

# Financial Standards Measures

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Number of Farms</b>	77.8	79	82	77	75	76
<b>Liquidity</b>						
Current Ratio	1.54	1.77	1.74	1.53	1.19	1.45
Working Capital	185,420	325,196	269,042	164,275	56,887	111,702
Working Cap/Gross Revenue	22.9%	30.9%	31.2%	23.2%	9.9%	19.1%
<b>Solvency (market)</b>						
Farm Debt to Asset	45%	38%	45%	47%	49%	48%
Farm Equity to Asset	55%	62%	55%	53%	51%	52%
Farm Debt to Equity	84%	61%	81%	88%	97%	92%
<b>Profitability (cost)</b>						
Rate of Return on Assets	10.0%	13.3%	15.2%	14.1%	1.8%	5.6%
Rate of Return on Equity	13.1%	18.9%	21.8%	20.4%	-1.6%	5.9%
Operating Profit Margin	18.3%	23.9%	27.0%	24.5%	4.0%	11.9%
Net Farm Income	174,297	273,310	271,650	203,139	38,995	84,393
<b>Repayment Capacity</b>						
Term Debt Coverage	192%	295%	282%	238%	44%	99%
Capital Replacement Margin	81,409	170,611	166,541	112,973	-42,231	-848
<b>Efficiency</b>						
Asset Turnover Rate	52.5%	55.8%	56.5%	57.4%	45.5%	47.1%
Operating Exp Ratio	71.2%	66.0%	64.3%	66.0%	83.0%	76.5%
Depreciation Exp Ratio	3.5%	4.1%	2.6%	2.8%	4.4%	3.8%
Interest Exp Ratio	5.1%	4.1%	5.1%	5.7%	5.8%	5.0%
Net Farm Inc Ratio	20.2%	25.9%	28.0%	25.5%	6.8%	14.7%