

# Financial Standards Measures

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Number of Farms</b>	76.2	77	75	76	78	75
<b>Liquidity</b>						
Current Ratio	1.46	1.53	1.19	1.45	1.71	1.43
Working Capital	119,214	164,275	56,887	111,702	160,543	102,661
<b>Solvency (market)</b>						
Farm Debt to Asset	48%	47%	49%	48%	47%	51%
Farm Equity to Asset	52%	53%	51%	52%	53%	49%
Farm Debt to Equity	94%	88%	97%	92%	90%	102%
<b>Profitability (cost)</b>						
Rate of Return on Assets	8.7%	14.1%	1.8%	5.6%	10.2%	11.7%
Rate of Return on Equity	11.4%	20.4%	-1.6%	5.9%	14.2%	17.9%
Operating Profit Margin	16.2%	24.5%	4.0%	11.9%	18.9%	21.6%
Net Farm Income	119,951	203,139	38,995	84,393	136,558	136,669
<b>Repayment Capacity</b>						
Term Debt Coverage	149%	238%	44%	99%	193%	169%
Capital Replacement Margin	36,809	112,973	-42,231	-848	64,147	50,005
<b>Efficiency</b>						
Asset Turnover Rate	51.6%	57.4%	45.5%	47.1%	53.6%	54.5%
Operating Exp Ratio	72.8%	66.0%	83.0%	76.5%	69.4%	69.2%
Depreciation Exp Ratio	3.5%	2.8%	4.4%	3.8%	4.1%	2.2%
Interest Exp Ratio	5.2%	5.7%	5.8%	5.0%	4.5%	4.9%
Net Farm Inc Ratio	18.5%	25.5%	6.8%	14.7%	22.0%	23.6%