

MyFarm Financial Scorecard

Year: _____

Name: _____

	This Year	5-Year Ave		Strong		Vulnerable
Liquidity						
Current ratio			1.7	1.1		
Working capital						
Working cap to gross revenue			25%	10%		
Solvency (market)	Note: These solvency ratios include deferred liabilities					
Farm debt/asset ratio			30%	60%		
Farm equity/asset ratio			70%	40%		
Farm debt/equity ratio			0.43	1.50		
Profitability (Cost)						
Rate of return on farm assets			8%	4%		
Rate of return on farm equity			10%	3%		
Operating profit margin			25%	15%		
Net farm income						
EBITDA						
Repayment Capacity (Accrual)						
Capital debt repay capacity						
Capital debt repay margin						
Replacement margin						
Term-debt coverage ratio			1.50	1.20		
Replacement margin ratio			1.40	1.10		
Financial Efficiency						
Asset-turnover rate (market)			45%	30%		
Operating-expense ratio			60%	80%		
Depreciation-expense ratio			5%	15%		
Interest-expense ratio			5%	10%		
Net farm income ratio			20%	10%		