

Financial Standards Measures

Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Number of Farms	78.6	77	76	79	79	82
Liquidity						
Current Ratio	1.81	1.97	2.10	1.47	1.77	1.74
Working Capital	329,410	405,566	455,159	192,086	325,196	269,042
Working Cap/Gross Revenue	31.6%	35.7%	36.6%	23.7%	30.9%	31.2%
Solvency (market)						
Farm Debt to Asset	40%	36%	37%	44%	38%	45%
Farm Equity to Asset	60%	64%	63%	56%	62%	55%
Farm Debt to Equity	0.67	0.56	0.59	0.77	0.61	0.81
Profitability (cost)						
Rate of Return on Assets	11.6%	9.3%	18.3%	1.7%	13.3%	15.2%
Rate of Return on Equity	16.2%	12.6%	28.1%	-0.5%	18.9%	21.8%
Operating Profit Margin	20.9%	18.4%	31.2%	3.8%	23.9%	27.0%
Net Farm Income	257,368	256,197	423,921	61,763	273,310	271,650
EBIDTA	317,999	346,703	515,731	137,271	272,292	
Repayment Capacity						
Capital Debt Repay Capacity	234,288	225,777	409,369	48,333	253,671	
Capital Debt Repay Margin	147,705	125,502	315,512	-39,642	170,611	166,541
Replacement Margin	123,121	104,718	291,912	-60,290	156,142	
Term Debt Coverage Ratio	2.59	2.25	4.36	0.55	2.95	2.82
Replacement Coverage Ratio	2.08	1.87	3.49	0.44	2.51	
Efficiency						
Asset Turnover Rate	53.0%	50.6%	58.7%	43.3%	55.8%	56.5%
Operating Exp Ratio	68.3%	69.5%	58.5%	83.1%	66.0%	64.3%
Depreciation Exp Ratio	4.4%	5.3%	4.5%	5.5%	4.1%	2.6%
Interest Exp Ratio	4.2%	3.5%	3.4%	4.7%	4.1%	5.1%
Net Farm Inc Ratio	23.6%	22.5%	34.1%	7.6%	25.9%	28.0%