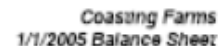


Understanding
your balance
sheet and
information
needed to
complete it.

JOSH TJOSAAS

NORTHLAND FBM-MOORHEAD
SITE



I certify that my statements on this balance sheet are true, complete, and correct to the best of my knowledge and belief.

Signature(s)	Date
--------------	------

- [illegible]

Assets

FINPACK

Coasting Farms
1/1/2005 Balance Sheet

Current Assets		Value	
Cash and checking (Schd A)		3,624	
Prepaid exp. & suppl. (Schd B)		7,647	
Growing crops		-	
Accounts receivable (Schd D)		14,242	
Hedging accounts		-	
Other current assets		-	
Crops (Schd G)	Quantity	Value/Unit	
Corn	4,400	3.50/bu.	15,400
Alfalfa Hay	90	125.00/ton	11,250
S. Wheat	3,500	5.25/bu.	18,375
Mkt lvt (Schd H)	No.	Value/Unit	
Raised Hogs	175	\$5.00/cwt.	11,550
Fin Yearling	41	125.00/cwt.	38,438
Total Current Assets		120,626	

Intermediate Assets			
	No.	Cost	Market
		Value	Value
Brdg lvt (Schd I)			
Dairy cows	52	41,600	62,400
Heifers	47	18,200	23,500
Cows	30	3,000	4,500
Gills	10	1,000	1,250
Boars	2	479	500
Machinery (Schd J)		86,514	105,109
Titled vehicles (Schd K)		9,074	10,000
Other intermediate assets		-	-
Total Intermediate Assets		169,887	207,258

Long Term Assets			
	Acres	Cost	Market
		Value	Value
Land (Schd M)			
Home farm	160	80,000	184,000
Buildings and improvements		93,667	124,260
Other long term (Schd O)		30,356	30,356
Total Long Term Assets		204,023	338,616

Total Farm Assets	484,416	666,400
Personal Assets (Schd P)	174,634	174,634

Total Assets	(a)+(b)	659,049	841,034
---------------------	---------	----------------	----------------

Current Liabilities				Balance
Accrued interest				1,851
Payables & accr exp (Schd T)				2,880
Current loans (Schd U)	Int	P&I	Principal	
	Rate	Due	Balance	
Cpr	3.25	-	-	10,568
cattle	3.50	23,677	-	22,650
Principal due within 12 months on term liabilities				23,062
Total Current Liabilities				61,011

Intermediate Liabilities (Schd V)					
Loan	Int	Principal	P&I	Principal	Intermed
	Rate	Balance	Due	Due	Balance
Mach	3.25	63,910	12,071	9,813	54,097
Hay/Equip	3.25	7,593	2,932	2,538	5,055
Cows	3.25	16,030	5,680	5,230	10,800
Total Intermediate Liabilities					69,952

Long Term Liabilities (Schd W)					
Loan	Int	Principal	P&I	Principal	Lg Term
	Rate	Balance	Due	Due	Balance
RE	4.25	70,621	8,596	5,481	65,140
Total Long Term Liabilities					65,140

Total Farm Liabilities	196,103
Personal Liabilities (Schd X)	151,879

Deferred Liabilities (c)	Cost	Market
Total Liabilities (d)+(e)	347,982	433,764
Retained Earnings/Contributed Capital	[a-c]	311,067
Market valuation equity	[b-a-c]	96,203
Net Worth	[b-e]	407,270

I certify that the statements on this balance sheet are true, complete, and correct to the best of my knowledge and belief.

Signature(s) _____ Date _____

Current Farm Assets

Current Assets			Value
Cash and checking (Schd A)			3,624
Prepaid exp. & suppl. (Schd B)			7,647
Growing crops			-
Accounts receivable (Schd D)			14,242
Hedging accounts			-
Other current assets			-
Crops (Schd G)	Quantity	Value/Unit	
Corn	4,400	3.50/bu.	15,400
Alfalfa Hay	90	125.00/ton	11,250
S. Wheat	3,500	5.25/bu.	18,375
Mkt Ivst (Schd H)	No.	Value/Unit	
Raised Hogs	175	55.00/cwt.	11,550
Fin Yearling	41	125.00/cwt.	38,438
Total Current Assets			120,525

- ▶ Cash and Checking Balances
- ▶ Prepaid Expenses and Supplies-
Fuel, Fertilizer, Chemicals, Fall
Applied Fert/Chemicals,
Prepaid Accounts, Cover Crop
Expenses
- ▶ Growing Crops-Winter Wheat
or crop during year
- ▶ Accounts Receivables-
Insurance, Money owed,
Disaster payments, Dec. milk
check, checks not deposited
for grain, Unit Retains for
Sugarbeets.
- ▶ Hedging accounts-Net
Liquidity
- ▶ Other current assets

Current Farm Assets

- ▶ Crop Inventory-
Quantity, Value/Unit,
Value-including CCC
whole crop and loan
under Current loan
- ▶ Market Livestock-
Feeder animals
intended for eventual
sale

Current Assets			Value
Cash and checking (Schd A)			3,624
Prepaid exp. & suppl. (Schd B)			7,647
Growing crops			-
Accounts receivable (Schd D)			14,242
Hedging accounts			-
Other current assets			-
Crops (Schd G)	Quantity	Value/Unit	
Corn	4,400	3.50/bu.	15,400
Alfalfa Hay	90	125.00/ton	11,250
S. Wheat	3,500	5.25/bu.	18,375
Mkt lvst (Schd H)	No.	Value/Unit	
Raised Hogs	175	55.00/cwt.	11,550
Fin Yearling	41	125.00/cwt.	38,438
Total Current Assets			120,525

Intermediate Farm Assets

Intermediate Assets

		Cost	Market
Brdg Ivst (Schd I)	No.	Value	Value
Dairy cows	52	41,600	62,400
Heifers	47	18,200	23,500
Sows	30	3,000	4,500
Gilts	10	1,000	1,250
Boars	2	479	500
Machinery (Schd J)		86,514	105,109
Titled vehicles (Schd K)		9,074	10,000
Other intermediate assets		-	-
Total Intermediate Assets		159,867	207,259

- ▶ Breeding Livestock- Breeding females and males, include youngstock and replacements.
- ▶ Farm Machinery-Enter both cost and market value-Cost depreciation is taken each year.
- ▶ Titled Vehicles-Cost and Market values.
- ▶ Other intermediate assets-Coop Stock-Not Patronage Equity, Beet Stock.

Long Term Farm Assets

- ▶ Farm Land-Acres, Value/Acre. Cost and Market Value
- ▶ Farm Buildings-Cost and Market Value-Cost value depreciation each year.
- ▶ Other Long Term Farm Assets-Cost and Market Value, Coop Patronage Equity

Long Term Assets

		Cost	Market
Land (Schd M)	Acres	Value	Value
Home farm	160	80,000	184,000
Buildings and improvements		93,667	124,260
Other long term (Schd O)		30,356	30,356
Total Long Term Assets		204,023	338,616

Personal Assets

- ▶ Savings/Checking
- ▶ Stocks/Bonds
- ▶ Other Personal Current
- ▶ Furnishings and appliances
- ▶ Personal Vehicles
- ▶ Cash Value of Life Insurance
- ▶ Retirement accounts
- ▶ Personal business investment
- ▶ Other intermediate assets
- ▶ Personal Real Estate
- ▶ Other long term assets

Schedule P: Personal assets

	Quantity	Mkt Val Per Unit	Cost Value	Market Value
Savings and checking			1,634	1,634
Stocks and bonds			-	-
Other personal current assets			-	-
Furnishings and appliances			13,000	13,000
Personal vehicles			15,000	15,000
Cash value of life insurance			-	-
Retirement accounts			-	-
Personal business investment			-	-
Other intermediate assets			-	-
Personal real estate			145,000	145,000
Other long term assets			-	-
Total personal assets			174,634	174,634

Liabilities

FINPACK®

Current Assets		Value
Cash and checking (Schd A)		3,624
Prepaid exp. & suppl. (Schd B)		7,647
Growing crops		
Accounts receivable (Schd D)		14,242
Hedging accounts		
Other current assets		
Crops (Schd G)	Quantity	Value/Unit
Com	4,400	3.50/bu.
Alfalfa Hay	90	125.00/ton
G. Wheat	3,500	5.25/bu.
Mkt lvt (Schd H)	No.	Value/Unit
Raised Hogs	175	\$5.00/cwt.
Fin Yearling	41	125.00/cwt.
Total Current Assets		120,624

Intermediate Assets			
	No.	Cost	Market Value
Brdg lvt (Schd I)			
Dairy cows	52	41,600	62,400
Heifers	47	18,200	23,500
Goats	30	3,000	4,500
Glts	10	1,000	1,250
Boars	2	475	500
Machinery (Schd J)		86,514	105,109
Titled vehicles (Schd K)		9,074	10,000
Other intermediate assets		-	-
Total Intermediate Assets		169,867	207,259

Long Term Assets			
	Acres	Cost	Market Value
Land (Schd M)			
Home farm	160	80,000	184,000
Buildings and improvements		93,667	124,250
Other long term (Schd O)		30,356	30,356
Total Long Term Assets		204,023	338,610

Total Farm Assets	484,416	666,401
Personal Assets (Schd P)	174,634	174,634

Total Assets	(a)+(b)	659,049	841,035
---------------------	----------------	----------------	----------------

Coasting Farms
1/1/2005 Balance Sheet

Current Liabilities				Balance
Accrued interest				1,851
Payables & accr exp (Schd T)				2,880
Current loans (Schd U)	Int	P&I	Principal	Balance
Oper	Rate	Due		
cattle	3.25	-		10,568
	3.50	23,677		22,690
Principal due within 12 months on term liabilities				23,062
Total Current Liabilities				61,011

Intermediate Liabilities (Schd V)					
Loan	Int	Principal	P&I	Principal	Intermed
	Rate	Balance	Due	Due	Balance
Mach	3.25	63,910	12,071	9,813	54,097
Hay/Equip	3.25	7,593	2,932	2,538	5,055
Cows	3.25	16,030	5,680	5,230	10,800
Total Intermediate Liabilities					69,952

Long Term Liabilities (Schd W)					
Loan	Int	Principal	P&I	Principal	Lg Term
	Rate	Balance	Due	Due	Balance
RE	4.25	70,621	8,596	5,481	65,140
Total Long Term Liabilities					65,140

Total Farm Liabilities	196,103
Personal Liabilities (Schd X)	151,879

Deferred Liabilities (c)	Cost	Market
Total Liabilities (d)+(e)	347,982	433,764
Retained Earnings/Contributed Capital	[a-d]	311,067
Market valuation equity	[b-e-c]	96,203
Net Worth	[b-e]	407,270

I certify that my statements on this balance sheet are true, complete, and correct to the best of my knowledge and belief.

Signature(s) _____ Date _____

Current Farm Liabilities

Current Liabilities			Balance
Accrued interest			1,851
Payables & accr exp (Schd T)			2,880
Current loans (Schd U)	Int Rate	P&I Due	Principal Balance
Oper	3.25	-	10,568
cattle	3.50	23,677	22,650
Principal due within 12 months on term liabilities			23,062
Total Current Liabilities			61,011

- ▶ Farm Accounts Payable-charge accounts, expenses for current year to pay yet, Farm plan and some credit card farm balances, other accounts payable
- ▶ Current Farm Loans-Due less than 1 year, Interest Rate, Principal Balance, Accrued Interest, Month due, Credit Card/Farm Plan

Intermediate Farm Liabilities

- ▶ Intermediate Farm loans- Equipment; Livestock, usually less than 10 years. Interest Rate, Principal Balance, Accrued Interest, Principal and Interest due in 12 months, Month(s) due, principal due in 12 months.
- ▶ Farm Capital Lease included here is only if planning on owning.

Intermediate Liabilities (Schd V)

Loan	Int Rate	Principal Balance	P & I Due	Principal Due	Intermed Balance
Mach	3.25	63,910	12,071	9,813	54,097
Hay Equip	3.25	7,593	2,932	2,538	5,055
Cows	3.25	16,030	5,680	5,230	10,800

Total Intermediate Liabilities

69,952

Long Term Farm Liabilities

Long Term Liabilities (Schd W)

	Int	Principal	P & I	Principal	Lg Term
Loan	Rate	Balance	Due	Due	Balance
RE	4.25	70,621	8,596	5,481	65,140
Total Long Term Liabilities					65,140

- ▶ Loans longer than 10 years-
Land/Buildings-
Need interest rate, principal balance, accrued interest, P&I payments, Month(s) due, principal due in 12 months.

Personal Liabilities

- ▶ Personal Accounts Payable
- ▶ Personal Income Tax Payable
- ▶ Current Personal Loans-Include CC balances
- ▶ Intermediate Personal Loans-cars, boats, furniture.
- ▶ Long Term Personal Loans-RE, house, cabin

Schedule X: Personal loans

Accrued interest									249
Personal accounts payable									-
Personal income taxes payable									12,500
Principal due within 12 months on term loans									7,453
	Interest	Principal	Accrued	Normal	Past Due	Month	Final	Principal	
Current Loans	Rate	Balance	Interest	P & I	P & I	Due	Year	Due	Balance
Credit Card-CC	21.45 %	1,200	-	1,200	-	1			1,200
Intermediate									
Vehicle	3.99 %	12,486	-	3,000	-	monthly	2025	2,542	9,944
Long Term									
House	4.27 %	125,444	249	10,500	-	monthly	2045	4,911	120,533
Total personal loans		139,130	249	14,700	-			7,453	131,677

Deferred Liabilities-Moving Target

Detail: Deferred taxes on current inventories



Market value of current inventories		116,901
Payables and accrued expenses	(-)	4,731
Purchase cost of feeder livestock	(-)	17745
Government crop loans already taxed	(-)	
NOL carryovers and other adjustments	(-)	
Taxable current inventory value	(=)	94,425
Estimated marginal tax rate (%)	(*)	28.00
Deferred taxes on current inventories	(=)	26,439

- ▶ Taxes due on current inventories
- ▶ Taxes due on capital assets- difference between market and tax basis value.

	Market Value	Tax Basis	Selling Cost %	Estimated Gains
Breeding livestock	92,150	450		91,700
Machinery and equipment	105,109	20,000		85,109
Titled vehicles	10,000	9,074		926
Other intermediate assets				
Land	184,000	80,000		104,000
Buildings and improvements	124,260	93,667		30,593
Other long term assets	30,356	30,356		
Stocks and bonds				
Retirement accounts				
Personal business investment				
Personal real estate	145,000	145,000		
Other personal long term assets				
Total taxable capital gains				312,328

Deferred Liabilities (c)

Total Liabilities (d)(e)

Retained Earnings/Contributed Capital

Market valuation equity

Net Worth

[a-d]

[b-a-c]

[b-e]

Cost
347,982
311,067

Market
85,781
433,764
96,203
407,270

Estimated marginal tax rate (%)

Total deferred taxes on capital assets

Total selling costs

Total deferred liabilities on capital assets

(*) 19.00
(=) 59,342
(+) 0
(=) 59,342

Understanding additional information

- ▶ Retained Earnings/Contributed Capital=(Total Cost Value Assets-Total Cost Value Liabilities)
- ▶ Market Valuation Equity=(Total Market Value Assets-Total Cost Value Assets-Deferred Liabilities)
- ▶ Market Net Worth=(Total Market Value Assets-Total Market Liabilities), also (Retained Earnings + Market Valuation Equity)

Total Farm Liabilities			196,103
Personal Liabilities (Schd X)			151,879
		Cost	Market
Deferred Liabilities (c)			85,781
Total Liabilities (d)(e)		347,982	433,764
Retained Earnings/Contributed Capital	[a-d]	311,067	
Market valuation equity	[b-a-c]		96,203
Net Worth	[b-e]		407,270