

**LP2 Sample Financial Statements*****Vegetable Grower******Vegetable Farm LLC – Business Balance Sheet******As of 12/31/2017***

|                                   |                                      |           |
|-----------------------------------|--------------------------------------|-----------|
| Assets:                           |                                      |           |
|                                   | Cash – Checking Account              | \$1,000   |
|                                   | Accounts Receivable                  | \$5,000   |
|                                   | Inventory of Finished Goods          | \$10,000  |
|                                   | Tractors and Farm Equipment          | \$20,000  |
|                                   | Buildings and Leasehold Improvements | \$50,000  |
|                                   | Land                                 | \$200,000 |
| Total Assets:                     |                                      | \$286,000 |
|                                   |                                      |           |
| Liabilities:                      |                                      |           |
|                                   | Accounts Payable                     | \$5,000   |
|                                   | Equipment Loan                       | \$5,000   |
|                                   | Mortgage                             | \$110,000 |
| Total Liabilities:                |                                      | \$120,000 |
|                                   |                                      |           |
| <u>Net Worth (Owner's Equity)</u> |                                      | \$166,000 |
|                                   |                                      |           |
| <u>Percent Net Worth:</u>         |                                      | 58%       |

## Sample Financial Statements

### *Corn/Soybean Grower*

#### *Cash Crop Farm LLC – Business Balance Sheet*

*As of 12/31/2017*

|   |                  |
|---|------------------|
| Current Assets                              |                  |
| Cash and Savings                            | \$21,730         |
| Accounts Receivable                         | 33,697           |
| Products Held for Sale / Finished Inventory | 56,082           |
| Supplies                                    | 8,438            |
| Prepaid Expenses                            | 12,038           |
| Total Current Assets                        | 131,985          |
| Intermediate Assets                         |                  |
| Vehicles                                    | 36,829           |
| Machinery & Equipment                       | 403,044          |
| Less: Accumulated Depreciation              | (131,962)        |
| Total Intermediate Assets                   | 307,911          |
| Long Term / Fixed Assets                    |                  |
| Farm Real Estate                            | 830,859          |
| Leasehold Improvements                      | 10,963           |
| Total Long-Term Assets                      | 841,822          |
| <b>Total Assets</b>                         | <b>1,281,718</b> |
| Current Liabilities                         |                  |
| Accounts Payable                            | 12,537           |
| Credit Card Balance                         | 3,257            |
| Operating Loan                              | 32,798           |
| Current Portion of Long Term Loans          | 20,852           |
| Total Current Liabilities                   | 69,444           |
| Intermediate Liabilities                    |                  |
| Equipment Loan                              | 62,763           |
| Capital Leases                              | 24,953           |
| Total Intermediate Liabilities              | 87,716           |
| Long Term Liabilities                       |                  |
| Real Estate Mortgage                        | 102,778          |
| Other Long-Term Loans                       | 40,837           |
| Total Long-Term Liabilities                 | 143,615          |
| <b>Total Liabilities</b>                    | <b>300,775</b>   |
| <b>Net Worth</b>                            | <b>980,943</b>   |
| Percent Net Worth                           | 77%              |

## Sample Financial Statements

### *Dairy Producer*

#### ***Dairy LLC – Business Balance Sheet As of 12/31/2017***

|                                    |  |                  |
|------------------------------------|--|------------------|
| Current Assets                     |  |                  |
| Cash and Savings                   |  | \$22,580         |
| Accounts Receivable                |  | 20,623           |
| Feed Inventory                     |  | 77,524           |
| Supplies                           |  | 2,496            |
| Prepaid Expenses                   |  | 8,478            |
| Total Current Assets               |  | 131,701          |
| Intermediate Assets                |  |                  |
| Livestock                          |  | 148,916          |
| Cooperative Stock                  |  | 11,594           |
| Vehicles                           |  | 24,538           |
| Machinery & Equipment              |  | 256,997          |
| Less: Accumulated Depreciation     |  | (36,273)         |
| Total Intermediate Assets          |  | 405,772          |
| Long Term / Fixed Assets           |  |                  |
| Farm Real Estate                   |  | 583,286          |
| Leasehold Improvements             |  | 2,436            |
| Total Long-Term Assets             |  | 585,722          |
| <b>Total Assets</b>                |  | <b>1,123,195</b> |
| Current Liabilities                |  |                  |
| Accounts Payable                   |  | 5,928            |
| Credit Card Balance                |  | 3,257            |
| Operating Loan                     |  | 3,847            |
| Current Portion of Long Term Loans |  | 29,543           |
| Total Current Liabilities          |  | 42,575           |
| Intermediate Liabilities           |  |                  |
| Equipment Loan                     |  | 85,786           |
| Capital Leases                     |  | 2,953            |
| Total Intermediate Liabilities     |  | 88,739           |
| Long Term Liabilities              |  |                  |
| Real Estate Mortgage               |  | 186,754          |
| Other Long-Term Loans              |  | 28,002           |
| Total Long-Term Liabilities        |  | 214,756          |
| <b>Total Liabilities</b>           |  | <b>346,070</b>   |
| <b>Net Worth</b>                   |  | <b>777,125</b>   |
| Percent Net Worth                  |  | 69%              |

## Sample Financial Statements

### *Vegetable Grower*

#### 2017 Vegetable Farm Income Statement / Year Ending 12/31/2017

|                                   |                | <i>% Sales</i> |
|-----------------------------------|----------------|----------------|
| <b>FARM INCOME</b>                |                |                |
| <b>Total Farm Sales</b>           | <b>165,231</b> | <b>100.0%</b>  |
| <b>VARIABLE EXPENSES</b>          |                |                |
| Chemicals and fertilizers         | 4,074          | 2.5%           |
| Custom Hire                       | 5,328          | 3.2%           |
| Employee Benefit Package          | 5,740          | 3.5%           |
| Freight and Trucking              | 1,943          | 1.2%           |
| Gasoline, Fuel, and Oil           | 4,791          | 2.9%           |
| Labor Hired                       | 43,224         | 26.2%          |
| Seeds and Plants Purchased        | 11,848         | 7.2%           |
| Supplies Purchased                | 17,333         | 10.5%          |
| Cost of Goods Sold                | 2,874          | 1.7%           |
| <b>Total Variable Expenses</b>    | <b>97,155</b>  | <b>58.8%</b>   |
| <b>Gross Margin</b>               | <b>68,076</b>  | <b>41.2%</b>   |
| <b>Gross Margin as % of Sales</b> | <b>41.20%</b>  |                |
| <b>FIXED EXPENSES</b>             |                |                |
| Car & Truck Expenses              | 1,538          | 0.9%           |
| Deprec./Amort./Depl.              | 12,710         | 7.7%           |
| Insurance                         | 3,917          | 2.4%           |
| Interest Expense                  | 1,685          | 1.0%           |
| Rent or Lease                     | 7,947          | 4.8%           |
| Repairs and Maintenance           | 7,536          | 4.6%           |
| Property & Excise Taxes           | 2,782          | 1.7%           |
| Utilities                         | 1,873          | 1.1%           |
| Other Expenses                    | 8,983          | 5.4%           |
| <b>Total Fixed Expenses</b>       | <b>48,971</b>  | <b>29.6%</b>   |
| <b>Net Margin</b>                 | <b>19,105</b>  | <b>11.6%</b>   |
| <b>Net Margin as % of Sales</b>   | <b>11.56%</b>  | <b>0.0%</b>    |

## Sample Financial Statements

### *Corn/Soybean Grower*

#### *Cash Crop Farm LLC – Business Income Statement*

*1/1/2017 - 12/31/2017*

|                                    |                |
|------------------------------------|----------------|
| Farm Income                        |                |
| Crop Sales                         | \$352,402      |
| Other Income                       | 41,945         |
| <b>Total Farm Income (a)</b>       | <b>394,347</b> |
| Variable Expenses                  |                |
| Chemicals / Crop Protection        | 25,181         |
| Custom Hire                        | 6,572          |
| Fertilizers and Lime               | 52,967         |
| Freight and Trucking               | 2,864          |
| Gasoline, Fuel and Oil             | 14,195         |
| Labor Hired & Related Expenses     | 10,058         |
| Seeds and Plants Purchased         | 32,691         |
| Supplies Purchased                 | 10,336         |
| <b>Total Variable Expenses (b)</b> | <b>154,864</b> |
| <b>Gross Margin (a-b)</b>          | <b>239,483</b> |
| Gross Margin as % of Sales         | 61%            |
| Fixed Expenses                     |                |
| Insurance                          | 13,871         |
| Interest Expense                   | 9,922          |
| Rent or Lease                      | 28,597         |
| Repairs and Maintenance            | 29,058         |
| Property and Excise Taxes          | 11,130         |
| Utilities                          | 5,136          |
| Other Expenses                     | 10,197         |
| Depreciation                       | 65,938         |
| <b>Total Fixed Expenses (c)</b>    | <b>173,849</b> |
| <b>Total Expenses (b+c)</b>        | <b>328,713</b> |
| <b>Net Margin / Profit (a-b-c)</b> | <b>65,634</b>  |
| Net Margin as % of Sales           | 17%            |

## Sample Financial Statements

### *Dairy Producer*

#### *Dairy LLC – Business Income Statement*

*1/1/2017 - 12/31/2017*

|                                    |                |
|------------------------------------|----------------|
| Farm Income                        |                |
| Milk Sales                         | \$245,348      |
| Livestock Sales                    | 37,128         |
| Other Income                       | 31,144         |
| <b>Total Farm Income (a)</b>       | <b>313,620</b> |
| Variable Expenses                  |                |
| Chemicals / Crop Protection        | 4,012          |
| Custom Hire                        | 7,072          |
| Feed Purchased                     | 81,396         |
| Fertilizers and Lime               | 9,316          |
| Freight and Trucking               | 15,844         |
| Gasoline, Fuel and Oil             | 9,724          |
| Labor Hired & Related Expenses     | 19,856         |
| Seeds and Plants Purchased         | 8,772          |
| Supplies Purchased                 | 30,804         |
| <b>Total Variable Expenses (b)</b> | <b>186,796</b> |
| <b>Gross Margin (a-b)</b>          | <b>126,824</b> |
| Gross Margin as % of Sales         | 40%            |
| Fixed Expenses                     |                |
| Insurance                          | 5,848          |
| Interest Expense                   | 9,520          |
| Rent or Lease                      | 4,896          |
| Repairs and Maintenance            | 19,652         |
| Property and Excise Taxes          | 8,092          |
| Utilities                          | 8,228          |
| Other Expenses                     | 7,548          |
| Depreciation                       | 36,652         |
| <b>Total Fixed Expenses (c)</b>    | <b>100,436</b> |
| <b>Total Expenses (b+c)</b>        | <b>287,232</b> |
| <b>Net Margin / Profit (a-b-c)</b> | <b>26,388</b>  |
| Net Margin as % of Sales           | 8%             |

**Sample Financial Statements**  
***Vegetable Grower***

**Vegetable Farm, LLC - Business Cash Flow Statement**  
**1/1/2017 – 12/31/2017**

Cash Flows from Operating Activities:

|  |                 |
|--|-----------------|
| Cash receipts from customers             | \$146,000       |
| Cash payments to employees and suppliers | (\$120,000)     |
| Cash generated from operations           | <u>\$26,000</u> |

Cash Flows from Investment Activities:

|  |                  |
|--|------------------|
| Equipment purchased                      | \$(10,000)       |
| Proceeds from Sales of Equipment         | \$5,000          |
| Net cash flow from investment activities | <u>\$(5,000)</u> |

Cash Flows from Financing Activities:

|  |                |
|--|----------------|
| Proceeds from paid-in capital investment | \$5,000        |
| Proceeds from loan                       | \$10,000       |
| Repayment of loans                       | \$(7,000)      |
| Net cash flow from financing activities  | <u>\$8,000</u> |

|                                 |                 |
|---------------------------------|-----------------|
| Net Increase (Decrease) in Cash | <u>\$29,000</u> |
| Cash on hand January 1, 2017    | \$5,000         |
| Cash on hand December 31, 2017  | \$34,000        |

**Sample Financial Statements**  
*Corn/Soybean Grower*

**Cash Crop Farm LLC – Statement of Cash Flows**  
**1/1/2017 - 12/31/2017**

|   |                  |
|---|------------------|
| <b>Net Cash Flow from Operating Activities (Net Income + Depreciation <sup>1</sup>)</b> | <b>\$131,572</b> |
|   |                  |
| Cash Flow from Financing Activities   |                  |
| Money Borrowed (Equipment Loan):  | 100,000          |
| Principal Paid  | (24,109)         |
| <b>Net Cash Flow from Financing Activities</b>  | <b>75,891</b>    |
|   |                  |
| Cash Flow from Investment Activities  |                  |
| Equipment Sold:   | 11,500           |
| Equipment Purchased:  | (120,000)        |
| <b>Net Cash Flow from Investment Activities:</b>  | <b>(108,500)</b> |
|   |                  |
| <b>Net Cash Flow</b>  | <b>\$98,963</b>  |

<sup>1</sup> For a more complex business, this would also take into account changes in inventory, as well as changes in accounts payable and receivables.



## Sample Financial Statements

### *Dairy Producer*

#### *Dairy LLC – Statement of Cash Flows 1/1/2017 - 12/31/2017*

|   |                 |
|---|-----------------|
| <b>Net Cash Flow from Operating Activities (Net Income + Depreciation <sup>1</sup>)</b> | <b>\$63,040</b> |
|   |                 |
| Cash Flow from Financing Activities   |                 |
| Money Borrowed (Equipment Loan):  | 50,000          |
| Principal Paid  | (32,800)        |
| <b>Net Cash Flow from Financing Activities</b>  | <b>17,200</b>   |
|   |                 |
| Cash Flow from Investment Activities  |                 |
| Equipment Sold:   | 6,200           |
| Equipment Purchased:  | (76,000)        |
| <b>Net Cash Flow from Investment Activities:</b>  | <b>(69,800)</b> |
|   |                 |
| <b>Net Cash Flow</b>  | <b>\$10,440</b> |

<sup>1</sup> For a more complex business, this would also take into account changes in inventory, as well as changes in accounts payable and receivables.

4/10/2020