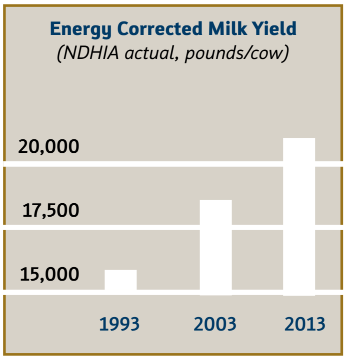
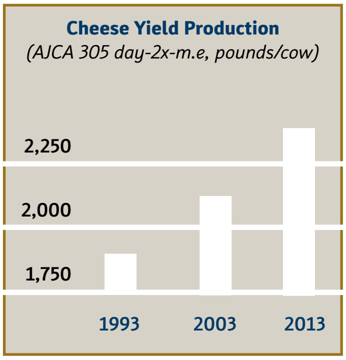
How. Now. Jersey cows.



Energy Corrected Milk Yield
(NDHIA actual, pounds/cow)



Cheese Yield Production
(AJCA 305 day-2x-m.e, pounds/cow)

On behalf of the Boards of Directors, it is my privilege to present the 2013 Annual Reports of the American Jersey Cattle Association and National All-Jersey Inc.

Fifteen years ago, on March 31, 1999, the Final Decision was issued to implement multiple component pricing on January 1, 2000 for 85% of Federal Order milk production. In ways both obvious and not, that decision is the genesis of our organizations' accomplishments in 2013: a second consecutive year over 100,000 registrations, passing the 150,000 benchmark for cow enrollment in performance programs, and records in all primary services. The pricing of milk for its most valuable components—protein and milkfat—increased demand for Jersey cattle and Jersey genetics. In those 15 years, while A.I. sales have increased by 70%, Jersey semen sales mushroomed by 278%. As the number of Jerseys grew, milk producers discovered what the Jersey cow is and liked her for it. Across one of the most tumultuous decades in the history of U.S. agriculture—year in, year out, across boom or bust milk prices, despite production costs that swung from favorable to grinding and back—a simple solution to the demands of dairy profitability emerged.

How. Now. Jersey cows.

Jersey's fundamentals became more widely known as 2013 unfolded.

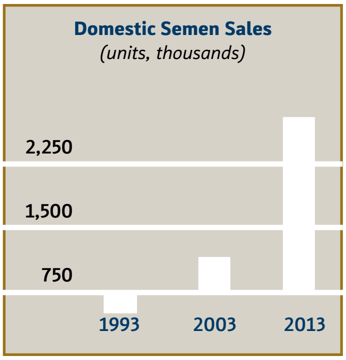
The talk of the year was how "brown" dairy herds across the U.S. are becoming. And, it was not merely an impression, but fact supported by statistics from the National Dairy Herd Information Association (DHIA).

In its May, 2013 analysis of national culling trends, Jerseys were identified as the breed most likely to stay in production from one lactation to another. The overall rate of 75.1% was 7.5% greater than the average of all other breeds combined, with the Jersey advantage ranging from 1.2% to 7.8% across individual breed and crossbreed groups.

Looking at this the other way, the national Jersey culling rate is 7.5% lower than "all other cows." No single reason separated Jerseys from the other groups, just incremental differences in higher fertility, less mastitis, and fewer feet and leg problems adding up to a significantly lower rate of exiting the herd.

This is the Jersey experience in thousands of herds, around the country and its different climates, using different types of feeding programs, all variations of housing and milking systems, plus different breeding, health and management programs. And it explains the fact that year-over-year growth in DHI cow enrollment extended to 11 consecutive years in 2013, to reach a record 273,645 cows at January 1, 2014.

Domestic semen sales remain the barometer of Jersey breed growth.



Domestic Semen Sales
(units, thousands)

For the fourteenth time in 15 years, the National Association of Animal Breeders reported a new record for total marketings of Jersey semen: 4,331,433 units in 2013, an increase of 5.9% over the previous year. The driver, as usual, was domestic sales, which grew 9.6% to end the year at 2,775,688 units. Jersey's market share increased another 1.2% and is now 12.0%. Fifteen years ago, domestic market share was 5.4%.

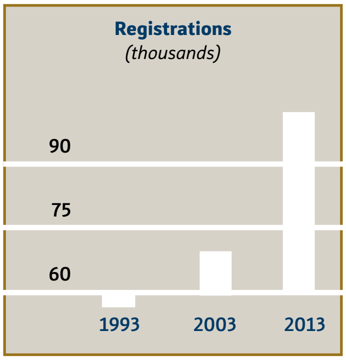
Taking into account information from both National DHIA and NAAB, we estimate that Jerseys now account for 10% of the U.S. dairy cow population, and are found in one of every four dairy operations nationwide.

On an energy-corrected basis, production increased by 3.5% to 21,201 pounds.

For 2013, National DHIA reported a record 244,382 Jersey cows enrolled on official testing plans averaging 17,644 lbs. milk, 851 lbs. fat and 644 lbs. protein.

Nationwide, according to the annual report from the Council on Dairy Cattle Breeding, Jersey milk yield increased by 1.9% over the previous year, best of all breeds. Fat yield was up 26 pounds; again, no breed did better. Fat levels jumped from 4.70% to 4.75%. Total protein yield was up 11 pounds. Those gains were posted at the same time Jersey calvings increased by 9.2% over the previous year. Jersey's genetic trends for the five most recent years (2009-13) are 199 lbs. for milk, 17.3 lbs. fat, and 6.6 lbs. protein. At the same time, the genetic trend for somatic cell score is decreasing and daughter pregnancy rate is increasing.

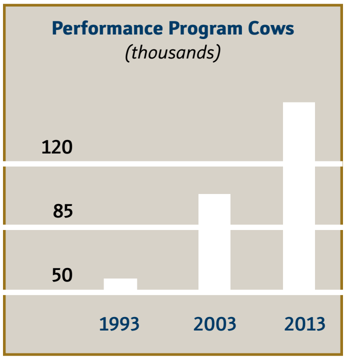
Registrations and enrollment in performance programs are measures of our association's relevance and vitality.



2013 went into the record books as the best in history for the AJCA's core services:

- 112,265 registrations, a gain of 8.6% from 2012 and the second consecutive year over 100,000 animals recorded;
- 157,697 cows enrolled in all AJCA performance programs, driven by a 5.7% increase in REAP enrollment to 153,758 cows—the first time either tally has exceeded 150,000; and
- 100,714 scores assigned in the linear type evaluation program, the first time ever over the 100,000 mark.

Use of association programs and services has clearly moved to the next level and consolidated its position since the breakout year for growth in 2008. In just six years, annual registrations have increased 18.5% from 2008's baseline of 94,774, and REAP enrollments by 24.3% from 123,656 cows. The registration record has been broken in five of the past six years, new records set for performance program enrollments in all six.

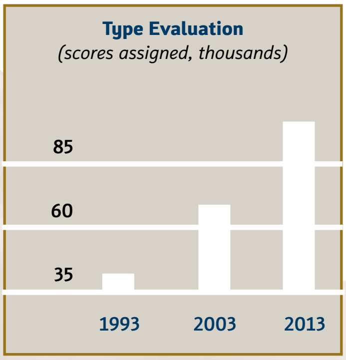


For the year, 57% of calves registered were identified by double-matched approved eartags, 78% of applications were processed electronically, and 81% of registrations originated from REAP-enrolled herds. JerseyTag sales set a new record of 308,388 units sold.

The Genetic Recovery and Jersey Expansion identification programs have been, and will continue to be, essential to our association. Through December 31, 499,405 animals have been recorded under these programs, representing 20% of all registrations since the 1975 implementation of Genetic Recovery.

Transfers for 2013, at 23,529, increased modestly over the previous year.

All-time records for Jersey production were made by cows with better udders, and greater heights appear possible through use of genomic young sires.



The association processed 6% more lactation records than it did in 2012, 105,913 in total, setting new records at 19,278 lbs. milk, 932 lbs. fat and 702 lbs. protein (305-day, 2x, m.e.) and 2,391 lbs. on a cheese yield basis.

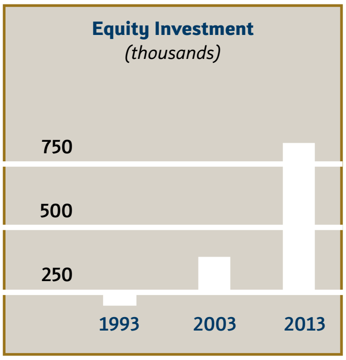
Analysis of the functional type traits appraisal program shows that continuous gains now extend over two decades. Improvement in udder traits is across the board. Especially important is the progress for Udder Depth, which after low production is the single most important trait related to a cow's risk of being culled from the herd. At an annual PTA gain of 0.11 for cows born in 2007 through 2011, the genetic trend for Udder Depth ranks at the top of the list of all linear traits.

The dynamic impacts of genotyping and genomic evaluations continued in 2013. As of December 31, CDCB reported 57,894 Jersey genotypes (46,179 females and 11,715 males) were on file for use in genetic evaluations, an increase of 76% from the previous year. For 2013, 51% of calves registered by the AJCA were sired by current or former genomic young sires. In the annual study of bulls ranked by the number of sons registered, eight of the top 10 were G-code bulls. The top ranking sire of sons for 2013 was one of the first G-code bulls to enter A.I. in 2009. Finally, the number of G-code bulls entering service during 2013 increased by 17% to 158 bulls. Their average PTA for Cheese Merit was $515, 14% greater than the G-code bulls entering in 2012.

It took the work of National All-Jersey Inc. for AJCA to reach 100,000 registrations and 150,000 performance cows.

As 2013 progressed, NAJ staff were fully engaged in the process leading to the final Farm Bill legislation, examined opportunities to improve marketing conditions for producers in the Southeast, and monitored developments in California milk pricing in support of Jersey interests. They also looked for new markets for producers not receiving multiple component pricing or substandard MCP; supported All-Jersey® and Queen of Quality® producers; created economic analyses that promoted increased use of Jersey genetics; and developed marketing strategies based on the Jersey sustainability advantage. NAJ also exhibited at the National Agricultural Bankers Conference, with over 600 in attendance from 33 states, increasing awareness among ag lenders about the economic benefits and efficiencies of Jersey cows.

Equity—the most successful program ever undertaken by a breed association—received its funding in 2013 from 1,040 members who invested $807,237 to support its work. The total investment to date—$11,223,185—has been returned many times over through fair values paid for high-component milk and increased demand for Jersey cattle across the country.



Since 2000, JMS has marketed over 75,000 lots for a total value of $120.1 million.

Jersey Marketing Service, a wholly owned subsidiary of National All-Jersey Inc., marketed 4,862 lots in 2013 for a gross value of $6,725,584. Average sale price for live animals was $1,521.88, slightly under the average of the previous year.

Gross revenues from public auction sale management, including the monthly JerseyBid online auctions, were $4,036,445. JMS managed The 61st All American Sale and the 56th National Heifer Sale to series records, at $8,804.26 and $6,362.77, respectively. Through Jersey Auction Live, the National Heifer Sale went down as the breed's first all-virtual sale. Jersey Auction Live was also available at four of the five high-grossing sales and half of the top 10 averaging sales reported in 2013 to *Jersey Journal*.

Private treaty transactions totaled $2,689,139. In the domestic market, JMS assisted 61 different sellers from 25 states in supplying 46 buyers located in 22 states. Export orders to Canada, Holland, Mexico and Panama were filled from eight sellers located in five states.

An anniversary was celebrated and a new generation of Jersey owners educated.

The *Jersey Journal* marked its 60th anniversary in the October issue. For the year, its staff produced 1,148 pages, of which 562 were advertising, a 6% increase over the previous year. The value of the *Jersey Journal*, in all its delivery forms, is incalculable: for what it provides you in promotion and marketing opportunities; for how it delivers information specific to improving your herd and profitability; and for how it advances the missions of the AJCA and National All-Jersey Inc., and promotes the Jersey breed to the larger U.S. dairy industry.

2013 also brought 35 youth from 17 states to our offices for the third class of Jersey Youth Academy. A total of 105 young people have now participated in this program that motivates them to prepare for a career in the dairy industry, specifically with Jersey cattle and/or Jersey products.

We are maintaining a position of fiscal strength while investing to support growth.

AJCA and NAJ reported combined net income from operations of $75,028 as explained in the financial statements presented in this report. The companies have reported positive net income from operations for 13 of the past 15 years. The balance sheet of the organizations is strong with combined net assets of $3,254,361.

Your elected leaders authorized key investments to support information technology, specifically the purchase of new computer resources to be in a better position to deliver fast, efficient and cost-effective customer support in all service areas. Among the program updates completed was development of Jersey Score for on-farm type data collection and transmission by smartphone.

It's all come together: Productive capacity, cow fitness and efficiency, market demand.

The sustained performance by the Jersey breed reflects unrelenting pursuit of our primary organizational objectives:

- To improve the productive capacity and profitability of Jersey cows in all operations,
- To promote the advantages of the Jersey breed everywhere, and
- To increase the demand for and add to the value of Jersey milk, Jersey cattle and Jersey genetics—in markets near and far.

For all that Jerseys bring to make a dairy farm operate better, equitable pricing of milk's most valuable components has been the linchpin of breed and organizational growth these past 15 years. As we go forward, as we build on the Jersey cow's advantages in productivity, body size, fertility and longevity, we must also make sure that 100% of Jersey milk producers receive an equitable price for what they produce.

Each and every person participating in the Jersey organizations has had a hand in our success. Thank you for your support of and loyalty to the American Jersey Cattle Association and National All-Jersey Inc. Let's continue to work together and sell our story, *"How. Now. Jersey cows."*

Neal Smith

Executive Secretary and Chief Executive Officer

Neal Smith
Executive Secretary and Chief Executive Officer

Management Team

Accounting
Vickie J. White, Treasurer

National All-Jersey Inc. and AJCA Herd Services
Erick Metzger

Development
Cherie L. Bayer, Ph.D.

Field Service
Kristin Paul

Information Technology
Lee Morgan

Jersey Journal
Kimberly A. Billman

Research and Genetic Development
Cari W. Wolfe

Jersey Marketing Service
Jason Robinson

AMERICAN JERSEY CATTLE ASSOCIATION
NATIONAL ALL-JERSEY INC.
ALL-JERSEY SALES CORPORATION

Outline History of Jerseys and the U.S. Jersey Organizations

1851 First dairy cow registered in America, a Jersey, Lily No. 1, born.

1853 First recorded butter test of Jersey cow, Flora 113, 511 lbs., 2 oz. in 50 weeks.

1868 The American Jersey Cattle Club organized, the first national dairy registration organization in the United States.

1869 First Herd Register published and Constitution adopted.

1872 First Scale of Points for evaluating type adopted.

1880 The AJCC incorporated April 19, 1880 under a charter granted by special act of the General Assembly of New York. Permanent offices established in New York City.

1892 First 1,000-lb. churned butterfat record made (Signal's Lily Flag).

1893 In competition open to all dairy breeds at the World's Columbian Exposition in Chicago, the Jersey herd was first for economy of production; first in amount of milk produced; first in amount of butter; first in amount of cheese; required less milk to make a pound of butter or a pound of cheese; and made the highest quality of butter and cheese.

1903 Register of Merit (ROM) testing established, with the Babcock test used to determine fat content.

1917 First Jersey Calf Clubs organized to encourage interest of boys and girls in the Jersey breed.

1918 First 1,000-lb. fat ROM record (Sophie's Agnes).

1927 Jersey Creamline milk program established and copyrighted.

1928 Herd Improvement Registry (HIR) testing adopted.

1929 Tattooing required of all Jerseys to be registered.

1932 Type classification program initiated, as were Tested Sire and Tested Dam ratings and Superior Sire awards.

1933 Female registration number 1000000 issued.

1941 By-law amendment providing for selective registration of bulls approved by membership.

1942 The Victory Bull Campaign results in 1,000 Registered Jersey bulls being donated by AJCC members to American farmers.

1944 The Sale of Stars held in Columbus, Ohio, consisting entirely of donated cattle, the proceeds of which were used to purchase a building site for new headquarters.

1946 Debut of the All American Jersey Show and Junior Jersey Exposition. The Sale of Stars is established as an annual national consignment sale, eventually to be renamed The All American Sale.

1948 Transfers for fiscal year 1947-48 establish all-time record at 58,708. Research Department created and cooperative research projects undertaken with Iowa, Kansas, and Ohio State colleges of agriculture. Special research committee named to review Club's research.

1949 Research project on "Relation Between Heifer Type and Type and Production of Cows" undertaken.

1950 The 104 cows owned by E. S. Brigham of Vermont, average 11,703 lbs. milk and 616 lbs. butterfat to become the first herd of 100 or more cows, of any breed, to average more than 600 lbs. on official test.

1953 The AJCC launches *Jersey Journal* on October 5. Registrations total 87,682, setting all-time record.

1955 The All-Jersey® milk program, originated in Oregon and Washington, goes national.

1956 A second all-donation sale, the All-American Sale of Starlets, raises funds for an expanded youth program.

1957 National All-Jersey Inc. organized.

1958 The All American Jersey Show and Sale revived after seven-year hiatus, with the first AJCC-managed National Jersey Jug Futurity staged the following year.

1959 Dairy Herd Improvement Registry (DHIR) adopted to recognize electronically processed DHIA records as official. All-Jersey® trademark sales expand to 28 states.

1960 National All-Jersey Inc. initiates the 5,000 Heifers for Jersey Promotion Project, with sale proceeds from donated heifers used to promote All-Jersey® program growth and expanded field service.

1964 Registration, classification and testing records converted to electronic data processing equipment.

1967 AJCC Research Foundation created as 501(c)(3) charitable trust sponsoring scientific research.

1968 USDA Predicted Difference sire evaluations, which also introduced concept of repeatability, implemented. AJCC Centennial annual meeting held in conjunction with the International Conference of the World Jersey Cattle Bureau and The All American Show & Sale. The All American Sale averages $4,198.21, highest average ever recorded for a Jersey sale.

1969 First 1,500-lb. fat record (The Trademarks Sable Fashion).

1970 Jersey Marketing Service formed as subsidiary of National All-Jersey Inc., and the next year manages National Heifer, Pot O'Gold, and All American sales.

1973 Registered Jerseys on official test average 10,304 lbs. milk and 514 lbs. fat (305-day, 2x, m.e.).

1974 Genetic Recovery program approved by membership.

1975 First 30,000-lb. milk record (Basil Lucy Minnie Pansy).

1976 Equity Project launched to advocate for component-based milk pricing and higher minimum standards.

1978 First multi-trait selection tool, Production Type Index (PTI), introduced. For first time, Jerseys selling at auction average more than $1,000 per head ($1,026.51).

1980 Registrations total 60,975, of which 11,529 are from Genetic Recovery. Linear functional type traits appraisal program replaces classification. Young Sire Program introduced. "800 in '80" results in 813 Equity Investors.

1982 DHIR lactation average reaches 12,064 lbs. milk and 578 lbs. fat. First 1,000-lb. protein record made (Rocky Hill Silverlining Rockal).

1983 Five bulls enrolled in the Young Sire Program receive USDA summaries. All are plus.

1984 Jersey milk producers receive additional income estimated at $16 million due to Equity market development. The first Jersey Directory is published.

1985 First regional young sire proving group, Dixieland Jersey Sires, Inc., organized, two more created by 1987.

1986 Jersey Mating Program implemented.

1987 For first time, 50,000 cows enrolled on performance program. Committee appointed to increase the AJCC Research Foundation endowment to $1 million. The largest

All American Jersey Show in history is completed, with 617 head exhibited.

1988 USDA issues decision implementing multiple component pricing in the Great Basin Federal Order. DHIR lactation average reaches 13,068 lbs. milk and 616 lbs. fat. The new AJCC-NAJ headquarters building is completed. Laurence and Mary French Rockefeller of The Billings Farm donate $100,000 to the AJCC Research Foundation.

1989 AJCC and NAJ Boards adopt challenge of increasing protein production in relation to butterfat production.

1990 DHIR lactation average reaches 14,091 lbs. milk, 662 lbs. fat and 524 lbs. protein. The National Jersey Jug Futurity has its largest show ever, with 62 exhibited.

1991 REGAPP software introduces paperless registration. Sunny Day Farm and Meri-Acres become the first Jersey herds to average over 20,000 lbs. milk per cow.

1993 DHIR lactation average reaches 15,231 lbs. milk, 706 lbs. fat and 564 lbs. protein.

1994 The Club is reincorporated in the State of Ohio and its name changed to American Jersey Cattle Association.

1995 REAP—bundling registration, Equity/NAJ membership, performance evaluation and type appraisal—introduced.

1996 After USDA calls for proposals on Federal Order pricing reform, National All-Jersey Inc. is among first to respond, recommending use of end-product pricing for all classes of milk. Breed average reaches 16,051 lbs. milk, 737 lbs. fat and 591 lbs. protein.

1997 Genetic Diversity Program is introduced. Performance program enrollments exceed 75,000 cows for first time.

1998 Introduction of internet-intranet data processing system delivers real-time registration service and on-demand pedigree information 24/7. Net assets of the AJCC Research Foundation reach $1 million.

1999 On March 31, USDA issues final rule applying multiple component pricing to 85% of Federal Order production, effective January 1, 2000. Jersey Expansion program is introduced. First 2,000-lb. fat record (Golden MBSB of Twin Haven-ET).

2000 Official production average exceeds 17,000 pounds for first time, with 57,170 records averaging 17,680 lbs. milk, 807 lbs. fat and 644 lbs. protein. First 40,000-lb. milk and 1,500-lb. protein record (Greenridge Berretta Accent).

2001 The 5-millionth animal is registered. Equity's 25 years celebrated and 171 Charter Investors recognized. Performance program enrollments exceed 100,000 for the first time. JerseyMate™ is introduced.

2002 DHIR lactation average increases to 18,039 lbs. milk, 823 lbs. fat and 641 lbs. protein. Rules are expanded to allow use of approved tamperproof American ID tags for registration ID. Jersey Performance Index™ implemented, with 70% emphasis on production and 30% on fitness traits. The All American Jersey Show & Sale celebrates 50th anniversary, and All American Junior Show largest in history at 333 head shown.

2003 NAAB reports domestic sales of Jersey semen exceed 1 million units for the first time. *Jersey Journal* celebrates 50th anniversary of publication.

2004 Equity membership grows to 1,000 for the first time in history. Jersey Marketing Service completes first $10 million year for public auction and private treaty sales.

2005 The 95 heifers donated to the National Heifer Sale average $3,626.11, with proceeds to the AJCC Research Foundation and national Jersey youth programs. After 30 years, 284,302 females recorded through Genetic Recovery, 16.3% of all registrations. REAP program completes its first decade with record 108,786 cows in 728 herds. Royalties paid to members of five regional young sire groups since their inception tops $1 million.

2006 USDA-AIPL revision of Productive Life evaluations shows Jerseys have 183-day advantage over industry average. Jersey Performance Index™ is updated. 2010 goal of 90,000 registrations adopted.

2007 First 2,500-lb. fat record (Norse Star Hallmark Bootie). Mainstream Jerseys becomes first Jersey herd to average over 30,000 lbs. milk per cow. U.S. Jersey auction sales average sets all-time record of $2,435.42 per lot. Jersey Marketing Service posts best year in its history with gross sales of $13,089,073. Commercial genotyping test (Illumina BovineSNP50 chip) released.

2008 Registrations exceed 90,000 for first time. Equity membership grows to record of 1,135. Queen of Quality® brand program introduced to complement All-Jersey® fluid milk marketing program. First 50,000-lb. milk and 1,750-lb. protein record (Mainstream Barkly Jubilee). Duncan Hibrite of Family Hill sets all-time records for lifetime milk, fat and protein production. JerseyLink™ is introduced.

2009 Registrations of 95,557 set all-time record. Campaign to raise Federal standards for fluid milk undertaken by joint resolution of NAJ and AJCA Boards. Investment in Project Equity since 1976 surpasses $8 million. Jersey genomic evaluations become official. First North American Jersey Cheese Awards conducted. Inaugural class of Jersey Youth Academy.

2010 Combined domestic–export Jersey semen sales exceed 3 million units for first time in history. Jersey Performance Index™ is revised with weights of 57% production, 19% herd life, 14% udder health and 10% fertility. First-generation low-density genomic test released in August, with evaluations becoming official in December. Pot O'Gold Sale is first auction of any breed featuring entirely genotyped offering. Ratliff Price Alicia is first cow selected National Grand Champion for three consecutive years. NAJ-funded and peer-reviewed research determines that the carbon footprint from production of Jersey milk is 20% less than that of Holsteins, measured per unit of cheese yield.

2011 Registrations of 96,174 break all-time record established in 2009. Fundraising goal exceeded as 73 donated heifers drive Vision Gift campaign for Jersey Youth Academy endowment. Domestic Jersey semen sales exceed 2 million units for first time in history.

2012 For the first time in history, on December 27, association records 100,000 animals and processes 100,000 lactations in a single year. New record average set at Pot O'Gold Sale ($5,331.67).

2013 Registrations of 112,265 set all-time record. New records for production set at 19,278 lbs. milk, 932 lbs. fat, and 702 lbs. protein, 2,345 lbs. cheese yield, based on 105,913 lactations, also a record. New records set for all performance program enrollments (157,697 cows), REAP enrollment (153,758 cows, 966 herds) and linear type evaluation (100,714 scores). NAJ members invest a record $802,237 for Project Equity. Records set for series average at National Heifer Sale ($6,362.77), sold entirely by Jersey Auction Live, and also The All American Sale ($8,804.26). Combined domestic–export Jersey semen sales exceed 4 million units for first time in history, domestic market share increases to 12%.

To the Members of:
American Jersey Cattle Association and National All-Jersey Inc.

The American Jersey Cattle Association (AJCA), National All-Jersey Inc. (NAJ) and its subsidiary All-Jersey Sales Corporation (AJSC) reported a combined net income from operations of $226,932 for the year ended December 31, 2013.

American Jersey Cattle Association

Revenues	$ 3,465,078
Expenditures	$ 3,313,174
Net Income from Operations (Before All American and Other Income and Expense)	$ 151,904

National All-Jersey Inc. and Subsidiary

Revenues	$ 1,187,171
Expenditures	$ 1,112,143
Net Income from Operations (Before Other Income and Expense)	$ 75,028

Program participation recorded records in most primary service areas in 2013. Combined revenues are as follows:

Identification Services	40%
Performance Services	16%
Equity	16%
Jersey Journal	11%
Cattle Marketing Services	7%
Other	10%

The organizations' marketable securities are reported at market value of $1,959,745. Due to the increase in market values compared to 2012, an unrealized gain was recorded at December 31, 2013 to reflect the variance in cost versus fair market value of the companies' investments.

The companies reported net assets at December 31, 2013 of:

American Jersey Cattle Association	$2,403,459
National All-Jersey Inc. and Subsidiary	$ 850,902
Total (combined) Net Assets	$ 3,254,361

The AJCC Research Foundation reported net assets of $1,883,757 at year-end December 31, 2013. The Research Foundation supported two projects totaling $19,372. The scholarship funds administered by the AJCA awarded 12 scholarships totaling $21,027. Total combined net assets in the scholarship funds as of December 31, 2013 were $433,472. Net assets held in the Jersey Youth Academy Fund at December 31, 2013 were $448,646.

We encourage the membership to review the financial statements and accompanying footnotes prepared by our certified public accounting firm, Clark, Schaefer, Hackett & Co. These statements clearly state the financial position of the companies at December 31, 2013.

Respectfully submitted,
Vickie J. White
Vickie J. White
Treasurer

To the Board of Directors,
American Jersey Cattle Association

We have audited the accompanying financial statements of American Jersey Cattle Association which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Jersey Cattle Association as of December 31, 2013 and 2012, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Clark, Schaefer, Hackett & Co.
Columbus, Ohio
April 21, 2014

AMERICAN JERSEY CATTLE ASSOCIATION

Statements of Financial Position • Statements of Activities

STATEMENTS OF FINANCIAL POSITION

December 31, 2013 and 2012

ASSETS	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	**$ 342,492**	$ 477,296
Investments	**266,147**	240,010
Accounts receivable, net	**420,221**	302,314
Advances due from National All-Jersey Inc. and All-Jersey Sales Corporation	**668,848**	665,414
Supplies and inventories	**27,399**	16,848
Prepaid expenses and other assets	**49,914**	52,237
Total current assets	**1,775,021**	1,754,119
PROPERTY AND EQUIPMENT		
Land	**68,000**	68,000
Building	**494,448**	494,448
Operating equipment	**1,513,900**	1,506,568
Software development	**558,633**	540,379
	2,634,981	2,609,395
Less accumulated depreciation and amortization	**(2,282,122)**	(2,290,658)
Total property and equipment, net	**352,859**	318,737
OTHER ASSETS		
Investments	**1,159,789**	1,046,110
Advances due National All-Jersey Inc. and All-Jersey Sales Corporation	**18,899**	109,346
Total other assets	**1,178,688**	1,155,456
	$3,306,568	$ 3,228,312

LIABILITIES AND NET ASSETS	2013	2012
CURRENT LIABILITIES		
Current portion of capital lease obligations	**$ 2,112**	$ 19,853
Current portion of unexpired subscriptions and directory listings	**16,136**	33,150
Accounts payable	**96,462**	102,806
Accrued expenses	**143,195**	137,359
Awards, The All American Show & Sale	**72,333**	78,211
Awards, National Jersey Jug Futurity	**18,072**	14,210
Unearned fees and remittances	**400,528**	412,481
Total current liabilities	**748,838**	798,070
NONCURRENT LIABILITIES		
Capital lease obligations, net of current portion	**5,278**	7,390
Unexpired subscriptions and directory listings, net of current portion	**43,984**	42,841
Accrued pension obligation	**105,009**	607,490
	154,271	657,721
Total liabilities	**903,109**	1,455,791
NET ASSETS		
Unrestricted:		
Designated	**1,311,685**	1,149,143
Undesignated	**1,091,774**	623,378
Total net assets	**2,403,459**	1,772,521
	$ 3,306,568	$ 3,228,312

See Notes to the Financial Statements.

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2013 and 2012

	2013	2012
REVENUES		
Fees	**$ 2,885,745**	$ 2,545,479
Jersey Journal advertising and subscriptions	**528,664**	507,883
Interest and dividend income	**21,627**	28,398
Other	**29,042**	31,511
Total revenues	**3,465,078**	3,113,271
COST OF OPERATIONS		
Salaries, service, and administrative	**2,777,505**	2,449,690
Jersey Journal publishing	**421,550**	457,433
Depreciation and amortization	**113,506**	122,130
Interest expense	**613**	2,259
Total cost of operations	**3,313,174**	3,031,512
INCREASE IN NET ASSETS FROM OPERATIONS	**151,904**	81,759
OTHER INCOME (EXPENSE)		
Net gain (loss) from The All American Show and Sale	**14,626**	(3,411)
Net realized and unrealized gain on investments	**135,511**	95,423
Net periodic pension cost	**(52,106)**	(75,637)
Total other income (expense)	**98,031**	16,375
Board authorized appropriation from Undesignated to Designated	**(50,000)**	–
CHANGE IN UNDESIGNATED NET ASSETS	**199,935**	98,134
EXPENDITURES AND TRANSFERS FROM DESIGNATED NET ASSETS		
Research and development expenses	**(1,137)**	(20,352)
Board authorized appropriation from Undesignated to Designated	**50,000**	–
Expenditures and transfers to Designated net assets	**48,863**	(20,352)
CHANGE IN NET ASSETS BEFORE EFFECT OF POSTRETIREMENT CHANGES OTHER THAN NET PERIODIC POSTRETIREMENT COST	**248,798**	77,782
POSTRETIREMENT CHANGES OTHER THAN NET PERIODIC PENSION COST	**(382,140)**	19,885
CHANGE IN NET ASSETS	**630,938**	57,897
NET ASSETS, beginning	**1,772,521**	1,714,624
NET ASSETS, ending	**$2,403,459**	$ 1,772,521

See Notes to the Financial Statements.

Statements of Cash Flows have not been included with these reports. A copy is available upon request.

Note 1. Nature of Organization and Significant Accounting Policies

Nature of business. In 1868, The American Jersey Cattle Club was organized. The American Jersey Cattle Club was incorporated under a charter granted by a special act of the General Assembly of New York on April 19, 1880. On July 1, 1994, the Club was reincorporated in the State of Ohio, and the name was changed to American Jersey Cattle Association (AJCA or the "Association").

The purposes of the American Jersey Cattle Association, an association of Jersey breeders, are to improve and promote the breed of Jersey cattle in the United States and to maintain such records and activities as the Association deems necessary or conducive to the best interests of the breeders of Jersey cattle. The American Jersey Cattle Association's objective is to provide programs and services to its members that increase the profitability of Jersey cattle.

Basis of accounting. The financial statements of the Association have been prepared on the accrual basis of accounting.

Basis of presentation. The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB). The Association is required to report information regarding its financial position, and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations. The Board of Directors has designated assets for a building fund and research and development which totaled $1,159,789 and $151,896 for 2013 and $1,046,110 and $103,033 for 2012, respectively. During 2013, the Board of Directors authorized a transfer of $50,000 from undesignated to authorized for research and development.

Temporarily restricted net assets: Temporarily restricted net assets result from timing differences between the receipt of funds or pledges of funds and the incurrence of the related expenditures. The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. If the donor restriction expires in the same fiscal year the gift is received, the Association reports the gift as a temporarily restricted contribution and as net assets released from restriction in the statement of activities. As of December 31, 2013 and 2012, there were no temporarily restricted assets.

Permanently restricted net assets: Net assets subject to donor-imposed stipulations must be maintained permanently by the Association. Generally, the donors of these assets permit the Association to use all or part of the income earned on related investments for general or specific purposes. As of December 31, 2013 and 2012, there were no permanently restricted net assets.

Use of estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments. Investments consist of money market and mutual funds. Money market funds are carried at cost. Mutual funds are carried at fair value on the statement of financial position, with the change in fair value included in the statements of activities.

Cash and cash equivalents. For purposes of the statements of cash flows, the Association considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Revenue recognition. Revenues for services provided to members are recognized in the period in which the services are performed. Subscription and directory listing revenues are recognized in the period earned.

Accounts receivable. AJCA extends unsecured credit to members under normal terms. Unpaid balances begin accruing interest 30 days after the invoice date at a rate of 1½% per month. Payments are applied first to the oldest unpaid invoice. Accounts receivable are presented at the amount billed plus any accrued and unpaid interest. Management estimates an allowance for doubtful accounts, which was $65,000 and $55,000 as of December 31, 2013 and 2012. The estimate is based upon management's review of delinquent accounts and an assessment of the Association's historical evidence of collections. Bad debt expense of $8,668 and $10,227 was recognized for the years ended December 31, 2013 and 2012, respectively, as a result of this estimate. Specific accounts are charged directly to the reserve when management obtains evidence of a member's insolvency or otherwise determines that the account is uncollectible.

Valuation of long-lived assets. The Association reviews long-lived assets and certain identifiable intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Income taxes. AJCA is exempt from Federal taxes on income under Section 501(c)(5) of the Internal Revenue Code, except for income derived from unrelated business activities, as defined in the Code. For 2013 and 2012, these activities include primarily magazine advertising. Income tax expense for 2013 and 2012 amounted to $24,000 and $15,500, respectively, and is included in *Jersey Journal* publishing expense on the statements of activities and changes in net assets.

The Association follows Financial Accounting Standards Board (FASB) guidance on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The Association has not recorded a reserve for any tax positions for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility. Examples of tax positions include the tax-exempt status of the Association, and various positions related to the potential sources of unrelated business taxable income (UBIT). The Company files tax returns in all appropriate jurisdictions. For the years ended December 31, 2013 and 2012, management has determined that there are no material uncertain tax positions. The Association files Forms 990 and 990T in the U.S. federal jurisdiction. With few exceptions, the Association is no longer subject to examination by the Internal Revenue Service for years before 2010.

Concentrations of credit risk. The Association maintains its demand deposits and temporary cash investments with one financial institution. Balances may at times exceed federally insured limits. Cash equivalents and investments are maintained in trust accounts with a trust company. The Association continually monitors its balances to minimize the risk of loss.

AJCA's trade receivables result from registrations and related fees due from members who are located primarily in the United States.

Property and equipment. Property and equipment are stated at cost. Expenditures which materially increase values or extend useful lives are capitalized. Routine maintenance and repairs are charged to expense as incurred. The cost of assets sold or retired and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Any gains or losses resulting from property disposals are included in income.

AJCA provides for depreciation in amounts adequate to amortize cost over the estimated useful lives of the assets, utilizing the straight-line method, generally as follows:

Class of Assets	Useful Lives
Building	31½ years
Operating equipment	3–10 years
Software development	15 years

Software development represents costs incurred as part of the Member Services Processing System (MSPS).

Capital leases. The Association acquired office equipment under noncancellable leases which are accounted for as a capital lease. The asset and liability under a capital lease is recorded at the lower of the present value of minimum lease payments or the fair value of the asset. The asset is amortized over its estimated productive life. Amortization of the equipment under capital leases is included in depreciation and amortization expense.

Affiliated company. AJCA is affiliated with National All-Jersey Inc. (NAJ) and its wholly-owned subsidiary, All-Jersey Sales Corporation (AJSC). These entities conduct operations from the same facility and have certain common directors, officers, and staff. Therefore, it is necessary to allocate jointly incurred expenses, such as salaries, rents, utilities, depreciation, and other costs of service and administration. The costs of operations reflected in the Statements of Activities of AJCA are net of reimbursements of $185,129 and $186,686 for 2013 and 2012, respectively, from the above-mentioned affiliated companies for these jointly incurred costs. Also, AJCA has a line of credit of $100,000 which is collateralized by investments held by AJCA and NAJ. AJSC has a $175,000 line of credit which is collateralized by investments held by AJCA and NAJ. No funds were drawn on these lines of credit as of December 31, 2013 and 2012.

AJCA sponsors a defined benefit pension plan which provides for affiliated companies (NAJ and subsidiary) to participate in the plan. AJCA allocates the accrued pension obligation, net periodic benefit cost, and postretirement changes other than net periodic pension costs among the participating affiliated companies. Based on the current allocation among the companies, AJCA has advances from affiliates for their pension obligation at December 31, 2013 and 2012 of $18,899 and $109,346, respectively *(see Note 3)*.

Unearned fees and remittances. Unearned fees and remittances represent amounts received in advance for registrations, transfers and total performance evaluation.

Supplies and inventories. Supplies and inventories consist of office supplies and promotional items available for sale which are valued at the lower of cost or market.

Advertising. The Association's advertising efforts are associated with nondirect-response programs. The costs are expensed in the period of the related advertisement. The Association expensed $3,806 and $14,834 for the years ended December 31, 2013 and 2012, respectively.

Functional allocation of expenses. The costs of providing programs and activities have been summarized on a functional basis in Note 2. Accordingly, certain costs have been allocated among the programs and activities benefited.

Subsequent events. The financial statements and related disclosures include evaluation of events up through and including April 21, 2014, which is the date the financial statements were available to be issued.

Note 2. Functional Expenses

The Association's operating expenses by functional classification for December 31 are as follows:

	2013	2012
Records	$ 1,018,819	$ 856,619
Data processing	235,375	266,922
Performance	575,783	635,991
Jersey Journal	421,550	457,433
Information	104,327	123,142
Field	407,263	469,277
Accounting, administration, and general	220,023	317,650
Total cost of operations	$ 2,983,140	$ 3,127,034

Note 3. Pension Plans

Effective December 31, 2002, the Board of Directors of AJCA froze the Defined Benefit Pension Plan (Plan). In March 2014, the Board of Directors authorized the Association to terminate the Plan. The Plan's administrator has not determined the amount required to fund the Plan for termination which could be in excess of the accrued pension obligation. The Plan is non-contributory and covered substantially all employees 21 years of age or older hired prior to January 1, 2003, who had been employed for one year with at least 1,000 hours of service. AJCA's funding policy is to contribute such amounts as are required on an actuarial basis to provide the Plan with sufficient assets to meet the benefits payable to Plan participants. The Plan assets are stated at fair value and primarily consist of bond and mutual funds.

Following are reconciliations of the pension benefit obligation and the value of Plan assets as of December 31:

	2013	2012
Pension benefit obligation		
Balance, beginning of year	$ 1,999,989	$ 1,807,708
Interest cost	71,047	77,130
Actuarial loss (gain)	(264,702)	181,004
Benefits paid	(81,905)	(65,853)
Balance, end of year	1,724,429	1,999,989
Plan Assets		
Fair value, beginning of year	1,392,499	1,216,708
Actual returns on Plan assets	208,826	141,644
Employer contributions	100,000	100,000
Benefits paid	(81,905)	(65,853)
Fair value, end of year	1,619,420	1,392,499
Accrued pension obligation	$ 105,009	$ 607,490

Assumptions used in the accounting as of December 31:

	2013	2012
Discount rate	3.74%	4.23%
Long-term rate of return	6.50%	6.50%

Pension expense (benefit) comprised the following at December 31:

	2013	2012
Interest cost	$ 71,047	$ 77,130
Actual return on Plan assets	(208,826)	(141,644)
Actuarial loss (gain)	(264,702)	181,004
Total pension (benefit) expense	(402,481)	116,490
Less pension expense of NAJ and Subsidiary	72,447	(20,968)
Pension expense of AJCA	$ (330,034)	$ 95,522

Items not yet recognized as a component of net periodic postretirement expense:

	2013	2012
Unrecognized net loss	$ 39,000	$ 102,000

Plan Assets: The investment objective of the Plan is to provide a rate of return commensurate with a moderate degree of risk of loss of principal and return volatility. In pursuit of this objective, the plan's asset allocation shall be consistent with a target of 45% cash and fixed income and 55% equity. The expected return on plan assets assumption is based on an estimated weighted average of long-term returns of major asset classes. In determining asset class returns, the Association takes into account long-term rates of return of major asset classes, historical performance of plan assets, and related value-added of active management, as well as the current interest rate environment.

The fair values of the Association's pension plan assets, by asset category are as follows:

December 31, 2013

Asset Category	Total	Level 1	Level 2	Level 3
Equity securities:				
U.S. large-cap	$ 223,138	$ –	$ 223,138	$ –
U.S. large-cap growth	149,833	–	149,833	–
U.S. large-cap value	165,171	–	165,171	–
U.S. small-cap	214,537	–	214,537	–
International large-cap value	89,534	–	89,534	–
International large-cap growth	72,984	–	72,984	–
Fixed income mutual funds:				
REIT	71,359	–	71,359	–
Natural resources	68,720	–	68,720	–
Intermediate	274,827	–	274,827	–
Inflation indexed	62,388	–	62,388	–
High-yield	106,236	–	106,236	–
Multi sector	120,693	–	120,693	–
Total Assets	$ 1,619,420	$ –	$ 1,619,420	$ –

December 31, 2012

Asset Category	Total	Level 1	Level 2	Level 3
Equity securities:				
U.S. large-cap	$ 165,038	$ –	$ 165,038	$ –
U.S. large-cap growth	107,514	–	107,514	–
U.S. large-cap value	117,776	–	117,776	–
U.S. small-cap	167,419	–	167,419	–
International large-cap value	72,721	–	72,721	–
International large-cap growth	64,917	–	64,917	–
Fixed income mutual funds:				
REIT	70,312		70,312	
Natural resources	61,784	–	61,784	–
Intermediate	282,178	–	282,178	–
Inflation indexed	68,524	–	68,524	–
High-yield	100,487	–	100,487	–
Multi sector	113,829	–	113,829	–
Total Assets	$ 1,392,499	$ –	$ 1,392,499	$ –

Contributions: The Company expects to contribute at least the amount required to meet minimum funding standards.

Estimated Future Benefit Payments: The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

2014	$ 82,916
2015	$ 84,432
2016	$ 81,602
2017	$ 78,916
2018	$ 86,390
Years 2019-2023	$ 501,617

The Association maintains a 401(k) plan covering substantially all employees who have been employed for one year with at least 1,000 hours of service. The plan allows for a matching contribution of 25% of employees' contributions up to a maximum contribution of 15% of salary. Matching contributions for 2013 and 2012 amounted to $23,116 and $24,369, respectively.

Note 4. Designation of Net Assets

The Board of Directors has designated net assets for the following at December 31:

	2013	2012
Building - established with original proceeds from sale of former operating facility; invested in securities *(see Note 8)*	$ 1,159,789	$ 1,046,110
Research and development - increased annually on a discretionary basis	151,896	103,033
	$ 1,311,685	$ 1,149,143

In 2013 and 2012, there were expenditures of $1,137 and $20,352, respectively, from the research and development designated net assets. In 2013 and 2012, the Board of Directors authorized an appropriation from undesignated to research and development of $50,000 and $-0-, respectively.

Note 5. Lines of Credit

At December 31, 2013 and 2012, the Association has available a $100,000 line of credit due on demand with interest payable monthly at prime (3.25% at December 31, 2013 and 2012). The line is collateralized by investments held by AJCA and NAJ *(Note 7)*. No funds were drawn on the line as of December 31, 2013 or 2012.

At December 31, 2013 and 2012, AJSC has available a $175,000 line of credit due on demand with interest payable monthly at prime. The line is collateralized by investments held by AJCA and NAJ *(Note 7)*. No funds were drawn on the line as of December 31, 2013 or 2012.

Note 6. Lease Commitments

Capital Lease Obligations. The Company is a lessee of equipment under capital leases, one which expired in 2013 and one which expires in 2017.

At December 31, the underlying equipment was reflected in the accompanying statements of financial position as follows:

	2013	2012
Operating equipment	$ 10,558	$ 101,469
Less accumulated amortization	(2,991)	(76,639)
	$ 7,567	$ 24,830

The Company pays monthly capital lease payments of $1,963 for the lease which expired during 2013, and $882 for the lease expiring in 2017. Minimum future annual lease payments under the capital lease as of December 31, 2013 are as follows:

Years Ending:	2014	$ 2,112
	2015	2,112
	2016	2,112
	2017	1,054
		7,390
Less amount representing interest		–
Present value of minimum lease payments		7,390
Less current portion		(2,112)
Noncurrent portion		$ 5,278

Operating Lease Obligations. In 2013, the Company entered into a lease for equipment under an operating lease. The lease expires in 2018. Lease expense for the year ended totaled $6,925.

Future minimum lease payments for each of the next five years as of December 31, 2013 is as follows:

Years Ending:	2014	$ 27,703
	2015	27,703
	2016	27,703
	2017	27,703
	2018	20,778
		$ 131,590

Note 7. Investments

Investments consist of the following at December 31:

	2013	2012
Money market	$ 27,511	$ 27,144
Mutual funds	1,398,425	1,258,976
	$ 1,425,936	$ 1,286,120

Total investment income consists of the following at December 31:

	2013	2012
Interest and dividend income	$ 23,005	$ 30,193
Net realized and unrealized gain on investments	144,156	101,172
	$ 167,161	$ 131,365

The investment income attributable to All American Show and Sale is as follows and has been reflected in the "Net gain from The All American Show and Sale" on the Statement of Activities and in the above schedule.

	2013	2012
Interest and dividend income	$ 1,378	$ 1,795
Net realized and unrealized gain on investments	8,645	5,749
	$ 10,023	$ 7,544

Note 8. Fair Value Measurements

The Association uses fair value measurements to record fair value adjustments to certain assets and liabilities. The FASB established a framework for measuring fair value, established a three-level valuation hierarchy for disclosure of fair value measurement and enhanced disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The Association uses various valuation approaches, including market, income and/or cost approaches. The framework establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Association. Unobservable inputs are inputs that reflect the Association's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs, as follows:

Level 1: Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2: Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3: Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The following is a description of the valuation methodologies used for instruments measured at fair value:

Investments. The fair values of investments are based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, due to the limited market activity of the instrument, fair value is based upon externally developed models that use unobservable inputs.

The following tables set forth by level within the fair value hierarchy the Association's financial assets and liabilities that were accounted for at a fair value on a recurring basis as of December 31, 2013 and 2012. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Association's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels. The tables do not include cash on hand or other assets and liabilities that are measured at historical cost or any basis other than fair value.

December 31, 2013

Asset Category	Total	Level 1	Level 2	Level 3
Equity mutual funds:				
U.S. large-cap core	$ 180,665	$ 180,665	$ –	$ –
U.S. large-cap value	122,797	122,797	–	–
U.S. large-cap growth	226,239	226,239	–	–
U.S. mid-cap	89,574	89,574	–	–
U.S. small-cap	60,265	60,265	–	–
International	147,019	147,019	–	–
Emerging Markets	29,616	29,616	–	–
Fixed income mutual funds:				
Short-term	188,384	188,384	–	–
Multi-sector	76,060	76,060	–	–
High-yield	90,057	90,057	–	–
Intermediate	187,749	187,749	–	–
Total Assets	$ 1,398,425	$ 1,398,425	$ –	$ –

December 31, 2012

Asset Category	Total	Level 1	Level 2	Level 3
Equity mutual funds:				
U.S. large-cap core	$ 115,244	$ 115,244	$ –	$ –
U.S. large-cap value	76,726	76,726	–	–
U.S. large-cap growth	124,128	124,128	–	–
U.S. mid-cap	76,134	76,134	–	–
U.S. small-cap	38,153	38,153	–	–
International	66,132	66,132	–	–
Emerging Markets	26,840	26,840	–	–
Fixed income mutual funds:				
Short-term	167,915	167,915	–	–
Inflation Indexed	64,779	64,779	–	–
Multi-sector	91,335	91,335	–	–
High-yield	61,540	61,540	–	–
Intermediate	350,050	350,050	–	–
Total Assets	$ 1,258,976	$ 1,258,976	$ –	$ –

To the Board of Directors
National All-Jersey Inc. and Subsidiary

We have audited the accompanying consolidated financial statements of National All-Jersey Inc. and Subsidiary which comprise the statements of financial position, as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of National All-Jersey Inc. and Subsidiary as of December 31, 2013 and 2012, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Clark, Schaefer, Hackett & Co.
Columbus, Ohio
April 21, 2014

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2013 and 2012

ASSETS	2013	2012
CURRENT ASSETS		
Cash and cash equivalents	**$ 734,886**	$ 652,710
Custodial cash	**335,029**	308,278
Investments	**533,809**	481,390
Accounts receivable, net	**56,890**	159,345
Interest receivable	**423**	2,649
Prepaid expenses	**1,737**	972
Total current assets	**1,662,774**	1,605,344
PROPERTY AND EQUIPMENT		
Land	**12,000**	12,000
Building	**87,256**	87,256
Furniture and equipment	**11,393**	5,190
Software development	**79,652**	79,652
Vehicles	**119,286**	99,207
	309,587	283,305
Less accumulated depreciation and amortization	**(188,951)**	(219,613)
Total property and equipment, net	**120,636**	63,692
	$ 1,783,410	$ 1,669,036
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	**$ 20,329**	$ 4,402
Advances due to American Jersey Cattle Association	**668,847**	665,413
Fees due consignors	**93,357**	110,133
Accrued expenses	**31,369**	37,466
Accrued payroll and related benefits	**20,204**	25,611
Advances and reserves for advertising	**31,828**	31,828
Deferred income	**47,675**	42,301
Total current liabilities	**913,609**	917,154
NONCURRENT LIABILITIES		
Accrued pension due to American Jersey Cattle Association	**18,899**	109,346
	18,899	109,346
Total liabilities	**932,508**	1,026,500
NET ASSETS		
Unrestricted:		
Designated	**182,398**	132,966
Undesignated	**668,504**	509,570
Total net assets	**850,902**	642,536
	$ 1,783,410	$ 1,669,036

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years Ended December 31, 2013 and 2012

	2013	2012
REVENUES		
Equity project fees	**$ 807,237**	$ 755,936
Commissions	**347,803**	435,542
Interest and dividend income	**8,729**	11,335
Other	**23,402**	24,249
Total revenues	**1,187,171**	1,227,062
COST OF OPERATIONS		
Salaries, service, and administrative	**984,842**	1,098,515
Field services	**101,612**	101,804
Bad debt expense	**6,474**	46,172
Depreciation and amortization	**19,215**	15,322
Total costs of operations	**1,112,143**	1,261,813
CHANGE IN NET ASSETS FROM OPERATIONS	**75,028**	(34,751)
OTHER INCOME (EXPENSE)		
Net realized and unrealized gain (loss) on investments	**61,459**	35,888
Pension expense	**72,447**	(20,968)
Total other income (expense)	**133,906**	14,920
Board authorized appropriation from Undesignated to Designated	**(50,000)**	–
CHANGE IN NET ASSETS BEFORE EXPENDITURES FROM DESIGNATED NET ASSETS	**158,934**	(19,831)
EXPENDITURES AND TRANSFERS FROM DESIGNATED NET ASSETS		
Research and development	**(568)**	(10,176)
Board authorized appropriation from Undesignated to Designated	**50,000**	–
Total expenditures from Designated net assets	**49,432**	(10,176)
CHANGE IN NET ASSETS	**208,366**	(30,007)
NET ASSETS, beginning	**642,536**	672,543
NET ASSETS, ending	**$ 850,902**	$ 642,536

See Notes to the Consolidated Financial Statements.

Statements of Cash Flows have not been included with these reports. A copy is available upon request.

Note 1. Nature of Organization and Significant Accounting Policies

Nature of business. National All-Jersey Inc. (NAJ) (the "Company") was incorporated in the State of Ohio in 1957. Its purpose is to promote the increased production and sale of Jersey milk and milk products, and to promote Jersey cattle and the interests of breeders of Jersey cattle.

All-Jersey Sales Corporation (AJSC) (Subsidiary), a wholly-owned subsidiary of National All-Jersey Inc. was incorporated in the State of Ohio in 1961. It is a for-profit corporation with the original purpose of developing and selling All-Jersey milk advertising materials. In 1970, the corporation started a cattle marketing service, Jersey Marketing Service (JMS). The purpose of Jersey Marketing Service is to provide marketing assistance to buyers and sellers of Jersey cattle and embryos.

The objectives of both National All-Jersey Inc. and All-Jersey Sales Corporation are to increase the value of and demand for Jersey milk and cattle.

Principles of consolidation. The consolidated financial statements include the accounts of NAJ and its wholly-owned subsidiary, AJSC. All significant intercompany accounts and transactions have been eliminated.

Basis of accounting. The consolidated financial statements of the Company have been prepared on the accrual basis of accounting.

Basis of presentation. The consolidated financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB). The Company is required to report information regarding its financial position, and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations. The Board of Directors has designated assets for research and development which totaled $182,398 and $132,966 for 2013 and 2012, respectively.

Temporarily restricted net assets: Temporarily restricted net assets result from timing differences between the receipt of funds or pledges of funds and the incurrence of the related expenditures. The Company reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If the donor restriction expires in the same fiscal year the gift is received, the Company reports the gift as a temporarily restricted contribution and as net assets released from restriction in the statement of activities. As of December 31, 2013 and 2012, there were no temporarily restricted net assets.

Permanently restricted net assets: Net assets subject to donor-imposed stipulations must be maintained permanently by the Company. Generally, the donors of these assets permit the Company to use all or part of the income earned on related investments for general or specific purposes. As of December 31, 2013 and 2012, there were no permanently restricted net assets

Use of estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investments. Investments consist of money market and mutual funds. Money market funds are carried at cost. Mutual funds are carried at fair value on the statement of financial position, with the change in fair value included in the statement of activities and changes in net assets.

Cash and cash equivalents. For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Custodial cash. The Company maintains cash due consignors in a separate custodial cash account.

Revenue recognition. Equity project fees are contributions from individual producers or producer organizations. The money is used to develop markets and to promote multiple component pricing. Equity project revenue is recognized in the period received, however, equity fees received as annual Registration, Equity, Appraisal, Performance (REAP) payments are recognized over a 12-month period using straight-line amortization.

Jersey Marketing Service recognizes public sale commissions in the period in which the sale is held and private sale commissions in the period in which the transaction has been completed.

Accounts receivable. JMS extends credit to buyers of cattle at public auction sales. JMS typically does not pay sellers of cattle until collection from buyers has occurred for dispersal auction sales, per the sales contract. JMS typically guarantees payment to consignors of public consignment auction sales based on the selling price of the consignment. Accounts receivable are reflected at their billed amount. Management estimated an allowance for doubtful accounts, which was $10,000 as of December 31, 2013 and 2012. Bad debt expense of $6,474 and $46,172 was recognized for 2013 and 2012, respectively, as a result of this estimate. Specific accounts are charged directly to the reserve when management obtains evidence that the account is uncollectible.

Affiliated company. National All-Jersey Inc. and its wholly-owned subsidiary, All-Jersey Sales Corporation, are affiliated with American Jersey Cattle Association (AJCA) (the "Association"). These entities conduct operations from the same facility and have certain common directors, officers, and staff. Therefore, it is necessary to allocate jointly incurred expenses, such as salaries, rents, utilities, depreciation, and other costs of services and administration. The cost of operations reflected in the Consolidated Statements of Activities for 2013 and 2012 include reimbursements of $185,129 and $186,686, respectively, paid to the Association for these jointly incurred costs.

Valuation of long-lived assets. The Company reviews long-lived assets and certain identifiable intangible assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Income taxes. National All-Jersey Inc. is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. All-Jersey Sales Corporation is not exempt from income taxes.

AJSC accounts for income taxes using the liability approach. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

The Company follows FASB guidance on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The Company has not recorded a reserve for any tax positions for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility. Examples of tax positions include the tax-exempt status of NAJ, and various positions related to the potential sources of unrelated business taxable income (UBIT). The Company files tax returns in all appropriate jurisdictions. For the years ended December 31, 2013 and 2012, management has determined that there are no material uncertain tax positions.

The Company files forms 990, 990-T and 1120 in the U.S. federal jurisdiction. With few exceptions, the Company is no longer subject to examination by the Internal Revenue Service for years before 2010.

Concentration of credit risk. The Company maintains its demand deposits and temporary cash investments with one financial institution. Balances may at times exceed federally insured limits. Cash equivalents and investments are maintained in trust accounts with a trust company. The Company continually monitors its balances to minimize the risk of loss.

The Company's cattle sales are primarily to domestic buyers. The Company minimizes credit risk with foreign buyers by requiring irrevocable letters of credit or cash upon sale until they have established a business relationship and understanding with the buyer.

Property and equipment. Property and equipment are stated at cost. Expenditures which materially increase values or extend useful lives are capitalized. Routine maintenance and repairs are charged to expense as incurred. The cost of assets sold or retired and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Any gains or losses resulting from property disposals are included in income.

The Company provides for depreciation in amounts adequate to amortize cost over the estimated useful lives of the assets, utilizing the straight-line method, generally as follows:

Class of Assets	Useful Lives
Building	31½ years
Furniture and equipment	10 years
Software development	15 years
Vehicles	3–5 years

Software development represents costs incurred as part of the Member Services Processing System (MSPS).

Fees due consignors. Fees due consignors represent amounts due to sellers of Jersey cattle from public auctions and private treaty sales managed by JMS.

Advertising. The Company's advertising efforts are associated with nondirect-response programs. The costs are expensed in the period of the related advertisement. The Company expensed $15,337 and $13,629 for the years ended December 31, 2013 and 2012, respectively.

Functional allocation of expenses. The costs of providing programs and activities have been summarized on a functional basis in Note 2. Accordingly, certain costs have been allocated among the programs and activities benefited.

Subsequent events. The financial statements and related disclosures include evaluation of events up through and including April 21, 2014, the date the financials were available to be issued.

Note 2. Functional Expenses

The Company's operating expenses by functional classifications for December 31 are as follows:

	2013	2012
National All-Jersey Equity program	$ 459,466	$ 451,920
Accounting, administration, general and field service	155,311	205,124
All-Jersey Sales (JMS)	424,919	625,737
Total cost of operations and pension expense	$1,039,696	$ 1,282,781

Note 3. Advances and Reserves for Advertising

	December 31, 2013	December 31, 2012
5% National - represents funds accumulated as a percentage of member advances to be applied to cost of national or regional advertising for benefit of all members	$ 31,828	$ 31,828

Note 4. Pension Plans

All eligible staff of National All-Jersey Inc. and Subsidiary who meet the eligibility requirements are included in the American Jersey Cattle Association Pension Plan (Plan), a related party. Effective December 31, 2002, the Board of Directors of AJCA froze the Plan. In March 2014, the Board of Directors authorized the Association to terminate the Plan. The Plan's administrator has not determined the amount required to fund the Plan for termination which could be in excess of the accrued pension obligation. The amount required to terminate the Plan could be in excess of the accrued pension obligations. The Plan covers substantially all employees 21 years of age or older hired prior to January 1, 2003, who had been employed for one year with at least 1,000 hours of service. There have been no significant changes that affect the comparability of the 2013 and 2012 contributions.

The Plan is administered by AJCA, the Plan sponsor. Required contributions, expense and pension liability for the Plan are allocated among AJCA and NAJ by the Board of Directors of AJCA. For the years ended December 31, 2013 and 2012, NAJ has included on its statement of activities pension plan (income)/ expense of $(72,447) and $20,968, respectively.

The amount of accrued pension obligation was $18,899 and $109,346 at December 31, 2013 and 2012, respectively. The accrued pension obligation is payable to AJCA.

The Company maintains a 401(k) plan covering substantially all employees, who have been employed for one year with at least 1,000 hours of service. The plan allows for a matching contribution of 25% of employees' contributions up to a maximum contribution of 15% of salary. Matching contributions for 2013 and 2012 amounted to $7,527 and $7,393, respectively.

Note 5. Designation of Net Assets

The Board of Directors has designated net assets for the following at December 31:

	2013	2012
Research and development: Increased annually on a discretionary basis, $50,000 in 2013. In 2013 and 2012, there were expenditures of $568 and $10,176, respectively, from the research and development designated net assets.	$ 182,398	$ 132,966

Note 6. Income Taxes

Deferred income taxes arise from temporary differences resulting from income and expense items reported for financial accounting and tax reporting purposes in different periods. Deferred taxes are classified as current or long-term, depending on the classification of the assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or long-term depending on the periods in which the temporary differences are expected to reverse.

Net deferred tax assets in the accompanying balance sheet include the following components at December 31:

Deferred Tax Assets	2013	2012
Provision for doubtful accounts	$ 1,700	$ 1,700
Net operating loss	111,600	101,700
Depreciation and amortization	4,100	1,900
Gross deferred tax assets	117,400	105,300
Less valuation allowance	(117,400)	(105,300)
Net deferred tax assets	$ –	$ –

For the years ended December 31, 2013 and 2012, AJSC incurred net operating losses and, accordingly, no provision for federal income taxes has been recorded. In addition, no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets. At December 31, 2013, the Company had approximately $690,000 of federal net operating losses. The net operating loss carryforwards, if not utilized, will begin to expire in 2029.

Note 7. Lines of Credit

At December 31, 2013 and 2012, AJSC has available a $175,000, due on demand, line of credit with interest payable monthly at prime (3.25% at December 31, 2013 and 2012). The line is collateralized by investments held by NAJ and AJCA. No funds were drawn on the line at December 31, 2013 and 2012.

At December 31, 2013 and 2012, AJCA has available a $100,000 line of credit, due on demand, with interest payable monthly at prime. The line is collateralized by investments held by NAJ and AJCA. No funds were drawn on the line as of December 31, 2013 and 2012.

Note 8. Investments

Investments consisted of the following at December 31:

	2013	2012
Money market	$ 10,306	$ 10,211
Mutual funds	523,503	471,179
	$ 533,809	$ 481,390

Investment income consists of the following at December 31:

	2013	2012
Interest and dividend income	$ 8,729	$ 11,335
Net realized and unrealized gain (loss) on investments	61,459	35,888
	$ 70,188	$ 47,223

Note 9. Fair Value Measurements

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities. The FASB established a framework for measuring fair value, established a three-level valuation hierarchy for disclosure of fair value measurement and enhanced disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The Company uses various valuation approaches, including market, income and/or cost approaches. The framework establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs, as follows:

Level 1: Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2: Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3: Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The following is a description of the valuation methodologies used for instruments measured at fair value:

Investments: The fair values of investments are based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, due to the limited market activity of the instrument, fair value is based upon externally developed models that use unobservable inputs.

The following tables set forth by level within the fair value hierarchy the Company's financial assets and liabilities that were accounted for at a fair value on a recurring basis as of December 31, 2013 and 2012. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels. The table does not include cash on hand or other assets and liabilities that are measured at historical cost or any basis other than fair value.

December 31, 2013

Asset Category	Total	Level 1	Level 2	Level 3
Equity mutual funds:				
U.S. large-cap core	$ 67,633	$ 67,633	$ –	$ –
U.S. large-cap value	45,970	45,970	–	–
U.S. large-cap growth	84,678	84,678	–	–
U.S. mid-cap	33,533	33,533	–	–
U.S. small-cap	22,561	22,561	–	–
International	55,038	55,038	–	–
Emerging Markets	11,087	11,087	–	–
Fixed income mutual funds:				
Short-term	70,523	70,523	–	–
High-yield	33,714	33,714	–	–
Multi-sector	28,481	28,481	–	–
Intermediate	70,285	70,285	–	–
Total Assets	$ 523,503	$ 523,503	$ –	$ –

December 31, 2012

Asset Category	Total	Level 1	Level 2	Level 3
Equity mutual funds:				
U.S. large-cap core	$ 43,130	$ 43,130	$ –	$ –
U.S. large-cap value	28,715	28,715	–	–
U.S. large-cap growth	46,451	46,451	–	–
U.S. mid-cap	28,494	28,494	–	–
U.S. small-cap	14,279	14,279	–	–
International	24,750	24,750	–	–
Emerging Markets	10,045	10,045	–	–
Fixed income mutual funds:				
Short-term	62,843	62,843	–	–
Inflation Indexed	24,244	24,244	–	–
High-yield	34,182	34,182	–	–
Multi-sector	23,038	23,038	–	–
Intermediate	131,008	131,008	–	–
Total Assets	$ 471,179	$ 471,179	$ –	$ –

AMERICAN JERSEY CATTLE ASSOCIATION
NATIONAL ALL-JERSEY INC.
ALL-JERSEY SALES CORPORATION

LEADING INDICATORS OF JERSEY BREED GROWTH AND IMPROVEMENT

	2013	2003	1993	Change ('13 v. '93)
Identification				
Animals recorded	112,265	69,244	54,287	106.8%
Animals transferred	23,529	17,618	24,338	–3.3%
Performance Programs				
Herds enrolled	1,108	929	737	50.3%
Cows enrolled	157,697	98,215	54,073	191.6%
Production *(AJCA lactations, 305-day, 2x, ME)*				
Protein, true *(*measured as total protein)*	702	646	564*	24.5%
Milk	19,278	18,283	15,231	26.6%
Fat	932	838	706	32.0%
Equity Investment	$ 807,237	$ 357,946	$ 208,459	287.2%
Jersey Marketing Service				
Gross for private treaty sales	$2,689,139	$2,285,859	$1,347,190	99.6%
Gross for public sales	$4,036,445	$4,990,580	$2,835,250	42.4%
Combined Net Assets	$3,254,361	$1,508,550	$1,779,045	82.9%

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