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**Profitability Measures**  
**Farm Business Management - Moorhead**  
**Northland Community & Technical College**  
**(Farms Sorted By Net Farm Income)**

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	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	79	15	16	16
<b>Profitability (assets valued at cost)</b>				
Net farm income from operations	271,140	15,579	202,466	661,145
Rate of return on assets	13.3 %	2.2 %	11.1 %	17.2 %
Rate of return on equity	18.9 %	-3.0 %	14.9 %	24.7 %
Operating profit margin	23.9 %	5.5 %	20.3 %	27.7 %
Asset turnover rate	55.8 %	39.0 %	54.8 %	62.1 %
Farm interest expense	44,280	21,302	41,430	75,749
Value of operator lbr and mgmt.	64,867	23,425	59,908	120,924
Return on farm assets	250,554	13,457	183,989	615,970
Average farm assets	1,879,855	625,636	1,657,382	3,587,749
Return on farm equity	206,274	-7,846	142,559	540,222
Average farm equity	1,088,692	262,931	958,586	2,190,397
Value of farm production	1,048,480	244,155	908,198	2,226,846