

## Financial Performance Measures

### Ag Decision Maker -- Iowa State University Extension

See the [Financial Files](#) for more information.

Enter your input values in shaded cells.

Name **Mayer Farm**

Year

**2009**

Value of unpaid labor per year	\$40,000	
<b>Liquidity</b>	1/1/2009	1/1/2010
Current ratio	1.71	1.48
Working capital	\$235,050	\$178,031
<b>Solvency</b>		
Total debt to asset ratio	40%	38%
<b>Profitability</b>		
Net farm income		\$56,819
Rate of return on farm assets		3.4%
Rate of return on farm equity		0.7%
Operating profit margin ratio		15.5%
<b>Financial Efficiency</b>		
Asset turnover ratio		22%
Operating expense ratio		68%
Depreciation expense ratio		10%
Interest expense ratio		14%
Net farm income ratio		8%
Average interest rate on debt		7.6%
<b>Repayment Capacity</b>		
Term debt and capital lease coverage ratio		93%
Capital replacement and term debt repayment margin		(\$9,209)

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... and justice for all

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