

GENERAL INFORMATION

In today's business environment, the successful farm manager needs records for: 1) day-to-day decision-making, 2) forward planning, and 3) tax management. Some of the most common uses of good records are the measurement of operating and financial performance, supporting loan applications, arranging insurance coverage, estate planning and valuations, analyzing farm investments, measuring individual enterprise profitability, monitoring production inventories, and developing sound marketing plans.

An effective accounting system will aid the farm manager in evaluating the farm's liquidity, solvency, production and economic efficiency, and profitability. The perceptive use of internal information combined with information about markets, policies, and other production and economic factors improves the farmer's decision-making abilities.

Being a good producer is no longer good enough. To be successful in today's business environment, a farmer must also be a good financial manager. Accurate and efficient production, marketing, and financial management decisions require timely and extensive information. **Decision-making will be easier if a complete record keeping system is adopted, discipline is used to maintain the system, and the manager learns to effectively interpret the use of the records produced.**

HOW TO KEEP THIS RECORD BOOK

1. Decide who is to post the information in this book.
2. Decide where to keep the record book.
3. Determine the responsibilities of others besides the recordkeeper.
4. Designate where invoices and receipts are to be placed before they are posted.

Note: The recordkeeper should have the responsibility of filing invoices, receipts, and bank statements. If you deposit all money and pay all bills with checks and write memos on all your checks and deposit slips, you will have the foundation for a good record system.

This book was designed primarily for accounting and reporting income taxes on the "cash basis." Pages A-4a through A-5b provides examples of how to enter receipts and expenses. This book includes pages for financial and production analysis as well as accumulating data necessary for preparing your income tax returns. For a cash basis user, completion of the receipts/expenses section and the Section B analysis is necessary to accurately measure and analyze the farm or ranch financial production progress.

BENEFITS FROM KEEPING A FARM RECORD

The farm manager is able to:

1. Determine the farm earnings.
2. Detect the weaknesses in the farm business and, by strengthening them, increase farm earnings.
3. Provide accurate information for income and Social Security tax purposes.
4. Assist in establishing and maintaining good credit relations with banks and other lending agencies.
5. Furnish a record of important events and transactions for later use.
6. Apply good business methods to the farm operation.

START OF THE YEAR SUGGESTIONS

New Users of This Record Book System

1. Fill in the "Special Information" on page C-15.
2. Complete the "Asset and Liability Listings" on pages A-11a through A-14d. (And if you want to maintain itemized lists, complete pages C-2 through C-5.)
3. If you plan to compute your depreciation deduction, complete the depreciation pages C-6 through C-8.

Prior Year Users

1. Transfer all "C" prefixed pages from your prior year record book to this year's book (note that page numbers may have changed from the previous version).
2. Update the "Special Information" on page C-15.
3. Transfer last year's ending amounts of items held for resale to the beginning balances for the "Cost of Goods Sold" worksheet on page B-13.
4. Transfer last year's ending balance sheet amounts to the appropriate lines in the supplemental schedules to the income statement on page B-10a and balance sheet on page B-6.

Suggestions for All Users

1. Copy additional pages as needed.
2. Study the sample entries of receipts and expenses on pages A-4a through A-5b.
3. Total the receipts for each month (or bank statement period) and transfer the totals for the Cash Inflow (Receipts Summary) on pages B-4a and B-4b. Total the expenses for each month (or bank statement period) and transfer the totals to the Cash Outflow (Expenses Summary) on pages B-5a and B-5b.

4. All business expenses, itemized deduction expenses, and expenses of potential review (such as life insurance, gifts, and federal income tax payments) should be listed separately in the Expenses pages (A-8a through A-8b). Category detail for personal expenses can be maintained on pages A-10a through A-10b.

Posting the total monthly (bank statement) receipts and expenses on pages A-8a through A-8b and A-10a through A-10b provides a method of checking the amounts posted in the record book with your bank statement. If the checking account is a combined personal and business account, personal expenses, due to their volume and nondeductibility, should be summarized in one entry on the Expense pages. See the sample entry on line 16 of pages A-5a and A-5b.

5. Payments to employees and contractors are entered in the Expense pages. The details of these transactions may be posted to either page A-16 or page A-18 as appropriate.
6. As production data is made certain during the year, this information should be filled in on the appropriate production summaries, pages A-19 or A-20.
7. Posting the expenses for livestock purchases and the receipts from livestock sales may require extra attention. The cost of livestock purchased for resale is posted on page A-8a while the cost for livestock acquired for draft, breeding, or dairy purposes should be posted on page A-8b.

Proceeds from the sale of livestock purchased for resale are posted in column 1 of page A-6a while receipts from the sale of raised livestock are posted in columns 2 through 5 of page A-6a. The receipts from the sale of livestock held for draft, breeding, or dairy are posted in column 19 of page A-6b.

8. Occasionally, taxable non-cash transactions occur which need to be entered into your records. Examples are patronage distributions from farm cooperatives and non-cash wages to employees. For patronage dividends the retained earnings (non-cash) as well as the cash distribution are considered taxable income. See the examples listed in the sample receipts and expenses on pages A-6a through A-8b.

GOALS AND STRATEGIES

	THIS YEAR	FIVE YEAR	STRATEGIES TO BE USED
FAMILY GOALS			
BUSINESS GOALS			
Marketing:			
Production:			
Financial:			

A goal is a statement of what an individual or family wants to achieve. You are more likely to achieve things you want over time if you identify what you are trying to accomplish.
 A strategy is the means for accomplishing the identified goals.
 OSU WF-244, Goal Setting for Farm/Ranch Families <http://agweb.okstate.edu/pearl/agecon/tax/wf-244.pdf> , is designed to stimulate your thinking about your business and family goals.

RECEIPTS

L I N E	Crop Sales (continued)						Ag Program Payments	CCC Loans Under Election or Forfeited	Disaster & Crop Insurance Proceeds	Custom Hire	Other Farm Income Refunds, etc.	Non-Taxable Farm Receipts				Sale of Breeding Livestock, Equipment, Buildings, Land	Non-Farm Taxable Receipts			L I N E				
	Other: _____	Other: _____	Other: _____	All Farm Loans Received	All Other Non-Taxable Receipts	Rent & Royalty						Interest & Dividends	Other Taxable Non-Farm Receipts											
1																							1	
2																								2
3																								3
4																		1,012	10					4
5																620	05							5
6						2,970	50																	6
7											150	00												7
8												24,000	00											8
9											400	00												9
10														9,900	00									10
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12																								12
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						2,970	50					550	00	24,000	00	9,900	00	620	05	1,012	10			

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B = Total columns 1 through 22 (A must equal B)

B 102,854 35

EXPENSES

L i n e	Insurance: Farm	Interest: Farm Mortgage	Interest: Farm (Other)	Labor Hired	Pension & Profit- sharing	Rent or Lease	Repairs & Maint.	Seeds & Plants	Storage & Ware- housing	Supplies	Taxes: Farm Property	Utilities	Vet. Breeding & Med	Other Expense: Fees, Dues & Misc. Expense	Capital Purchases: Breeding Livestk, Equip Bldgs, Land	Loan Principal Payments	Non-Farm Expense											
1												110	20															
2		7,875	00													2,911	00											
3			2,504	40												20,000	00											
4				1,280	00																							
5							238	68	449	00																		
6											2,060	10					389	65T										
7						800	00	T																				
8													22	00														
9														1,500	00													
10																												
11																												
12				1,205	01	T																						
13				650	00	T																						
14																	1,816	20T										
15																												
16																												
17						Note: The check marks (T) denote entries which have been carried to another page for summarization, for example, "Employees Earnings Record", "Form 1099 Information", "Cost of Goods Sold", or "Family Living and Personal Expenses". The check mark is simply a posting technique that indicates completion of a posting process.																						
18																												
19																												
20																												
21						Note: The account divisions at the bottom of this page provides for expense allocations required on your farm income and expense tax schedule (Schedule F).																						
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		7,875	00	2,504	40	3,135	01		800	00	238	68	449	00		2,060	10	110	20		22	00	1,500	00	22,991	00	2,205	85
	11	12	13	14	15	16 Vehicles, Mach., Equip. Other			17	18	19	20	21 Farm Share Non-Farm			22	23	24	25	26	27 B=Total Column 1 through 27; (B must equal A)		B	74,416	24			

RECEIPTS

	Crop Sales (continued)			Ag Program Payments	CCC Loans Under Election or Forfeited	Disaster & Crop Insurance Proceeds	Custom Hire	Other Farm Income Refunds, etc.	Non-Taxable Farm Receipts		Sale of Breeding Livestock, Equipment, Buildings, Land	Non-Farm Taxable Receipts					
	Other: _____	Other: _____	Other: _____						All Farm Loans Received	All Other Non-Taxable Receipts		Rent & Royalty	Interest & Dividends	Other Taxable Non-Farm Receipts			
1																	1
2																	2
3																	3
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B=Total columns 1 through 22 (A must equal B)

B

EXPENSES

L i n e	Insurance: Farm	Interest: Farm Mortgage	Interest: Farm (Other)	Labor Hired	Pension & Profit- sharing	Rent or Lease	Repairs & Maint.	Seeds & Plants	Storage & Ware- housing	Supplies	Taxes: Farm Property	Utilities	Vet, Breeding & Med	Other Expense: Fees, Dues & Misc. Expense	Capital Purchases: Breeding Livestk, Equip, Bldgs, Land	Loan Principal Payments	Non-Farm Expense	L i n e
1																		1
2																		2
3																		3
4																		4
5																		5
6																		6
7																		7
8																		8
9																		9
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11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
			Vehicles, Mach., Equip.	Other						Farm Share			B=Total Column 1 through 27; (B must equal A)			B
										Non-Farm						

Instructions For Family Living And Personal Expenses

Budgeting farm family living expenses is more complex than budgeting a non-farm family's expenses. However, taking time to plan now can help you get to where your family wants to be in the future.

Do you know how much you spend on family living expenses? Most families don't, but finding out is the first step in taking charge of your finances. To facilitate keeping better track of expenses, write checks for as many personal expenses as possible. Note the type of expense on each check.

Family living and personal expenses may be posted check-by-check or summarized on a monthly basis. If you want a detailed record, post each expense on pages A-10a and A-10b. If you only wish to summarize your monthly expenses, enter the monthly totals on pages A-10a and A-10b. Regardless of the entry method chosen, to balance your record with your business checking account, all family living and personal expenses that clear the business checking account must be accounted for on the "Expenses" pages A-8a and A-8b.

NOTES

FAMILY LIVING AND PERSONAL EXPENSES

L i n e	Total Amount	Month, Accounting Period, Or Special Entries	Groceries	Meals Outside The Home	Clothing	Education	Recreation	Family Auto Repair	Family Auto Operation	Gifts	Household Supplies	Household Furnishing and Improvement	L i n e
1													1
2													2
3													3
4													4
5													5
6													6
7													7
8													8
9													9
10													10
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*	TOTALS												

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* Sum of amounts in column A should equal sum of totals in columns 1 through 22.

FAMILY LIVING AND PERSONAL EXPENSES

L i n e	Insurance (Non-Med)	Personal Care	Personal Principal & Interest Payments	Savings And Investment	Telephone	Utilities	Other:	Schedule A – Itemized Deductions												L i n e			
								Medical & Dental	Taxes	Home Mortgage Interest	Gifts To Charity	Other Miscellaneous Deductions											
1																							1
2																							2
3																							3
4																							4
5																							5
6																							6
7																							7
8																							8
9																							9
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FARM ASSETS¹

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Cash and Checking										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Accounts Receivable										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Prepaid Expenses										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cash Investment, Growing Crops										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

FARM ASSETS¹ (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Machinery and Equipment										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total ⁹	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Machinery and Equipment										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

FARM ASSETS¹ (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Contracts & Notes Receivable										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Investment in Cooperatives										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

FARM ASSETS¹ (continued)

Beginning Balance as of _____, _____
Date Year Ending Balance as of _____, _____
Date Year

Other Non-Current Assets	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

¹ Check Receipts page A-4b for records of asset sales and Expense page A-5b for records of asset purchases. Cross-reference numbers with itemized listings in C-1 through C-5 and depreciation records in C-6a through C-8b.

² Should match total on Livestock Depreciation Record on page C-7.

³ Estimated years of useful life from date of purchase.

⁴ Estimated market value at end of useful life.

⁵ Number sold plus number dead or lost.

⁶ Estimated cost to raise animal from birth to this stage of maturity.

EXAMPLE: Replacement beef cows are transferred in 3 stages (other breeding stock may be transferred in more or less stages). Heifer calves are classified as marketable livestock (current assets) until weaning.

Stage 1: Heifers identified as replacements are entered in the Replacement Heifers category at the cost to raise to weaning. Prior stage cost is zero.

State 2: When bred, these heifers are transferred to the Bred Heifer category at the total cost from birth to This stage. Prior stage cost is that for replacement heifers (birth to weaning).

Stage 3: Bred Heifers are transferred to the Mature Cow category at the time of first calf. Prior stage cost is that for bred heifers (birth to breeding).

⁷ Estimated cost to raise animal from birth to the previous stage of maturity. See example above.

⁸ Include death loss.

⁹ Should match total on Machinery & Equipment Depreciation Record on page C-6.

¹⁰ Should match total on Building & Improvement Depreciation Record on page C-8.

FARM LIABILITIES

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Accounts & Notes Payable:

Description	_____	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____	_____
Month(s) Payment Due:					
This Year	_____	_____	_____	_____	_____
Next Year	_____	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____	_____

Line of Credit Operating Notes:

Description	_____	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____	_____
Month Payment(s)					
Due:					
This Year	_____	_____	_____	_____	_____
Next Year	_____	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____	_____

FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Short Term Operating Notes:

Description					
Payment Frequency ¹					
Month Payment(s) Due:					
This Year					
Next Year					
Interest Rate					
Payment Amount					
Interest Accrued					
Principal Balance					
Interest Due This Year					
Principal Due This Year					

Taxes Payable:

Description					
Payment Frequency ¹					
Month(s) Payment Due:					
This Year					
Next Year					
Payment Amount					

Other Accrued Expenses:

Description					
Payment Frequency ¹					
Month(s) Payment Due:					
This Year					
Next Year					
Payment Amount					

FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Other Current Liabilities:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Non-Real Estate Notes:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month Payment(s) Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____

FARM LIABILITIES (continued)

Beginning Balance as of _____, _____ Year
Date Year

Ending Balance as of _____, _____ Year
Date Year

Real Estate Notes:				
Description				
Payment Frequency ¹				
Month Payment(s) Due:				
This Year				
Next Year				
Interest Rate				
Payment Amount				
Interest Accrued				
Principal Balance				
Interest Due This Year				
Principal Due This Year				
Other Non-Current Liabilities:				
Description				
Payment Frequency ¹				
Month Payment(s) Due:				
This Year				
Next Year				
Interest Rate				
Payment Amount				
Interest Accrued				
Principal Balance				
Interest Due This Year				
Principal Due This Year				

¹Annual, semi-annual, quarterly, monthly

NON-FARM ASSETS

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Cash and Checking										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Savings										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Marketable Securities										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Accounts Receivable										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

NON-FARM ASSETS (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Other Non-Current Assets	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ¹	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

¹ Estimated years of useful life from date of purchase
² Estimated market value at end of useful life
³ Number sold plus units lost

NON-FARM LIABILITIES

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Accounts & Notes Payable:

Description					
Payment Frequency ¹					
Month(s) Payment Due:					
This Year					
Next Year					
Interest Rate					
Payment Amount					
Interest Accrued					
Principal Balance					
Interest Due This Year					
Principal Due This Year					

Line of Credit Operating Notes:

Description					
Payment Frequency ¹					
Month Payment(s)					
Due:					
This Year					
Next Year					
Interest Rate					
Payment Amount					
Interest Accrued					
Principal Balance					
Interest Due This Year					
Principal Due This Year					

NON-FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Short Term Operating Notes:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month Payment(s) Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____
Taxes Payable:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Other Accrued Expenses:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____

NON-FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Other Current Liabilities:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Non-Real Estate Notes:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month Payment(s) Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____

NON-FARM LIABILITIES (continued)

Beginning Balance as of _____, _____ Year Ending Balance as of _____, _____ Year
Date Date

Real Estate Notes:					
Description	_____	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____	_____
Month Payment(s)	_____	_____	_____	_____	_____
Due This Year	_____	_____	_____	_____	_____
Month Payment(s)	_____	_____	_____	_____	_____
Due Next Year	_____	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____	_____

¹Annual, semi-annual, quarterly, monthly

EMPLOYEE INFORMATION AND EXAMPLE

Proper employee information reporting is a continuing problem for many farmers and ranchers. The IRS defines a common-law employee as an individual who performs services subject to the will and control of an employer, as to both what must be done and how it must be done. Two usual characteristics of an employer-employee relationship are that the employer has the right to discharge the employee and the employer supplies the employee with tools and a place to work. If you have an employer-employee relationship, it makes no difference how it is described. It does not matter if the employee is called an employee, or a partner, agent, or independent contractor. Further, it does not matter how the payments are measured, how they are made, or what they are called. An employer must generally withhold income taxes and social security taxes on wages paid to an employee.

Agricultural employees whose cash wages are subject to social security taxes are not required to have income tax withheld on their cash wages. You should ask each new employee to give you a Form W-4 on or before his or her first day of work. This certificate is effective for the first payment of wages and will last until the employee files another Form W-4. If an employee does not give you a Form W-4, you must withhold tax as if the employee were a single person who has claimed no withholding allowances.

You, as an employer, must collect and pay the employee's part of social security tax and you must pay a matching amount. For 2002, the wage base was \$84,900 for social security and is unlimited for Medicare; the social security tax rate was 6.2% each for employers and employees; and the Medicare rate was 1.45% each for employers and employees. These bases and rates change frequently; refer to IRS Publication 225 "Farmer's Tax Guide" or Publication 51 "Circular A, Agricultural Employer's Tax Guide" for the current base amounts and rates.

Social Security taxes and income tax withholding apply to all cash wages you paid during the year to an employee for farm and ranch work if either of the two tests below is met:

1. You pay \$2,500 or more during the year to all employees for agricultural labor.
2. You pay cash wages to an employee of \$150 or more in a year. The \$150 test applies separately to each employee you employ. If you employ a family of workers, each member is treated as a separate employee.

Some employers and employees have utilized non-cash wages as means of avoiding the social security and income tax withholding requirement.

If you are required to report wages, withheld income tax, or social security taxes, you must have an employer identification number (EIN) – a nine digit number separated as follows: 00-0000000. If you do not have an employer identification number, apply for one on Form SS-4, Application for Employer Identification Number, available at any IRS district office or Social Security Administration office or by calling 1-800-829-3676, or on-line at www.irs.gov.

Number of Exemptions: (FED) _____ (STATE) _____
 Additional Withholding: (FED) _____ (STATE) _____

Payroll Period Ending	Total Hours	Gross Wages		Withholdings							Net Pay			
				FICA		Federal Tax		State Tax		Other:				
J U L	15	Non-cash Bonus	1,000	00	- 0	-	- 0	-	- 0	-		1,000	00	
	31		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			2,500	00	114	75	151	00	29	24		2,205	01
A U G	31		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			1,500	00	114	75	151	00	29	24		1,205	01
	Quarterly Total			5,500	00	344	25	453	00	87	72		4,615	03
S E P	30		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			1,500	00	114	75	151	00	29	24		1,205	01
	Quarterly Total			5,500	00	344	25	453	00	87	72		4,615	03
O C T	31		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			1,500	00	114	75	151	00	29	24		1,205	01
	Quarterly Total			5,500	00	344	25	453	00	87	72		4,615	03
N O V	30		2,000	00	153	00	195	00	37	32		1,614	68	
	Monthly Total			2,000	00	153	00	195	00	37	32		1,614	68
	Quarterly Total			5,500	00	420	75	541	00	103	88		4,434	37
D E C	31		2,000	00	153	00	195	00	37	32		1,614	68	
	Monthly Total			2,000	00	153	00	195	00	37	32		1,614	68
	Year to Date Total			11,000	00	765	00	994	00	191	60		9,049	40

EMPLOYEE EARNINGS RECORD

Year _____

Employee's Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Social Security Number: _____

Number of Exemptions: (FED) _____ (STATE) _____

Additional Withholding: (FED) _____ (STATE) _____

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
A							
N							
Monthly Total							
F							
E							
B							
Monthly Total							
M							
A							
R							
Monthly Total							
Quarterly Total							
A							
P							
R							
Monthly Total							
M							
A							
Y							
Monthly Total							
J							
U							
N							
Monthly Total							
Quarter Total							
Year to Date Total							

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
U							
L							
Monthly Total							
A							
U							
G							
Monthly Total							
S							
E							
P							
Monthly Total							
Quarterly Total							
O							
C							
T							
Monthly Total							
N							
O							
V							
Monthly Total							
D							
E							
C							
Monthly Total							
Quarter Total							
Year to Date Total							

EMPLOYEE EARNINGS RECORD

Year _____

Employee's Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Social Security Number: _____

Number of Exemptions: (FED) _____ (STATE) _____

Additional Withholding: (FED) _____ (STATE) _____

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
A							
N							
Monthly Total							
F							
E							
B							
Monthly Total							
M							
A							
R							
Monthly Total							
Quarterly Total							
A							
P							
R							
Monthly Total							
M							
A							
Y							
Monthly Total							
J							
U							
N							
Monthly Total							
Quarter Total							
Year to Date Total							

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
U							
L							
Monthly Total							
A							
U							
G							
Monthly Total							
S							
E							
P							
Monthly Total							
Quarterly Total							
O							
C							
T							
Monthly Total							
N							
O							
V							
Monthly Total							
D							
E							
C							
Monthly Total							
Quarter Total							
Year to Date Total							

FORM 1099 INFORMATION AND EXAMPLES

An employer does not generally have to withhold or pay any taxes on payments to independent contractors. However, if you make total payments of \$600 or more during a calendar year to another person (other than a corporation) in the course of your farm business, you must file information returns (Form 1099) to report these payments. You report interest payments, including interest paid on installment sale contracts, of \$600 or more on form 1099-INT. Payments of \$600 or more made for rents, commissions, fees, prizes, awards, independent contractors, and other payments and compensation, including payments to subcontractors and payments for services provided to you by nonemployees are reported on Form 1099-MISC.

If you pay a contractor who is not a dealer in supplies for both supplies and services, you must report both the payment for the supplies and for services.

You must prepare separate copies of Form 1099-INT and form 1099-MISC for each person. Each person who received payments totaling \$600 or more for the calendar year for the items described above must be given a statement by January 31 of the following year.

If you classify an employee as an independent contractor and you had no reasonable basis for doing so, you will have to pay employment taxes for that worker. Further, if you do not withhold income and social security taxes from his or her wages, you may be held personally liable for a penalty of 100% of the tax if you are the person responsible for the collection and payment of withholding taxes.

You must use a separate transmittal, Form 1096, Annual Summary and Transmittal of U.S. Information Returns, for each different type of 1099 form, i.e. Form 1099-INT and Form 1099-MISC. You may be subject to a \$50 penalty for each incorrectly filed document.

Additional information relative to Form 1099 reporting can be found in IRS Publication 225 "Farmer's Tax Guide" or in an IRS booklet titled "2002 Instructions for Forms 1099, 1098, 5498, 1096, and W-2G".

Independent Contractor, Landlord, Lender, ETC.	Date	Rent, Interest, Machine Hire, ETC.	Amount	
Name: <i>Sam Smith</i>	1-15	<i>Grass Rent</i>	800	00
SSN or EIN: 333-22-4444	1-21	<i>Combining Milo</i>	1,054	50
Address: <i>RR #1, Box 99</i>				
<i>Anytown, OK 77777</i>				
		Total	1,854	50
Name: <i>Andy Over</i>	5-10	<i>Spray Wheat</i>	1,200	00
SSN or EIN: 123-45-6789	8-7	<i>Spray Alfalfa</i>	860	00
Address: <i>Box 999</i>				
<i>Anytown, OK 77777</i>				
		Total	2,060	00
Name: <i>Smith Bros.</i>	7-2	<i>Combining Wheat</i>	8,800	00
SSN or EIN: 22-7777777				
Address: <i>Rt #1, Box 99</i>				
<i>Anytown, OK 77777</i>				
		Total	8,800	00
Name:				
SSN or EIN:				
Address:				
		Total		

FORM 1099 INFORMATION

You must file informational returns (Form 1099) to report payments of \$600 or more to independent contractors for services performed for your farming businesses.

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

FORM 1099 INFORMATION

You must file informational returns (Form 1099) to report payments of \$600 or more to independent contractors for services performed for your farming businesses.

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

BEEF COW PRODUCTION ANALYSIS*

Cow's ID	BREEDING				CALVING					WEANING		205-DAY		YEARLING		365-DAY		COW: WEANING	
	Est. Date Bred	Bull No.	Est. Calving Date	Preg. Check Results	Birth Date	Calf No.	Birth Wt.	Sex	Calving Ease	Date	Calf Wt.	Adj. Wt.	Wt. Ratio	Date	Wt.	Adj. Wt.	Wt. Ratio	Wt.	Condition Score
Averages:																			

Sex Code: 1=Bull, 2=Heifer, 3=Steer

Calving Ease: 1=No Assistance, 2=Easy Pull, 3=Hard Pull, 4=Caesarean, 5=Abnormal Birth

Condition Score: Visual score 1 to 9, 1=very thin, 9=very fat

* Cross-reference with other livestock pages: A-11c, A-19, and C-2.

YEAR: _____

FORAGE AND CROP PRODUCTION RECORD¹

Field	Crop	Seed Used			Chemical Applied				N LBS/A	P LBS/A	K LBS/A	Lime TON/A	Total Yield	Grain Yield /Acre	Beef Yield /Acre
		Rate/A	Variety	Date	Name	Date	Rate/A	Cost/A							
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															

¹ Cross-reference with Forage and Crop Production Record, page C-9.

SECTION B: SUMMARIZATION AND ANALYSIS

This section of the Oklahoma Farm and Ranch Account Book provides for the summarization and analysis of the farm or ranch's financial and production data for the current year. Completing this section accurately and thoroughly will provide information to facilitate evaluation of the business' overall performance as well as that of individual enterprises. Additionally, accurate and complete records are becoming an increasingly important tool in securing and maintaining an adequate line of credit.

The following definitions of terms and terminology may be helpful in the completion of this section. For additional discussion of financial statements and ratios, see: FS-751, Developing a Cash Flow Plan, <http://agweb.okstate.edu/pearl/agecon/tax/f-751.pdf> ; FS-752, Developing a Balance Sheet, <http://agweb.okstate.edu/pearl/agecon/tax/f-752.pdf> ; FS-753, Developing an Income Statement, <http://agweb.okstate.edu/pearl/agecon/tax/f-753.pdf> .

ACCRUED INTEREST: Accrued interest reflects the interest expense that has been incurred but has not been paid as of the balance sheet date.

ASSET TURNOVER RATIO: This ratio is a measure of how efficiently the business assets are being used to generate revenue. A farm business has two ways to increase profits – either by increasing the profit per unit produced or by increasing the volume of production (assuming the business is profitable). The higher the ratio, the more efficiently assets are being used to generate revenue.

AVERAGE EQUITY: Average equity is calculated by dividing the sum of the beginning and ending equity amounts by two.

AVERAGE TOTAL ASSETS: Average total assets is calculated by dividing the sum of the beginning and ending total assets by two.

BALANCE SHEET: The balance sheet is a powerful tool in decision making because it shows what is owned, what is owed, and the owner's equity. A basic accounting rule exists for these relationships: $ASSETS = LIABILITIES + OWNER EQUITY$. This equality always holds since any transaction which causes a change in value to one side of the equation will cause an identical change to the other side. The balance sheet provides information to determine the liquidity and solvency of the business at a specific point in time. A detailed explanation of the balance sheet appears in OSU Extension Facts 752, <http://agweb.okstate.edu/pearl/agecon/tax/f-752.pdf>.

BOOK VALUE: In financial planning and analysis, assets are frequently valued at book value which is cost plus improvements minus accumulated depreciation assets such as machinery, purchased breeding livestock, and buildings.

CASH FLOW STATEMENT: The cash flow statement is used to identify all sources and uses of cash going into and coming out of the business. The review of historical cash flow statements provides the user with an estimate of how much annual operating debt will be required, when the loan can be repaid, and loan repayment capacity for longer term debt obligations. A detailed explanation of a cash flow statement appears in OSU Extension Facts 751, <http://agweb.okstate.edu/pearl/agecon/tax/f-751.pdf>.

COST OF GOODS SOLD: The cost of any items purchased for resale must be inventoried (not considered an operational expense) at their purchase price. The cost of items purchased for resale are used in calculating the "cost of goods sold". For income tax reporting, the deduction of the cost of these items is allowed in the tax year the items are disposed of – not in the year acquired.

CURRENT ASSETS: Current assets include cash and other assets which are reasonably expected to be sold or consumed during the normal operating cycle of the business. A normal operating cycle is generally one year.

CURRENT LIABILITIES: Current liabilities are obligations that are due on demand or will become due within one year of the balance sheet date. Common current liabilities are accounts payable, notes payable, taxes payable and interest payable.

CURRENT PORTION OF TERM DEBT: The payments which will become due on non-current liabilities are reported as a current liability since they will be due within one year.

CURRENT RATIO: This ratio (current assets / current liabilities) indicates the extent to which current assets, if liquidated, would cover current liabilities. If the ratio is greater than 1, the business is considered liquid. The higher the ratio, the greater liquidity. For a farm or ranch operation, this ratio will vary substantially throughout the production

period. Thus, financial analysis should be reviewed at comparable times from year to year.

DEBT TO ASSET RATIO: This ratio, equal to total liabilities divided by total assets, is a means of expressing the risk exposure of the farm. The higher the ratio, the greater the financial risk exposure.

DEBT TO EQUITY RATIO: Also known as the leverage ratio, this ratio measures financial position. The ratio reflects the extent to which debt capital is being combined with equity (net worth) capital. The higher the value of the ratio, the more total capital supplied by the creditors and the less supplied by the owner(s).

INVESTMENT IN COOPERATIVES: There are three major types of cooperatives that have substantial dealings with farmers: supply cooperatives, the Farm Credit System, and marketing cooperatives. In general, investments in these cooperatives should be reported on the balance sheet at cost as a non-current asset. The cost investment should be increased for additional cash investments or declarations of noncash patronage distributions and decreased for cash distributions for the redemption of stock or for the allocation of cooperative losses to patrons.

INCOME STATEMENT: The income statement, or profit and loss statement as it is frequently called, measures the profitability of a business over a specific period of time, generally, a calendar year. The primary purposes of an income statement are to 1) determine the profitability of a business, 2) identify sources for profits or losses, and 3) show the disposition of receipts. A detailed explanation and illustration of an income statement appears in OSU Extension Facts 753, <http://agweb.okstate.edu/pearl/agecon/tax/f-753.pdf> .

INVESTMENT IN GROWING CROPS: For valuing growing crops, the balance sheet should reflect the cash investment in those crops, including the direct cost of seed, chemicals, fertilizer, and fuel up to the date the balance sheet is prepared.

OWNER EQUITY: Net worth or owner equity is determined by subtracting total liabilities from total assets. Equity is a residual estimating the owner's claims against the business after all debts are satisfied. Owner equity and net worth are used synonymously within the accounting profession.

NET FARM INCOME: Net farm income is computed by netting the following items: 1) net cash income from operations, 2) adjustments for accrued expenses, 3) depreciation, 4) adjustments for changes of inventory and cash investment in growing crops, 5) capital gains (losses), 6) value of farm products used in the home, and 7) value of raised livestock added to the breeding herd during the year.

PREPAID EXPENSES: As the name implies, a prepaid expense is a production cost that has been paid for in advance of its use. To properly reflect income, at the time of prepayment an asset is recorded and as the item is used or consumed, it becomes an expense. Examples of expense items which are occasionally prepaid include feed, fertilizer, and fuel.

RETURN ON ASSETS: This ratio measures the rate of return on assets and frequently is used as an overall index of profitability. The higher the value, the more profitable the business. The rate of return on farm assets may seem low when compared to non-farm investments. However, it should be recognized that unrealized capital gains and losses on farm real estate and other capital assets are not included as income.

RETURN ON EQUITY: The return on equity is computed by subtracting the value of unpaid family labor and the opportunity cost of the operator's labor from net farm income. The opportunity cost of the operator's labor is that return (amount) that the operator could earn if his or her labor was employed in an alternative way. The return on equity can then be compared to the return possible in alternative investments.

UNPAID LABOR AND MANAGEMENT: Many farm operations are organized as a sole proprietorship or partnership and do not pay compensation to the operator(s) and family members for labor and management. A charge for unpaid operator and family labor and management must be subtracted from net income from operations to calculate the return on assets and/or equity. This amount can either be determined based on 1) an opportunity cost or 2) the withdrawals for family living.

WORKING CAPITAL: Working capital is the dollar difference between current assets and current liabilities. The desired minimum level for this financial analysis measure will vary given the type of enterprises and the growth stage of the business.

YEAR: _____

CASH INFLOW (Receipts Summary)

L i n e	CASH RECEIPTS: (From A-6a and A-6b)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	L i n e
1	Sale of Purch. Lvst													1
2														2
3														3
4														4
5														5
6	Wheat													6
7														7
8														8
9														9
10														10
11														11
12	Ag Program Pymts													12
13	CCC Loans													13
14	Disaster & Crop Ins													14
15	Custom Hire													15
16	Other Farm Income													16
A	OPERATING RECEIPTS (Sum lines 1 thru 16)													A
17	All Loans Received													17
18	Other Non-Taxable Receipts													18
19	Sale: Capital Assets													19
20	Rent & Royalty													20
21	Interest & Dividends													21
22	Other Taxable Receipts													22
B	TOTAL CASH INFLOW (Sum lines A and 17 thru 22)													B

A= Sum lines 1 through 16:

B= Sum lines A and lines 17 thru 22. Carry the "Total Cash Inflow" for each month to page B-5a, line B.

YEAR: _____

CASH INFLOW (Receipts Summary)

L i n e	CASH RECEIPTS:	Sub-Total For Period To		Sub-Total For Period To		Sub-Total For Period To		Year End Total	
1	Sale of Purch. Lvst								
2									
3									
4									
5									
6	Wheat								
7									
8									
9									
10									
11									
12	Ag Gov't Program Pymts								
13	CCC Loans								
14	Disaster & Crop Ins								
15	Custom Hire								
16	Other Farm Income								
A	OPERATING RECEIPTS (Sum lines 1 thru 16)								
17	All Loans Received								
18	Non-Taxable Receipts								
19	Sale: Capital Assets								
20	Rent & Royalty								
21	Interest & Dividends								
22	Other Taxable Receipts								
B	TOTAL CASH INFLOW (Sum lines A and 17 thru 22)	*		*		*		*	

SUGGESTIONS FOR TOTALING

The "Cash Inflow" and "Cash Outflow" summary pages enable the user to develop a monthly cash flow analysis. Cash flow planning and analysis is increasingly valuable tools in financial management. The trend of substituting capital for labor increases the need for better cash management.

Development of monthly cash flow reports provides you as the manager a better understanding of the farm or ranch cash needs and timing. These reports can also provide your creditors with a better understanding of your operation's cash requirements. Communication is one of the most important ingredients in developing and maintaining a good relationship with your creditors. Photocopying and providing these cash flow pages to your creditors is an excellent communication tool.

The rows in the cash flow summaries correspond to columns on the "Receipts" and "Expenses" pages. Columns are provided for periodic sub-totals during the year, for example, Jan. – Aug., Jan. – Oct., etc. Subtotaling can be a very effective income tax planning tool.

*This cell should be totaled horizontally and vertically.
Any discrepancy indicates an error in posting or totaling.

YEAR: _____

CASH OUTFLOW (Expenses Summary)

L i n e		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	L i n e
B	TOTAL CASH INFLOW (From B-4a)													
	CASH EXPENSES													
1	Lvst Purch for Resale													1
2	Car & Truck Expenses													2
3	Chemicals													3
4	Conservation													4
5	Custom Hire													5
6	Employee Benefits													6
7	Feed													7
8	Fertilizer & Lime													8
9	Freight & Trucking													9
10	Gas, Fuel & Oil													10
11	Insurance: Farm													11
12	Interest: Farm Mortgage													12
13	Interest: Farm (Other)													13
14	Labor Hired													14
15	Pension & Profit-sharing													15
16	Rent or Lease													16
17	Repairs & Maintenance													17
18	Seeds & Plant													18
19	Storage & Warehousing													19
20	Supplies													20
21	Taxes: Farm Property													21
22	Utilities													22
23	Vet, Breeding & Med													23
24	Other Expenses: Fees, Dues, Misc.													24
C	OPERATING EXPENSES (Sum lines 2 thru 24)													C
25	Capital Purchases: Breeding Livestk, Equip, Bldgs, Land													25
26	Loan Principal Payments													26
27	Non-Farm Expenses													27
D	TOTAL CASH OUTFLOW (Sum 1,C, and 25 thru 27)													D
E	NET CASH FLOW (B - D)													E
F	ACCUM NET CASH FLOW													F

C=Sum lines 2 through 24;

D=Sum lines 1, C, and 25 through 27;

E=Line B - line D;

F=Current line E + previous line F.

YEAR: _____

CASH OUTFLOW (Expenses Summary)

L i n e		Sub-Total For Period	Sub-Total For Period	Sub-Total For Period	Year End Total			
		____To____	____To____	____To____				
	TOTAL CASH INFLOW							
	CASH EXPENSES							
1	Lvst Purch for Resale							
2	Car & Truck Expenses							
3	Chemicals							
4	Conservation							
5	Custom Hire							
6	Employee Benefits							
7	Feed							
8	Fertilizer & Lime							
9	Freight & Trucking							
10	Gas, Fuel & Oil							
11	Insurance: Farm							
12	Interest: Farm Mortgage							
13	Interest: Farm (Other)							
14	Labor Hired							
15	Pension & Profit-sharing							
16	Rent or Lease							
17	Repairs & Maintenance							
18	Seeds & Plant							
19	Storage & Warehousing							
20	Supplies							
21	Taxes: Farm Property							
22	Utilities							
23	Vet, Breeding & Med							
24	Other Expenses: Fees, Dues, Misc.							
C	OPERATING EXPENSES (Sum lines 2 thru 24)							
25	Capital Purchases: Breeding Livestk, Equip, Bldgs, Land							
26	Loan Principal Payments							
27	Non-Farm Expenses							
D	TOTAL CASH INFLOW (Sum 1, C, 25 thru 27)	*	*	*	*			
E	NET CASH FLOW (B - D)							

Vehicles, Mach, Equip			Other		
-----------------------	--	--	-------	--	--

Farm Share			Non-Farm		
------------	--	--	----------	--	--

* This cell should be totaled horizontally and vertically. A discrepancy indicates an error in posting or totaling.

FARM BALANCE SHEET

As of _____, _____
Date Year

List only the assets and liabilities associated or supported by your farming business. Numbers in parentheses refer to page numbers for asset lists.

FARM ASSETS

	Market Value	Cost Value
CURRENT ASSETS:		
1. Cash & Checking (A-11a)		
2. Accounts Receivable (A-11a)		
3. Prepaid Expenses (A-11a)		
4. Cash Investment in Growing Crops (A-11a)		
5. Inventory: Marketable Livestock (A-11b)		
6. Raised Crops and Feed (A-11b)		
7. Purchased Feed (A-11b)		
8. Supplies (A-11b)		
9. Other Current Assets (A-11c)		
10. Total Current Farm Assets (Sum Lines 1 thru 9)		
NON-CURRENT ASSETS:		
11. Breeding Livestock: Purchased (A-11c)		
12. Raised (A-11c)		
13. Machinery and Equipment (A-11d)		
14. Vehicles (A-11e)		
15. Investment in Capital Leases (A-11e)		
16. Contracts and Notes Receivable (A-11f)		
17. Investment in Cooperatives (A-11f)		
18. Real Estate (A-11g)		
19. Buildings & Improvements (A-11g)		
20. Other Non-Current Assets (A-11h)		
21. Total Non-Current Farm Assets (Sum Lines 11 thru 20)		
22. Total Farm Assets (Line 10 + Line 21)		

FARM LIABILITIES AND EQUITY

	Market Value	Cost Value
CURRENT LIABILITIES:		
23. Accounts and Notes Payable (A-12a)		
24. Line of Credit and Operating Notes (A-12a & b)		
25. Current Portion of Term Debt (A-12c & d)		
26. Accrued Interest (A-12a to A-12d)		
27. Taxes Payable: Ad Valorem (A-12b)		
28. Taxes Payable: Employee Withholding (A-12b)		
29. Taxes Payable: Income Taxes (A-12b)		
30. Taxes Payable: Deferred Taxes(A-12b)		
31. Other Accrued Expenses (A-12b)		
32. Other Current Liabilities (A-12c)		
33. Total Current Farm Liabilities (Sum Lines 23 thru 32)		Same
NON-CURRENT LIABILITIES:		
34. Non-Current Portion of Term Debt (A-12c & d)		
35. Deferred Taxes		
36. Other Non-Current Liabilities (A-12d)		
37. Total Non-Current Farm Liabilities (Sum Lines 34 thru 36)		Same
38. Total Farm Liabilities (Line 33 + Line 37)		
39. Contributed Capital		
40. Retained Earnings		
41. Total Valuation Equity		
42. Farm Equity (Line 22 - Line 38)		
43. Total Farm Liabilities and Equity (Line 38 + Line 42)		

NON-FARM BALANCE SHEET

As of _____, _____
Date Year

List only the assets and liabilities associated or supported by your farming business. Numbers in parentheses refer to page numbers for asset lists.

NON-FARM ASSETS			NON-FARM LIABILITIES AND EQUITY		
	Market Value	Cost Value		Market Value	Cost Value
CURRENT ASSETS:			CURRENT LIABILITIES:		
1. Cash & Checking (13a)			24. Accounts and Notes Payable (14a)		
2. Savings (13a)			25. Line of Credit and Operating Notes (14a & b)		
3. Marketable Securities (13a)			26. Current Portion of Term Debt (14c & d)		
4. Accounts Receivable (13a)			27. Accrued Interest (14a to 14d)		
5. Other Current Assets (13b)			28. Taxes Payable: Ad Valorem (14b)		
6.			29. Taxes Payable: Employee Withholding (14b)		
7.			30. Taxes Payable: Income Taxes (14b)		
8.			31. Taxes Payable: Deferred Taxes (14b)		
9.			32. Other Accrued Expenses (14b)		
10.			33. Other Current Liabilities (14c)		
11. Total Current Assets (Sum Lines 1 thru 10)			34. Total Current Liabilities (Sum Lines 24 thru 33)		Same
NON-CURRENT ASSETS:			NON-CURRENT LIABILITIES:		
12. Vehicles (13b)			35. Non-Current Portion of Term Debt (14c & d)		
13. Cash Value, Life Insurance (13b)			36. Deferred Taxes		
14. Investment in Other Entities (13c)			37. Other Non-Current Liabilities (14d)		
15. Residence (13c)			38. Total Non-Current Liabilities (Sum Lines 35 thru 37)		Same
16. Real Estate (13d)					
17. Buildings & Improvements (13d)			39. Total Liabilities (Line 34 + Line 38)		
18. Other (13e)					
19.			40. Contributed Capital		
20.			41. Retained Earnings		
21.			42. Total Valuation Equity		
22. Total Non-Current Assets (Sum Lines 12 thru 21)			43. Non-Farm Equity (Line 24 - Line 43)		
23. Total Non-Farm Assets (Line 11 + Line 22)			44. Total Non-Farm Liabilities and Equity (Line 39 + Line 43)		

CAPITAL ASSET GAIN (LOSS) WORKSHEET

ASSET DESCRIPTION	Date Acquired	Date Sold	Sale Price	Cost or Other Basis	Depreciation Allowed or Allowable	Culled Breeding Livestock Gain (Loss)	Farm Capital Assets Gain (Loss)	Farm Extraordinary Capital Gain (Loss) ¹	Non-Farm Capital Asset Gain (Loss)

¹ Extraordinary times are defined by financial reporting standards as events which are both: 1) unusual in nature AND 2) infrequent in occurrence.

INCOME STATEMENT

For the Period January 1, _____ Thru December 31, _____

1	Cash Operating Receipts (A-4b, Line A)		
2	Value of Farm Products Consumed		
3	Value of Raised Livestock Added to the Breeding Herd During the Year ¹		
4	Gain (Loss) From the Sale of Culled Breeding Livestock (B-8)		
5	Accrual Adjustments (B-10a, Line 4 + Line 8 + Line 12 + Line 16 + Line 20 + Line 24 + Line 28 + Line 32)		
6	Gross Farm Revenue (Sum Lines 1, 2, 3, 4, and 5)		
7	Cash Operating Expenses (B-5b, Line C)		
8	Depreciation Expense (Tax Return or Estimated Amount)		
9	Accrual Adjustments (B-10b, Line 4 + Line 8 + Line 12 + Line 16 + Line 20 + Line 24 + Line 28 + Line 32 + Line 36 + Line 40)		
10	Total Farm Expenses (Sum Lines 7, 8, and 9)		
11	Net Farm Income from Operations (Line 6 - Line 10)		
12	Gain (Loss) on Sale of Farm Capital Assets (B-8 excluding Breeding Livestock)		
13	Net Farm Income (Line 11 ± Line 12)		
14	Non-Farm Taxable Receipts (B-4b, Line 20, 21, & 22)		
15	Non-Farm Tax Deductible Expenses (B-5b, Line 27)		
16	Total Non-Farm Income (Line 14 - Line 15)		
17	Net Income Before Taxes & Extraordinary Items (Line 13 ± Line 16)		
18	Income Tax Expense (Tax Return or B-14, Line 20 + 21)		
19	Extraordinary Gains or Losses (Net of Tax) (B-8)		
20	Net Income (Line 17 - Line 18 ± Line 19)		

¹ See WF-323, Valuation of Raised Breeding Livestock, <http://agweb.okstate.edu/pearl/agecon/farm/wf-323.pdf>.

INCOME STATEMENT – SUPPLEMENTAL SCHEDULE

For the Period January 1, _____ Thru December 31, _____

1 Accounts Receivable:	17 Raised Crops & Feed:
2 Ending Balance (Page A-11a) _____	18 Ending Balance (Page A-11b) _____
3 Beginning Balance (Page A-11a) _____	19 Beginning Balance (Page A-11b) _____
4 Change in Accounts Receivable (Line 2 – Line 3) _____	20 Change in Raised Crops & Feed (Line 18 – Line 19) _____
5 Prepaid Expenses:	21 Purchased Feed:
6 Ending Balance (Page A-11a) _____	22 Ending Balance (Page A-11b) _____
7 Beginning Balance (Page A-11a) _____	23 Beginning Balance (Page A-11b) _____
8 Change in Prepaid Expenses (Line 6 – Line 7) _____	24 Change in Purchased Feed (Line 22 – Line 23) _____
9 Cash Investment, Growing Crops:	25 Supplies:
10 Ending Balance (Page A-11a) _____	26 Ending Balance (Page A-11b) _____
11 Beginning Balance (Page A-11a) _____	27 Beginning Balance (Page A-11b) _____
12 Change in Cash Investment, Growing Crops (Line 10 – Line 11) _____	28 Change in Supplies (Line 26 – Line 27) _____
13 Marketable Livestock:	29 Other Current Assets:
14 Ending Balance (Page A-11b) _____	30 Ending Balance (Page A-11c) _____
15 Beginning Balance (Page A-11b) _____	31 Beginning Balance (Page A-11c) _____
16 Change in Marketable Livestock (Line 14 – Line 15) _____	32 Change in Other Current Assets (Line 30 – Line 31) _____

INCOME STATEMENT – SUPPLEMENTAL SCHEDULE

For the Period January 1, _____ Thru December 31, _____

1 Accounts & Notes Payable:	21 Other Current Liabilities:
2 Ending Balance (Page A-12a) _____	22 Ending Balance (Page A-12c) _____
3 Beginning Balance (Page A-12a) _____	23 Beginning Balance (Page A-12c) _____
4 Change in Accounts & Notes Payable (Line 2 – Line 3) _____	24 Change in Other Current Liabilities (Line 22 – Line 23) _____
5 Line of Credit Operating Notes:	25 Other Current Liabilities Accrued Interest:
6 Ending Balance (Page A-12a) _____	26 Ending Balance (Page A-12a & b) _____
7 Beginning Balance (Page A-12a) _____	27 Beginning Balance (Page A-12a & b) _____
8 Change in Line of Credit Operating Notes (Line 6 – Line 7) _____	28 Change in Current Liab. Accrued Interest (Line 26 – Line 27) _____
9 Short Term Operating Notes:	29 Non-Real Estate Notes Accrued Interest:
10 Ending Balance (Page A-12b) _____	30 Ending Balance (Page A-12c) _____
11 Beginning Balance (Page A-12b) _____	31 Beginning Balance (Page A-12c) _____
12 Change in Short Term Operating Notes (Line 10 – Line 11) _____	32 Change in Non-Real Estate Notes (Line 30 – Line 31) _____
13 Taxes Payable:	33 Real Estate Notes Accrued Interest:
14 Ending Balance (Page A-12b) _____	34 Ending Balance (Page A-12d) _____
15 Beginning Balance (Page A-12b) _____	35 Beginning Balance (Page A-12d) _____
16 Change in Taxes Payable (Line 14 – Line 15) _____	36 Change in Real Estate Notes (Line 34 – Line 35) _____
17 Other Accrued Expenses:	37 Other Non-Current Liabilities Accrued Interest:
18 Ending Balance (Page A-12b) _____	38 Ending Balance (Page A-12d) _____
19 Beginning Balance (Page A-12b) _____	39 Beginning Balance (Page A-12d) _____
20 Change in Other Accrued Expenses (Line 18 – Line 19) _____	40 Change in Other Non-Current Liabilities (Line 38 – Line 39) _____

FARM FINANCIAL ANALYSIS

As of December 31, _____ and
For the Period January 1, _____ Thru December 31, _____

Liquidity Analysis			
Current Ratio =	$\frac{\$ \underline{\hspace{2cm}}}{\text{Current Assets} \div \text{Current Liabilities}}$ <p style="text-align: center; margin: 0;">B-6, L. 10 B-6, L. 33</p>	=	_____ %
(This ratio indicates the extent to which current assets, if liquidated, would cover current liabilities.)			
Working Capital	$\$ \underline{\hspace{2cm}} - \underline{\hspace{2cm}}$ <p style="text-align: center; margin: 0;">Current Assets - Current Liabilities B-6, L. 10 B-6, L. 33</p>	=	\$ _____
(Working capital is a theoretical measure of the ability of an enterprise to meet its short-term obligations.)			
Solvency Analysis			
Debt to Asset Ratio	$\frac{\$ \underline{\hspace{2cm}}}{\text{Total Liabilities} \div \text{Total Assets}}$ <p style="text-align: center; margin: 0;">B-6, L. 38 B-6, L. 22</p>	=	_____ %
(This ratio expresses what proportion of total assets is owed to creditors.)			
Debt to Equity Ratio	$\frac{\$ \underline{\hspace{2cm}}}{\text{Total Liabilities} \div \text{Total Equity}}$ <p style="text-align: center; margin: 0;">B-6, L. 38 B-6, L. 42</p>	=	_____ %
This leverage ratio reflects the extent to which debt capital is being combined with equity capital.)			
Profitability			
Rate of Return on Assets (ROA) =	$\frac{(\$ \underline{\hspace{2cm}} + \$ \underline{\hspace{2cm}} - \$ \underline{\hspace{2cm}}) \div \$ \underline{\hspace{2cm}}}{\text{Average Total Assets}^3}$ <p style="text-align: center; margin: 0;">B-9, L. 13 B-6, L.22</p>	=	_____ %
(This ratio measures the rate of return on total assets.)			
Rate of Return on Equity (ROE) =	$\frac{(\$ \underline{\hspace{2cm}} - \$ \underline{\hspace{2cm}}) \div \$ \underline{\hspace{2cm}}}{\text{Average Equity}^4}$ <p style="text-align: center; margin: 0;">B-9, L. 13 B-16, L. 44</p>	=	_____ %
(This ratio measures the rate of return on equity capital employed in the business.)			

FARM FINANCIAL ANALYSIS

As of December 31, _____ and
For the Period January 1, _____ Thru December 31, _____

Liquidity Analysis			
Asset Turnover =	$\frac{\$ \text{_____}}{\text{Gross Farm Revenue} \div \text{Average Total Assets}}$ <p style="text-align: center; margin: 0;"> B-9, L. 6 B-6, L. 24 </p>	=	_____%
(The asset turnover ratio is a measure of how efficiently farm assets are being used to generate revenue.)			
Operating Expense Ratio =	$\frac{(\$ \text{_____} + \$ \text{_____} - \$ \text{_____})}{\text{(Total Operating Expense + Interest Expense}^1 \text{ - Depreciation)} \div \text{Gross Farm Revenue}}$ <p style="text-align: center; margin: 0;"> B-9, L. 10 B-9, L. 8 B-9, L. 6 </p>	=	_____%
(This ratio reflects the percentage of cash farm expenses (excluding interest) to gross receipts generated by the operation.)			
Interest Expense Ratio =	$\frac{\$ \text{_____}}{\text{Interest Expense}^1 \div \text{Gross Farm Revenue}}$ <p style="text-align: center; margin: 0;">B-9, L. 6</p>	=	_____%
(This ratio reflects the percentage of interest expense to gross farm income.)			
Net Farm Income From Operations Ratio =	$\frac{(\$ \text{_____})}{\text{(Net Farm Income from Operations} \div \text{Gross Farm Revenue}}$ <p style="text-align: center; margin: 0;"> B-9, L. 11 B-9, L. 6 </p>	=	_____%
(This ratio reflects the percentage of net farm income generated from operations to gross farm income.)			

¹ Interest expense = (line 12 + line 13 on B-5b) + (line 28 + line 32 + line 36 + line 40 on B-10b).

² Unpaid Labor and Management may be the value the operator could earn in alternative employment or the amount of withdrawals for family living expenses as a proxy.

³ Average total assets = (beginning total Farm Asset value + ending total Farm Asset value) ÷ 2.

⁴ Average total farm equity = (beginning total Farm Equity + ending total Farm Equity) ÷ 2.

EXAMPLE: COST OF GOODS SOLD WORKSHEET

COST OF GOODS SOLD: <i>Calves</i>													
	PURCHASES				SALES			DEATH LOSS			BALANCE		
	Head	Amount		\$/Head	Head	Amount		Head	Amount		Head	Amount	
Beginning Bal.											87	37,845 00	
January	61	28,477	52	466	84	42	18,270	00			106	48,052 52	
February	35	16,275	00	465	00				1	465	00	140	63,862 52
March									1	435	00	139	63,427 52
April												139	63,427 52
May					44	19,140	00					95	44,287 52
June												95	44,287 52
July												95	44,287 52
August												95	44,287 52
September					95	44,287	52					-0-	- 0 -
October												-0-	- 0 -
November	52	25,402	00	488	50							52	25,402 00
December									2	977	00	50	24,425 00
Totals	148	70,154	52		181	81,697	52		4	1,877	00		
Cost of Goods Sold (Sales Amount + Death Amount)						83,574	52						

NOTES
<i>Ave. Cost = 435.00</i>
<i>Killed by lightning</i>

- Year _____
1. Jan _____ Carried forward 87 head of steers purchased the previous Oct. for \$37,845. ($\$37,845 \div = \435.00 average cost/head)
 _____ Sold 42 heads of the Oct. purchased calves during January.
 _____ Purchased 61 heads of steers for \$28,477.52 during January. ($\$28,477.52 \div 61 = \466.84)
 2. Feb _____ Purchased 35 heads of steers for \$465 per head. One of these calves died during the month.
 3. Mar. _____ One of the calves from the Oct. group was killed by lightning. (Remember they cost \$435/hd.)
 4. May _____ Sold the remaining 44 heads of Oct. purchased calves during May. ($(\$435 \times 44 = \$19,140)$)
 5. Sep _____ Sold the 95 heads of Jan. – Feb. purchased calves during September. (Remember 1 hd. Purchased Feb. also died in Feb.)
 6. Nov _____ Purchased 52 heads of steers for \$25,402 during November. ($\$25,402 \div 52 + \488.50)
 7. Dec _____ Two of the calves purchased this November died during December. ($\$488.50 \times 2 = \977.00)

NOTE: The cost of any items purchased for resale must be inventoried (not considered an operational expense) at their purchase price. The cost of items purchased for resale are used in calculating the "cost of goods sold". The deduction of the cost of these items is allowed in the tax year the items are disposed of – not in the year acquired.

INCOME TAX ESTIMATE WORKSHEET

YEAR _____		Location Or Footnote	Amounts To Date Jan. _____	Estimated Amount Rest of Year	Estimated Year's Total	Amounts To Date Jan. _____	Estimated Amount Rest of Year	Estimated Year's Total	Actual Year End Total
1	Farm Operating Receipts	A-6a, L. A							1
2	Less: Cost of Resale Items Sold	B-11							2
3	Less: Farm Operating Expenses	B-16a, L. C							3
4	Less: Farm Depreciation Deduction	B-9, L. 8							4
5	Net Farm Profit Or (Loss)								5
6	Plus: Non-Farm Self Employment Income								6
7	Total Self Employment Income								7
8	Plus: Capital Gains (Losses)	B-8							8
9	Plus: Other Taxable Income								9
10	Total Income								10
11	Less: Adjustments to Income								11
12	Adjusted Gross Income								12
13	Less: Personal Exemptions								13
14	Less: Standard or Itemized Deductions								14
15	Taxable Income								15
16	Federal Income Tax or Alternative Minimum Tax (whichever is less)								16
17	Less: Tax Credits								17
18	Plus: Self Employment Tax								18
19	Plus: Other Federal Tax								19
20	Total Federal Income tax								20
21	Oklahoma Income Tax								21

Additional information relative to calculating federal taxable income can be found in the following IRS publications. These publications are free and can be obtained by calling 1-800-829-3676 or by ordering online at <http://www.irs.gov/formspubs/index.html>.

- Publication 17 – Your Federal Income Tax
- Publication 225 – Farmer's Tax Guide
- Publication 324 – Tax Guide for Small Business

Enterprise analysis is a management tool utilized to evaluate two or more systems of production as opposed to whole-farm analysis. Enterprise selection is one of the most basic and important management functions a farmer or rancher must perform. Enterprise analysis allows a manager to monitor the financial contribution of major enterprises to the overall business and family goals and objectives. Enterprise analysis is historical while enterprise budgeting is prospective in nature.

Although enterprise analysis is time consuming and less than an exact science, consistent analysis of major enterprises will enable management to make educated production decisions and maximize the financial potential of the business unit.

The enterprise page is completed by transferring enterprise receipts and expenses from each month's records. In general, the allocation of direct costs between enterprises is not difficult. However, the allocation of shared and indirect costs require more complex calculations. Further, these allocations are approximations and different methods of allocation may be appropriate for different expenditures and costs. Consistency in the methods of allocation will enhance the comparison of current enterprise analysis and that of year-to-year analysis of the same enterprise.

No one method of allocating indirect costs is best. Some of the more commonly used methods to allocate these costs are based on the enterprises share of 1) gross income, 2) total direct costs, and 3) total average.

The goal of enterprise analysis is to more accurately reflect the financial contribution of the enterprise. The allocation methods should be chosen which produces the least variability over time and can be computed with the least difficulty.

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YEAR: _____

ENTERPRISE

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		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
	RECEIPTS:													
R1														1
R2														2
A	TOTAL RECEIPTS													
	EXPENSES:													
1	Lvst Purch for Resale													3
2	Car & Truck Expenses													4
3	Chemicals													5
4	Conservation													6
5	Custom Hire													7
6	Employee Benefits													8
7	Feed													9
8	Fertilizer & Lime													10
9	Freight & Trucking													11
10	Gas, Fuel & Oil													12
11	Insurance: Farm													13
12	Interest: Farm Mortgage													14
13	Interest: Farm (Other)													15
14	Labor Hired													16
15	Pension & Profit-sharing													17
16	Rent or Lease													18
17	Repairs & Maintenance													19
18	Seeds & Plant													20
19	Storage & Warehousing													21
20	Supplies													22
21	Taxes: Farm Property													23
22	Utilities													24
23	Vet, Breeding & Med													25
24	Other Expenses: Fees, Dues, Misc.													26
B	TOTAL CASH EXPENSES													B
	NON-CASH EXPENSES:													
27	Depreciation													27
28														28
C	TOTAL EXPENSES													C
D	NET INCOME (A - C)													D

A=Sum lines R1 and R2;

B=Sum lines 1 through 24;

C=Line B + lines 27 and 28;

D=Line A - line C

ENTERPRISE

LINE	YEAR: _____	YEAR END TOTAL	% OF WHOLE FARM	PER UNIT OF PRODUCT
	RECEIPTS:			
R1				
2R				
A	TOTAL RECEIPTS			
	EXPENSES:			
1	Lvst Purch for Resale			
2	Car & Truck Expenses			
3	Chemicals			
4	Conservation			
5	Custom Hire			
6	Employee Benefits			
7	Feed			
8	Fertilizer & Lime			
9	Freight & Trucking			
10	Gas, Fuel & Oil			
11	Insurance: Farm			
12	Interest: Farm Mortgage			
13	Interest: Farm (Other)			
14	Labor Hired			
15	Pension & Profit-sharing			
16	Rent or Lease			
17	Repairs & Maintenance			
18	Seeds & Plants			
19	Storage & Warehousing			
20	Supplies			
21	Taxes: Farm Property			
22	Utilities			
23	Vet, Breeding & Med			
24	Other Expense: Fees, Dues, Misc.			
B	TOTAL CASH EXPENSES			
	NON-CASH EXPENSES:			
27	Depreciation			
28				
C	TOTAL EXPENSES			
D	NET INCOME (A-C)			

LINE	DESCRIPTION	TOTAL	%	PRODUCT
RECEIPTS, ENDING INVENTORY, AND RECEIVABLES:				
1	Enterprise Receipts			1
2	Ending Enterprise Inventory (include cash investment in growing crops)			2
3	Ending Enterprise Accounts Receivable			3
4	Value of Raised Livestock Added to the Breeding Herd During Year			4
5	Value of Enterprise Products Consumed			5
6	Gain (Loss) From Sale of Culled Breeding Stock			6
T1	Total (sum lines 1 thru 6)			T1
:				
PURCHASES, BEGINNING INVENTORY, AND RECEIVABLES:				
7	Beginning Enterprise Inventory			7
8	Beginning Enterprise Accounts Receivable			8
9	Enterprise "Purchases for Resale"			9
T2	Total (sum lines 7 thru 9)			T2
GI	GROSS INCOME FROM THE ENTERPRISE (line T1 minus line T2)			GI
EXPENSES AND PAYABLES:				
10	Total Enterprise Expenses			10
11	Ending Accounts Payable and Accrued Interest			11
12	Beginning Accounts Payable and Accrued Interest			12
T3	Total (lines 10 plus 11 minus 12)			T3
NI	NET INCOME FROM ENTERPRISE (line GI minus line T3)			

A=Sum lines R1 and R2;

B=Sum lines 1 through 24;

C=Line B + lines 27 and 28;

D=Line A - line C

SECTION C: MULTI-YEAR DATA AND COMPARATIVE ANALYSIS

This section of the Oklahoma Farm and Ranch Account Book contains pages for recording financial, production, and special information which will be updated each year and transferred to each succeeding year's book. The year-to-year data and comparative analysis contained in this section will provide the user with a historical summarization and analysis of the business.

The following is a description of the pages contained in this section.

MAJOR ASSETS LISTING: These pages allow the user to maintain a historical listing and market valuation of the operation's major assets.

DEPRECIATION RECORD: Depreciation pages provide users the opportunity to maintain and calculate each year's depreciation deduction. For financial analysis, the user may desire to maintain a depreciation schedule calculated on each asset's "useful life" while the accountant maintains a separate depreciation schedule based on "tax law life".

CROP PRODUCTION: These pages provide for the collection and summarization of data on a field-by-field basis. This data will not only be valuable for the user in the evaluation of each field's performance, but also for recording chemical usage as requested by regulatory agencies.

REAL ESTATE RECORD: Space is provided for maintaining pertinent information relative to each tract of land operated, whether the property is owned or rented.

PRODUCTION & FINANCIAL ANALYSIS: The historical financial and production data maintained on these pages will provide users an excellent overview of the operation's historical performance. These pages will provide a condensed summarization useful to management, investors, and creditors in the decision making process. Photocopies of these pages would make a valuable addition to credit files, providing supporting information for the extension of credit.

INCOME TAX: This page provides for the listing of key items of information from each year's income tax return. Substantially all individual income tax returns are reported on a cash basis and cash basis accounting frequently results in erratic reporting (recognition) of net income. This multi-year listing of tax return information provides the user with historical data which will moderate year-to-year erratic amounts.

SPECIAL INFORMATION: This page provides for the listing of family and business information which can be useful to an accountant, attorney, insurance agent, and family members.

BREEDING LIVESTOCK LISTING

(Fair Market Value as of December 31)

	DESCRIPTION	20_____	20_____	20_____	20_____	20_____					
1											1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
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25											25
26											26
27											27
28											28
29											29
30											30
	TOTALS ¹										

¹ Should equal the sum of the ending balances for Purchased Breeding Livestock and Raised Breeding Livestock in Farm Assets, page A-11c. Also, cross-reference with Livestock Depreciation Record, page C-7a and b, if maintained.

MACHINERY AND EQUIPMENT LISTING

(Fair Market Value as of December 31)

	DESCRIPTION	20_____	20_____	20_____	20_____	20_____					
1											1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
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27											27
28											28
29											29
30											30
	TOTALS¹										

¹ Should equal the sum of the ending balances for Machinery and Equipment in Farm Assets, page A-11d. Also, cross-reference with Machinery & Equipment Depreciation Record, page C-6a and b, if maintained.

BUILDING AND IMPROVEMENT LISTING

(Fair Market Value as of December 31)

	DESCRIPTION	20_____	20_____	20_____	20_____	20_____					
1											1
2											2
3											3
4											4
5											5
6											6
7											7
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25											25
26											26
27											27
28											28
29											29
30											30
	TOTALS ¹										

¹ Should equal the sum of the ending balances for Buildings and Improvements in Farm Assets on page A-11g. Also, cross-reference with Building & Improvement Depreciation Record, page C-8a and b, if maintained.

MACHINERY & EQUIPMENT DEPRECIATION RECORD¹

(Remaining Cost Includes Salvage Value)

L i n e	Description	Purchase Date (M/D/Y)	Cost or Other Basis Per Unit	Useful Life (Years)	Depreciation Method	Section 179 Expense Election	Additional 1 st Year Depreciation	20_____			20_____			L i n e	
								Remaining Cost Jan 1	Acquisition	Annual Depreciation	Remaining Cost Jan 1	Acquisition	Annual Depreciation		
1														1	
2														2	
3														3	
4														4	
5														5	
6														6	
7														7	
8														8	
9														9	
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27														27	
28														28	
29														29	
30														30	
A	TOTAL MACHINERY														

¹ Cross-reference numbers with Machinery and Equipment in Farm Assets list, page A-11d, and Machinery and Equipment Listing on page C-3, if maintained.

MACHINERY & EQUIPMENT DEPRECIATION RECORD¹

(Remaining Cost Includes Salvage Value)

L i n e	20_____						20_____						20_____						20_____						L i n e
	Remaining Cost Jan 1		Acquisition		Annual Depreciation		Remaining Cost Jan 1		Acquisition		Annual Depreciation		Remaining Cost Jan 1		Acquisition		Annual Depreciation		Remaining Cost Jan 1		Acquisition		Annual Depreciation		
1																									1
2																									2
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5																									5
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28																									28
29																									29
30																									30
A																									

¹ Cross-reference numbers with Machinery and Equipment in Farm Assets list, page A-11d, and Machinery and Equipment Listing on page C-3, if maintained.

LIVESTOCK DEPRECIATION RECORD¹

(Remaining Cost Includes Salvage Value)

L i n e	Description or Identification Of Livestock	Purchase Date (M/D/Y)	Cost or Other Basis		Useful Life (Years)	Depreciation Method	Section 179 Expense Election	Additional 1 st Year Depreciation	20_____								L i n e					
			Hd	Amount					Remaining Cost Jan 1		Acquisitions During Year		Basis of Livestock Sold During Year		Annual Depreciation							
									Hd	Amount	Hd	Amount	Hd	Amount	Hd	Amount						
1																					1	
2																						2
3																						3
4																						4
5																						5
6																						6
7																						7
8																						8
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28																						28
29																						29
30																						30
A	TOTAL LIVESTOCK																					

¹ Cross-reference numbers with Purchased Breeding Livestock in Farm Assets list, page A-11c, Beef Cow Production Analysis, A-19, and Breeding Livestock Listing, page C-2, if maintained. Check page A-8b, column 25 for Breeding Livestock Purchases.

LIVESTOCK DEPRECIATION RECORD¹

(Remaining Cost Includes Salvage Value)

L i n e	20 _____											L i n e							
	Remaining Cost Jan 1		Acquisitions During Year		Basis of Livestock Sold During Year		Annual Depreciation			Remaining Cost Jan 1			Acquisitions During Year		Basis of Livestock Sold During Year		Annual Depreciation		
	Hd	Amount	Hd	Amount	Hd	Amount	Hd	Amount	Hd	Amount	Hd		Amount	Hd	Amount	Hd	Amount	Hd	Amount
1																			1
2																			2
3																			3
4																			4
5																			5
6																			6
7																			7
8																			8
9																			9
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A																			

¹ Cross-reference numbers with Purchased Breeding Livestock in Farm Assets list, page A-11c, Beef Cow Production Analysis, A-19, and Breeding Livestock Listing, page C-2, if maintained. Check page A-8b, column 25 for Breeding Livestock Purchases.

BUILDING & IMPROVEMENT DEPRECIATION RECORD¹

(Remaining Cost Includes Salvage Value)

L i n e	Description	Purchase Date (M/D/Y)	Cost or Other Basis Per Unit		Useful Life (Years)	Depreciation Method	Section 179 Expense Election		Additional 1 st Year Depreciation	20_____			20_____			L i n e	
										Remaining Cost Jan 1	Acquisition		Annual Depreciation	Remaining Cost Jan 1	Acquisition		Annual Depreciation
1																	1
2																	2
3																	3
4																	4
5																	5
6																	6
7																	7
8																	8
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28																	28
29																	29
30																	30
A	TOTAL BUILDINGS & IMPROVEMENTS																

¹ Cross-reference numbers with Buildings and Improvements in Farm Assets list, page A-11g, and Building and Improvement Listing, page C-4, if maintained.

BUILDING & IMPROVEMENT DEPRECIATION RECORD¹

(Remaining Cost Includes Salvage Value)

L i n e	20_____						20_____						20_____						20_____						L i n e
	Remaining Cost Jan 1		Acquisition		Annual Depreciation		Remaining Cost Jan 1		Acquisition		Annual Depreciation		Remaining Cost Jan 1		Acquisition		Annual Depreciation		Remaining Cost Jan 1		Acquisition		Annual Depreciation		
1																									1
2																									2
3																									3
4																									4
5																									5
6																									6
7																									7
8																									8
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A																									

¹ Cross-reference numbers with Buildings and Improvements in Farm Assets list, page A-11g, and Building and Improvement Listing, page C-4, if maintained.

FORAGE AND CROP PRODUCTION RECORD¹

Field	Year	Crop(s)	Seed Used		Chemicals Applied			N lbs/a	P lbs/a	K lbs/a	Lime Tons/a	Total Yield	Yield Acre
			Rate/A	Variety	Name	Date	Rate/A						

¹ Cross-reference with Forage and Crop Production Record, page 20.

REAL ESTATE LISTING

(Fair Market Value as of December 31)

	DESCRIPTION	20_____	20_____	20_____	20_____	20_____					
1											1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
	TOTALS ¹										

¹ Should equal the sum of the ending balances for Real Estate (Land) in Farm Assets, page A-11g.

INCOME TAX INFORMATION

Year	A Wages	B Interest & Dividends	C Sch. C Income	D Capital Gains	E Sch. E Income	F Farm Income	G Adj Gross Income	H Adj To Income	I Taxable Income	J Credits	K Other Taxes	L Fed. Tax Liability	M State Tax Liability

Information for columns A thru H can be found on page 1 of Form 1040.
Information for columns I thru L can be found on page 2 of Form 1040.
Information for columns M can be found on the state income tax form.

SPECIAL INFORMATION

	NAMES	SOCIAL SECURITY NUMBER	DATE OF BIRTH	
Owners:	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	County: <input style="width: 100%;" type="text"/>
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	Township: <input style="width: 100%;" type="text"/>
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	School District: <input style="width: 100%;" type="text"/>
Children:	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	Tax Accounting Method:
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	Cash _____ Accrual _____
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	CCC Loans Treated as:
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	Income _____ Loans _____
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	
Other Dependents:				Relationship
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
Attorney:	<input style="width: 100%;" type="text"/>	Key Personal Papers Stored at: <input style="width: 100%;" type="text"/> Will (Original Copy): <input style="width: 100%;" type="text"/> Dated: <input style="width: 100%;" type="text"/> Stored at: <input style="width: 100%;" type="text"/> Federal Employer Identification #: <input style="width: 100%;" type="text"/> Sales Tax Exemption Number: <input style="width: 100%;" type="text"/> Fuel Tax Exemption Number: <input style="width: 100%;" type="text"/> Pesticide Applicator Permit Number: <input style="width: 100%;" type="text"/>		
Accountant:	<input style="width: 100%;" type="text"/>			
Insurance Agent:	<input style="width: 100%;" type="text"/>			
	<input style="width: 100%;" type="text"/>			
	<input style="width: 100%;" type="text"/>			

Conversion Equivalents

<u>Unit</u>	<u>Equivalent Units</u>
Acre	43,560 square feet; 4,810 square yards; 160 square rods.
Barrel.....	31.5 gallons.
Bushel	1.244 cubic feet; 2,150.42 cubic inches; 32 quarts (dry); 4 pecks.
Cord	128 cubic feet.
Cubic foot	0.8 bushel; 1,728 cubic inches; 7.481 gallons; 62.4 pounds (water).
Cubic yard	27 cubic feet; 202 gallons.
Feet per second	(22/15) x miles per hour.
Foot	12 inches; 1/3 yard; 0.305 meter.
Gallon	231 cubic inches (liquid); 268.8 cubic inches (dry); 0.1337 cubic foot; 4 quarts; 8.345 pounds (water).
Inch	2.54 centimeter.
Meter	39.37 inches; 1.094 yards; 3.281 feet.
Mile	5,280 feet; 1,760 yards; 320 rods; 1.609 kilometers.
Peck	8 quarts; 1/4 bushel.
Pint	1/2 quart; 16 ounces.
Quart	2 pints; 32 ounces; 67.2 cubic inches (dry); 57.75 cubic inches (liquid).
Rod	16.5 feet; 5.5 yards.
Square foot.....	1/9 square yard; 144 square inches.
Square mile	640 acres.
Square yard.....	9 square feet.
Ton	2,240 pounds (long); 2,205 pounds (metric); 2,000 pounds (short).
Yard.....	3 feet; 0.9144 meter.

Measurement Formulas

Circumference of circle = $3.1416 \times \text{diameter} = \frac{22 \times \text{diameter}}{7}$

Area of circle = $.7854 \times \text{diameter} \times \text{diameter}$.

Area of rectangle = length x width.

Area of triangle = $0.5 \times \text{base} \times \text{altitude}$.

Area of curved surface of cylinder (like a silo) = $3.1416 \times \text{diameter} \times \text{height}$.

Volume of sphere = $.5238 \times \text{diameter} \times \text{diameter} \times \text{diameter}$.

Volume of cylinder = $.7854 \times \text{height} \times \text{diameter} \times \text{diameter}$.

Volume of pyramid = $1/3 \times \text{area of base} \times \text{altitude}$.

Volume of cone (like a stack of grain) = $.2618 \times \text{height} \times \text{diameter} \times \text{diameter}$.

Capacity of Rectangle and Cylindrical Bins and Tanks

Determine the cubic feet in a rectangular bin, crib or tank by multiplying the length by the width by the height. To calculate the cubic feet for cylindrical shaped containers, square the radius and multiply by 3.1416 and then multiply by the height.

To find the approximate number of bushels of small grain or shelled corn in a bin, multiply the cubic feet by .8.

To compute the numbers of gallons in a tank, multiply the number of cubic feet by 7.4805.

Capacity of Trench and Bunker Silos

Corn or grass silage, well packed by a tractor in a horizontal silo, will weigh an average of 40 to 50 pounds per cubic foot. Multiply the average width by the depth by the length (all in feet) = vol. in cu. ft. Divide the number of cu. ft. in the silo by 50. This equals tons of silage.

Common Fractions Reduced to Decimals									
8ths	16ths	32nds	6ths		8ths	16ths	32nds	64ths	
		1	2	.015625			17	34	.546875
		3	4	.046875			35	70	.546875
	1	2	4	.0625		9	18	36	.5625
		5	8	.078125			37	74	.578125
		3	6	.09375			19	38	.59375
		7	8	.109375			39	78	.609375
1	2	4	8	.125	5	10	20	40	.625
		9	12	.140625			41	82	.640625
		5	10	.15625			21	42	.65625
		11	16	.171875			43	86	.671875
	3	6	12	.1875		11	22	44	.6875
		13	16	.203125			45	90	.703125
		7	14	.21875			23	46	.71875
		15	16	.234375			47	94	.734375
2	4	8	16	.25	6	12	24	48	.75
		17	16	.265625			49	98	.765625
		9	18	.28125			25	50	.78125
		19	16	.296875			51	102	.796875
	5	10	20	.3125		13	26	52	.8125
		21	16	.328125			53	106	.828125
		11	22	.34375			27	54	.84375
		23	16	.359375			55	110	.859375
3	6	12	24	.375	7	14	28	56	.875
		25	16	.390625			57	114	.890625
		13	26	.40625			29	58	.90625
		27	16	.421875			59	118	.921875
	7	14	28	.4375		15	30	60	.9375
		29	16	.453125			61	122	.953125
		15	30	.46875			31	62	.96875
		31	16	.484375			63	126	.984375
4	8	16	32	.5	8	16	32	64	1.

Interest Calculations												
RULE: Multiply the principal by as many one hundredths as there are days, and then divide as follows:												
Percent	4	5	6	7	8	9	10	12				
Divided by	90	72	60	52	45	40	36	30				
EXAMPLES: Interest on \$100, for 90 days at 5 percent: 100 x .90 = 90.00 divided by 72 = 1.25 (1 dollar and 25 cents); on \$1, for 30 days at 6 percent: 1 x .30 = .30 divided by 60 = .005 (5 mills).												
TABLES: Showing the number of days from any date in one month to the same date in any other month.												
From To	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
January	365	31	59	90	120	151	181	212	243	273	304	334
February	334	365	28	59	89	120	150	181	212	242	273	303
March	306	337	365	31	61	92	122	153	184	214	245	275
April	275	306	334	365	30	61	91	122	153	183	214	244
May	245	276	304	335	365	31	61	92	123	153	184	214
June	214	245	273	304	334	365	30	61	92	122	153	183
July	184	215	243	274	304	335	365	31	62	92	123	153
August	153	184	212	243	273	304	334	365	31	61	92	122
September	122	153	181	212	242	273	303	334	365	30	61	91
October	92	123	151	182	212	243	273	304	335	365	31	61
November	61	92	120	151	181	212	242	273	304	334	365	30
December	31	62	90	121	151	182	212	243	274	304	335	365
EXAMPLE: How many days from May 5 th to October 5 th ? Look for May at left hand and October at the top: in the angle is 153. In Leap year add one day if February is included.												