

Brown Trucking – Financial Statements

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Brown Trucking was started in the early 2000's by Kent and John Brown to provide trucking support to the farm. After a few years of just hauling for the farm, the business expanded provide trucking and hauling assistance in the local area to help other producers and keep the trucking employees busy year-round.

The business is supposed to run itself, but the past few years have been difficult. When Covid-19 hit in 2020, the business temporarily slowed down, severely restricting cash flow. John was able to workout loan deferrals for one year with the local lenders, but he and his dad had to contribute \$100,000 to the business to keep it afloat. 2021 was better, but the Brown's contributed an additional \$50,000 of capital.

The farm's hauling/freight expense is paid to Brown Trucking, but it probably pays only 50% of the true cost of trucking.

FINPACK

Historic Report: Cost Balance Sheets, Ag

Brown Trucking

Sumter, SC

File: Brown Family Farm

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Clemson Agribusiness

Prepared on: 1/11/2022

	<i>Dec 31, 2017</i>	<i>Dec 31, 2018</i>	<i>Dec 31, 2019</i>	<i>Dec 31, 2020</i>	<i>Dec 31, 2021</i>
	<i>Trucking</i>	<i>Trucking</i>	<i>Trucking</i>	<i>Trucking</i>	<i>Trucking</i>
Current Assets					
Cash and checking	25,000	20,000	15,000	20,000	30,000
Prepaid expenses and supplies	30,000	40,000	65,000	70,000	70,000
Accounts receivable	50,000	60,000	80,000	98,000	105,000
Total Current Assets	105,000	120,000	160,000	188,000	205,000
Intermediate Assets					
Machinery and equipment	725,000	525,000	425,000	383,500	181,500
Total Intermediate Assets	725,000	525,000	425,000	383,500	181,500
Long Term Assets					
Buildings and improvements	375,000	275,000	75,000	50,000	50,000
Total Long Term Assets	375,000	275,000	75,000	50,000	50,000
Total Farm Assets	1,205,000	920,000	660,000	621,500	436,500
Total Personal Assets	0	0	0	0	0
Total All Assets	1,205,000	920,000	660,000	621,500	436,500
Current Liabilities					
Accounts payable and other accrued exp.	60,000	70,000	80,000	85,000	85,000
Principal due within 12 months on term loans	152,596	300,786	300,000	322,272	242,412
Current loans	100,000	70,000	85,000	92,500	92,500
Total Current Liabilities	312,596	440,786	465,000	499,772	419,912
Intermediate & Long Term Liabilities					
Intermediate loans	0	0	0	0	0
Long term loans	1,147,404	699,214	400,000	477,728	247,588
Total Farm Liabilities	1,460,000	1,140,000	865,000	977,500	667,500
Personal liabilities	0	0	0	0	0
Total Liabilities	1,460,000	1,140,000	865,000	977,500	667,500
Annual Noncurrent Debt Payments					
Farm P & I payments	229,560	356,486	338,000	361,793	263,922
Equity					
Retained earnings	-255,000	-220,000	-205,000	-356,000	-231,000
Net worth	-255,000	-220,000	-205,000	-356,000	-231,000
Retained earnings change	0	35,000	15,000	-151,000	125,000
Ratio Analysis					
Current ratio	0.34	0.27	0.34	0.38	0.49
Current ratio (business and personal)	0.34	0.27	0.34	0.38	0.49
Working capital	-207,596	-320,786	-305,000	-311,772	-214,912
Working capital (business and personal)	-207,596	-320,786	-305,000	-311,772	-214,912
Current & interm. % in debt	38 %	68 %	79 %	87 %	109 %
Total debt to asset ratio	121 %	124 %	131 %	157 %	153 %
Total debt to equity ratio	-5.73	-5.18	-4.22	-2.75	-2.89

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Historic Report: Farm Income Statement Detail

Brown Trucking

Sumter, SC

File: Brown Family Farm

Prepared by: SMICKEY@CLEMSON.EDU
Clemson Agribusiness

Prepared on: 1/11/2022

Source	2018 FINAN	2019 FINAN	2020 FINAN	2021 FINAN	Average
Cash Farm Income					
Custom work income	2,014,975	2,209,933	1,606,281	2,571,087	2,100,569
Gross farm income (cash)	2,014,975	2,209,933	1,606,281	2,571,087	2,100,569
Cash Farm Expense					
Interest	86,100	69,150	66,150	60,600	70,500
Supplies	24,375	28,279	24,835	33,320	27,702
Fuel & oil	455,000	527,882	463,583	621,982	517,112
Repairs	178,750	207,382	182,122	244,350	203,151
Hired labor	731,250	848,381	745,044	999,615	831,073
Personal property taxes	19,500	22,624	19,868	26,656	22,162
Farm insurance	113,750	131,970	115,896	155,496	129,278
Utilities	48,750	56,559	49,670	66,641	55,405
Dues & professional fees	32,500	37,706	33,113	44,427	36,937
Total cash farm expense	1,689,975	1,929,933	1,700,281	2,253,087	1,893,319
Net cash farm income	325,000	280,000	-94,000	318,000	207,250
Inventory Changes					
Prepays expenses and supplies	10,000	25,000	5,000	-	10,000
Accounts receivable	10,000	20,000	18,000	7,000	13,750
Accounts payable	-10,000	-10,000	-5,000	-	-6,250
Total inventory change	10,000	35,000	18,000	7,000	17,500
Net operating profit	335,000	315,000	-76,000	325,000	224,750
Depreciation					
Machinery & equipment	-200,000	-100,000	-150,000	-250,000	-175,000
Buildings and improvements	-100,000	-200,000	-25,000	-	-81,250
Total depreciation	-300,000	-300,000	-175,000	-250,000	-256,250
Net farm income from operations	35,000	15,000	-251,000	75,000	-31,500
Net farm income	35,000	15,000	-251,000	75,000	-31,500