



Name _____

Address _____

Phone _____

Email _____

Balance Sheets- step one for your 2018 farm analysis

The farm's balance sheet is a snapshot, on one day in time, of what the farm business "owns", (its assets), and what the farm business "owes", (its liabilities). The difference between what you own and what you owe is your farm's net worth, or what you own free and clear of debt.

To complete the analysis of your farm's 2018 business year, you will need both a beginning and an ending balance sheet. Your beginning balance sheet should be dated on or around January 1, 2018. Your ending balance sheet should be dated on or around January 1, 2019. If you operate on a different fiscal year, create your balance sheets accordingly.

These input forms were developed to help you provide the information needed to create both your beginning and ending balance sheets as easily as possible. There may be some categories of assets or liabilities for which you have no entries. That is okay!

There may be other categories where you need additional space to enter items. Either insert an additional page, ask for additional entry sheets, or download additional forms at <http://farmprofitability.osu.edu/>

You will provide information for your beginning balance sheet first. When you work on your ending balance sheet, look for notes that indicate where you only need to provide information about anything that *changed* from your beginning balance sheet.

If you have questions as you work through these forms, please ask for help! Contact your Farm Business Analysis Technician or you may contact Dianne Shoemaker or Haley Shoemaker at the Mahoning County Extension office at 330.533.5538 or shoemaker.3@osu.edu.

Return completed forms to your Farm Business Analysis Consultant:

Name _____

Email _____

Phone _____

Current Assets**Beginning Balance Sheet**

Date: ___ / ___ / 201__

Current business assets are cash or other assets easily converted to cash that will be sold or consumed in the course of production within the next 12 months.

Schedule A: Cash, Savings, and Checking					
Description		Value		Farm cash, checking and savings account balances as of the balance sheet date. Use the balances from your record keeping system, not your bank statements as all transactions may not have cleared your bank account and would not be reflected on your bank statement.	
Schedule B: Prepaid Expenses & Supplies					
Description		Quantity	Value	Prepaid expenses and supplies should include estimated value of feed, seed, fertilizer, semen, supplies, etc. purchased for use in the following year's production. These types of assets are usually valued at their cost.	
Schedule C: Growing Crops					
Crop	Acres	Expense item	Total cost	Growing crops would include new hay seedings, winter and cover crops for Jan 1 st balance sheets. Include the value of direct costs such as seed and fertilizer. Only include pasture or hay fields if newly seeded.	
Schedule D: Accounts Receivable					
Description		Quantity	Value per unit	Value	Accounts receivable includes \$ owed to the farm but not yet received. For example, the December final milk check is an account receivable. Enter gross income here with deductions such as milk hauling and marketing entered in accounts payable (on page 10).
Schedule E: Hedging Accounts					
Description		Quantity	Value per unit	Value	Hedging accounts includes the equity in all margin accounts. This should be the amount of cash received if liquidating all marketing positions and closing the accounts.
Schedule F: Other Current Assets					
Description		Quantity	Value per unit	Value	Other current assets includes the value of any current business assets not included elsewhere.

Beginning Balance Sheet

Market livestock includes any animals that are purchased or raised to be sold in the next year (not including cull breeding livestock). For example, bull calves held for sale, steers, growing and finishing hogs, broiler chickens, etc. are market livestock.

Market Livestock					Optional calculation*
Livestock	Description	Number of head	Average Weight (pounds)	Value Per Unit	Total Value

*The program will calculate this for you if desired.

Beginning Balance Sheet

Other Intermediate Assets includes all intermediate assets that did not fit into the previous categories. Stock on intermediate term Farm Credit/Ag Credit loans could be included here.

Other Intermediate Assets	
Description	Value

Long Term Farm Assets

Long Term Farm Assets are assets with a useful life of greater than 10 years. Farm land and buildings are examples of long term assets.

The value of farm land needs to be separated into a value for the land and a value for the buildings and improvements on that land. Each year, a 5% depreciation charge is made to buildings and improvements. A portion of this charge is allocated to each enterprise that shares in its use.

The cost value for buildings and improvements will be a share of the original farm's cost, plus the cost of subsequent buildings and improvements. When calculating the cost value for new buildings and improvements, start with the actual total cost of construction. Because you can't "sell" the site prep, concrete, construction, etc. and recover all of those costs, the actual costs should be reduced by about 30%. If your lender uses a higher discount, then use the higher discount. Accumulated depreciation should be calculated at 5% per year. Unless you have a good reason to do otherwise, use the same value for cost and market.

Land					
Description	Acres	Cost Value per Acre	Market Value per Acre	Total Cost Value	Total Market Value

Buildings and Improvements			
Description	Year Purchased or Built	Purchase Price	Market Value

Other Long Term Assets are any other assets with an original useful life of greater than 10 years. Other long term farm assets would include stock in farmer-owned cooperatives, capital retains in farmer cooperatives, the value of Farm Credit/Ag Credit stock for long-term loans, or other long-term investments.

Other Long Term Assets			
Description	Quantity	Total Cost Value	Total Market value

Beginning Balance Sheet

Farm credit cards may be paid monthly, or may be used to finance purchases. List all credit cards that have a balance for farm use as of the balance sheet date.

Credit Card Balances – Farm Share Only				
Credit card	Type and amount of charges in balances, such as repairs, feed, supplies, etc.	Interest rate	Current balance (30 days or less	Balance greater than 30 days

Current, Intermediate and Long Term Loans

A table for Current, Intermediate and Long Term loans is included in this packet. When you complete the “Loan information for FINAN analysis year” worksheet, you will have provided all of the loan information needed for your beginning and ending balance sheets as well as the farm business analysis.

The worksheet can also be downloaded at <http://farmprofitability.osu.edu>

Beginning Balance Sheet

Optional - Personal Assets and Liabilities – Optional for beginning Balance Sheet

Personal assets and liabilities are not required nor requested to complete your farm financial analysis.

If you want to have personal assets, liabilities, and non-farm income included in your analysis for your own purposes, we will include the information you provide. Otherwise, **leave this section blank.**

	Savings	Checking					
Savings & Checking							
	Cost	Market					
Household furnishings and appliances							
Nonfarm vehicles							
Cash value of life insurance							
Retirement accounts and IRA's							
Other intermediate assets							
Nonfarm real estate							
Other long term assets							
Schedule V: Nonfarm Liabilities		Amount					
Accounts payable and other accrued expenses							
Loans	Interest Rate	Principal Balance	Accrued Interest	P & I Payment	Month Due	Final Year	Balance
Current - includes credit card balances over 30 days							
Intermediate							
Long term							