

## Financial Standards Measures

### Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Number of Farms</b>	77.6	82	77	75	76	78
<b>Liquidity</b>						
Current Ratio	1.52	1.74	1.53	1.19	1.45	1.71
Working Capital	152,490	269,042	164,275	56,887	111,702	160,543
<b>Solvency (market)</b>						
Farm Debt to Asset	47%	45%	47%	49%	48%	47%
Farm Equity to Asset	53%	55%	53%	51%	52%	53%
Farm Debt to Equity	90%	81%	88%	97%	92%	90%
<b>Profitability (cost)</b>						
Rate of Return on Assets	9.4%	15.2%	14.1%	1.8%	5.6%	10.2%
Rate of Return on Equity	12.1%	21.8%	20.4%	-1.6%	5.9%	14.2%
Operating Profit Margin	17.3%	27.0%	24.5%	4.0%	11.9%	18.9%
Net Farm Income	146,947	271,650	203,139	38,995	84,393	136,558
<b>Repayment Capacity</b>						
Term Debt Coverage	171%	282%	238%	44%	99%	193%
Capital Replacement Margin	60,116	166,541	112,973	-42,231	-848	64,147
<b>Efficiency</b>						
Asset Turnover Rate	52.0%	56.5%	57.4%	45.5%	47.1%	53.6%
Operating Exp Ratio	71.8%	64.3%	66.0%	83.0%	76.5%	69.4%
Depreciation Exp Ratio	3.5%	2.6%	2.8%	4.4%	3.8%	4.1%
Interest Exp Ratio	5.2%	5.1%	5.7%	5.8%	5.0%	4.5%
Net Farm Inc Ratio	19.4%	28.0%	25.5%	6.8%	14.7%	22.0%