

Financial Standards Measures

Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Number of Farms	78.4	79	79	82	77	75
Liquidity						
Current Ratio	1.54	1.47	1.77	1.74	1.53	1.19
Working Capital	201,497	192,086	325,196	269,042	164,275	56,887
Working Cap/Gross Revenue	23.8%	23.7%	30.9%	31.2%	23.2%	9.9%
Solvency (market)						
Farm Debt to Asset	45%	44%	38%	45%	47%	49%
Farm Equity to Asset	55%	56%	62%	55%	53%	51%
Farm Debt to Equity	81%	77%	61%	81%	88%	97%
Profitability (cost)						
Rate of Return on Assets	9.2%	1.7%	13.3%	15.2%	14.1%	1.8%
Rate of Return on Equity	11.8%	-0.5%	18.9%	21.8%	20.4%	-1.6%
Operating Profit Margin	16.6%	3.8%	23.9%	27.0%	24.5%	4.0%
Net Farm Income	169,771	61,763	273,310	271,650	203,139	38,995
Repayment Capacity						
Term Debt Coverage	1.83	0.55	2.95	2.82	2.38	0.44
Capital Replacement Margin	73,650	-39,642	170,611	166,541	112,973	-42,231
Efficiency						
Asset Turnover Rate	51.7%	43.3%	55.8%	56.5%	57.4%	45.5%
Operating Exp Ratio	72.5%	83.1%	66.0%	64.3%	66.0%	83.0%
Depreciation Exp Ratio	3.9%	5.5%	4.1%	2.6%	2.8%	4.4%
Interest Exp Ratio	5.1%	4.7%	4.1%	5.1%	5.7%	5.8%
Net Farm Inc Ratio	18.8%	7.6%	25.9%	28.0%	25.5%	6.8%