

# Financials with decreased prices and yields

## Crop Prices and Yields

Introduction Enter Data Financial Statements Ratios Credit Scoring

Assets		Liabilities	
Beginning	Ending	Beginning	Ending
Cash on Hand	25,000	Accounts Payable (Exp)	0
Crops Held for Feed (Exp)	0	Accrued Interest (Exp)	12,540
Crops Held for Sale (Inc)	200,000	Current Principal	11,908
Market Livestock (Inc)	0	Other Current Liability (Exp)	10,000
Other Current Assets (Inc)	15,000	Short Term Notes (Exp)	0
Invest Growing Crops (Exp)	0	Def. Tax on Current Assets	0
Supp. & Prepaid Exp. (Exp)	10,000	Operating Loan Carryover	0
<b>Total Current Assets</b>	<b>250,000</b>	<b>Total Current Liab.</b>	<b>34,448</b>
<b>Non-Current Assets</b>		<b>Non-Current Liabilities</b>	
Mach. & Equipment	325,000	Prin. on T.D. & C.L.	255,399
Breeding Livestock	0	Def. Tax on Long Term Assets	0
Real Estate (Land, Bldgs, Impr)	1,040,000	Total Business Liab.	289,847
<b>Total Business Assets</b>	<b>1,615,000</b>	<b>Business Net Worth</b>	<b>1,325,153</b>
		<b>Change in Equity From Beginning to End of Year</b>	<b>(113,753)</b>

  

Inflows		OutFlows	
Crop Sales & Net Insurance Payments	432,444	Cash Expenses	444,913
Mrkt & Cull Livestock Sales	0	Other Cash Business Outflows/Expense	0
Lvstk Secondary Product Sales	0	Cash Int. Exp. - T.D. & C.L.*	12,540
Government Payments	52,366	Cash Int. Exp. - Operating	7,261
Other Cash business Inflows/Income	0	Loan Prin. Payments - T.D. & C.L.	11,908
Operating Loan Proceeds	207,457	Breeding Livestock Asset Purchases	0
Loan Proceeds Capital Assets	0	Mach & Equip & Real Estate Purchase	0
Non-Business Inflows/Revenue		Owner withdrawals	100,000
Other Nonfarm Inflows	0	Cash Taxes Paid (Income & SS)	0
Other Nonfarm Inflows	0	Other Cash Outflows (Not Expenses)	0
<b>Total Cash Inflows</b>	<b>\$692,266</b>	<b>Subtotal</b>	<b>\$576,622</b>
		Operating Loan Prin. Payments	\$140,644
		<b>Total Cash Outflows</b>	<b>\$717,266</b>
		Annual Net Cash Flow (never < zero)	0

  

Income Statement - Accrual Adj.		Income
Cash Income (Net of cull lvstk sales)		\$484,810
Non-Cash Income Adjustments		0
Non-Cash Income (Raised Brda Lvstk)		0
Capital Gain/Loss on Breeding Lvstk (Net)		0
<b>Gross Revenue</b>		<b>\$484,810</b>
		<b>Expense</b>
Cash Expense (Excluding Interest)		444,913
Non-Cash Feed Inventory Adjustment		0
Other Non-Cash Non-Interest Expense		0
Depreciation (Land, Bldgs, Equip.)		34,500
<b>Total Operating Expense</b>		<b>479,413</b>
Cash Int. Exp. - T.D. & C.L.		12,540
Cash Int. Exp. - Operating		7,261
Non-Cash Interest Expense		(651)
<b>Total Expense</b>		<b>\$498,563</b>
Net Business Income From Operations		(13,753)
Net Business Income		(13,753)
Income+SS+Def. Tax--Cash & Non-Cash		0
<b>Net Income</b>		<b>(\$13,753)</b>

  

Statement of Owner Equity		Accrual
Beginning Net Worth (Cost/Mrkt)		1,325,153
Net Income	+	(13,753)
Non-Business Cash Inflows	+	0
Owner Withdrawals (Cash)	-	100,000
Asset Valuation Change/Cont./Distrib.	+/-	\$0
Calculated Ending Net Worth	=	1,211,400
Reported Ending Net Worth (Cost/Mrkt)		1,211,400
Discrepancy		(\$0)

Save, Load, Delete

Crop Name  
Price Per Unit  
Yield Per Unit

WW-Fallow	Corn-Dryland	IrrCornNorth	Fallow	Unused	Unused	Unused	Unused	Unused	Unused
\$3.80	\$3.40	\$3.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
45.0	40.0	170.0	0.0	12.0	0.0	0.0	0.0	0.0	0.0

## Ratios with decreased prices and yields

Introduction Enter Data Financial Statements Ratios Credit Scoring **Crop Prices and Yields**

Off/On

Off/On

Off/On

Off/On

Off/On

Off/On

Mouse Over to see Ratio Formulas.

	Beginning	Ending
<b>Liquidity</b>		
Current Ratio	7.26	2.22
Working Capital	\$215,552	\$123,740
<b>Solvency</b>		
Debt/Asset Ratio	0.179	0.221
Equity/Asset Ratio	0.821	0.779
Debt/Equity Ratio	0.22	0.284
<b>Profitability</b> <<<Accrual Basis Income Statement>>> <b>Ending</b>		
Rate of Return on Business Assets		-2.81%
Rate of Return on Business Equity		-5.03%
Operating Profit Margin Ratio		-0.09
Net Business Income		(\$13,753)
<b>Repayment Capacity</b>		
Term Debt and Capital Lease Coverage Ratio		-2.73
Capital Replacement and Term Debt Repayment Margin		(\$91,162)
<b>Financial Efficiency</b>		
Asset Turnover Ratio		0.31
Operating Expense Ratio		0.92
Depreciation Expense Ratio		0.07
Interest Expense Ratio		0.04
Net Farm Income From Operations Ratio		-0.03
Check Sum		100.00%

**Save, Load, Delete**

Crop Name	WW-Fallow	Corn-Dryland	IrrCornNorth	Fallow	Unused	Unused	Unused	Unused	Unused	Unused
Price Per Unit	\$3.80	\$3.40	\$3.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Yield Per Unit	45.0	40.0	170.0	0.0	12.0	0.0	0.0	0.0	0.0	0.0

# Operating loan credit score with decreased prices and yields

Introduction
Enter Data
Financial Statements
Ratios
Credit Scoring
Crop Prices and Yields

Mouse Over for H...
Term Loan Credit Model
Operating Loan Credit Model

## Operating Loan Credit Scoring Model

Ratio Categories (FFSC)	Interval Range	Scoring Interval	Category Weights	Scoring Result
<b>Liquidity</b>				
Current Ratio	2.22	0	5	
		1	4	
		1.25	3	
		1.6	2	
		2	1	
<b>Farm's Score Value =</b>				1    15.0%    0.15
<b>Solvency</b>				
Equity/Asset Ratio	0.779	0	5	
		0.5	4	
		0.6	3	
		0.7	2	
		0.8	1	
<b>Farm's Score Value =</b>				2    20.0%    0.40

Ratio Categories (FFSC)	Interval Range	Scoring Interval	Category Weights	Scoring Result
<b>Profitability</b>				
Rate of Return on Business Equity	-0.050	0	5	
		0.01	4	
		0.04	3	
		0.06	2	
		0.1	1	
<b>Farm's Score Value =</b>				5    30.0%    1.50
<b>Repayment Capacity</b>				
Term Debt and Capital Lease Coverage Ratio	-2.73	0	5	
		0.03	4	
		0.1	3	
		0.2	2	
		0.3	1	
<b>Farm's Score Value =</b>				5    35.0%    1.75

Operating Loan Credit Score = 3.80

Credit Score Scale	Loan Class
1	1
1.91	2
2.61	3
3.31	4
4.01	5

Loan Performance Scale  
 Class 1, Risk Level 1, Low  
 Class 2, Risk Level 2  
 Class 3, Risk Level 3  
 Class 4, Risk Level 4, High  
 Class 5, Non-Performing, Risk Level 5

Term Loan Credit Score

3.55

Operating Loan Credit Score

3.80

Save, Load, Delete

Crop Name	WW-Fallow	Corn-Dryland	IrrCornNorth	Fallow	Unused	Unused	Unused	Unused	Unused	Unused
Price Per Unit	\$3.80	\$3.40	\$3.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Yield Per Unit	45.0	40.0	170.0	0.0	12.0	0.0	0.0	0.0	0.0	0.0

# Term loan credit score with decreased prices and yields

Introduction
Enter Data
Financial Statements
Ratios
Credit Scoring
Crop Prices and Yields

Mouse Over for H...
Term Loan Credit Model
Operating Loan Credit Model

## Term Loan Credit Scoring Model

Ratio Categories (FFSC)	Score	Scoring	Category	Scoring
	Range	Interval	Weights	Result
<b>MT Ranch Holdings</b>				
<b>Liquidity</b>				
Current Ratio	2.22	0	5	
		1	4	
		1.25	3	
		1.6	2	
		2	1	
<b>Farm's Score Value =</b>		1	10.0%	0.10
<b>Solvency</b>				
Equity/Asset Ratio	0.779	0	5	
		0.5	4	
		0.6	3	
		0.7	2	
		0.8	1	
<b>Farm's Score Value =</b>		2	35.0%	0.70
<b>Profitability</b>				
Rate of Return on	-0.050	0	5	
Business Equity		0.01	4	
		0.04	3	
		0.06	2	
		0.1	1	
<b>Farm's Score Value =</b>		5	10.0%	0.50

Ratio Categories (FFSC)	Score	Scoring	Category	Scoring
	Range	Interval	Weights	Result
<b>MT Ranch Holdings</b>				
<b>Repayment Capacity</b>				
Term Debt and Capital	-2.729	0	5	
Lease Coverage Ratio		0.03	4	
		0.05	3	
		0.07	2	
		0.1	1	
<b>Farm's Score Value =</b>		5	35.0%	1.75
<b>Financial Efficiency</b>				
Net Business Income	-0.0284	0	5	
From Operations Ratio		0.1	4	
		0.2	3	
		0.3	2	
		0.4	1	
<b>Farm's Score Value =</b>		5	10.0%	0.50

### Term Loan Credit Score = 3.55

Credit Score Scale	Loan Class	Loan Performance Scale
1	1	Class 1, Risk Level 1, Low
1.81	2	Class 2, Risk Level 2
2.71	3	Class 3, Risk Level 3
3.61	4	Class 4, Risk Level 4, High
4.51	5	Class 5, Non-Performing, Risk Level 5

Term Loan Credit Score 3.55

Operating Loan Credit Score 3.80

Save, Load, Delete

Crop Name	WW-Fallow	Corn-Dryland	IrrCornNorth	Fallow	Unused	Unused	Unused	Unused	Unused	Unused
Price Per Unit	\$3.80	\$3.40	\$3.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Yield Per Unit	45.0	40.0	170.0	0.0	12.0	0.0	0.0	0.0	0.0	0.0

12

# Financials with decreased price, yields and decreased land valuation

Introduction		Enter Data		Financial Statements		Ratios		Credit Scoring		Asset Purchase/Contribution/Dist...	
<b>Balance Sheet</b>											
<b>Assets</b>						<b>Liabilities</b>					
	<b>Beginning</b>	<b>Ending</b>		<b>Beginning</b>	<b>Ending</b>						
Cash on Hand	25,000	0	Accounts Payable (Exp)	0	0						
Crops Held for Feed (Exp)	0	0	Accrued Interest (Exp)	12,540	11,889						
Crops Held for Sale (Inc)	200,000	200,000	Current Principal	11,908	12,559						
Market Livestock (Inc)	0	0	Other Current Liability (Exp)	10,000	10,000						
Other Current Assets (Inc)	15,000	15,000	Short Term Notes (Exp)	0	0						
Invest Growing Crops (Exp)	0	0	Def. Tax on Current Assets	0	0						
Supp. & Prepaid Exp. (Exp)	10,000	10,000	Operating Loan Carryover	0	66,812						
<b>Total Current Assets</b>	<b>250,000</b>	<b>225,000</b>	<b>Total Current Liab.</b>	<b>34,448</b>	<b>101,260</b>						
<b>Non-Current Assets</b>						<b>Non-Current Liabilities</b>					
Mach. & Equipment	325,000	292,500	Prin. on T.D. & C.L.	255,399	242,840						
Breeding Livestock	0	0	Def. Tax on Long Term Assets	0	0						
Real Estate (Land, Bldgs, Impr)	1,040,000	788,000	<b>Total Business Liab.</b>	<b>289,847</b>	<b>344,100</b>						
<b>Total Business Assets</b>	<b>1,615,000</b>	<b>1,305,500</b>	<b>Business Net Worth</b>	<b>1,325,153</b>	<b>961,400</b>						
<b>Change in Equity From Beginning to End of Year</b>											
<b>(363,753)</b>											
<b>Cash Flow Statement</b>											
<b>Inflows</b>						<b>Outflows</b>					
Crop Sales & Net Insurance Payments		432,444	Cash Expenses	No Interest >	444,913						
Mkt & Cull Livestock Sales		0	Other Cash Business Outflows/Expense		0						
Lvstk Secondary Product Sales		0	Cash Int. Exp. - T.D. & C.L.*		12,540						
Government Payments		52,366	Cash Int. Exp. - Operating	7.000%	7,261						
Other Cash business Inflows/Income		0	Loan Prin. Payments - T.D. & C.L.		11,908						
Operating Loan Proceeds	50%	207,457	Breeding Livestock Asset Purchases		0						
Loan Proceeds Capital Assets		0	Mach & Equip & Real Estate Purchase		0						
Non-Business Inflows/Revenue		0	Owner withdrawals		100,000						
Other Nonfarm Inflows		0	Cash Taxes Paid (Income & SS)		0						
Other Nonfarm Inflows		0	Other Cash Outflows (Not Expenses)		0						
<b>Total Cash Inflows</b>		<b>\$692,266</b>	<b>Subtotal</b>		<b>\$576,622</b>						
* T.D. = Term Debt. C.L. = Capital Lease						Operating Loan Prin. Payments		\$140,644			
						<b>Total Cash Outflows</b>		<b>\$717,266</b>			
						Annual Net Cash Flow (never < zero)		<b>0</b>			
<b>Income Statement - Accrual Adj.</b>											
										<b>Income</b>	
Cash Income (Net of cull lvstk sales)										\$484,810	
Non-Cash Income Adjustments										0	
Non-Cash Income (Raised Brdd Lvstk)										0	
Capital Gain/Loss on Breeding Lvstk (Net)										0	
<b>Gross Revenue</b>										\$484,810	
										<b>Expense</b>	
Cash Expense (Excluding Interest)										444,913	
Non-Cash Feed Inventory Adjustment										0	
Other Non-Cash Non-Interest Expense										0	
Depreciation (Land, Bldgs, Equip.)										34,500	
<b>Total Operating Expense</b>										479,413	
Cash Int. Exp. - T.D. & C.L.										12,540	
Cash Int. Exp. - Operating										7,261	
Non-Cash Interest Expense										(651)	
<b>Total Expense</b>										\$498,563	
Net Business Income From Operations										(13,753)	
Net Business Income										(13,753)	
Income+SS+Def. Tax--Cash & Non-Cash										0	
<b>Net Income</b>										<b>(\$13,753)</b>	
Accrual											
<b>Statement of Owner Equity</b>											
Beginning Net Worth (Cost/Mrkt)										1,325,153	
Net Income										+	
										(13,753)	
Non-Business Cash Inflows										+	
										0	
Owner Withdrawals (Cash)										-	
										100,000	
Asset Valuation Change/Cont./Distrib.										+/-	
										0	
Calculated Ending Net Worth										=	
										1,211,400	
Reported Ending Net Worth (Cost/Mrkt)											
										961,400	
Discrepancy											
										<b>\$250,000</b>	

Save, Load, Delete									
	Purchase Price or Value of Asset	Depreciation on Assets Purchased This Year	Asset Value Plus for + Contribution - for Distribution	Percent Purchased Asset that is Financed	Loan Proceeds Received	Additional Ending Principal	Additional Ending Interest	Added Principal End Next Yr	Added Interest End Next Yr
Machinery & Equipment	\$0	\$0	\$0	0%	\$0	\$0	\$0	\$0	\$0
Real Estate (Land & Buildings)	\$0	\$0	-\$250,000	0%	\$0	\$0	\$0	\$0	\$0
Breeding Livestock	\$0	\$0	\$0	0%	\$0	\$0	\$0	\$0	\$0

## Ratios with decreased prices, yields and land valuation

Introduction		Enter Data		Financial Statements		Ratios		Credit Scoring		Asset Purchase/Contribution/Dist...		
<input type="button" value="Off/On"/>	<b>Liquidity</b>					Beginning			Ending			
	Current Ratio				7.26			2.22				
	Working Capital				\$215,552			\$123,740				
<input type="button" value="Off/On"/>	<b>Solvency</b>											
	Debt/Asset Ratio				0.179			0.264				
	Equity/Asset Ratio				0.821			0.736				
	Debt/Equity Ratio				0.22			0.358				
<input type="button" value="Off/On"/>	<b>Profitability</b>					<<<Accrual Basis Income Statement>>>				Ending		
	Rate of Return on Business Assets								-3.05%			
	Rate of Return on Business Equity								-5.58%			
	Operating Profit Margin Ratio								-0.09			
	Net Business Income								(\$13,753)			
<input type="button" value="Off/On"/>	<b>Repayment Capacity</b>											
	Term Debt and Capital Lease Coverage Ratio								-2.73			
	Capital Replacement and Term Debt Repayment Margin								(\$91,162)			
<input type="button" value="Off/On"/>	<b>Financial Efficiency</b>											
	Asset Turnover Ratio								0.33			
	Operating Expense Ratio								0.92			
	Depreciation Expense Ratio								0.07			
	Interest Expense Ratio								0.04			
	Net Farm Income From Operations Ratio								-0.03			
					<b>Check Sum</b>				100.00%			
<input type="button" value="Save, Load, Delete"/>												
	Purchase Price or Value of Asset	Depreciation on Assets Purchased This Year	Asset Value Plus for + Contribution - for Distribution	Percent Purchased Asset that is Financed	Loan Proceeds Received	Additional Ending Principal	Additional Ending Interest	Added Principal End Next Yr	Added Interest End Next Yr			
Machinery & Equipment	\$0	\$0	\$0	0%	\$0	\$0	\$0	\$0	\$0			
Real Estate (Land & Buildings)	\$0	\$0	-\$250,000	0%	\$0	\$0	\$0	\$0	\$0			
Breeding Livestock	\$0	\$0	\$0	0%	\$0	\$0	\$0	\$0	\$0			