

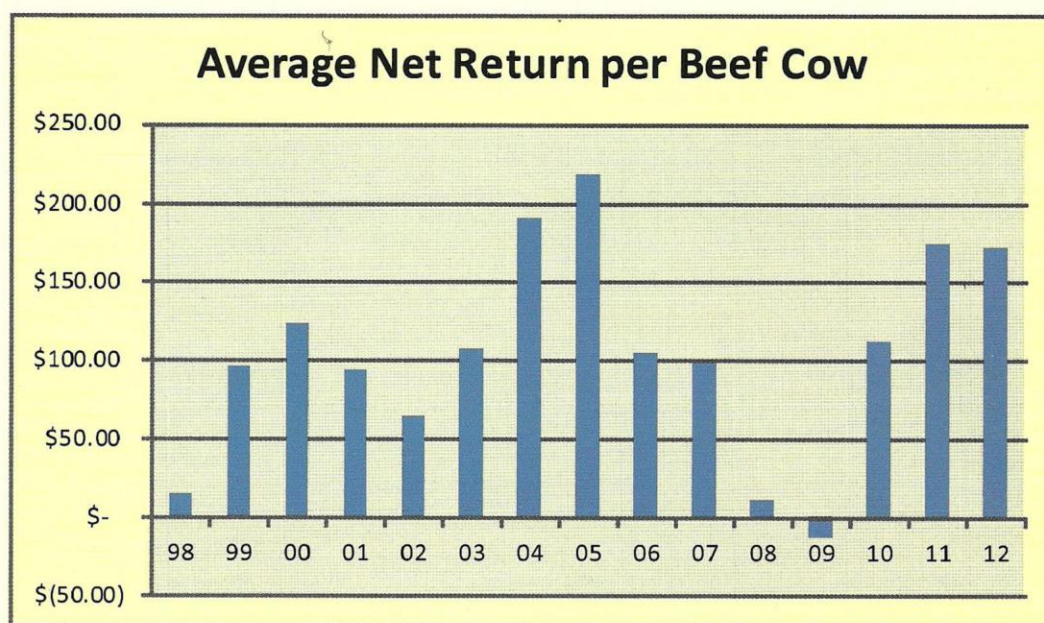
2012



North Dakota State Beef Average Summary

Historical Data:

**Average Beef Net Returns from Farm & Ranch Management
Programs for the last 15 years.**



Over the 15 years in the above graph, the 20% most profitable ranches averaged over \$315 per cow more profit than the 20% least profitable ranches. The high profit group averaged \$253 per cow, the lowest profit group averaged -\$63 per cow, and the average profit was \$105 per cow.

Farm Business Management Programs are designed to provide education to farm owners and operators. The purpose of the program is to assist clients in meeting their business and personal goals. This is best accomplished through the use of quality records and sound business decisions.

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Our Mission

"To provide lifelong learning opportunities in economic and financial management for adults involved in the farming and ranching business"

The 2012 summary reports are based on data from individual farm analysis completed by farm/ranch families enrolled in the ND Farm and Ranch Business Management Education program.

Data for this ND State Average Summary Report was derived from operations with at least 50 head of beef cows and 40% of commodity sales coming from beef enterprises.

Farm Income Statement

North Dakota Farm Business Management Education Program

2012 Beef Farm Report (40% sales/50 head criteria)

Farms Sorted by Net Farm Income

	Avg of all farms 92	Low 20% 18	High 20% 19
Number of Farms			
Cash Farm Income			
Crop Income	\$ 78,809	\$ 9,230	\$ 161,085
Beef Income	175,449	92,725	240,875
Other Livestock Income	9,365	965	26,310
Government Payments	18,849	3,620	42,737
Other Farm Income	27,802	11,903	38,632
Gross Cash Farm Income	\$ 310,274	118,443	\$ 509,639
Cash Farm Expense			
Seed	\$ 11,665	\$ 2,557	\$ 23,681
Fertilizer	24,794	5,318	50,902
Chemicals	9,501	3,067	22,498
Crop Insurance	6,128	2,160	12,025
Crop Miscellaneous	971	-	932
Feeder Livestock Purchase	19,137	6,828	26,788
Purchased Feed	25,382	14,909	33,485
Breeding Fees	984	329	918
Veterinary	6,010	2,340	9,210
Livestock Supplies	1,813	1,693	1,447
Marketing	3,071	705	8,380
Interest	16,955	12,051	19,716
Fuel & Oil	20,217	10,517	31,363
Repairs	28,219	15,729	38,140
Custom Hire	10,610	3,298	16,821
Hired Labor	6,488	427	11,828
Land Rent	26,728	13,851	38,275
Machinery Bldg & Lvstk Lease	2,141	1,199	5,104
Real Estate Taxes	3,161	1,299	6,051
Farm Insurance	4,946	2,938	7,142
Utilities	4,089	2,636	5,822
Miscellaneous Expense	7,075	4,752	9,597
Total Cash Farm Expense	\$ 240,085	\$ 108,603	\$ 380,125
Net Cash Farm Income	\$ 70,189	\$ 9,840	\$ 129,514
Total Inventory Change	\$ 44,689	\$ 9,245	\$ 131,138
Net Operating Profit	\$ 114,878	\$ 19,085	\$ 260,652
Total Depreciation	\$ (16,178)	\$ (6,035)	\$ (28,707)
Gain or Loss on Capital Sales	\$ 790	\$ 15	\$ 3,163
Net Farm Income	\$ 99,490	\$ 13,065	\$ 235,108

Livestock Enterprise Analysis
 North Dakota Farm Business Management Education Program
 2012 Beef Report (Farms Sorted by Net Return Per Unit)

Beef Cow Calf--Average Per Cow

	Avg of All Farms		Low 20%		High 20%	
Number of Farms	53		10		11	
	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	128	\$ 206.74	98.5	\$ 148.73	158.1	\$ 255.03
Transferred out (lb)	336.5	515.68	360.7	544.51	354.3	553.81
Cull sales		166.55		113.89		170.85
Other Income		9.17		11.06		5.12
Purchased		(140.93)		(98.86)		(153.76)
Transferred in		(159.99)		(186.66)		(131.53)
Inventory change		75.43		63.96		142.49
Gross Margin		\$ 672.65		\$ 596.63		\$ 842.01
Direct Expenses						
Protein Vit Minerals (lb)	83.1	\$ 21.71	62.5	\$ 19.06	74.6	\$ 16.57
Corn (Bu.)	0.4	2.33	2.0	11.59	-	0.14
Corn Silage (lb)	951.5	16.12	799.3	9.88	668.1	8.47
Hay, Alfalfa (lb)	753.8	19.45	872.6	36.27	119.9	3.73
Hay, Other (lb)	4704.7	101.86	5,999.4	137.72	6,053.2	123.12
Pasture (aum)	7	119.11	7.0	119.90	7.0	114.35
Other feedstuffs (lb)	463.5	20.82	413.3	32.18	338.8	15.65
Breeding fees		1.56		4.37		0.33
Veterinary		23.26		20.74		28.38
Supplies		9.63		16.94		8.60
Fuel & Oil		30.58		32.09		27.75
Repairs		41.40		62.17		27.23
Custom Hire		5.14		4.46		3.13
Livestock Leases		1.60		7.80		2.38
Marketing		3.91		1.53		2.57
Operating Interest		7.61		15.89		6.00
Total Direct Expenses		\$ 426.09		\$ 532.59		\$ 388.40
Return Over Direct expenses		\$ 246.56		\$ 64.04		\$ 453.61
Overhead Expenses						
Hired labor		\$ 9.86		\$ 10.73		\$ 14.45
Farm insurance		9.61		13.50		9.57
Utilities		9.62		13.12		12.51
Interest		10.00		15.68		10.11
Mach & bldg depreciation		24.75		27.02		18.67
Miscellaneous		11.53		14.27		11.03
Total Overhead Expenses		\$ 75.37		\$ 94.32		\$ 76.34
Total Direct & Overhead exp		\$ 501.46		\$ 626.91		\$ 464.74
Net Return		\$ 171.19		\$ (30.28)		\$ 377.27
labor & management charge		\$ 75.35		\$ 75.74		\$ 82.01
Net return over lbr & mgt		\$ 95.84		\$ (106.02)		\$ 295.26
Cost of Production per Cwt produced						
Total direct expense		\$ 91.73		\$ 116.04		\$ 75.81
Total dir & ovhd expense/unit		\$ 107.96		\$ 136.59		\$ 90.71
With other revenue adjustments		\$ 119.13		\$ 158.10		\$ 85.12
With labor & management		\$ 135.35		\$ 174.60		\$ 101.13

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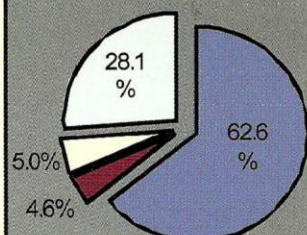
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Continued from previous page

	Avg. of All Farms 53	Low 20% 10	High 20% 11
Number of Farms			
Other Information			
Number of cows	182.9	135.9	177.5
Pregnancy percentage	95.1	98.2	94.8
Pregnancy loss percentage	3.8	4.8	2.1
Culling Percentage	16.7	12.9	16.6
Calving Percentage	91.5	93.4	92.8
Weaning Percentage	86.4	89.2	90.0
Calf death loss percent	5.8	4.4	4.3
Cow death loss percent	2.1	3.3	1.8
Average weaning weight	506	516	533
Lb weaned/exposed female	437	461	480
Avg wgt/beef calf sold	510	555	540
Avg price/cwt.	\$ 161.55	\$ 151.05	\$ 161.35
Feed cost per cow	\$ 301.41	\$ 366.60	\$ 282.03

Efficiency Measures



<input checked="" type="checkbox"/> Operating Exp
<input checked="" type="checkbox"/> Depreciation Exp
<input checked="" type="checkbox"/> Interest Exp
<input checked="" type="checkbox"/> Net Farm Income

Financial Standards Measure

ND Farm Business Management Education Program
2012 Beef Farm Report (Sorted by Net Farm Income)

	Avg of All Farms	Low 20%	High 20%
Number of Farms	92	18	19
Liquidity			
Current Ratio	1.88	1.53	2.56
Working Capital	\$ 144,296	\$ 35,950	\$ 346,815
WC to gross Inc	41.0%	28.8%	54.8%
Solvency (cost)			
Farm debt to Asset ratio	45%	73%	31%
Profitability (cost)			
Rate of return on Farm assets	8.3%	1.0%	12.3%
Rate of return on Farm equity	11.6%	-7.0%	16.3%
Net Farm Income	\$ 99,485	\$ 13,063	\$ 235,107
Repayment capacity			
Term Debt Coverage ratio	2.63	1.78	3.58
Efficiency			
Operating expense ratio	62.6%	74.4%	55.5%
Depreciation expense ratio	4.6%	4.8%	4.5%
Interest Expense ratio	5.0%	10.2%	3.4%
Net farm income ratio	28.1%	10.5%	37.1%

Thank you to the following Star Partners for providing funding for the production and distribution of the
N.D. Farm and Ranch Business Management Regional and State Averages for 2012.

Northland Ford Dealers DuPont Pioneer CHS Foundation Dakota Plains Cooperative
ND Farmers Union Insurance Wheat Growers Nodak Mutual Insurance
Summers Monsanto PROSEED Butler Machinery
Wilbur-Ellis ND Farm Bureau RDO Equipment BNSF Railway

Cost-Return Projection -- Beef Cow-Calf Enterprise (Per Cow), 2013 ¹

						N.D. Avg.	Your Numbers
VARIABLE COST PER COW:							
1.	Summer Pasture					\$ 120.00	\$
2.	Hay--Forage					155.00	
3.	Other feed					30.00	
4.	Protein and Mineral					20.00	
5.	Hired Labor, Custom Hire					19.00	
6.	Veterinary, Drugs, and Supplies					25.00	
7.	Utilities, Fuel, and Oil					35.00	
8.	Facilities and Equipment Repairs					35.00	
9.	Breeding Charge					10.00	
10.	Marketing					15.00	
11.	Miscellaneous					20.00	
12.	Interest					10.00	
A. TOTAL VARIABLE COSTS						\$ 494.00	\$
FIXED COSTS PER COW							
13.	Depreciation					\$ 28.00	\$
14.	Interest					10.00	
15.	Insurance					9.00	
16.	Cow interest, death loss					65.00	
B. TOTAL FIXED COSTS						\$ 112.00	\$
C. TOTAL COSTS PER COW (A + B)						\$ 606.00	\$
RETURNS PER COW ²							
		%	x	Weight	x	Price	
17.	Steers: .45 x 550 x 1.65		x		x	\$ 408.38	\$
18.	Heifers: .26 x 530 x 1.5		x		x	206.70	
19.	Cull cows; .14 x 1200 x .65		x		x	109.20	
20.	Cull heifers: .05 x 900 x 1.15		x		x	51.75	
D. GROSS RETURNS PER COW						\$ 776.03	\$
E. RETURN OVER VARIABLE COSTS (D - A)						\$ 282.03	\$
F. RETURN OVER TOTAL COSTS (D - C) ³						\$ 170.03	\$

¹ Information in this budget is based on the North Dakota Farm and Ranch Business Management Annual Report, 2012.

² Returns are based on a 90 percent weaning rate, 45 steers sold, 26 heifers sold, 19 heifers kept for replacement, 14 cull cows sold, and 5 cull heifers sold. Prices are projected for fall.

³ Return over total costs is return to unpaid family labor, management, and equity.

The above cow/calf budget was developed by Tim Petry, Livestock Economist, NDSU Extension Service.

For livestock economic and marketing information go to:

www.ag.ndsu.edu/livestockeconomics

The data for this brochure was compiled by Andrew Swenson,
NDSU Extension Farm Management Specialist.





Balance Sheet at Cost Values

North Dakota Farm Business Management Education Program
2012 Beef Farm Report (Farms Sorted by Net Farm Income)

	Avg of all farms 92	Low 20% 18	High 20% 19
Number of Farms			
Assets			
Current Farm Assets			
Cash and checking balance	21,139	12,453	24,424
Prepaid expenses & supplies	10,203	1,454	17,177
Growing crops	604	-	1,605
Accounts receivable	13,272	877	25,843
Hedging accounts	198	-	21
Crops held for sale or feed	137,899	38,044	299,807
Crops under government loan	222	-	-
Market Livestock held for sale	125,318	51,472	200,306
Other current asset	197	-	-
Total Current Farm Assets	\$ 309,052	\$ 104,300	\$ 569,183
Intermediate Farm Assets			
Breeding livestock	197,261	139,845	259,719
Machinery & equipment	168,055	54,975	273,716
Titled vehicles	27,188	18,412	39,181
Other intermediate assets	2,223	1,832	3,252
Total Intermediate Farm Assets	\$ 394,727	\$ 215,064	\$ 575,868
Long Term Assets			
Farm land	290,546	159,141	493,179
Buidlings & improvements	47,168	14,151	99,067
Other long-term assets	9,596	1,914	18,828
Total Long-term assets	\$ 347,310	\$ 175,206	\$ 611,074
Total Farm Assets	\$ 1,051,089	\$ 494,570	\$ 1,756,125
Total Nonfarm assets	\$ 144,517	\$ 61,643	\$ 144,630
Total Assets	\$ 1,195,606	\$ 556,213	\$ 1,900,755
Liabilities			
Current Farm Liabilities			
Accrued Interest	8,822	7,369	11,716
Accounts payable	9,502	2,179	3,770
Current notes	110,323	35,744	161,861
Government crop loans	82	-	-
Principal due on term debt	36,025	23,058	45,020
Total Current Farm Liabilities	\$ 164,754	\$ 68,350	\$ 222,367
Total Intermediate Farm Liabs	\$ 126,424	\$ 111,842	\$ 101,286
Total Long-term Farm Liabilities	\$ 178,269	\$ 182,892	\$ 217,620
Total Farm Liabilities	\$ 469,447	\$ 363,084	\$ 541,273
Total Nonfarm Liabilities	\$ 28,747	\$ 20,028	\$ 18,405
Total Liabilities	\$ 498,194	\$ 383,112	\$ 559,678
Net Worth (farm & non farm)	\$ 697,412	\$ 173,101	\$ 1,341,077
Net Worth change	\$ 92,997	\$ 14,915	\$ 197,748

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