

125

A FARM RECORD FOR 1970

A record of a 230 acre livestock and cash crop farm
in southern Minnesota

Prepared for use as an exercise in farm accounting

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This record is taken from the operation of an actual farm business. The farmer is a member of one of the southern Minnesota farm management services. This farm, which includes 230 acres of land, has dairy and hogs as the livestock enterprises, with some of the crops being sold for cash. The farmer owns 190 acres and pays cash rent for an additional 40 acres.

In order to save the student's time, many entries from the original record have been combined. For example, the farmer recorded 12 milk sales; these have been combined into four quarterly totals. Also, the farmer followed the recommended practice of making monthly entries of quantities of feed fed to livestock, but only year totals are reported here. In making these combinations, however, the essential characteristics of the business have not been changed. Most of the common farm accounting problems are illustrated by the entries that are included.

For sale by
Coffey Hall Bookstore
University of Minnesota
Institute of Agriculture
St. Paul, Minnesota 55101

Instructions

Use a sharp pencil--do not use ink--be neat, follow instructions.

1. General Instructions

- a. This class exercise and these instructions are prepared for use with the Minnesota Farm Account Book, third edition (1966). The data can, however, be used with other farm record books.
- b. Throughout the book, quantities should be recorded whenever they are given.
- c. Study the book and read all instructions carefully before starting work.
- d. For your own convenience, write all entries in straight columns. It will save time and avoid errors in adding.

2. Enter assets and liabilities for January 1, 1970, into your Farm Account Book and Four Year Depreciation Schedule as follows:

- a. Enter descriptions completely.
- b. Enter year of purchase, cost, and estimated life for all depreciable assets that have been purchased.
- c. Enter value on January 1, 1970, into "Beginning of Year" columns in the Farm Account Book and into the first group of columns in the Four Year Depreciation Schedule (in the Depreciation Schedule, write "70" at the top of the first group of columns and "71" at the top of the second group).
- d. Enter the values in the "Total Value" columns, and also enter the appropriate shares in the "Operator's Share" and "Landlord's Share" columns.
- e. Total all columns and check totals against the "Totals Sheet" at the end of this problem. DO NOT ADD DEPRECIATION CHARGED THIS YEAR UNTIL END OF YEAR.

3. Transfer these various totals of assets and liabilities at the beginning of the year to the first page of the leaflet, "Financial Summaries," that will be found in the envelope on the inside back cover. Calculate the Total Farm Capital and Farmer's Net Worth.

4. Enter the January transactions (receipts, expenses, and supplementary information) into your Farm Account Book. This problem is based on an actual farm business; however, many transactions have been combined in order to save student's time. This is true, for example, regarding feeds purchased and feeds fed. Rather than show the feed distribution by months, purchased

feeds are entered quarterly and home grown feeds have been combined into yearly summaries. Read the description of the lease arrangement, as given on page 4 of this problem, before you begin to make your entries. In order that you will not omit any items or enter some item twice, work systematically and place a check mark next to each item in this problem when it is entered into the Farm Account Book.

5. Enter the February monthly data in the same manner as instructed for January, and so on for each month of the year. (Complete all the entries for each month ~~before~~ proceeding to make any entry for the ~~next~~ month, unless the instructor gives different instructions.
6. Enter the assets and liabilities for December 31, 1970, into "End of Year" columns of Farm Account Book and into the 1971 columns of your Four Year Depreciation Schedule. Total all columns and check against the "Totals Sheet."
7. Repeat instruction 3 above for the December 31, 1970 data.
8. Add all other columns in the Farm Account Book and Four Year Depreciation Schedule and check against the "Totals Sheet."
9. Using the percentages given after the December transactions, calculate the household and personal share of expenses and receipts for the automobile, telephone, and electricity on pages 46 and 52 of the Farm Account Book. Subtract these household and personal shares from the total on those pages to determine the farm share.
10. Complete the Crop and Feed Check (inside back cover of the Farm Account Book). The instructions on these pages indicate the sources of all data needed. Enter the quantities and values for all purchased feeds; for home grown feeds use only quantities. The quantity of home grown feeds fed will be found in the Monthly Feed Record, pages 26-27, of the Farm Account Book. The quantities of purchased commercial feeds fed can be determined from the disappearances calculated on the Crop and Feed Check and from the notations for purchases. Under actual farm conditions, this Crop and Feed Check is used to determine whether or not the quantities of feeds charged to livestock corresponds with the disappearances of these feeds; that is, the farmer compares line C with line D. If they do not correspond, the farmer must find and correct the errors in his records.
11. Calculate the values of Feeds Used by Livestock in Section D of the Crop and Feed Check. For home grown feeds (including the small amounts of corn and oats purchased for feed), use average prices (listed immediately following the December transactions); for purchased feeds, use actual costs.
12. Calculate value of unpaid family labor and board for hired labor, page 51. The necessary data are given immediately following the December Transactions.

13. Prepare the summary of "Family Living from the Farm," Section C of the leaflet, "Financial Summaries." Obtain the quantities and values from the pages and columns indicated.
14. Compute Return to Capital and Family Labor, Net Cash Farm Income, and Labor Earnings in Section B of the leaflet, "Financial Summaries," after transferring the values from the various pages and columns indicated on this table. The instructions for calculating earnings and income are given on the table.
15. Complete the "Crop Data," page 29. Be sure that the "Acres" add to 230. Calculate "Yield per Acre."
16. Complete the "Summary of Cash Household and Personal Expenses" and "Total Living Expenses" on the back page of the leaflet, "Financial Summaries."
17. Compare the farm business for 1970 with previous years.
18. Calculate the taxable net income (cash basis, operator's share) on form FM 7. Copies of this form are available from the Coffey Hall Bookstore, University of Minnesota, Institute of Agriculture, St. Paul, Minnesota 55101. The net farm profit can be calculated as of 1970 and the current year's tax rates and regulations applied. The operator has a wife and one son.
19. In order to make an analysis of the business, make the calculations shown on the back page of the leaflet, "Financial Summaries," and calculate the returns over feed from productive livestock, the net power expense, the net machinery, equipment and building expense, and rate of livestock production. The farmer from whom this information was obtained is a member of one of the southern Minnesota Farm Management Services. The analysis of these data will be most valuable if compared with the mimeographed annual reports of the services of 1970, Department of Agricultural and Applied Economics, University of Minnesota. These reports are for sale at Coffey Hall Bookstore.

Description of lease arrangement: This farm, with machinery and livestock, was purchased in 1960. The farmer financed the purchase of real estate by means of a real estate mortgage. He has a chattel mortgage on the personal property. He rents 40 acres of adjacent land on a yearly basis and pays cash rent for this land.

Depreciation Schedule: The farmer set up his depreciation schedule without assigning a salvage value to any of the items except for the purchase of some cows. He has claimed an additional 20 percent depreciation on several capital items purchased over the years.

Beginning Inventory, January 1, 1970

Dairy Cows - Grade Holsteins

Description	Age, years	Year bought	Cost	Salvage value	Est. life	Deprec- iation	Value Jan. 1, 1970
1 - 16		Raised on farm					\$250 each
17 - 23		Raised on farm					275 each
24		1/5/67	\$325	\$225	5	\$20	265
25		12/28/68	375	200	5	35	340
26		6/20/69	350	200	5	30	335

Other Dairy Cattle

Description	Age	Year bought	Cost	Value Jan. 1, 1970
6 two-year-old heifers	2 yrs.	Raised on farm		\$250 each
9 yearling heifers	1 yr.	Raised on farm		150 each
20 fall calves	$\frac{1}{4}$ yr.	Raised on farm		30 each
11 steer calves		Raised on farm		100 each

Hogs

Description	No.	Year bought	Cost	Estimated life	Pounds	Value Jan. 1, 1970
Boar	1				300	\$ 100
Sows	3				1200	180
Gilts	6				1500	300
Market hogs	23				4600	1150
Fall pigs	30				3000	750
Weaning pigs	22				250	264

Crop, Seed and Feed Inventory

Description	Quantity	Value Jan. 1, 1970
Corn	2200 bu.	\$2200
Oats	1300 bu.	780
Corn silage	55 tons	399
Alfalfa hay	90 tons	1800

Beginning Inventory (continued)

Non-farm Assets

Description	Value
	Jan. 1, 1970
Cash surrender value of life insurance	\$ 590
Shares in marketing organizations	116
Savings Account	200
Cash in bank	1000
Household goods	3500
Clothing and jewelry	500

Liabilities

Description	
	Jan. 1, 1970
Federal Land Bank real estate mortgage	\$20869
PCA chattel mortgage	9423

Beginning Inventory (continued)

Power, Machinery, Equipment, Land, Buildings
(All operator's)

Description	Year bought	Cost	Estimated life-years	Annual dep.	Cost remaining Jan. 1, 1970
<u>Power</u>					
Ford car	1965	\$2390	5	\$400	Depreciated
3/4 ton Ford pickup truck	1968	2710	10	220	\$ 1780
770 Oliver tractor	1964	1900	15	130	1120
JD tractor	1967	705	5	141	282
IHC tractor (20% added first year depreciation taken)	1969	3100	8	310	2170
Cub Cadet (20% added first year depreciation taken)	1968	385	8	38	252
Gas tank and stand	1965	85	20	4	65
<u>Crop and General Machinery</u>					
Plow	1966	672	10	67	404
Field cultivator	1959	350	10	35	Depreciated
Disk	1967	337	6	56	204
Corn planter	1968	200	3	70	70
Hay mower	1963	565	9	50	215
Side delivery rake	1965	400	10	40	200
Bale elevator	1964	114	10	11	48
1/2 field chopper (20% added first year depreciation taken)	1969	500	6	65	370
Flail chopper	1967	1180	8	147	739
Manure spreader (20% added first year depreciation taken)	1968	625	8	60	440
Manure loader (20% added first year depreciation taken)	1969	400	8	40	280
Wagon and hoist (20% added first year depreciation taken)	1968	427	10	34	274
Wagon	1960	175	10	18	3
Flat bed rack	1967	75	10	8	56
Wagon box	1964	175	10	18	67
Wagon	1969	200	10	20	180
Wagon and chopper box (20% added first year depreciation taken)	1969	850	6	115	620
<u>Livestock Equipment</u>					
Milking machine & equipment	1966	1025	10	103	613
Milk cooler	1956	1576	20	80	536
Silo unloader and auger	1964	1150	10	115	470
Portable hog houses (20% added first year depreciation taken)	1965	298	10	24	120
Hog feeders	1969	74	8	9	65
Feed grinder (20% added first year depreciation taken)	1969	950	6	128	700
<u>Bare Land</u>					
190 acres (owned)		8000			8000
40 acres (rented)		6000			6000

Beginning Inventory (continued)

Power, Machinery, Equipment, Land, Buildings
(All operator's)

Description	Year bought	Cost	Estimated life-years	Annual dep.	Cost remaining Jan. 1, 1970
<u>Buildings</u>					
House	1967	\$16500	50	\$330	\$15510
Barn	1960	8000	25	320	4800
Pole shed	1968	2660	30	90	2510
Milk house	1960	1800	15	120	640
Silo	1960	700	15	45	265
Hog house	1960	700	15	45	265
Corn crib	1962	225	10	22	71
Granary	1960	1500	20	75	770
Garage	1962	3000	25	120	2100
Water system	1965	928	20	46	726

JANUARY TRANSACTIONS

Date	Description	Amount
<u>FARM RECEIPTS</u>		
2 17	market hogs sold, 3840 lbs.	\$ 1013
14 1	cow (no. 2) sold	284
20	Trucking	190
28 3	sows sold, 1345 lbs.	323

FARM EXPENSES

5	10,400 lbs. comm. dairy cow feed	625
	1,500 lbs. comm. other dairy feed	60
	7,055 lbs. comm. hog feed	470
	850 lbs. milk replacer, O.D.	105
8	Car license	22
	Truck license	45
9	Tractor repair	176
	Farm Management Service dues	90
22	Manure spreader repair	32
23	Feed grinder repair	175

HOUSEHOLD AND PERSONAL EXPENSES

5	Butchering beef	39
13	Bowling	12
20	Hospital and clinic	84
21	Basketball game	14
24	Gifts	23
31	Groceries	80

SUPPLEMENTARY INFORMATION

1	heifer transferred to dairy herd	300
3	calves born, 1 died	
1	pig died	

FEBRUARY TRANSACTIONS

Date	Description	Amount
<u>FARM RECEIPTS</u>		
2 2	calves sold, 200 lbs.	\$ 60
12 2	cows sold (nos. 4 & 5)	601
15	Trucking	100

FARM EXPENSES

4	Fire insurance on farm buildings	180
5	32 bu. corn bought for hogs	35
7	Nails and supplies for RE upkeep	7
13	Barn lime	34
21	Insurance (car \$130, truck \$172)	302
25	Garage built (all farm share)	2250
	25 year life, 5/6 of year's depreciation in year of purchase	
28	Battery for tractor	34

HOUSEHOLD AND PERSONAL EXPENSES

11	Contributions to fund drives	10
	Cleaning supplies	7
12	Basketball game	13

FEBRUARY TRANSACTIONS (continued)

Date	Description	Amount
<u>HOUSEHOLD AND PERSONAL EXPENSES (cont'd)</u>		
17	Dry cleaning	\$ 4
	Cosmetics	5
21	Bowling	10
28	Groceries	77

SUPPLEMENTARY INFORMATION

2	calves died
2	hogs died

MARCH TRANSACTIONS

Date	Description	Amount
<u>FARM RECEIPTS</u>		
20	94,226 lbs. whole milk (3 mo.)	\$ 4961
	(3699.8 lbs. BF)	

FARM EXPENSES

7	Dehorning	21
20	Milk hauling (3 mo.)	242
	Dairy supplies (3 mo.)	20
	DHIA	61
25	2000 lbs. min. & salt, dairy cows	180
	800 lbs. min. & salt, other dairy	72
26	Farm magazine subscription	20
31	Repair & upkeep, livesock equip.	80
	Wages for son for part time work (1 mo. equivalent)	215
	22 hours hired labor	44
	Telephone expense (3 mo.)	40
	Electric expense (3 mo.)	172
	Paid on PCA loan (all principal)	960

HOUSEHOLD AND PERSONAL EXPENSES

1	Church	45
13	Life insurance	186
15	Hospital and doctor	76
	Drugs	119
20	Play tickets	10
	Dairy products purchased at creamery for home use (3 mo.)	23
31	Groceries	88
	Fuel oil	142
	Clothing (3 mo.)	181
	School supplies (3 mo.)	18

SUPPLEMENTARY INFORMATION

3	heifers transferred to dairy herd	900
5	calves born, 2 died	

APRIL TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

6	1 cow sold (no. 24)	\$ 317
8	Federal gas tax refund	111
24	25 market hogs sold, 6045 lbs.	1466
26	8 steers sold, 6465 lbs.	1778
30	Trucking	175

FARM EXPENSES

7	13,205 lbs. fertilizer	394
	100 lbs. Ramrod and atrazine	160
9	FLB mortgage payment	834
	principal \$253	
	interest \$581	
15	10,950 lbs. comm. feed, dairy	657
	261 bu. oats, hogs	142
	7,000 lbs. comm. feed, hogs	466
17	11 bu. seed corn	203
	46 bu. seed oats	83
	Clean oat seed	6
	12 bu. barley seed	26
	5 bu. alfalfa seed	194
	40 lbs. red clover seed	20
	1 bu. orchard grass seed	19
23	Car brakes repaired	104

HOUSEHOLD AND PERSONAL EXPENSES

8	Estimated Fed. income tax pay.	750
	Balance due on Fed. income tax	103
	Estimated State income tax pay.	200
	Balance due on state income tax	129
15	Concert tickets	8
25	Gifts	22
30	Groceries	63

SUPPLEMENTARY INFORMATION

2	heifers transferred to dairy herd	600
2	calves born	
6	litters (30 pigs) farrowed, 10 died	
1	hog died	
31	acres of oats were planted (14 of these were rented) (46 bu. purchased seed plus 40 bu. from feed oats used)	
8	acres of barley were planted (12 bu. seed used)	
	All small grain was seeded with alfalfa (5 bu. seed) and red clover (40 lbs. seed)	

MAY TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

20	5 sows sold, 1795 lbs.	\$ 350
25	1 cow sold (no. 18)	51
27	Trucking	180

MAY TRANSACTIONS (continued)

Date	Description	Amount
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FARM EXPENSES

7	Tractor tire repair	\$ 34
13	Corn planter (\$600 list price, \$200 received on 1968 planter traded) 5 year length of life. Full year of depreciation taken on new planter	400
	Sales tax on planter (enter as 1970 expense in repair and operation of crop machinery)	12
15	Truck repairs	94
20	Hog wormer	11
21	Electrical supplies and pump repair	130
	Farm \$85	
	House \$45	
25	26 bu. soybean seed	105
	Innoculation for beans	5
31	1/2 real estate taxes, 190 acres	345

HOUSEHOLD AND PERSONAL EXPENSES

6	Dry cleaning	7
15	Draperies	13
20	Paint for living room	8
22	Hospital insurance	85
13	Groceries	97

SUPPLEMENTARY INFORMATION

There were 27 dairy cows and 30 other dairy cattle on pasture 15 days. 46 acres of corn for grain were planted (21 of these are rented) (11 bu. seed used). 21 acres of corn for silage planted. 21 acres of soybeans planted (26 bu. seed). In addition, there are 45 acres of alfalfa hay (5 of these are rented), 22 acres of alfalfa pasture, 20 acres of non-tillable pasture, 20 acres of timber, 5 acres of waste and roads, and 5 acres in homestead. Real estate taxes on the 40 acres of tillable land rented is \$200.

JUNE TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

6	PCA loan	\$ 3300
12	Creamery co-op patronage refund (\$85 cash, \$330 equity)	415
15	17 market hogs sold, 4130 lbs.	1038
	State gas tax refund	56
20	113,947 lbs. whole milk (3 mo.) (4160.9 lbs. BF)	5749
25	Haying	279

JUNE TRANSACTIONS (continued)

Date	Description	Amount
<u>FARM EXPENSES</u>		
3	Tractor repair	\$ 44
8	Fly spray	40
10	14 bales twine for baling hay	78
	Gravel for driveway	100
	Grading driveway (real est. upkeep)	57
20	DHIA (3 mo.)	60
	Milk hauling (3 mo.)	308
	Dairy supplies (3 mo.)	20
21	Farm protection insurance (general farm expense)	35
	Mower repair	20
23	Hydraulic cylinder (mach. upkeep)	51
26	1/2 year's rent for 40 acres	500
29	1970 Pontiac (\$4793 list price, \$1543 received on car traded)	3250
	5 year length of life (1/2 farm, 1/2 personal)	
	Sales tax on car (rep & oper exp.)	98
30	Repair & upkeep, livestock equip.	51
	Wages for son (1 mo equivalent)	215
	37 hours hired labor	74
	Telephone expense (3 mo.)	35
	Electric expense (3 mo.)	154
	PCA payment	3572
	principal \$2821	
	interest \$751	

HOUSEHOLD AND PERSONAL EXPENSES

1	Church	55
7	Gifts	65
12	Major medical insurance	109
15	Drugs	80
	School expenses	7
20	Dehumidifier	80
23	Beauty shop	8
30	Groceries	134
	Clothing (3 mo.)	174
	Haircuts (6 mo.)	24

SUPPLEMENTARY INFORMATION

4 litters (36 pigs) farrowed, 6 died
 There were 27 dairy cows and 31 other dairy cattle on pasture 30 days.
 67 tons alfalfa harvested (60 tons on owned land, 7 tons on rented land)

JULY TRANSACTIONS

Date	Description	Amount
<u>FARM RECEIPTS</u>		
8	1 market hog sold, 200 lbs.	\$ 52
9	PCA loan	2250
27	Haying	206

JULY TRANSACTIONS (continued)

Date	Description	Amount
<u>FARM EXPENSES</u>		
6	White wash barn	\$ 45
8	Hay swather/conditioner (\$2650 list price, \$500 received for fully depreciated mower traded)	2150
	8 year length of life, 20% added first year depreciation, 1/2 year annual depreciation taken	
	Sales tax on swather/conditioner	65
17	Tractor distributor repair	19
27	7300 lbs. comm. feed, cows	438
	5600 lbs. comm. feed, hogs	410

HOUSEHOLD AND PERSONAL EXPENSES

15	Life insurance	120
18	Gifts	46
31	Groceries	110

SUPPLEMENTARY INFORMATION

1 market hog butchered, 200 lbs. 50
 There were 27 dairy cows and 31 other dairy cattle on pasture 30 days.
 40 tons alfalfa hay harvested (35 tons on owned land, 5 tons on rented land).
 1270 bu. oats harvested (850 bu on owned land, 420 bu. on rented land).
 480 bu. barley harvested.

AUGUST TRANSACTIONS

Date	Description	Amount
<u>FARM RECEIPTS</u>		
3	3 market hogs sold, 900 lbs.	\$ 180
24	2 cows sold (nos. 15, 16)	562
25	Haying	275
29	3 steers sold, 2600 lbs.	634
31	1 boar sold, 312 lbs.	44

FARM EXPENSES

2	Combine repair	12
21	Combining small grains	150
28	Eave spouts and lumber (farm)	248

HOUSEHOLD AND PERSONAL EXPENSES

4	Gifts	31
15	Dishwasher	215
18	Cleaning supplies	8
20	Doctor	140
24	Fuel oil	76
31	Groceries	77

SUPPLEMENTARY INFORMATION

1 heifer transferred to dairy herd 300
 3 calves born, 1 died
 There were 27 dairy cows and 31 other dairy cattle on pasture 30 days.
 28 tons alfalfa hay harvested (25 tons on owned land, 3 on rented land)

SEPTEMBER TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

20	92,995 lbs. whole milk (3 mo.)	\$ 4553
	3105.2 lbs. BF	

FARM EXPENSES

16	Chopper repair	51
20	DHIA (3 mo.)	60
	Milk hauling (3 mo.)	251
	Dairy supplies (3 mo.)	23
24	Wind insurance	100
25	53 bu. oats, hogs	33
30	8850 lbs. comm. feed, cows	535
	1700 lbs. comm. feed, other dairy	77
	200 lbs. milk replacer	39
	5000 lbs. comm. feed, hogs	367
	Repair & upkeep livestock equip.	74
	Wages for son (1 mo. equivalent)	215
	Telephone expense (3 mo.)	33
	Electric expense (3 mo.)	130
	PCA principal payment	1607

HOUSEHOLD AND PERSONAL EXPENSES

1	Church	45
15	Drugs	71
	School expenses	78
20	Miscellaneous household items	15
25	Gifts	9
30	Groceries	78
	Clothing (3 mo.)	111

SUPPLEMENTARY INFORMATION

1	heifer transferred to dairy herd	300
4	calves born, 1 died	
4	litters (38 pigs) farrowed, 5 died	
	There were 27 dairy cows and 28 other dairy cattle on pasture 30 days	
	Harvested 105 tons corn silage	

OCTOBER TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

5	20 market hogs sold, 4760 lbs.	\$ 943
21	647 bu. soybeans sold	1747
28	State gas tax refund	107

FARM EXPENSES

8	Car repairs	200
	FLB mortgage payment	834
	principal \$260	
	interest \$574	
9	Plow repair	62
21	Combining beans	150
31	1/2 real estate taxes, 190 acres	345
	Rent for 40 acres (1/2 year)	500

OCTOBER TRANSACTIONS (continued)

Date	Description	Amount
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HOUSEHOLD AND PERSONAL EXPENSES

7	Chair	\$ 50
31	Gifts	13
	Groceries	108

SUPPLEMENTARY INFORMATION

1	heifer transferred to dairy herd	300
5	calves born	
3	pigs died	
	There were 27 dairy cows and 28 other dairy cattle on pasture 15 days.	

NOVEMBER TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

10	1 cow sold (no. 26)	\$ 286
	4 sows sold, 1400 lbs.	192

FARM EXPENSES

9	Truck repairs	105
24	Manure spreader repair	65
27	Farm Bureau dues	15
30	Dairy selling exp.(yr) (misc. lvstk.	51
30	Hog selling exp. (yr) expense)	134

HOUSEHOLD AND PERSONAL EXPENSES

15	Vacation	68
19	Butchering deer	13
23	Hospital and doctor	118
25	Beauty shop	7
29	Hospital insurance	88
	Gifts	4
30	Groceries	75

SUPPLEMENTARY INFORMATION

2	heifers transferred to dairy herd	600
6	calves born	
46	acres corn harvested (2500 bu on owned land, 1680 bu. on rented land).	
21	acres soybeans harvested - 686 bu.	

DECEMBER TRANSACTIONS

Date	Description	Amount
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FARM RECEIPTS

12	Creamery co-op patronage refund	\$ 460
	cash \$315	
	equity \$145	
20	88,676 lbs. whole milk	4850
	3473.1 BF	
21	3 bulls sold, 1500 lbs.	330
27	Elevator co-op patronage refund	170
	cash \$35	
	equity \$135	

DECEMBER TRANSACTIONS (continued)

Date	Description	Amount
<u>FARM EXPENSES</u>		
7	532 lbs. mineral & salt, hogs	\$ 83
12	Corn drying	508
15	Corn shelling	546
	Corn hauling	35
19	Farm magazine subscription	10
20	Dairy supplies (3 mo.)	26
	DHIA (3 mo.)	61
	Milk hauling (3 mo.)	189
29	Tractor repair	297
30	Repair of livestock equipment	206
	PCA loan payment	1158
	principal \$441	
	interest \$717	
31	Wages for son (1½ mo. equiv.)	325
	Electric expense (3 mo.)	140
	Telephone expense (3 mo.)	28
	Breeding fees (year)	246
	Veterinary--all dairy (year)	295
	Grind & mix hog feed (year)	75
	Meals on selling trips (year)	30
	Gas and oil (year)	1723
	tractor \$1083	
	truck \$354	
	auto \$286	

DECEMBER TRANSACTIONS (continued)

Date	Description	Amount
<u>HOUSEHOLD AND PERSONAL EXPENSES</u>		
1	Church	\$ 95
10	Fuel oil	41
12	Major medical insurance	109
15	Drugs	121
	School expenses	80
19	Gifts	135
29	Koegh plan (retirement investment)	705
31	Dairy products purchased from creamery for home use (9 mo.)	58
	Groceries	107
	Clothing (3 mo.)	114
	Haircuts (6 mo.)	24

SUPPLEMENTARY INFORMATION

1	heifer transferred to dairy herd	300
5	calves born	
4	litters (40 pigs) farrowed, 21 died	
1460	qts. whole milk used in the home during the year	139

SUPPLEMENTARY INFORMATION FOR COMPLETING YEAR'S RECORDS

Feeds Fed - January-December

Livestock	Corn bu	Oats bu	Barley bu	Alfalfa hay ton	Corn silage ton	Comm. feed lb	Salt, mineral lb	Whole milk gal
Dairy cows	1662	1240	400	82	90	37500	2000	
Other dairy cattle	750	480	80	51	10	4250	700	500
Hogs	1000	314				24655	532	

Average milk test 3.7

Average prices for home grown feeds:

Corn	\$ 1.15/bu.
Oats	.60/bu.
Barley	.85/bu.
Alfalfa hay	20.00/ton
Corn silage	7.25/ton
Whole milk	.38/gal.
Pasture	
Cows	4.00/hd/mo.
Young cattle	2.00/hd/mo.

Distribution of costs:

	Farm	Household or personal
Auto	50%	50%
Telephone	80%	20%
Electricity	75%	25%

The equivalent of 1½ months was worked by unpaid family labor @ \$250 per month.

There was 3½ months of board for hired labor @ \$60 per month.

In figuring pasture, 30 days = 1 mo.

Ending Inventory, December 31, 1970

Description	Age years	Value
-------------	--------------	-------

Dairy cows

1		\$ 250
3		250
6		250
7		250
8		250
9		250
10		250
11		250
12		250
13		250
14		250
17		275
19		275
20		275
21		275
22		275
23		275
25		305
12 1970 heifers fresh.		3600

Other dairy cattle

1 2-year-old heifer	250
14 yearling heifers	2100
18 fall calves	540
11 steer calves	1100

Hogs Pounds

4 sows	1600	200
30 market hogs	6000	960
30 fall pigs	3000	450
19 weaning pigs	270	175

Crops, seed, feed

3000 bu. corn	3750
800 bu. oats	480
60 tons corn silage	435
92 tons alfalfa hay	1840

Description	Value
-------------	-------

Non-farm assets

Cash surrender value of life ins.	\$ 605
Shares in marketing organizations	116
Savings account	300
Cash in bank	150
Household goods	3500
Clothing and jewelry	500

Liabilities

FLB real estate mortgage	20357
PCA chattel mortgage	9144

Power, Machinery, Equipment and Buildings

For all items that were on hand on January first, deduct depreciation for a year to obtain the value of December 31, which is the same as the cost remaining at the beginning of the next year. For depreciable livestock or machinery purchased in 1970, depreciate for the number of months it has been on the farm to obtain the remaining cost on December 31. When recording cost or depreciation on the depreciation schedule, carry only to the nearest full dollar (do not record cents). No depreciation can be charged for the land; value at the end of the year is the same as at the beginning.

Totals by Pages and Columns for "A Farm Record for 1970" (Third Edition)

Page	Column	Amount	Page	Column	Amount	Page	Column	Amount
2	2	1460	17	3	13	49	18	\$ 974
	2	\$ 139		4	4852			
	4	500		6	\$ 909	51	20	\$ 1088
	4	\$ 190		11	96		26	\$ 890
	8	389,844		12	24,727		27	\$ 690
	10	14439.0		14	\$ 5601		28	\$ 200
	11	\$20113					30	1½ mo.
	14	\$ 990	25	18	\$ 1163		30	\$ 375
3	1	\$ 89	29	2	190		31	3½ mo.
	10	\$ 81		8	40		31	\$ 210
							35	\$ 1000
5	2	12	31	18	\$ 5179	52	8	\$ 480
	3	\$ 3600		23	\$ 6505		12	\$ 136
	8	26					12	\$ 109
	9	\$ 6865	36	68	\$ 4869		16	\$ 596
	13	30					16	\$ 447
	14	\$ 8305	37	12	\$ 1747			
	25	8				53	3	\$ 1405
	26	\$ 2101	39	18	\$ 1293		8	\$ 1045
7	16	26	40	3	\$ 2379	54	3	\$ 5550
	18	\$ 6865					10	\$ 6342
	24	30	41	3	\$ 586		11	\$ 2623
	26	\$ 8305		8	\$ 587		13	\$30293
				11	\$ 54		14	\$29501
				12	\$ 45			
8	7	12				55	5	\$ 5906
	8	\$ 3600					6	\$ 6633
	13	46	42	5	\$ 8050		13	\$ 1011
	15	\$ 4550		5	\$ 6425F			
	19	44						
	21	\$ 3990	44	3	\$ 274	57	6	\$ 250
							12	\$ 1200
9	22	16	45	33	\$ 1723			
	25	\$ 2802		33	\$ 1580F	59	15	\$ 1227
				37	\$ 1083		24	\$ 297
16	3	1		37	\$ 1083F			
	4	200		39	\$ 354	60	6	\$ 358
	5	\$ 50		39	\$ 354F		12	\$ 591
	7	85		41	\$ 286			
	8	10,850		41	\$ 143F	61	6	\$ 68
	9	\$ 2744					12	\$ 183
	12	83	47	19	\$ 970			
	13	10,870		19	\$ 693F	62	6	\$ 135
	14	\$ 1785		22	\$ 416		12	\$ 348
	18	18		22	\$ 416F			
	19	144		24	\$ 554			
	20	42		24	\$ 277F			

Totals by Pages and Columns for "A Farm Record for 1970" - Depreciation Schedule

Pages	Description	1970	Depreciation	1971
2-3	Auto and truck	1780	545	4485
		1780F	382F	3023F
10-11	Mechanical power and crop and general machinery	8059	1989	8620
14-15	Livestock equipment	2504	459	2045
14-15	Bare land	Total		14000
		Operator		8000
		Landlord		6000
16-17	Operator's house	15510	330	15180
18-19	Buildings, fencing	8215 12,147	575 958	7640 13439

Totals for Crop and Feed Check for "A Farm Record for 1970"

Corn grain	\$3923
Oats	1226
Barley	408
Corn silage	725
Alfalfa hay	2660
Commercial feed for dairy cows	2255
Commercial feed for other dairy cattle	281
Commercial feed for hogs	1713
Mineral and salt for all livestock	335
Pasture	840
Whole milk	190
Total feed fed	\$14556
Dairy cows	\$ 8263
Other dairy cattle	3153
Hogs	3140
Total feed fed	\$14556

Summary of Earnings (Whole Farm on the Enterprise Basis)

Item	1966	1967	1968	1969	1970
RETURNS AND NET INCREASES					
Dairy cows	\$14628	\$17091	\$17984	\$17714	\$
Other dairy cattle	3348	3910	5752	4456	
Hogs	5573	5769	6126	8288	
Total net increase in prod. livestock	\$23549	\$26770	\$29862	\$30458	\$
Value of feed fed	11319	12542	13279	12994	
Return over feed from livestock	\$12230	\$14228	\$16583	\$17464	\$
Crop, seed and feed	6899	6198	6665	8297	
Income from labor off the farm	1120	1262	-	1258	
Miscellaneous income	443	497	1019	733	
Total returns	\$20692	\$22185	\$24267	\$27752	
EXPENSES AND NET DECREASES					
Truck (farm share)	\$ 785	\$ 389	\$ 473	\$ 1125	\$
Auto (farm share)	475	459	545	575	
Tractors and crop machinery	1710	2128	2468	3777	
Electricity (farm share)	501	416	398	415	
Hired power	820	1028	1236	1223	
Livestock equipment	529	471	-791	950	
Buildings and fences	1040	919	1317	1567	
Miscellaneous livestock expense	971	1118	956	1049	
Labor	1604	1768	1894	1516	
Real estate taxes	617	627	732	791	
Personal property taxes	245	283	-	-	
General farm expense and telephone	436	504	663	652	
Interest on farm capital	1925	2091	2574	2851	
Total expenses	\$11658	\$12201	\$12465	\$16491	\$
Labor earnings	\$ 9034	\$ 9984	\$11802	\$11261	\$

Summary of Farm Management Factors

Item	1966	1967	1968	1969	1970
Total acres	170	170	210	225	_____
Total tillable acres	120	120	160	175	_____
Acres in small grain	25	27	67	63	_____
Acres in cultivated crops	33	32	35	57	_____
Acres in hay	44	37	28	29	_____
Acres in pasture	18	24	30	26	_____
Crop yield index	115	123	106	96	_____
Yield per acre - oats, bu.	90.0	70.0	60.0	51.0	_____
- wheat, bu.	-	-	-	17.1	_____
- corn, bu.	111.0	125.0	90.0	110.0	_____
- barley, bu.	-	-	45.0	55.6	_____
- soybeans, bu.	-	-	-	22.1	_____
- alfalfa hay, tons	3.3	3.4	4.4	3.3	_____
- corn silage, tons	6.0	12.0	13.0	13.3	_____
Index of feeding efficiency	110	107	109	104	_____
Returns per \$100 feed fed - cows	230	237	230	250	_____
Returns per \$100 feed fed - other dairy	172	172	320	244	_____
Returns per \$100 feed fed - all dairy	219	222	247	248	_____
Pounds of milk per cow	12612	13257	12617	12181	_____
Pounds of concentrate per cow	5097	6044	6817	6256	_____
Pounds of hay per cow	6343	5979	5552	4789	_____
Pounds of silage per cow	7015	4840	4911	5986	_____
Returns per \$100 feed fed - hogs	185	188	167	204	_____
Pounds of concentrate per cwt.	449	350	406	461	_____
Pigs weaned per litter	7.7	6.5	7.7	8.2	_____
Average number of milk cows	26.8	28.1	28.1	28.4	_____
Pounds of hogs produced	25410	30887	33015	33055	_____
Number of workers	1.6	1.5	1.7	1.5	_____
Work units	541	555	581	455	_____
Expenses per work unit	\$10.83	\$10.47	\$ 9.73	\$21.17	\$ _____
Tractor and crop machinery expense per crop acre	\$16.76	\$22.16	\$18.98	\$25.35	\$ _____