

OWNERSHIP OF DAIRY FARM ASSETS

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Financial analysis from balance sheets of participants of in the Dairy Business Analysis Program, DBAP, indicate that on average \$4,421 has been invested in the businesses. Of that amount, more was invested in intermediate assets (cattle, machinery, stocks and certificates) than long term assets.

FLORIDA DAIRY FARM ASSETS, DBAP, 1995

ASSET	DBAP AVERAGE (\$/cow)	PERCENT OF TOTAL
Current assets (cash, checking, savings, accounts receivable, prepaid expenses, etc)	\$301	6.8%
Intermediate assets (cattle, machinery, stocks and certificates)	\$2,190	49.5%
Long term assets (real estate)	\$1,930	43.7%
Total assets	\$4,421	100%

FLORIDA DAIRY FARM LIABILITIES & NET WORTH, DBAP, 1995

LIABILITIES AND NET WORTH	DBAP AVERAGE (\$/cow)	PERCENT OF TOTAL
Current liabilities (accounts payable, operating debts)	\$423	9.6%
Intermediate liabilities (leases, short term debt and Farm Credit stock)	\$407	9.2%
Long term liabilities (mortgages and long term leases)	\$775	17.5%
Total liabilities	\$1,605	36.3%
Net worth	\$2,815	63.7%
Total liabilities and net worth	\$4,421	100%

Liabilities were 36% of total assets. Of liabilities, which were \$1,605 per cow, \$775 or 48% were long term liabilities (mortgages and long term leases). Since 1995 was not a good year for Florida dairy producers, it is probable that accounts payable on December 31, 1995 were higher than normal. Similarly, current assets might have been lower than usual.