

News Release

Farm Credit Administration
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FCA Board Receives Report on Agency's FY 2012/11 Financial Statements

McLEAN, Va., Jan. 10, 2013 — The Farm Credit Administration Board today heard the auditor's report on the audit of FCA's fiscal year 2012 and fiscal year 2011 financial statements.

Brown & Company CPAs, PLLC, the independent accounting firm that performed the financial audit, concluded that the agency's financial statements presented fairly, in all material respects, the financial position of FCA as of Sept. 30, 2012 and 2011, in conformity with generally accepted accounting principles.

In addition, the firm found no material weaknesses in internal control over financial reporting and noted no reportable instances of statutory or regulatory noncompliance that could have a direct and material effect on the determination of financial statement amounts.

FCA's Inspector General concurred with the reports and stated that Brown & Company's work provided a reasonable basis for its opinion.

Notational Votes

Since the December 13, 2012, FCA Board meeting, four notational votes have occurred. Notational votes are actions the FCA Board takes between Board meetings.

- On Dec. 17, the Board approved the 2013 operating budget of the FCS Building Association, including 2013 capital improvements and major building repairs and the association's 2013 assessment of Farm Credit System member banks.
- On Dec. 20, the Board approved a request by CoBank, ACB, to include certain allocated equities in its calculation of core surplus, a high-quality regulatory capital measurement.
- On Jan. 7, the Board approved AgFirst Farm Credit Bank's request to extend its use of an Offering Circular until Dec. 31, 2013.

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- On Jan. 9, the Board approved a request from CoBank, ACB, to modify the calculation of its net collateral ratio. The calculation change will exclude certain fair-value accounting treatments under generally accepted accounting principles resulting from its merger with U.S. AgBank, FCB.

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The Farm Credit Administration is the safety and soundness regulator of the cooperative Farm Credit System and the Federal Agricultural Mortgage Corporation (Farmer Mac). FCA charters, regulates, and examines the 94 banks, associations, service corporations and special-purpose entities of the Farm Credit System. The System makes loans to agricultural producers and their cooperatives nationwide. It includes Farmer Mac, which provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. Members of the FCA Board are Jill Long Thompson, Board Chair and CEO; Kenneth A. Spearman; and Leland A. Strom.

Note: FCA news releases are available on the Web at www.fca.gov.