

Kansas Farm Management Associations 2006 Annual ProfitLink Summary

2006 DATA - NE KANSAS
INCOME AND EXPENSE ANALYSIS
NET FARM INCOME QUANTILES

HIGH 25%
62 FARMS

HIGH MIDDLE
62 FARMS

| ITEM | PER FARM | | PER FARM | |
|----------------------------------|------------|-------------|------------|-------------|
| 1 BEEF | 98,315 | | 58,747 | |
| 2 DAIRY AND MILK | 17,752 | | 13,844 | |
| 3 SHEEP | | | 3,012 | |
| 4 SWINE | 19,765 | | 16,162 | |
| 5 POULTRY AND EGGS | | | | |
| 6 OTHER LIVESTOCK | 10,446 | | 947 | |
| 7 CUSTOM FEEDING | 69,266 | | 2,513 | |
| 8 FEED PURCHASED | -68,341 | | -26,086 | |
| 9 LIVESTOCK INCOME | \$ 147,203 | | \$ 69,139 | |
| 10 CORN | 158,169 | | 51,307 | |
| 11 GRAIN SORGHUM | 7,864 | | 5,272 | |
| 12 SOYBEANS | 136,581 | | 65,101 | |
| 13 SUNFLOWERS | 1,434 | | 407 | |
| 14 WHEAT | 22,660 | | 11,847 | |
| 15 HAY AND FORAGE | 15,005 | | 6,806 | |
| 16 OTHER CROP | 5,533 | | 1,179 | |
| 17 GOVERNMENT PAYMENTS | 40,690 | | 16,715 | |
| 18 CROP INSURANCE PROCEEDS | 8,030 | | 3,639 | |
| 19 MACHINE WORK | 12,800 | | 3,872 | |
| 20 OTHER INCOME | 44,927 | | 14,263 | |
| 21 VALUE OF FARM PRODUCTION | \$ 600,896 | | \$ 249,547 | |
| 22 HIRED LABOR | 26,191 | | 9,251 | |
| 23 MACHINERY REPAIRS | 32,901 | | 18,443 | |
| 24 IRRIGATION REPAIRS | 565 | | 198 | |
| 25 BUILDING REPAIRS | 4,313 | | 1,453 | |
| 26 INTEREST PAID | 27,271 | | 12,901 | |
| 27 SEED-OTHER CROP EXPENSE | 48,639 | | 23,274 | |
| 28 CROP INSURANCE | 12,899 | | 5,208 | |
| 29 FERTILIZER-LIME | 52,472 | | 21,923 | |
| 30 MACHINE HIRE | 13,102 | | 5,161 | |
| 31 ORGANIZATION FEE, PUBLICATION | 5,604 | | 2,625 | |
| 32 VET-MED-DRUGS | 14,699 | | 3,568 | |
| 33 CROP STORAGE-MARKETING | 1,739 | | 647 | |
| 34 LIVESTOCK MARKETING-BREEDING | 7,736 | | 2,811 | |
| 35 DAIRY EXPENSE | 1,933 | | 1,516 | |
| 36 GAS-FUEL-OIL | 32,428 | | 15,342 | |
| 37 IRRIGATION ENERGY | 756 | | 282 | |
| 38 REAL ESTATE TAXES | 7,009 | | 3,570 | |
| 39 PERSONAL PROPERTY TAXES | 1,718 | | 831 | |
| 40 GENERAL FARM INSURANCE | 9,576 | | 4,168 | |
| 41 UTILITIES | 7,618 | | 4,106 | |
| 42 CASH FARM RENT | 40,447 | | 21,711 | |
| 43 HERBICIDE-INSECTICIDE | 33,796 | | 10,946 | |
| 44 CONSERVATION | 2,933 | | 875 | |
| 45 AUTO EXPENSE | 292 | | 273 | |
| 46 TOTAL OPERATING EXPENSE | \$ 386,640 | | \$ 171,082 | |
| 47 DEPRECIATION-MACHINERY | 37,969 | | 16,832 | |
| 48 DEPRECIATION-BUILDINGS | 7,164 | | 1,697 | |
| 49 TOTAL FARM EXPENSE | \$ 431,773 | | \$ 189,612 | |
| 50 NET FARM INCOME | \$ 169,123 | | \$ 59,935 | |
| 51 UNPAID FAMILY LABOR | 1,270 | | 1,270 | |
| 52 UNPAID OPERATOR LABOR | 40,892 | | 28,785 | |
| 53 MANAGEMENT CHARGE | 36,879 | | 14,863 | |
| 54 CURRENT ASSET CHARGE - 8% | 28,447 | | 16,735 | |
| 55 NONCURRENT ASSET CHARGE - 8% | 66,461 | | 35,796 | |
| 56 RETURN LABOR-MANAGEMENT | 72,944 | | 6,134 | |
| 57 RETURN TO CAPITAL | 117,353 | | 27,918 | |
| 58 ASSET TURNOVER RATIO | .3645 | | .2876 | |
| 59 OPERATING PROFIT MARGIN RATIO | .1953 | | .1119 | |
| 60 % RETURN ON ASSETS | .0712 | | .0322 | |
| 61 % RETURN ON EQUITY | .0759 | | .0229 | |
| 62 TOTAL EXPENSE RATIO | .7185 | | .7598 | |
| 63 ADJUSTED TOTAL EXPENSE RATIO | .8501 | | .9398 | |
| 64 ECONOMIC TOTAL EXPENSE RATIO | 1.0080 | | 1.1503 | |
| ASSETS/LOANS/FINANCIAL RATIOS | JANUARY 1 | DECEMBER 31 | JANUARY 1 | DECEMBER 31 |
| 65 CURRENT ASSETS | 482,153 | 566,926 | 273,032 | 295,071 |
| 66 NONCURRENT ASSETS | 1,090,252 | 1,157,827 | 569,495 | 597,479 |
| 67 CURRENT LIABILITIES | 155,753 | 182,151 | 70,930 | 78,809 |
| 68 NONCURRENT LIABILITIES | 285,816 | 300,733 | 135,850 | 136,220 |
| 69 CURRENT RATIO | 3.10 | 3.11 | 3.85 | 3.74 |
| 70 DEBT TO ASSET RATIO | .28 | .28 | .25 | .24 |

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2006 DATA - NE KANSAS
INCOME AND EXPENSE ANALYSIS
NET FARM INCOME QUANTILES

LOW MIDDLE
62 FARMS

LOW 25%
61 FARMS

| ITEM | PER FARM | PER FARM | | |
|----------------------------------|------------|-------------|-----------|-------------|
| 1 BEEF | 43,958 | 94,654 | | |
| 2 DAIRY AND MILK | 23,148 | 28,348 | | |
| 3 SHEEP | 16 | | | |
| 4 SWINE | 1,947 | 1,087 | | |
| 5 POULTRY AND EGGS | | | | |
| 6 OTHER LIVESTOCK | -486 | -1,189 | | |
| 7 CUSTOM FEEDING | 4,406 | 18,891 | | |
| 8 FEED PURCHASED | -18,661 | -48,825 | | |
| 9 LIVESTOCK INCOME | \$ 54,328 | \$ 92,964 | | |
| 10 CORN | 26,725 | 27,392 | | |
| 11 GRAIN SORGHUM | 3,829 | 1,368 | | |
| 12 SOYBEANS | 37,344 | 32,096 | | |
| 13 SUNFLOWERS | 91 | -477 | | |
| 14 WHEAT | 13,985 | 7,358 | | |
| 15 HAY AND FORAGE | 3,167 | 7,199 | | |
| 16 OTHER CROP | 4,393 | 645 | | |
| 17 GOVERNMENT PAYMENTS | 11,936 | 11,569 | | |
| 18 CROP INSURANCE PROCEEDS | 5,721 | 3,805 | | |
| 19 MACHINE WORK | 4,212 | 4,330 | | |
| 20 OTHER INCOME | 3,300 | 2,980 | | |
| 21 VALUE OF FARM PRODUCTION | \$ 169,030 | \$ 191,229 | | |
| 22 HIRED LABOR | 7,567 | 12,314 | | |
| 23 MACHINERY REPAIRS | 13,967 | 17,088 | | |
| 24 IRRIGATION REPAIRS | 40 | 118 | | |
| 25 BUILDING REPAIRS | 1,220 | 1,701 | | |
| 26 INTEREST PAID | 12,533 | 23,511 | | |
| 27 SEED-OTHER CROP EXPENSE | 14,912 | 17,551 | | |
| 28 CROP INSURANCE | 3,665 | 4,464 | | |
| 29 FERTILIZER-LIME | 18,081 | 18,519 | | |
| 30 MACHINE HIRE | 6,220 | 10,014 | | |
| 31 ORGANIZATION FEE, PUBLICATION | 2,728 | 2,892 | | |
| 32 VET-MED-DRUGS | 2,624 | 10,456 | | |
| 33 CROP STORAGE-MARKETING | 523 | 390 | | |
| 34 LIVESTOCK MARKETING-BREEDING | 2,286 | 19,762 | | |
| 35 DAIRY EXPENSE | 1,322 | 1,694 | | |
| 36 GAS-FUEL-OIL | 11,666 | 14,035 | | |
| 37 IRRIGATION ENERGY | 198 | 330 | | |
| 38 REAL ESTATE TAXES | 3,093 | 4,015 | | |
| 39 PERSONAL PROPERTY TAXES | 810 | 820 | | |
| 40 GENERAL FARM INSURANCE | 3,976 | 4,925 | | |
| 41 UTILITIES | 3,629 | 5,023 | | |
| 42 CASH FARM RENT | 12,255 | 22,553 | | |
| 43 HERBICIDE-INSECTICIDE | 8,428 | 8,112 | | |
| 44 CONSERVATION | 993 | 662 | | |
| 45 AUTO EXPENSE | 317 | 298 | | |
| 46 TOTAL OPERATING EXPENSE | \$ 133,052 | \$ 201,246 | | |
| 47 DEPRECIATION-MACHINERY | 12,810 | 19,299 | | |
| 48 DEPRECIATION-BUILDINGS | 1,537 | 5,446 | | |
| 49 TOTAL FARM EXPENSE | \$ 147,399 | \$ 225,991 | | |
| 50 NET FARM INCOME | \$ 21,631 | \$ -34,762 | | |
| 51 UNPAID FAMILY LABOR | 1,270 | 590 | | |
| 52 UNPAID OPERATOR LABOR | 23,821 | 23,725 | | |
| 53 MANAGEMENT CHARGE | 7,670 | -225 | | |
| 54 CURRENT ASSET CHARGE - 8% | 10,075 | 11,728 | | |
| 55 NONCURRENT ASSET CHARGE - 8% | 41,387 | 38,474 | | |
| 56 RETURN LABOR-MANAGEMENT | -31,102 | -85,554 | | |
| 57 RETURN TO CAPITAL | 1,403 | -35,340 | | |
| 58 ASSET TURNOVER RATIO | .2030 | .1955 | | |
| 59 OPERATING PROFIT MARGIN RATIO | .0083 | -.1848 | | |
| 60 % RETURN ON ASSETS | .0017 | -.0361 | | |
| 61 % RETURN ON EQUITY | -.0173 | -.0938 | | |
| 62 TOTAL EXPENSE RATIO | .8720 | 1.1818 | | |
| 63 ADJUSTED TOTAL EXPENSE RATIO | 1.0658 | 1.3078 | | |
| 64 ECONOMIC TOTAL EXPENSE RATIO | 1.3703 | 1.5703 | | |
| ASSETS/LOANS/FINANCIAL RATIOS | JANUARY 1 | DECEMBER 31 | JANUARY 1 | DECEMBER 31 |
| 65 CURRENT ASSETS | 191,375 | 195,165 | 323,091 | 281,242 |
| 66 NONCURRENT ASSETS | 631,551 | 647,476 | 664,053 | 687,524 |
| 67 CURRENT LIABILITIES | 62,427 | 72,242 | 155,471 | 155,661 |
| 68 NONCURRENT LIABILITIES | 122,919 | 121,422 | 188,498 | 201,221 |
| 69 CURRENT RATIO | 3.07 | 2.70 | 2.08 | 1.81 |
| 70 DEBT TO ASSET RATIO | .23 | .23 | .35 | .37 |

