net Worth (Farm & Non-farm)	\$486,716	\$482,296	\$350,860	\$291,774	\$696,404	\$736,060
Net Worth Change (Cost Value)		(\$4,420)		(\$59,086)		\$39,656

Ratio Analysis

Current Farm Liabilities / Assets	71%	71%	96%	108%	57%	55%
Curr. & Interm Farm Liab. / Assets	65%	66%	82%	90%	54%	53%
Long Term Farm Liab. / Assets	40%	42%	47%	57%	37%	35%
Total Liabilities / Assets	45%	46%	56%	63%	40%	39%

Graph of Table 7B
Net Worth Change - All Farms

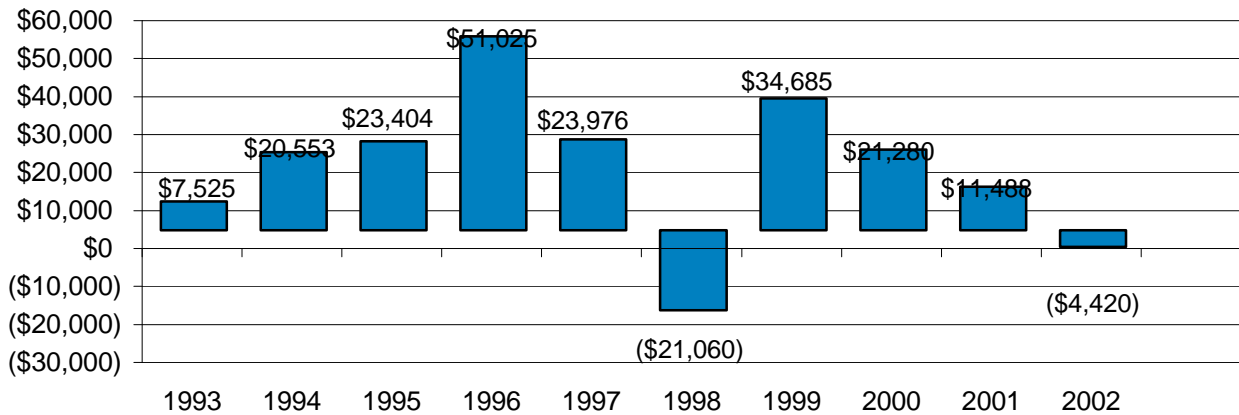


Table 8A: Balance Sheet - Assets at Market Value, 2002

	Average Of 153 Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Balance	14,889	15,382	7,723	7,635	22,321	29,178
Prepaid Expenses & Supplies	13,683	10,579	16,994	12,041	15,406	11,661
Growing Crops	1,291	1,581	2,164	2,197	193	404
Accounts Receivable	5,760	10,182	5,256	9,030	7,932	13,709
Hedging Accounts	2,967	4,703	1,161	6,217	5,860	5,839
Crops Held for Sale or Feed	133,441	116,694	101,877	59,715	194,414	199,305
Crops Under Government Loan	12,439	14,211	15,358	24,272	11,482	12,793
Market Livestock Held for Sale	55,061	65,064	57,418	60,378	74,226	96,153
Other Current Assets	326	235	677	538	51	25
Total Current Farm Assets	\$239,857	\$238,631	\$208,628	\$182,023	\$331,885	\$369,067
Intermediate Farm Assets						
Breeding Livestock	49,154	49,186	55,724	55,729	62,303	62,654
Machinery and Equipment	202,486	203,724	200,290	200,552	253,871	258,526
Other Intermediate Assets	24,984	26,227	14,151	16,525	37,519	39,308
Total Intermediate Farm Assets	\$276,624	\$279,137	\$270,165	\$272,806	\$353,693	\$360,488
Long Term Farm Assets						
Farm Land	422,299	437,314	358,687	373,561	560,844	571,836
Buildings and Improvements	71,561	72,519	80,167	83,907	100,927	99,176
Other Long Term Assets	6,021	5,958	5,040	5,050	8,714	6,536
Total Long Term Farm Assets	\$499,881	\$515,791	\$443,894	\$462,518	\$670,485	\$677,548
Total Farm Assets	\$1,016,362	\$1,033,559	\$922,687	\$917,347	\$1,356,063	\$1,407,103
Non-farm Assets	148,368	148,349	120,856	115,777	178,491	184,266
Total Farm & Non-farm Assets	\$1,164,730	\$1,181,908	\$1,043,543	\$1,033,124	\$1,534,554	\$1,591,369

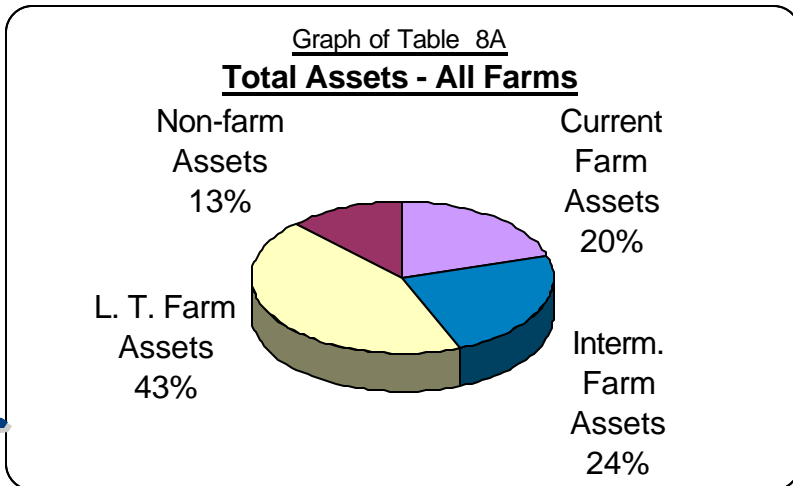


Table 9A: Financial Guideline Measures, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Liquidity			
Current Ratio	1.40	0.92	1.83
Working Capital	\$68,161	(\$15,077)	\$167,805
Solvency (Market)			
Farm Debt to Asset Ratio	39%	54%	32%
Farm Equity to Asset Ratio	61%	46%	68%
Farm Debt to Equity Ratio	65%	116%	48%
Profitability (Cost)			
Rate of Return on Farm Assets	3.1%	-5.4%	8.9%
Rate of Return on Farm Equity	-0.2%	-31.4%	11.1%
Operating Profit Margin	7.5%	-13.4%	19.8%
Net Farm Income	\$25,252	(\$43,030)	\$91,795
Repayment Capacity			
Term Debt Coverage Ratio	92%	-5%	284%
Capital Replacement Margin	(\$1,971)	(\$42,724)	\$38,408
Efficiency			
Asset Turnover Rate (Cost)	42.1%	40.1%	44.9%
Operating Expense Ratio	79.4%	92.7%	72.7%
Depreciation Expense Ratio	8.1%	11.0%	6.9%
Interest Expense Ratio	6.1%	8.5%	4.7%
Net Farm Income Ratio	6.4%	-12.2%	15.8%

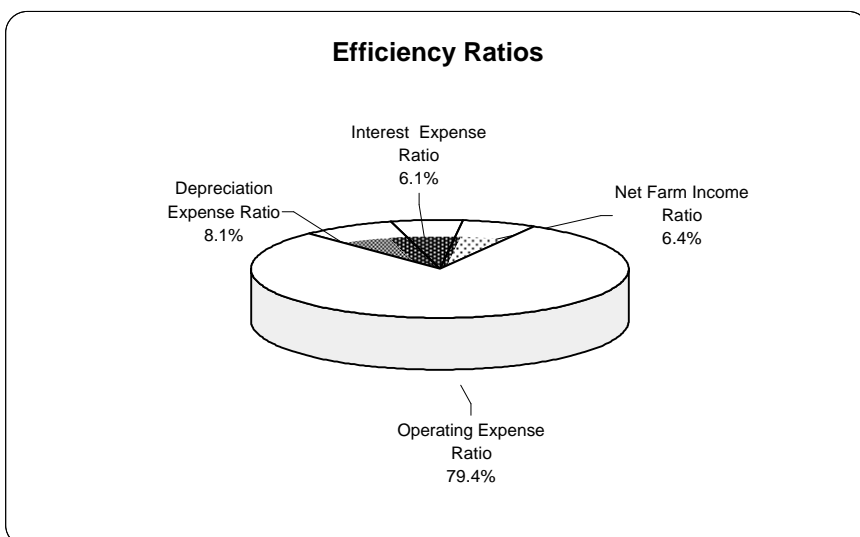


Table 11: Operator Information and Non-farm Summary, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Operator Information			
Average Number of Operators	1.2	1.0	1.3
Average Age of Operators	48.4	48.1	49.8
Average Number of Years Farming	25.6	24.5	28.0
Non-farm Income			
Non-farm Wages & Salary	8,558	10,730	7,764
Non-farm Business Income	408	260	454
Non-farm Rental Income	1,018	444	1,622
Non-farm Interest Income	1,018	365	2,183
Non-farm Cash Dividends	236	162	508
Tax Refunds	403	399	564
Non-taxable Non-farm Income	15	0	43
Gifts and Inheritances	5,842	5,138	1,184
Other Non-farm Income	2,862	4,215	2,054
Total Non-farm Income	\$20,360	\$21,713	\$16,376

Average For All Farms

Non-farm Assets (Market Value)	
Checking & Savings	13,612
Stocks & Bonds	17,438
Other Current Assets	10,752
Furniture & Appliances	2,875
Non-farm Vehicles	8,163
Cash Value of Life Ins.	10,764
Retirement Accounts	31,496
Other Interm. Assets	3,877
Non-farm Real Estate	30,826
Other Long Term Assets	18,545
Total Non-farm Assets	\$148,348
Non-farm Liabilities	
Accrued Interest	43
Accounts Payable	65
Current Notes	1,236
Princ Due on Term Debt	419
Total Current Liabilities	1,236
Intermediate Liabilities	4,257
Long Term Liabilities	3,177
Total Non Farm Liabilities	\$8,670
Nonfarm Net Worth	\$139,678
Nonfarm Debt to Asset Ratio	6%



Table 12: Crop Production, Marketing & Labor Summary, 2002

	Average Of 153 Farms	Average Of Low 33%	Average Of High 33%
Acreage Summary			
Acres Owned	586	616	760
Crop Acres	937	885	1,112
Crop Acres Owned	298	278	382
Crop Acres Cash Rented	254	329	262
Crop Acres Share Rented	384	277	468
Pasture Acres	24	20	21
% Crop Acres Owned	31.80%	31.41%	34.35%
Average Price Received in Dollars (Cash Sales Only)			
Corn per bu.	2.08	2.04	2.13
Corn, Seed per bu.	2.44	N/A	2.60
Corn, White per bu.	2.09	N/A	N/A
Soybeans per bu.	4.64	4.81	4.54
Sorghum, Grain per bu.	2.04	N/A	2.09
Wheat, Winter per bu.	3.20	3.07	3.81
Hay, Alfalfa per ton	74.56	79.83	60.97
Hay, Grass per ton	58.69	N/A	N/A
Oats per bu.	2.95	2.65	N/A
Average Yield Per Acre			
Corn, Irrigated (bu.)	169.24	151.03	188.35
Corn, Dryland (bu.)	36.58	24.72	32.81
Corn, Seed (bu.)	206.92	N/A	254.04
Soybeans, Irrigated (bu.)	54.90	47.67	59.69
Soybeans, Dryland (bu.)	22.56	16.44	25.23
Sorghum, Grain (bu.)	87.87	N/A	82.72
Wheat, Winter (bu.)	48.33	40.75	N/A
Hay, Alfalfa (ton)	2.97	1.61	4.40
Hay, Grass (ton)	1.11	1.26	N/A
Corn Silage (ton)	8.94	N/A	9.70
Labor Analysis			
Total Unpaid Labor Hours	2,220	1,889	2,587
Total Hired Labor Hours	1,082	1,261	1,360
Total Labor Hours per Farm	3,301	3,150	3,947
Value of Farm Production / Hour	94.32	82.64	113.36
Net Farm Income / Unpaid Hour	12.22	-21.56	35.49

* Based on 2080 Hrs. Annually Per Full Time Operator

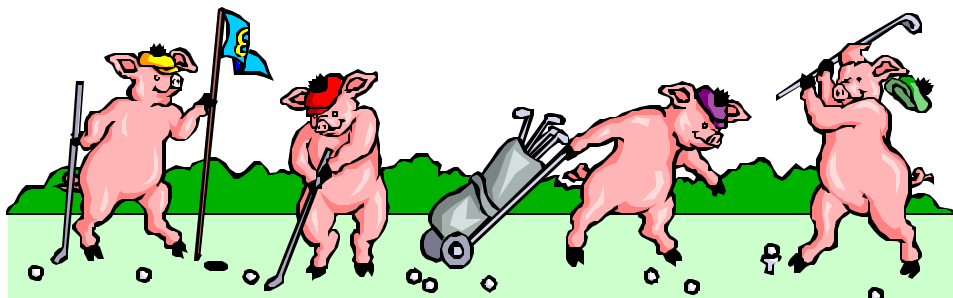


Table 13: Type of Farm by Enterprise, 2002

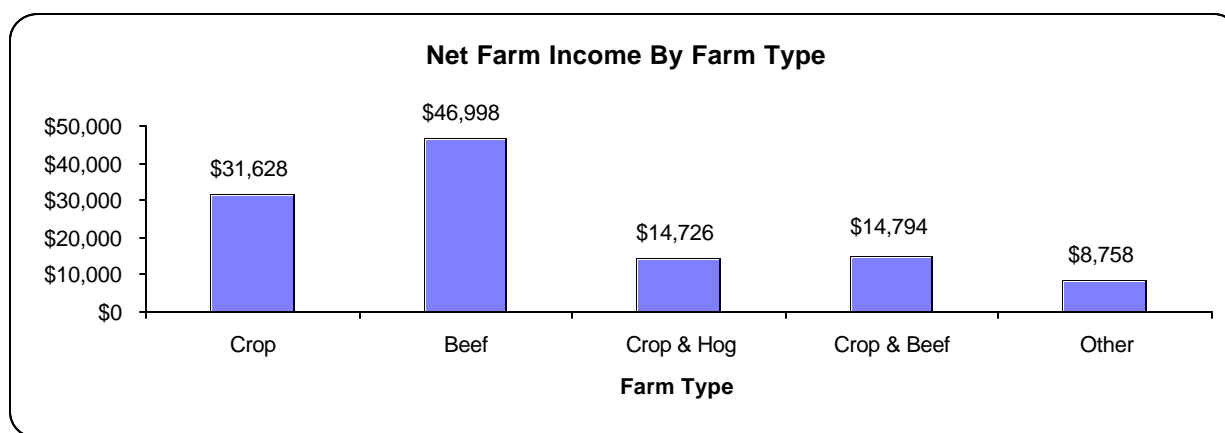
	Average Of All Farms	Crop	Beef	Crop & Hog	Crop & Beef	Other
Number of Farms	153	80	6	10	21	25
Income Statement						
Gross Cash Farm Income	395,198	300,711	672,099	704,276	512,537	350,752
Total Cash Farm Expense	332,947	233,505	555,935	624,220	491,746	298,372
Net Cash Farm Income	62,251	67,206	116,164	80,056	20,791	52,380
Inventory Change	(4,907)	(7,250)	738	(3,764)	20,527	(20,177)
Depr. and Cap. Adjustment	(\$32,091)	(\$28,328)	(\$69,904)	(\$61,566)	(\$26,524)	(\$23,445)
Net Farm Income	\$25,253	\$31,628	\$46,998	\$14,726	\$14,794	\$8,758

Profitability (Cost)

Labor and Management	3,178	8,874	26,647	(15,665)	(6,445)	(9,589)
Rate of Return on Assets	3.1%	4.2%	2.6%	1.7%	2.7%	1.1%
Rate of Return on Equity	-0.2%	2.2%	-1.4%	-2.4%	-3.4%	-4.3%
Operating Profit Margin	7.5%	10.2%	7.9%	3.7%	6.2%	2.7%
Asset Turnover Rate	42.1%	40.9%	32.7%	46.0%	43.7%	39.6%

Profitability (Market)

Labor and Management	(8,299)	(1,975)	18,701	(29,634)	(25,864)	(21,004)
Rate of Return on Assets	2.7%	3.5%	2.9%	1.6%	1.8%	0.9%
Rate of Return on Equity	0.6%	2.0%	1.3%	-0.9%	-2.3%	-2.4%
Operating Profit Margin	8.9%	11.8%	12.4%	4.7%	5.4%	3.0%
Asset Turnover Rate	30.5%	29.5%	23.7%	34.1%	33.1%	28.9%



Liquidity

Term Debt Coverage Ratio	92.2%	102.4%	259.6%	78.6%	52.5%	82.4%
Expense as a % of Income	85.5%	79.9%	82.6%	89.2%	92.4%	90.3%
Interest as a % of Income	6.1%	7.3%	4.5%	3.9%	6.6%	5.7%

Solvency (Cost Value)

Ending Farm Assets	753,235	730,840	966,520	963,767	936,158	568,175
Ending Farm Liabilities	404,864	373,782	630,062	488,925	599,628	276,088
Ending Total Assets	895,831	898,951	1,023,555	1,103,069	1,108,102	651,436
Ending Total Liabilities	413,535	385,226	636,351	498,116	606,966	279,937
Ending Net Worth	482,296	513,726	387,203	604,953	501,136	371,499
Net Worth Change	(4,420)	288	168	(21,266)	(7,759)	(10,911)
End Farm Debt to Asset Ratio	54	51	65	51	64	49
Beg Total Debt to Asset Ratio	45	41	62	43	53	43
End Total Debt to Asset Ratio	46	43	62	45	55	43