

*Financial Standards Measures
(Farms Sorted By Farm Type)*

	<i>Avg. Of All Farms</i>	<i>Crop</i>	<i>Dairy</i>	<i>Hog</i>	<i>Beef</i>	<i>Crop and Dairy</i>	<i>Crop and Hog</i>	<i>Crop and Beef</i>	<i>Other</i>
Number of farms	3162	1637	395	50	135	59	36	223	615
Liquidity									
Current ratio	1.57	1.61	1.66	1.58	1.26	1.52	1.74	1.40	1.55
Working capital	210,213	248,124	170,674	566,061	90,833	187,443	459,493	158,496	141,403
Working capital to gross inc	25.3 %	33.2 %	12.4 %	18.1 %	16.6 %	18.0 %	26.1 %	25.0 %	23.7 %
Solvency (market)									
Farm debt to asset ratio	42 %	41 %	45 %	53 %	43 %	42 %	42 %	43 %	42 %
Farm equity to asset ratio	58 %	59 %	55 %	47 %	57 %	58 %	58 %	57 %	58 %
Farm debt to equity ratio	0.73	0.69	0.80	1.12	0.76	0.72	0.72	0.75	0.73
Profitability (cost)									
Rate of return on farm assets	3.0 %	2.8 %	4.4 %	3.7 %	0.3 %	3.5 %	4.2 %	1.4 %	3.3 %
Rate of return on farm equity	1.7 %	1.5 %	4.1 %	2.8 %	-4.2 %	2.6 %	3.9 %	-1.9 %	2.3 %
Operating profit margin	9.2 %	8.1 %	11.4 %	10.5 %	1.4 %	11.4 %	10.6 %	5.4 %	11.9 %
Net farm income	77,467	76,353	121,194	133,783	13,180	135,825	163,153	29,034	70,033
EBITDA	173,173	170,546	256,419	308,688	57,561	245,471	321,165	114,974	149,227
Repayment Capacity									
Capital debt repayment capacity	123,123	117,660	200,706	213,053	39,059	167,437	203,376	68,880	111,146
Capital debt repayment margin	34,687	38,276	59,943	65,421	-10,842	44,371	64,133	-6,141	28,788
Replacement margin	3,104	-198	35,174	28,488	-22,476	5,410	14,785	-30,236	5,768
Term debt coverage ratio	1.39	1.48	1.43	1.44	0.78	1.36	1.46	0.92	1.35
Replacement coverage ratio	1.03	1.00	1.21	1.15	0.63	1.03	1.08	0.69	1.05
Efficiency									
Asset turnover rate (cost)	32.8 %	34.1 %	38.5 %	34.9 %	17.9 %	30.6 %	39.9 %	26.1 %	27.6 %
Operating expense ratio	79.2 %	77.2 %	81.3 %	90.1 %	89.5 %	76.4 %	81.7 %	81.9 %	75.0 %
Depreciation expense ratio	6.8 %	7.6 %	5.7 %	2.8 %	4.0 %	7.6 %	5.4 %	7.0 %	8.1 %
Interest expense ratio	5.3 %	5.6 %	4.2 %	2.8 %	5.7 %	5.6 %	3.9 %	7.4 %	6.1 %
Net farm income ratio	8.7 %	9.6 %	8.7 %	4.3 %	0.8 %	10.4 %	8.9 %	3.7 %	10.7 %

A minimum of 10 farms required per column. Some columns were omitted.

Financial Standards Measures (continued)
(Farms Sorted By Farm Type)

Data Source(s):

Mn State College & University South, 1476 farms
Mn State College & University North, 572 farms
ND Farm and Ranch Business Management, 372 farms
Mn State College & University Red River Valley, 121 farms
Nebraska Farm Business, Inc, 114 farms
Wisconsin Technical College System, 111 farms
Missouri Farm Business Management Analysis, 109 farms
Southwest Minnesota Farm Business Management Association, 106 farms
South Dakota Center for Farm/Ranch Management, 80 farms
Other groups, 51 farms
Penn State Extension, 27 farms
Utah Farm/Ranch Business Management, 23 farms

Report Summary

1. Report number	354231
2. Location	
State:	All
3. Farm Characteristics	
Year(s):	2019

Suggested citation:

FINBIN (2020). Center for Farm Financial Management: University of Minnesota.
Retrieved from <http://finbin.umn.edu> (originally created August 20, 2020).

[Click to open CSV file.](#)