

THE UNIVERSITY OF MAINE Cooperative Extension

Recordkeeping Production and Financial



<https://extension.umaine.edu/penobscot/sywtfim/course-resources/>

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Agenda

- Recordkeeping (Paper & Electronic)
 - Production Records
 - Financial Records



If you don't keep records...
... You can't tell if you are making progress or falling behind in your agriculture enterprises.

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Financial Vs. Production Records

<ul style="list-style-type: none"> Production <ul style="list-style-type: none"> Quantities of Inputs <ul style="list-style-type: none"> Breeding Crops Planted Production Measures <ul style="list-style-type: none"> Live Births Crops Harvested Eggs Produced 	<ul style="list-style-type: none"> Financial <ul style="list-style-type: none"> Income Transactions Expense Transactions
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Daily Events (Farm Diary)

- Pocket Note Pad 😊
- Field Note Book 😊
- Pocket Calendar 😊
- Smart Phone 😊
- Tablets 😊
- Memory 😞

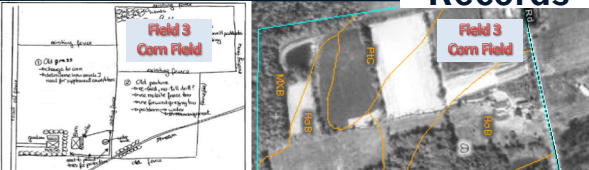


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Field Production Records


- Farm Map
 - Property Boundaries
 - Field Identification
 - Grazing Paddocks
- Field Records
 - Soil Tests
 - Fertilizer Applications
 - Pesticide Applications
 - Seeding
 - Crops Grown
 - Crop Yields

Excel Spreadsheet THE UNIVERSITY OF MAINE Cooperative Extension **Field Records**




Year	pH	OM	P2O5	K2O	Applications	Crop
Field 3						
2012	5.3	4.5	5.3	160	Lime manure	Corn
2015	6.0	5.5	15	250	manure	Hay
2017						
Field 4						

Crop Production Info




- Hybrid/Variety
- Yield Goal/Actual Yield
- Planting Date
- Population Planted/Actual Population / Spacing
- Planter Settings
- Tillage Practices and Dates
- Harvest Date

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Date	Field Name	Material Applied (Brand name, manufacturer, formulation, source)	Purpose	Quantity applied	Application Rate


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- Pest/Crop Problem Treated
- Time/Date of Application
- Applicator/Permit #
- Crop/Field Location
- # of Acres Treated
- Pesticide Used
- Rate/Acre
- Total Amount Applied
- Crop Stage
- Weather Conditions Before, During, After Treatment
- Other Notes (application method, adjuvant, etc.)

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- Uniform measure of yield
 - Bins
 - Crates
 - Quart baskets
 - Buckets
 - Bale
 - Pounds
- Daily Tally of harvest
 - By Field
 - Note
 - Quality
 - Weather



Excel Spreadsheet THE UNIVERSITY OF MAINE Cooperative Extension

Date	Crop	Field	Yield	Quality
July 1	Peas	AA	3 buckets	Great
July 2	Peas	BB	2 buckets	Ok
July 3	Peas	AA	4 buckets	Great
July 4	Straw berries	Q	500 qts	Ok - rain
July 8	Straw berries	Q	1000 qts	Great

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Livestock Production Records

- **Identification**
 - Farm Bred
 - Birth Info, Sire, Dam
 - Purchased
 - Source, date, price
- **Reproduction**
 - Breeding / services
 - Offspring info
 - Sex, rates of gain
- **Health**
 - Vaccinations
 - Treatments
 - Body condition score



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Individual Record

Name	Betsy		Born	3/1/14	Reg. No.	
Sire	Rome		Date Vac.		Ear Tag No.	
Dam	Phebie		Vac. By:			
Yr.	Service Date	Sire Name	Checked Preg.	Date Due	Date Lambed	Sex of lamb (s)
2015	Nov. 1	Pete		Mar. 26	Mar. 28	M, F
2016	Oct. 15	Sam		Mar. 9	Mar. 8	F, F
2017	Oct. 25	Arthur		Mar. 19		

Flock Inventory Record

	Start January 2016	Born	Purchased	Sold	Death	End December 2016
Ewe Lambs		5			1	4
Yearling Ewe	2					2
2 yr Ewes	3					3
3 yr Ewes	2					2
4 yr Ewes	2					2
Over 4 yr Ewes	5				1	4
Total Females	14					17
Ram Lambs		6				7
Yearling Rams	7			6	1	0
2 yr Rams	2			1		1
Over 2 Rams	1			1		0
Total Males	10					8

Production Record Analysis



- Pregnancy Percent
- Live Birth Percent
- Weaning Percent
- Eggs laid
- Weanling Rate of Gain
- Days at weaning
- Yearling Rate of Gain
- Sex Ratio

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Beef Management Calendar
<http://bit.ly/10oghjW>

Beef Production Plan - Calendar

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Breeding							X	X				
Calving				X	X							
Pasture					X	X	X	X	X	X		
Haying							X	X	X			
Marketing				X						X		

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Computerized Herd Management Software for Cow-Calf Producers

#FSA 3108
University of Arkansas Cooperative Extension Service
<http://bit.ly/RULxot>



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Smart Phone Apps

(there's an app for that)

- Production information
- Financial information

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Financial Records

- By Income Source
- Expenses
- Property and Equipment

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Recordkeeping Vs. Record Analysis

<ul style="list-style-type: none"> • <i>Maintaining Information</i> <ul style="list-style-type: none"> – file receipts – check stub – write down dates 	<ul style="list-style-type: none"> • <i>Summarizing records to make decisions</i> <ul style="list-style-type: none"> – net income per animal or acre – compare expenses to income
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Tax Management Vs. Farm-Financial Management

<ul style="list-style-type: none"> • Records are required for tax purposes= 7 Years • Ensure you pay only the taxes you owe • Property and Equipment until Sold or Junked 	<ul style="list-style-type: none"> • Records are needed to make decisions for future farm activities • Verify invoice payments • Determine charges for your products and services
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Requirements of a Good Record Keeping System


- Simple
- Understandable
- Reliable
- Accurate
- Efficient

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Keeping Financial Records

- Start with Checkbook
- One Write Check Systems
- **Shoe Box for receipts – NOT RECOMMENDED**
- Record book and files for receipts
- Electronic program and files for receipts

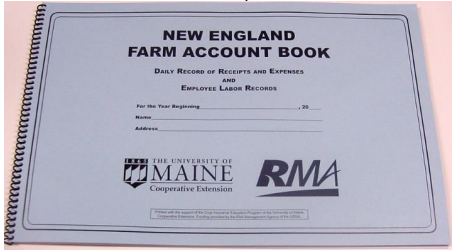
Excel version now available – email Donna for a copy

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Single Entry Bookkeeping System

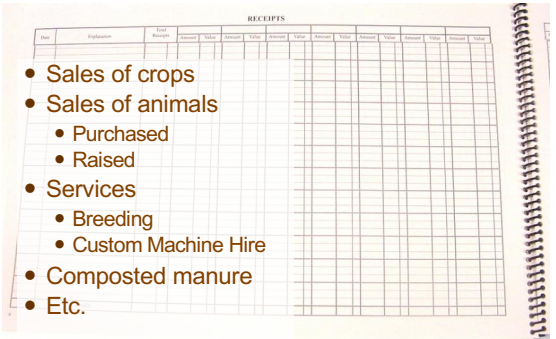
New England Farm Account Book

- Available free from Cooperative Extension




Receipts (Income)

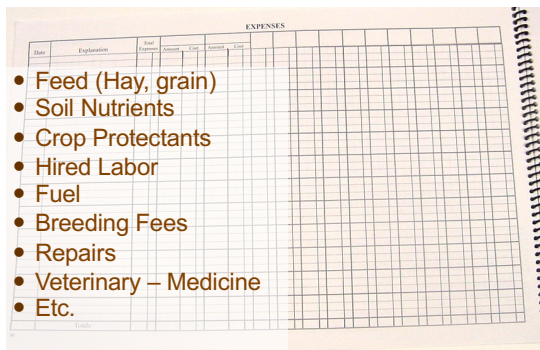
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- Sales of crops
- Sales of animals
 - Purchased
 - Raised
- Services
 - Breeding
 - Custom Machine Hire
- Composted manure
- Etc.


Expenses (Costs)

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- Feed (Hay, grain)
- Soil Nutrients
- Crop Protectants
- Hired Labor
- Fuel
- Breeding Fees
- Repairs
- Veterinary – Medicine
- Etc.

Records


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- Individual Employee Labor, Social Security and Payroll Tax Returns
- Inventory of livestock raised
- Accounts payable
- Capital & depreciation records
- Business use of home and Equipment
- Federal and State Income Tax Returns

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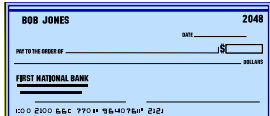
Electronic Programs


- Cost: \$30 to \$100
 - Quicken
 - Quick Books
 - Other
- Online Tutorials
- Quick Book training in the Bangor area periodically
- Training available through Adult Ed

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Computer Software Programs for Farm Financial Recordkeeping

- Based on a Checkbook
 - Start with an opening balance
 - Use basic transactions
 - Checks
 - Deposits




Check - Expense Transactions

DATE	NUM	PAYEE	PAYMENT	DEPOSIT	BALANCE
28-Sep	1002	Power Company	200		2,500.00
1-Oct	1003	Farm Supply	477.85		2,022.15

Shady Acres Farm 1003
DATE 10-1-10

PAY TO THE ORDER OF Farm Supply \$ 477.85
Four hundred seventy-seven and 85/100 DOLLARS

National Bank of Maine
Feed, Fertilizer, Drugs I.M. Farmer
00210066 710 304076 2111


Detailed Transactions

DATE	NUM	PAYEE	PAYMENT	DEPOSIT	BALANCE
1-Oct	1003	Farm Supply	477.85		2,022.15
		Feed for Cows	\$105		
		Feed for Calves	\$ 45		
		Fertilizer for Pasture	\$320		
		Drugs for cows	\$7.85		

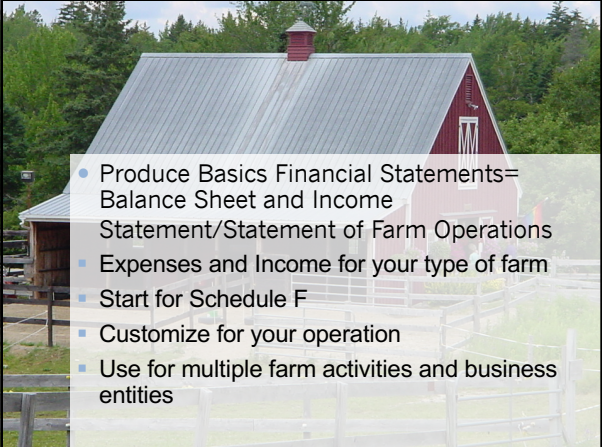
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Electronic Systems Migrate from Bookkeeping to Accounting

- Accounts Payable= enter invoices as received and schedule payments
- Accounts Receivable= enter sales as they occur, able to track customer activity
- Inventory= track by type and adjust for new purchases and sales



- Produce Basics Financial Statements= Balance Sheet and Income Statement/Statement of Farm Operations
- Expenses and Income for your type of farm
- Start for Schedule F
- Customize for your operation
- Use for multiple farm activities and business entities


Farmers Tax Guide
Schedule F
Publication #225

Publication 2018
Farmer's Tax Guide
For use in preparing 2018 Returns

Contents

- Introduction
- 1. General Information
- 2. Farm Income
- 3. Farm Expenses
- 4. Farm Losses
- 5. Farm Depreciation
- 6. Farm Energy-Related Expenses
- 7. Farm Charitable Deductions
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- 100. Farm Charitable Deductions

Get Farmer and other information before you start! Internet: 225.gov

<http://www.irs.gov/pub/irs-pdf/p225.pdf>


Classes -
Linked to different farm enterprises

- Vegetables
- Fruits
- Breeding stock
- Livestock
- Hay
- Value Added
- Maple
- Firewood
- Milk
- Custom Work





Key to Records

- Make it convenient
- Make it simple
- Do it regularly
- Use records to analyze your farm productivity & profitability
- Satisfy the IRS