

## FINANCIAL SITUATION OF CZECH PIG BREEDERS IN THE PERIOD 2007 – 2013

*Špička J.*

*Institute of Agricultural Economics and Information*

### **Abstract**

The aim of the article is to evaluate financial situation of the Czech pig breeders in the period 2007 – 2013. Beyond the global aim, the article also provides a useful tool for financial benchmarking of Czech pig breeders. Financial analysis is based on data from financial statements provided by Bisnode Company. Dataset covers 58 pig breeders, legal persons only. Accounting data are evaluated through financial ratio indicators (profitability, liquidity, capital structure and cash conversion cycle), indicators of labour productivity and investment activity. Results reveal that financial situation of Czech pig breeders is getting better. After long period in loss, pig breeders became profitable in 2012 (return on total assets was 3.6 %) and 2013 (return on total assets was 2.3 %). However, there is a big gap in quality and quality and strategy of financial management between pig breeders in 25<sup>th</sup> and 75<sup>th</sup> quartile. Top pig breeders have approximately four times higher labour productivity than the worst quarter on average.

**Key Words:** Pig breeding, financial analysis, benchmarking, income