

**2002 Financial Analysis
(Excel File)**

Form 1. Financial Data From QuickBooks Pro™ Financial Statements

Name of Business: TTAP Enterprises
Fiscal Year: 2002
 Beginning Date 1/1/2002 Ending Date 12/31/02

Financial Statement Data From QuickBooks Pro™

Total Income	(a)	\$352,998
Other Income	(b)	\$18,779
Accrual Revenue Adjustments if not Made in Accounting Data (Form 3)	(c)	\$0
Total Gain (loss) - Livestock Disposed	(d)	\$1,883
Cost of Goods Sold	(e)	\$358,337
Total Operating Expense and Interest (Total Expense)	(f)	\$340,364
Total Other Expense including Income Tax expense	(g)	(\$329,286)
Accrual Adjustments To Expenses if not Made in Accounting Data (Form 3)	(h)	\$0
Income Tax Expense	(i)	\$0
Interest Expense (Form 2)	(j)	\$65,409
Accrued Interest Expense (Form 3)	(k)	\$0
Gain (loss) on Disposal of Capital Assets Other Than Breeding Livestock	(l)	\$0
Extraordinary Gain	(m)	\$0
Extraordinary Loss	(n)	\$0

Income Statement Major Report Lines

Revenue		
Sales (a+b-d-l-m)		\$369,894
Gain (loss) Breeding Livestock Disposed (d)		\$1,883
Accrual Revenue Adjustments if not Made in Accounting Data (c)		\$0
Gross Revenue		\$371,777
Total Operating Expense Including Cost of Goods Sold (f+g+h+e-i-j-k-n)		\$304,007
Operating Margin		\$67,770
Interest (j+k)		\$65,409
Net Farm/Ranch Income after Operation and Financing Cost		\$2,361
Gain (loss) from Disposal of Non-Breeding Stock Capital Assets (l)		\$0
Net Farm/Ranch Income		\$2,361
Income Tax Expense (i)		\$0
Net after tax Income Before Extraordinary Items		\$2,361
Extraordinary Income or Expense (m+n)		\$0
Net Income After Taxes and Extraordinary Items		\$2,361

Balance Sheet Values For Farm or Ranch Business	Beginning Date 1/1/2002		Ending Date 12/31/2002
Total Current Assets	\$336,862	(o)	\$324,341
Total Fixed Assets	\$2,224,871	(p)	\$2,229,574
Total Assets (o+p)	\$2,561,733	(q)	\$2,553,915
Total Current Liabilities	\$64,044	(r)	\$68,773
Total Long Term Liabilities	\$1,082,480	(s)	\$1,067,571
Total Liabilities (r+s)	\$1,146,524	(t)	\$1,136,344
Equity (q-t)	\$1,415,209	(w)	\$1,417,570

Other Data Needed

Total Depreciation	\$48,105
Agricultural Program Payments - Accrual Adjustments	\$0
Agricultural Program Payments	\$13,260
Total Agricultural Program Payments - Accrual Adjusted	\$13,260
Change in Equity Due to Valuation Equity	\$0
Number of Full-time Operators and Hired Employees (FTE)	2.0

Form 2. Repayment Capacity Data and Business Debt Information

Name of Business: TTAP Enterprises

Fiscal Year: 2002

Fiscal Year Values

Net Non-farm Income Available to Support Debt (Contributed Capital)	<input type="text" value="\$0"/>
Capital Contributions	<input type="text" value="\$0"/>
Capital Distributions	<input type="text" value="\$0"/>
Annual Payments on Personal Liabilities (If Not Included in Capital Distributions)	<input type="text" value="\$0"/>
Total Income Tax Expenses	\$0

Interest

	Paid	Accrual Interest
Interest (current loans)	<input type="text" value="\$2,401"/>	
Interest (non-current loans)	<input type="text" value="\$65,409"/>	
Interest on Capital Leases	<input type="text" value="\$0"/>	

	Total	\$65,409	\$0
Interest Expense with Accrual Adjustment (Form 1)			\$65,409

Total Interest on Term Debt and Capital Leases \$65,409

Scheduled Principal Payments on Term Debt (Beginning of Fiscal Year)

Scheduled Principal Payments on Capital Leases (Beginning of Fiscal Year)

Payment on Unpaid Operating Debt from Prior Period

Total Depreciation \$48,105

Operating Margin \$67,770

10. Term Debt and Capital Lease Coverage Ratio 1.46 %

11. Capital Replacement and Term Debt Repayment Margin \$36,422

Table 1. Farm Financial Standards and Other Financial Performance Measures

Name of Business:	TTAP Enterprises	
Fiscal Year	2002	Your Business
Select FFS Ratios and Percent Values		
Liquidity	Beginning	Ending
1. Current Ratio x:1	5.26	4.72 :1
2. Working Capital	\$272,818	\$255,567
Solvency		
3. Debt to Asset Ratio %	44.76	44.49 %
4. Equity to Asset Ratio %	55.24	55.51 %
5. Debt to Equity Ratio %	81.01	80.16 %
Profitability		
6. Return on Assets (ROA) %		2.65 %
7. Return on Equity (ROE) %		0.17 %
8. Operating Margin Ratio		18.23 %
9. Net Income From Operations - Pre Interest and Income Tax		\$67,770
Repayment Capacity		
10. Term Debt and Capital Lease Coverage Ratio x:1		1.46 :1
11. Capital Replacement and Term Debt Repayment Margin		\$36,422
Financial Efficiency		
12. Asset Turnover Ratio x:1		0.15 :1
Operating Ratios		
13. Operating Expense Ratio		68.83 %
14. Depreciation Expense Ratio		12.94 %
15. Interest Expense Ratio		17.59 %
16. Net Income From Operation Ratio		0.64 %
Other Performance Values		
Net Income After Tax and Extraordinary Items		\$2,361
Change In Equity		\$2,361
Leverage Situation Index (ROE/ROA)		0.06
Consumption and Savings Margin		\$2,361
Percent of Gross Revenue		0.64 %
Operating Margin per Full-time Operator and Hired Employees		\$67,770
Net Income per Full-time Operator and Hired Employees		\$1,181

Table 2. Du Pont Equation and Financial Analysis Calculation

Name of Business:		TTAP Enterprises		Fiscal Year: 2002	
Measure	Formula	Base Value	Change	Changed Value	
1. Operating Margin Ratio	(F/B)*100	18.23 %	8.18 %	26.41 %	
2. Asset Turnover x:1	(B/G)	0.145 x:1	-0.001 x:1	0.144 x:1	
3. Leverage Ratio	(1/H/G)	1.806	-0.009	1.797	
4. Interest Adjustment	(E/G)	0.026	0.000	0.025	

Du Pont Equation					
ROA = ((F+D+E)/G)*100 or (1*2)*100		2.65 %	1.17 %	3.82 %	
ROE = (ROA-4)*3*100 or ((F-D)/H)*100		0.17 %	2.12 %	2.29 %	
Leverage Situation Index (ROE/ROA)**		0.06		0.60	

Calculations of ROA:					
	Operating Margin Ratio *	Asset Turnover	=	ROA	%
		18.23		0.15	= 2.65 %
With Change					
		26.41		0.14	= 3.82 %

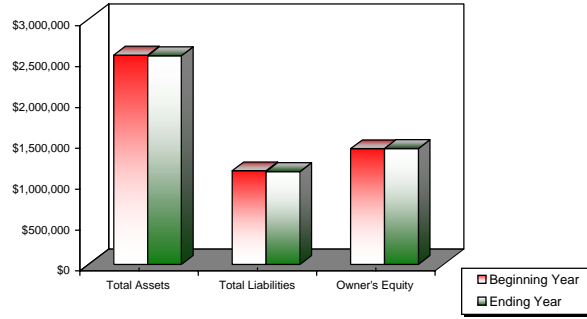
Calculations of ROE:					
	ROA -	Int. Adj.	*	Leverage	*100 = ROE %
	0.026	0.026		1.81	*100 = 0.17 %
With Change					
	0.038	0.025		1.80	*100 = 2.29 %

Financial Statement Data (Form 1)		Base Value	Percent Change	Changed Values	Dollar Change
A	Agricultural Program Payments (Form 1)	\$13,260	0.0	\$13,260	\$0
B	Gross Revenue	\$371,777	0.0 %	\$371,777	\$0
C	Total Operating Expenses	\$304,007	-10.0 %	\$273,606	(\$30,401)
D	Interest Expense	\$65,409	0.0 %	\$65,409	\$0
E	Income Tax Expense	\$0	0.0 %	\$0	\$0
F	Operating Margin (B-C)**	\$67,770	44.9 %	\$98,171	\$30,401
	Beginning Assets	\$2,561,733		\$2,561,733	
	Ending Assets	\$2,553,915	1.190 %	\$2,584,315	\$30,401
G	Average Assets	\$2,557,824	0.594 %	\$2,573,024	\$15,200
	Beginning Equity	\$1,415,209		\$1,415,209	
	Ending Equity	\$1,417,570	2.145 %	\$1,447,971	\$30,401
H	Average Equity	\$1,416,390	1.073 %	\$1,431,590	\$15,200

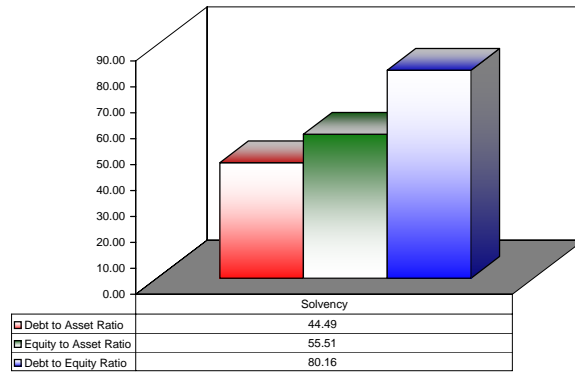
*If net operating income is positive and the leverage situation is greater than 1 then the cost debt is less than earnings and debt is beneficial. If less than one it means returns on debt are less than cost and added debt is not beneficial.

**Change in Agricultural Program Payments and Crop Insurance proceeds will change this value.

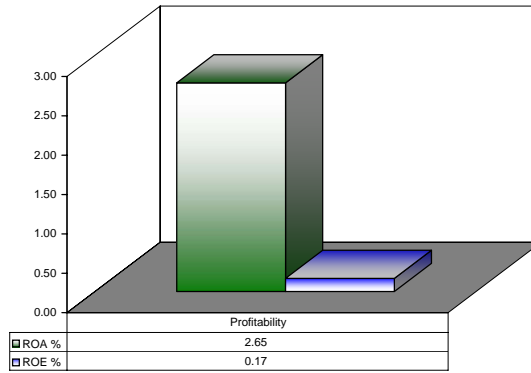
Balance Sheet Values



Solvency Ratios



Return on Assets and Return on Equity



Operating Ratios

