

AGRICULTURAL REVOLVING LOAN FUND

Notes to Financial Statements for January, 2010 - FY10

Comparative Balance Sheet

A few warrants were issued to borrowers, and that increased amounts recorded in Outstanding Loan Warrants account and Warrants Outstanding account.

Statement of Revenues, Expenses, and Changes in Fund Equity

1. \$45,094 was recorded as Interest Income.
2. \$13,374 was recorded as Personal Services expense.
3. \$30,079 was recorded as Net Earnings.

Mt. McKinley Meat and Sausage Statement of Revenues and Expenses

1. \$113,575 was recorded as revenue for Sale of Products, an increase compared with \$46,497 recorded sales for December 2009.
2. \$468 was recorded as Net Earnings.

AGRICULTURAL REVOLVING LOAN FUND
Comparative Balance Sheet
January 31, 2010

<u>ASSETS</u>	January 2010	December 2009	<u>LIABILITIES</u>	January 2010	December 2009
Current Assets			Short Term Liabilities		
Cash	\$ 5,682,893	\$ 5,578,416	Warrants Outstanding	121,090	17,534
Receivables			Accounts Payable	266	3,447
ARLF Loans	10,311,928	10,346,211	Accrued Payables	105,462	105,462
Land Sale Contracts	1,519,206	1,521,427	Accrued Vacation Leave	35,585	35,585
Notes Receivable	79,802	84,697	Trust Account	-	-
Judgments	123,800	123,800			
Accrued Interest	-1- 87,394	87,394	Total Short Term Liabilities	262,403	162,027
Accrued Penalties	-1- 789	789			
Leases/Accounts Receivable	-1- -	-	Due to Other Funds		
Protection of Collateral	-	-	Due to General Fund	-4- (1,044,421)	(1,044,421)
Less Allowances:			Allow for AFC stock	-4- 1,044,421	1,044,421
Doubtful Accounts	-2- (123,794)	(123,794)	Due to School Fund	-4- -	-
Net Receivables	11,999,125	12,040,523			
Outstanding Loan Warrants	76,691	9,316	Total Due to Other Funds	-	-
Repossessed Inventory	29,000	29,000			
Total Current Assets	17,787,709	17,657,255	Long Term Liabilities		
Due from Other Funds			Accrued Pension Adjustment	0	0
Due from GF (Court System)	-	-	Total Long Term Liabilities	0	0
Due from Mental Health	-	-	TOTAL LIABILITIES	262,403	162,027
Total Due from Other Funds	-	-			
Other Assets			<u>FUND EQUITY</u>		
Investments:	-3-		Fund Equity, Beginning	-5- 20,065,643	20,065,643
Alaska Farmers Coop	2,787,153	2,787,153	Current Year Earnings (Loss)	1,777,028	1,746,949
Mat Maid	871,227	871,227			
Repossessed Property	1,299,075	1,299,075	TOTAL FUND EQUITY	21,842,671	21,812,592
Less Accum. Deprec	(640,091)	(640,091)			
Other Assets	0	0			
Net Other Assets	4,317,364	4,317,364	TOTAL LIABILITIES & FUND EQUITY	222,105,073	221,974,619
TOTAL ASSETS	222,105,073	221,974,619			

1. Adjustments to Accrued Interest, Accrued Penalties, and Leases Receivable are posted only on June 30
2. The Allowance for Doubtful Accounts applies only to the principal balance.
3. Adjustments to record changes in Mat Maid's equity are posted on June 30.

4. Includes amounts due to other funds from: a) outstanding land sale contracts on repossessed property; and b) preferred stock issued to ARLF for ARLF and General Fund loans.
5. After close of FY09, equity account adjusted by Department of Administration for compensated absences.

AGRICULTURAL REVOLVING LOAN FUND
Statement of Revenues, Expenses, and Changes in Fund Equity
For Month ended January 31, 2010

	January	Fiscal Year to Date
Operating Revenues		
Interest Income	\$ 45,094	345,782
Services (legal, clerical, loan fees, sale products)	150	650
Late Payment Penalties	135	3,229
Rents, including leasehold credits	1,400	17,926
CRP Revenue	-	-
Uncollectible Amounts Recovered	-	-
Recovery of Expenses	-	-
Fines & Forfeitures	-	-
Transfers in from Other Funds	-	-
Sale of Assets	-	-
	<hr/>	<hr/>
Total Operating Revenues	\$ 46,779	\$ 367,588
Operating Expenses:		
Personal Services	13,374	86,154
Travel	871	2,489
Contractual Services	712	68,681
Commodities	2,211	2,830
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Total Operating Expenses	\$ 17,168	\$ 160,154
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Net Operating Income (Loss)	\$ 29,611	\$ 207,434
Non-Operating Income (Expenses):		
MMM&S Revenues	122,743	609,156
Mt. McKinley Meat & Sausage Plant	(122,275)	(696,312)
	<hr/>	<hr/>
Mt. McKinley Meat & Sausage Plant Net Income (loss)	\$ 468	\$ (87,156)
Income (Loss) Investment in Mat Maid	-	1,531,750
Income (Loss) Sale of Fixed Assets	-	125,000
Bad Debt Expense	-	-
Depreciation Expense	-	-
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Total Non-Operating Income / (Expenses)	\$ 468	\$ 1,569,594
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Current Period Earnings (Loss)	\$ 30,079	\$ 1,777,028
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Fund Equity, June 30, 2009		20,065,643
		<hr/>
Fund Equity, January 31, 2010		21,842,671

**Mt McKinley Meat and Sausage
 AGRICULTURAL REVOLVING LOAN FUND
 Statement of Revenues and Expenses
 For Month ended January 31, 2010**

	January	Fiscal Year-to-Date
Revenues:		
Services	\$ 5,222	\$ 87,432
Sale of Products	113,575	498,458
Freight	3,946	23,265
	Total Revenues	\$ 122,743
	\$	\$ 609,156
 Expenses:		
Personal Services	\$ 25,015	\$ 161,297
Travel	-	-
Contractual Services	18,665	98,839
Commodities	78,595	436,175
	Total Expenses	\$ 122,275
	\$	\$ 696,312
 Net Earnings / (Loss)	\$ 468	\$ (87,156)

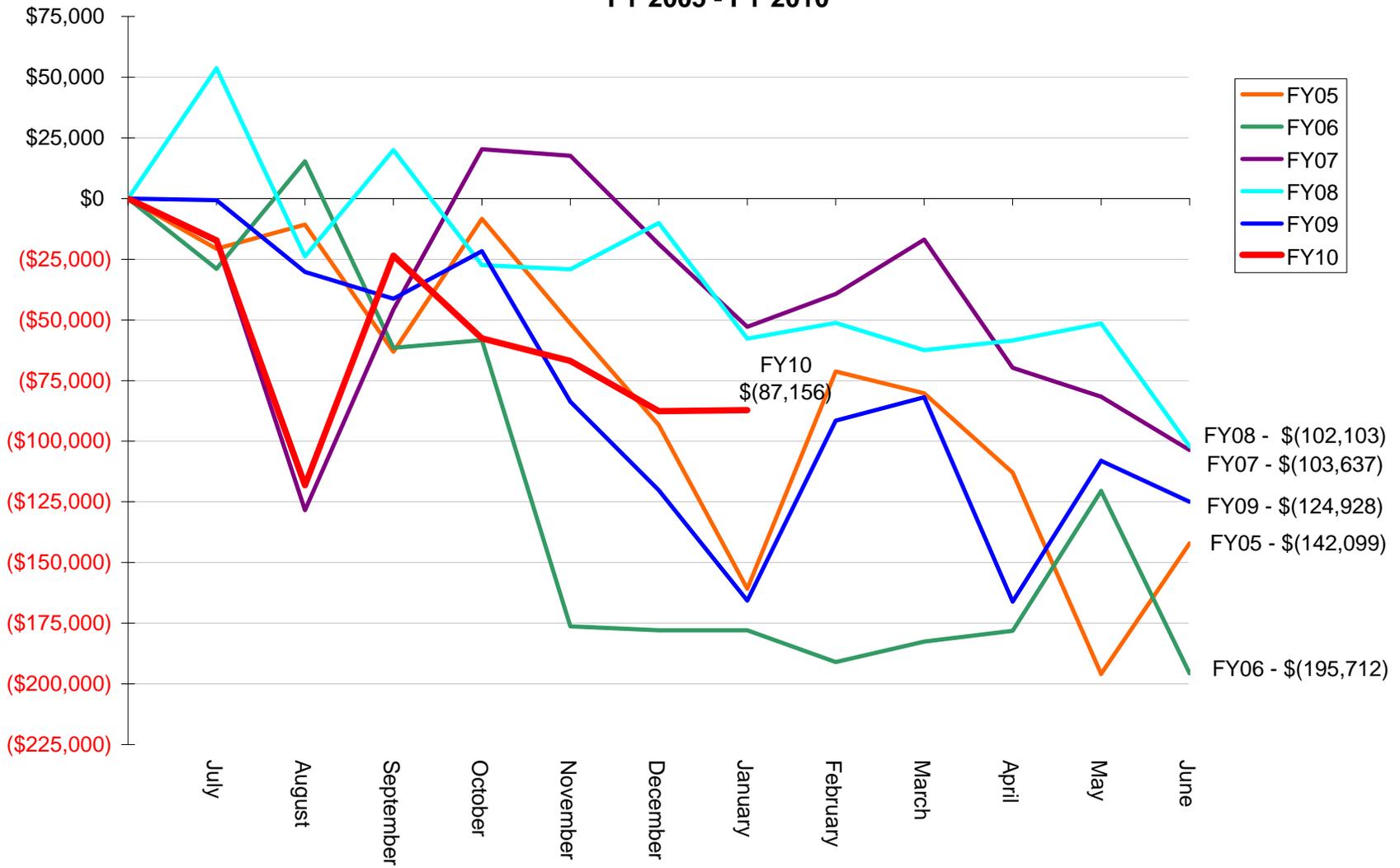
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of February 12, 2010 - FY 10

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Brost	1	F-5180	7/9/2009	7/15/2009	530,000.00	462,922.08	2	67,077.92	462,922.08	0.00
Hoover	1	F-5182	7/9/2009	7/15/2009	319,000.00	319,000.00	3	0.00	319,000.00	0.00
Debenham	1	F-5181	7/9/2009	7/15/2009	630,000.00	630,000.00	3	0.00	630,000.00	0.00
Miller	1	S-5442	7/9/2009	7/15/2009	60,000.00	60,000.00	3	0.00	60,000.00	0.00
Miller	1	C-5254	7/9/2009	7/15/2009	75,000.00	75,000.00	3	0.00	75,000.00	0.00
Dubois	1	S-5441	7/9/2009		8,000.00			0.00		0.00
Amberg	1	F-5183	8/6/2009	8/15/2009	130,000.00	130,000.00	3	0.00	130,000.00	0.00
Amberg	1	C-5255	8/6/2009	8/15/2009	40,000.00			40,000.00		0.00
East	1	F-5184	8/6/2009	8/15/2009	135,000.00	135,000.00	13	0.00	135,000.00	0.00
Carlson	1	F-5185	10/15/2009	11/1/2009	300,000.00	272,677.90	2	27,322.10	272,677.90	0.00
P&M Garden Services	1	F-5186	10/15/2009	11/20/2009	400,000.00	400,000.00	2	0.00	400,000.00	0.00
Sutton	1	F-5187	11/12/2009	11/30/2009	105,000.00	105,000.00	4	0.00	105,000.00	0.00
Simineo	1	F-5188	1/21/2010	2/1/2010	235,000.00	235,000.00	3	0.00	235,000.00	0.00
Roushar	1	F-5189	1/21/2010	2/1/2010	56,000.00	56,000.00	1	0.00	56,000.00	0.00
Agricultural Investors	1	F-5190	1/21/2010	2/15/2010	186,500.00			186,500.00		
								0.00		0.00
TOTALS					\$3,209,500.00	\$2,880,599.98	42	\$320,900.02	\$2,880,599.98	\$0.00

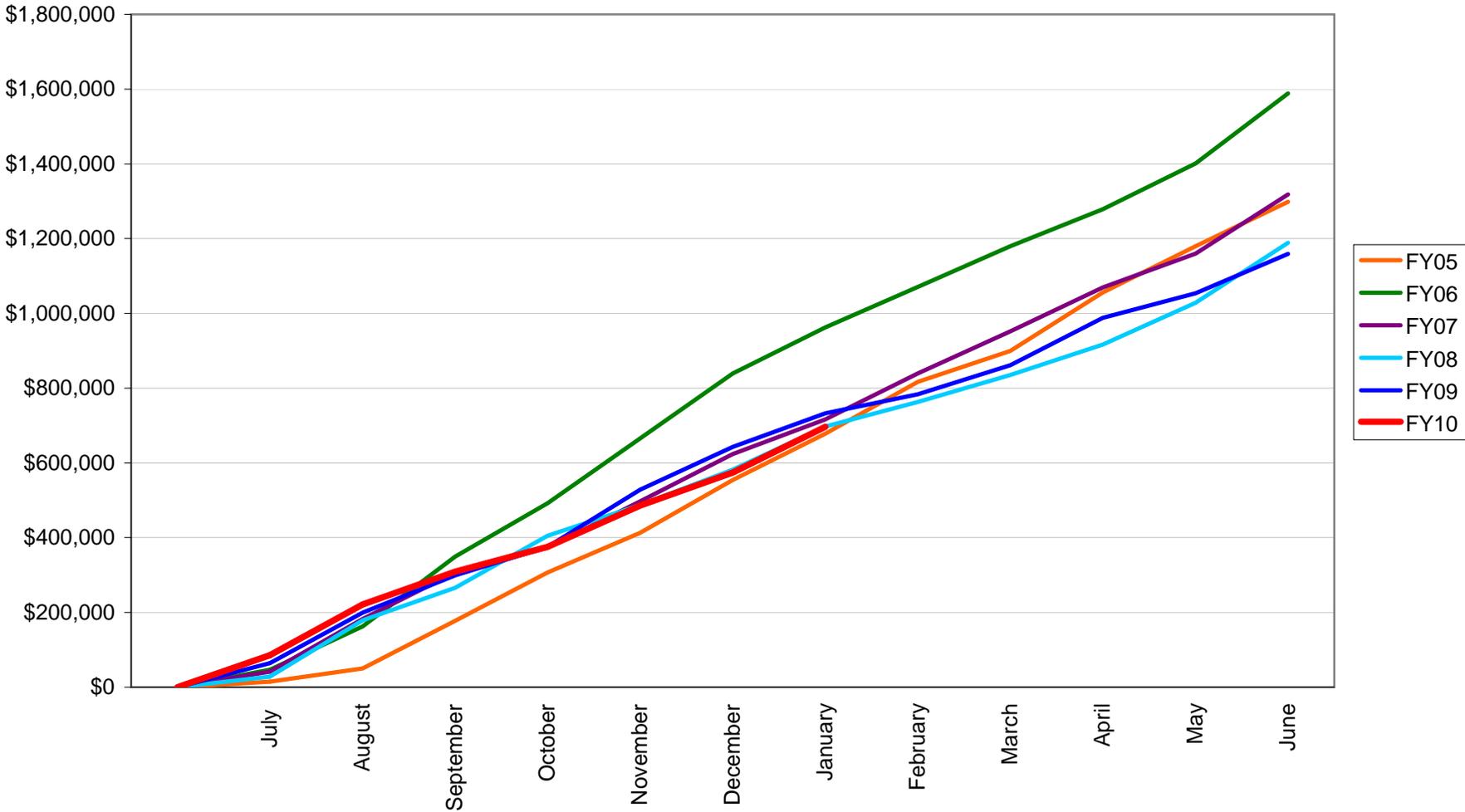
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of February 12, 2010 - FY 09

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Looney	1	C-5246	10/9/2008	10/15/2008	16,800.00	16,800.00	1	0.00	16,800.00	0.00
Debenham & Rita, LLC.	1	F-5171	11/13/2008	12/1/2008	625,000.00	625,000.00	3	0.00	625,000.00	0.00
Scott	1	C-5248	11/13/2008	4/15/2009	36,000.00	36,000.00	4	0.00	36,000.00	0.00
Valley Dairy, Inc.	3	S-5432	11/13/2008	12/10/2008	200,000.00	200,000.00	12	0.00	200,000.00	0.00
Valley Dairy, Inc.	3	F-5172	11/13/2008	12/10/2008	430,000.00	430,000.00	19	0.00	430,000.00	0.00
AK Chip Co, LLC.	1	S- 5434	1/22/2009	3/1/2009	50,000.00	50,000.00	9	0.00	50,000.00	0.00
AK Chip Co, LLC.	1	P- 1004	1/22/2009	3/1/2009	250,000.00	250,000.00	7	0.00	250,000.00	0.00
Hawks Farm Garden, Inc	1	S-5433	2/26/2009	3/1/2009	50,000.00	25,230.00	2	0.00	25,230.00	0.00
Church Living Word, Inc.	1	C-5247	2/26/2009	3/1/2009	25,000.00	25,000.00	1	0.00	25,000.00	0.00
Byers	1	S-5435	2/26/2009	4/15/2009	50,000.00	43,191.95	3	6,808.05	43,191.95	0.00
Butte Farms, Inc.	1	C-5251	4/9/2009	4/15/2009	11,000.00	11,000.00	2	0.00	11,000.00	0.00
Butte Farms, Inc.	1	S-5437	4/9/2009	4/15/2009	95,000.00	95,000.00	1	0.00	95,000.00	0.00
Butte Farms, Inc.	1	P-1005	4/9/2009	10/1/2009	150,000.00					0.00
Gattis	1	C-5252	4/9/2009	4/20/2009	90,000.00	90,000.00	2	0.00	90,000.00	0.00
Gattis	1	F-5174	4/9/2009	4/20/2009	167,000.00	167,000.00	2	0.00	167,000.00	0.00
Gattis	1	F-5175	4/9/2009	4/20/2009	463,000.00	463,000.00	3	0.00	463,000.00	0.00
Gattis	1	S-5438	4/9/2009	4/20/2009	50,000.00	50,000.00	1	0.00	50,000.00	0.00
Gold Nugget Farms, Inc.	1	C-5249	4/9/2009	4/15/2009	30,000.00	30,000.00	1	0.00	30,000.00	0.00
Gold Nugget Farms, Inc.	1	S-5436	4/9/2009	4/15/2009	175,000.00	175,000.00	2	0.00	175,000.00	0.00
Gold Nugget Farms, Inc.	1	C-5250	4/9/2009	4/15/2009	16,000.00	16,000.00	1	0.00	16,000.00	0.00
Hawks Farm Garden, Inc	1	F-5173	4/9/2009	5/1/2009	155,000.00	155,000.00	3	0.00	155,000.00	0.00
Williams	1	F-5176	5/28/2009	6/15/2009	205,000.00	205,000.00	2	0.00	205,000.00	0.00
R&B Wrigley Partners	1	S-5439	5/28/2009	6/1/2009	40,000.00	40,000.00	1	0.00	40,000.00	0.00
Skidmore	1	F-5177	5/28/2009	6/15/2009	118,000.00	118,000.00	3	0.00	118,000.00	0.00
Skidmore	1	C-5253	5/28/2009	6/15/2009	9,000.00	9,000.00	2	0.00	9,000.00	0.00
Holland	1	F-5178	5/28/2009	6/15/2009	347,000.00	347,000.00	3	0.00	347,000.00	0.00
Hobbs	1	F-5179	5/28/2009	6/15/2009	510,000.00	510,000.00	5	0.00	510,000.00	0.00
Elsberry	3	S-5440	6/16/2009	6/25/2009	30,000.00	30,000.00	3	0.00	30,000.00	0.00
TOTALS					\$4,393,800.00	\$4,212,221.95	98	\$6,808.05	\$4,212,221.95	\$0.00

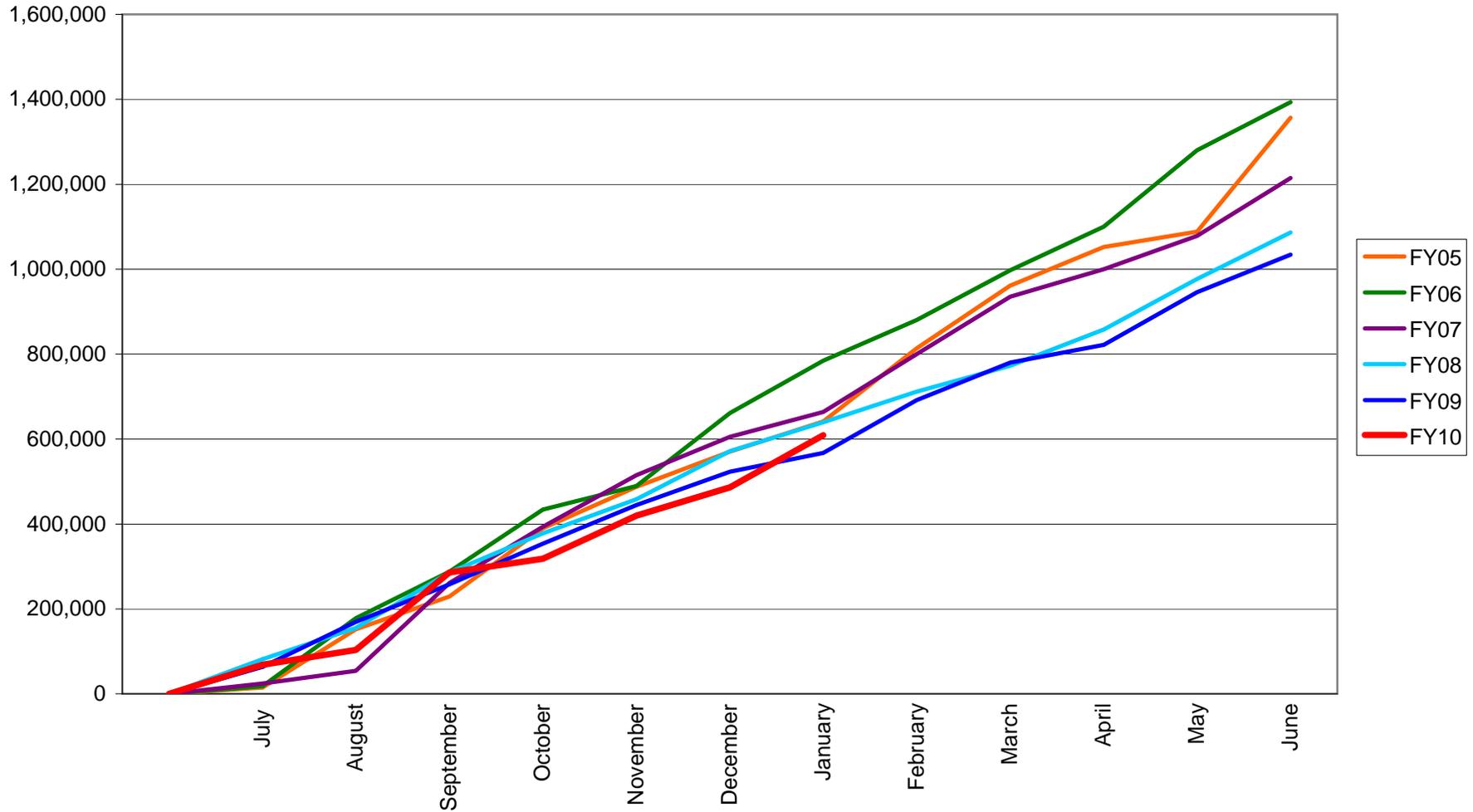
**Mt. Mckinley Meat and Sausage
Income(Loss)
FY 2005 - FY 2010**



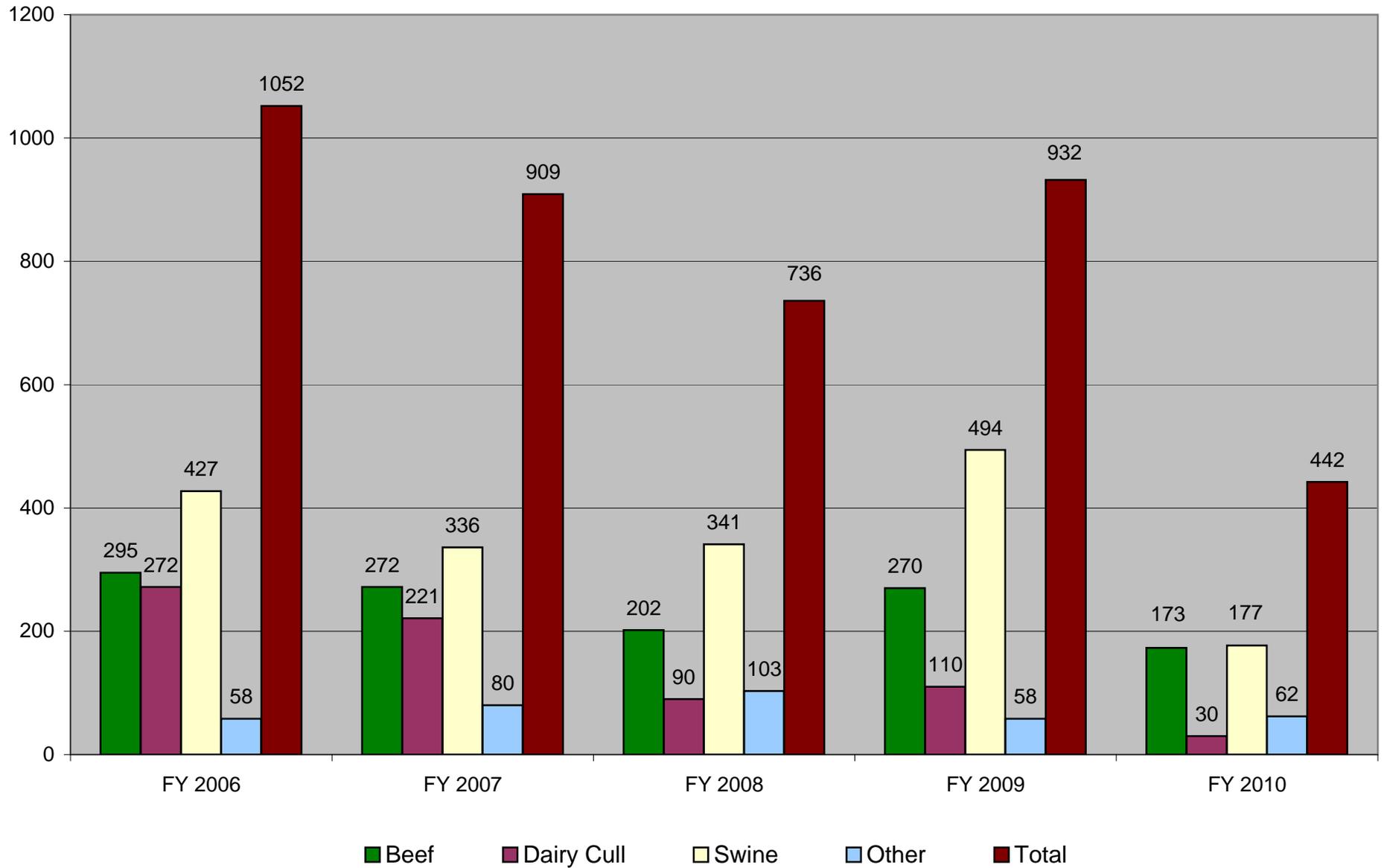
**Mt McKinley Meat and Sausage
Cummulative Expenses
July 2004 - January 2010**



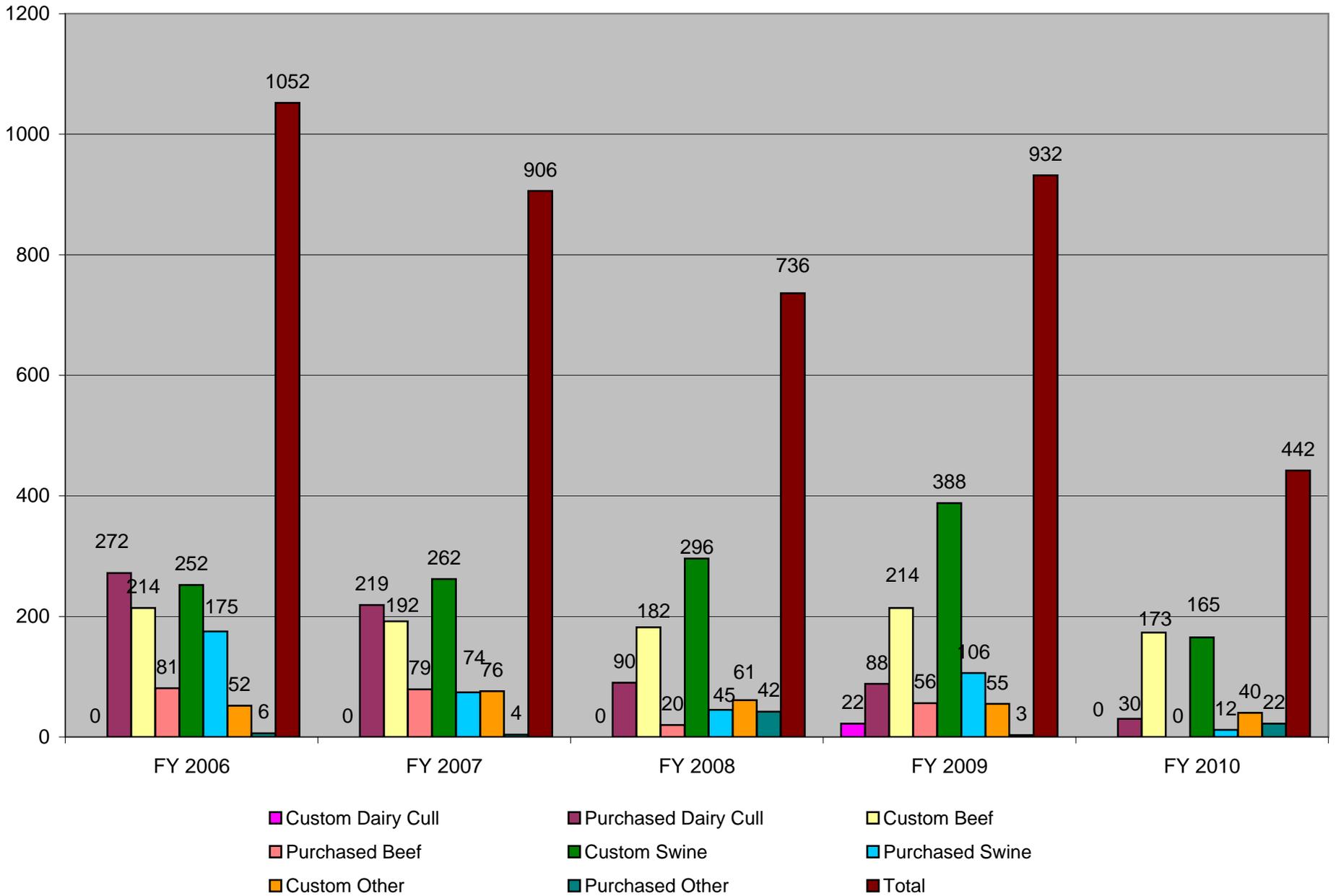
**Mt Mckinley Meat and Sausage
Revenue Trend
July 2004 - January 2010**



MMM&S Slaughter Statistics by Fiscal Year and Type As of January 31, 2010 - FY10



**MMM&S Custom and Purchased Statistics by Fiscal Year
As of January 01, 2010 - FY10**



AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
January 31, 2009

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession				Accum Dep. 6/30/2009	Liabilities		Lease Information					Remarks	Fair Market Value																			
					Land	Buildings	Mach / Equip	Total Value		Amt 6/30/04	Owed To	Amount	Lessee	Lease #	Exp Date	Inspect Date		YR	Method	Land	Improve- ments	Total Value															
Repossessed Inventory (account # 10626)																																					
UNENCUMBERED ASSETS																																					
Thompson, Kenai Spur Hwy	3	Kenai	7	6/3/89	29,000.00			29,000.00								Jul-09	Future Disposal	05	Min Bid	\$19,500	NONE	\$19,500															
Total Repossessed Inventory					<u>29,000.00</u>			<u>29,000.00</u>													<u>19,500</u>		<u>19,500</u>														
Repossessed Property (Account # 10860 and Accum Depr # 10862)																																					
UNENCUMBERED ASSETS																																					
Feed Mill, Tract A-1 (10860)	3	Palmer	3	4/1/84	129,120.00	14,040.00	14,400.00	157,560.00								Jan-10	ARLF OTC #09-01	09	Min Bid	\$975,000		\$975,000															
ASSETS with ASSOCIATED PERMITS																																					
Mt. McKinley Meat	3	Palmer	4	12/1/86	42,000.00	595,592.00	5,363.00	642,955.00	415,380.00							Jan-10	No planned disposal	05	Appr			1,200,000	1,200,000														
LONG TERM LEASES																																					
Alaska Farm Coop	3	Delta	20	9/3/93	94,080.00			94,080.00			0.50 /Yr	AK Farm Coop	LSE-021	6/30/18	Apr-09	FS: Hanson Rd/98% own	05	Est	\$30,000	\$777,680	\$807,680																
Alaska Farm Coop	3	Delta	1	9/3/93	74,480.00			74,480.00			0.50 /Yr	AK Farm Coop	LSE-022	6/30/18	Apr-09	FS: Delta/98% ownrshp	05	Est	40,000	36,000	76,000																
Mertz Dairy, (Knopp)	3	Delta	102	7/24/91	15,150.00	304,850.00		320,000.00	219,026.00		1,400.00 /Mo	Knopp	40005	6/1/11	Oct-09	Lse Exp 7/2010	09	Est	110,000	310,000	420,000																
Sub-total Long Term Leases					\$183,710.00	\$304,850.00	\$0.00	\$488,560.00	\$219,026.00	\$0.00										\$180,000	\$1,123,680	\$1,303,680															
LAND OWNED BY OTHER STATE AGENCIES - REVENUE RIGHTS ONLY																																					
Umnak Slaughter Fac	1	Umnak Is	6,598	1/1/07		10,000.00		10,000.00	5,685.00		3,926.00 /Yr	BPR & ANM	20043	12/31/31	Jul-99	Land owned by DOT, Bldg owned by ARLF	05	Est		50,000.00	50,000.00																
Total - Repossessed Property					354,830.00	924,482.00	19,763.00	1,299,075.00	640,091.00												1,155,000	2,373,680	3,528,680														
GRAND TOTAL					<u>\$383,830.00</u>	<u>\$924,482.00</u>	<u>\$19,763.00</u>	<u>\$1,328,075.00</u>	<u>\$640,091.00</u>												\$1,174,500	\$2,373,680	\$3,548,180														

LEGEND	AMTA: Agriculture Marketing Transaction Act
FCP: Farm Conservation Plan	FS: Fee Simple
CRP: Conservation Recovery Program	RFP: Request for Proposal

Subsidiary Ledger
ARLF - Machinery, Equipment, and Building Inventory
January 31, 2010

ASSETS with ASSOCIATED PERMITS, AGREEMENTS OR LEASES 10860

Item	LO	Qty	Former Owner	Date Acquired by ARLF	Date Placed in Service	Booked FMV on Date Acquired		Accum Depr 6/30/2009	Location	Remarks
						Each	Total			
Equipment, misc	3		Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,400.00	14,400.00			Sale #09-01 OTC
Subtotal Mach & Equip							14,400.00			
Building	3	1	Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,040.00	14,040.00			Sale #09-01 OTC
Subtotal Building							14,040.00			
Total Feed Mill, Tract A-1							28,440.00			

Mertz Dairy										
Subtotal Mach & Equip							0.00			
Building	3	1	Mertz	24-Jul-91	24-Jul-91	304,850.00	304,850.00	219,026.00		
Subtotal Building							304,850.00	219,026.00		
Total Mertz Dairy							304,850.00	219,026.00		

Mt McKinley Meats										
Compressor	3	1	Mt. McKinley Meats	19-Aug-97	01-Oct-97	5,363.00	5,363.00	5,363.00		
Subtotal Mach & Equip							5,363.00	5,363.00		
Building	3	1	Mt. McKinley Meats	01-Dec-86	01-Dec-86	326,600.00	326,600.00	288,094.00		
Boiler upgrade	3	1	Mt. McKinley Meats	01-May-97	01-Oct-97	15,000.00	15,000.00	7,200.00		
Boiler upgrade	3	1	Mt. McKinley Meats	25-Aug-97	01-Oct-97	41,236.40	41,236.40	19,793.46		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Nov-97	01-Feb-98	48,931.70	48,931.70	23,487.27		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Feb-98	01-Feb-98	8,849.90	8,849.90	4,248.00		
Boiler upgrade	3	1	Mt. McKinley Meats	30-Jun-03	30-Jun-03	4,974.00	4,974.00	1,193.96		
Roof	3	1	Mt. McKinley Meats	30-Sep-98	01-Oct-98	150,000.00	150,000.00	66,000.00		
Subtotal Building							595,592.00	410,017.00		
Total Mt. McKinley Meats							600,955.00	415,380.00		

Umnak Slaughter Facility										
Building	1	1	Umnak Sightr Fac.	01-Mar-95	01-Mar-95	10,000.00	10,000.00	5,685.00		
Subtotal Building							10,000.00	5,685.00		
Total Umnak Slaughter Facility							10,000.00	5,685.00		

Total Accumulated Depreciation

640,091