

MyFarm Financial Scorecard

Year:

Name:

Liquidity

This Year

5-Year Ave

Strong

Vulnerable

Current ratio

2.0

1.0

Working capital

33%

15%

Working cap to gross revenue

Solvency (market)

Note: These solvency ratios include deferred liabilities

Farm debt/asset ratio

30%

70%

Farm equity/asset ratio

70%

30%

Farm debt/equity ratio

43%

233%

Profitability (Cost)

Net farm income

8%

3%

Rate of return on farm assets

15%

5%

Rate of return on farm equity

25%

10%

Operating profit margin

Repayment Capacity (Accrual)

Term-debt coverage ratio

150%

110%

Capital-replacement margin

Financial Efficiency

Asset-turnover rate (market)

Can vary depending on the type of farm

65%

80%

Operating-expense ratio

5%

11%

Depreciation-expense ratio

5%

11%

Interest-expense ratio

20%

10%

Net farm income ratio

