

Financial Standards Measures

Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Number of Farms	78.6	76	79	79	82	77
Liquidity						
Current Ratio	1.72	2.10	1.47	1.77	1.74	1.53
Working Capital	281,152	455,159	192,086	325,196	269,042	164,275
Working Cap/Gross Revenue	29.1%	36.6%	23.7%	30.9%	31.2%	23.2%
Solvency (market)						
Farm Debt to Asset	42%	37%	44%	38%	45%	47%
Farm Equity to Asset	58%	63%	56%	62%	55%	53%
Farm Debt to Equity	73%	59%	77%	61%	81%	88%
Profitability (cost)						
Rate of Return on Assets	12.5%	18.3%	1.7%	13.3%	15.2%	14.1%
Rate of Return on Equity	17.7%	28.1%	-0.5%	18.9%	21.8%	20.4%
Operating Profit Margin	22.1%	31.2%	3.8%	23.9%	27.0%	24.5%
Net Farm Income	246,757	423,921	61,763	273,310	271,650	203,139
EBIDTA	308,431	515,731	137,271	272,292		
Repayment Capacity						
Capital Debt Repay Capacity	237,124	409,369	48,333	253,671		
Capital Debt Repay Margin	145,199	315,512	-39,642	170,611	166,541	112,973
Replacement Margin	129,255	291,912	-60,290	156,142		
Term Debt Coverage Ratio	2.61	4.36	0.55	2.95	2.82	2.38
Replacement Coverage Ratio	2.15	3.49	0.44	2.51		
Efficiency						
Asset Turnover Rate	54.3%	58.7%	43.3%	55.8%	56.5%	57.4%
Operating Exp Ratio	67.6%	58.5%	83.1%	66.0%	64.3%	66.0%
Depreciation Exp Ratio	3.9%	4.5%	5.5%	4.1%	2.6%	2.8%
Interest Exp Ratio	4.6%	3.4%	4.7%	4.1%	5.1%	5.7%
Net Farm Inc Ratio	24.2%	34.1%	7.6%	25.9%	28.0%	25.5%