

Financial Standards Measures

Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Number of Farms	82.4	78	88	79	80	87
* New FFSC Ratio in 2022.						
Liquidity						
Current Ratio	2.01	1.79	2.01	2.46	2.01	1.76
Working Cap/Gross Revenue	35.4%	34.1%	36.0%	40.4%	34.2%	32.5%
*Working Cap/Oper Expense	51.1%	46.8%	47.9%	64.4%	51.7%	44.5%
Solvency (market)						
Farm Debt to Asset	45%	46%	44%	43%	45%	45%
Farm Equity to Asset	55%	54%	56%	57%	55%	55%
Farm Debt to Equity	0.80	0.84	0.79	0.75	0.83	0.80
Profitability (cost)						
Rate of Return on Assets	8.8%	6.0%	6.0%	15.0%	10.6%	6.3%
Rate of Return on Equity	12.4%	6.6%	7.2%	23.5%	16.5%	8.2%
Operating Profit Margin	18.1%	13.8%	13.0%	26.7%	22.1%	15.0%
Asset Turnover Rate	47.1%	43.2%	46.4%	56.3%	48.1%	41.6%
Repayment Capacity						
*Debt Coverage ratio	2.64	1.71	1.87	4.24	3.26	2.14
Term Debt Coverage Ratio	2.97	1.89	2.05	4.70	3.77	2.46
Replacement Coverage Ratio	2.05	1.39	1.44	3.13	2.58	1.70
Efficiency						
Operating Exp Ratio	70.0%	72.8%	75.2%	62.7%	66.1%	73.0%
Depreciation Exp Ratio	5.0%	5.8%	5.0%	4.4%	4.9%	5.1%
Interest Exp Ratio	3.9%	5.2%	4.0%	2.8%	3.3%	4.2%
Net Farm Inc Ratio	20.9%	16.2%	15.8%	30.1%	25.6%	17.0%