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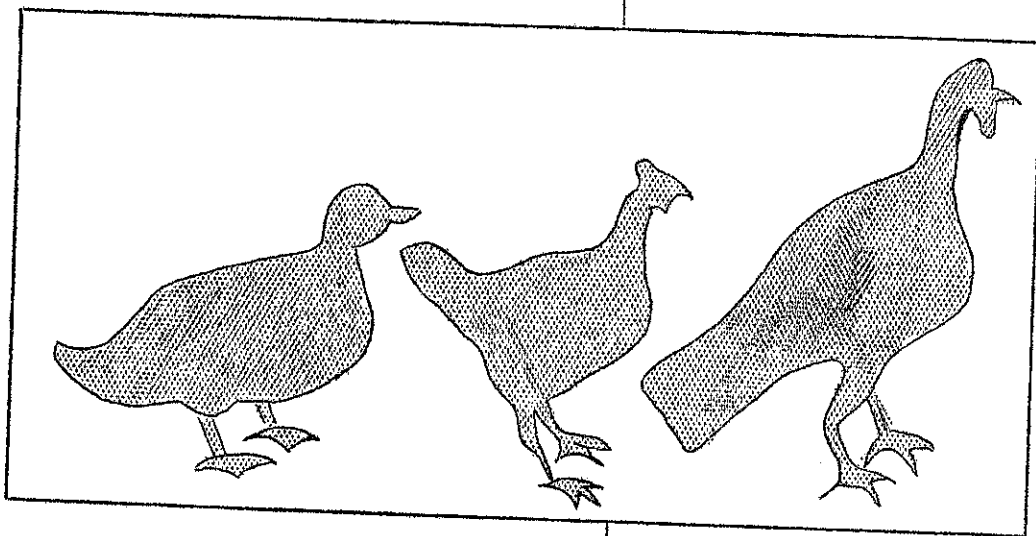
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POULTRY FARM BUSINESS SUMMARY

NEW YORK
1967



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POULTRY FARM BUSINESS SUMMARY

New York, 1967

Poultry farm business management projects have been sponsored by the New York Extension Service for a number of years. Again this year, the reports submitted have been summarized by the Department of Agricultural Economics at Cornell, and the group averages are included in this report.

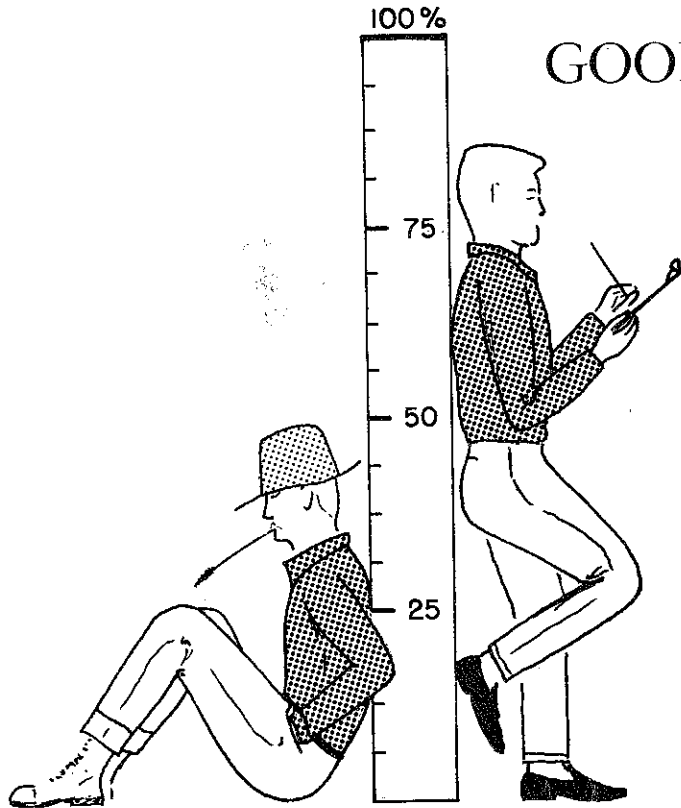
The accounts summarized here are not enterprise accounts. They are accounts of the 26 farm businesses including, in some cases, substantial non-poultry items. These are reflected in the inventory, cost and receipt totals and tend to make fully realistic enterprise analysis difficult.

The report is prepared in workbook form. It is organized so that it provides a systematic way of summarizing and analyzing a poultry business. Spaces are provided so that you can fill in the figures for your farm. Space has also been provided for forward planning into 1968.

Managing a poultry farm today is a complex job. One must use the best tools and information available. Well-kept records, properly summarized and analyzed, serve as an effective management tool.

It is hoped that this farm business summary workbook will be of help to you and other poultrymen in your efforts to improve the management of your farms.

This summary prepared by G. E. Monroe, Department of Agricultural Economics, New York State College of Agriculture, in cooperation with G. H. Thacker of the Poultry Science Department. Also, credit should be given to Cooperative Extension Specialists Stewart E. Ackerman, George A. Earl, Jr., William J. Toleman, and Cooperative Extension Agent, Tony Aja, for their assistance in helping obtain the data.



GOOD MANAGEMENT IS BASIC

How do you measure up?

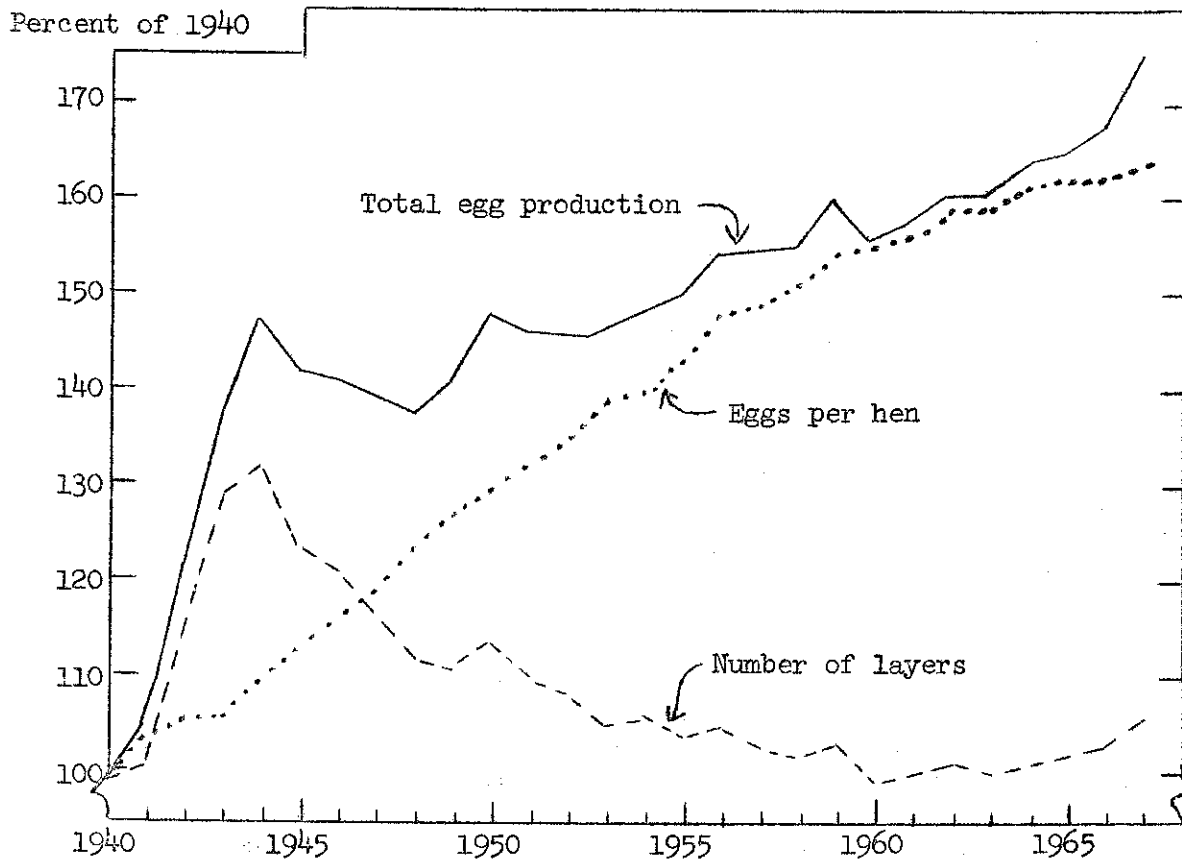
1. Have you developed a systematic approach to management problems?
2. Do you have the facts on your business?
3. Are you improving your managerial skills?

Steps in making a management decision :

1. Locate the trouble spot (problem)
2. What is your objective? (goal)
3. Size up what you have to work with (resources)
4. Look for various ways to solve the problem (alternatives)
5. Consider probable results of each way (consequences)
6. Compare the expected results (evaluate)
7. Select way best suited to your situation (decision)
8. Put the decision into operation (action)

This workbook can help you !

NUMBER OF LAYERS, EGGS PER HEN, AND EGG PRODUCTION
United States, 1940 to 1967



SOURCE: U.S.D.A. Poultry and Egg Situation

Egg production increased rapidly from 1940 to 1944 and then decreased for four years. Since 1948 production has been increasing steadily. Production in 1967 reached a record high and was about 5 percent greater than 1966.

Number of layers increased rapidly from 1940 to 1944 when a peak of 396 million was reached. After 1944, the number of layers decreased substantially to a low of 295 million in 1960. The number for 1967 was 316 million, up 7 percent from the 1960 low.

Rate of lay has increased rather steadily since 1940. Eggs per hen has gone from 134 to 221, or an increase of 65 percent.

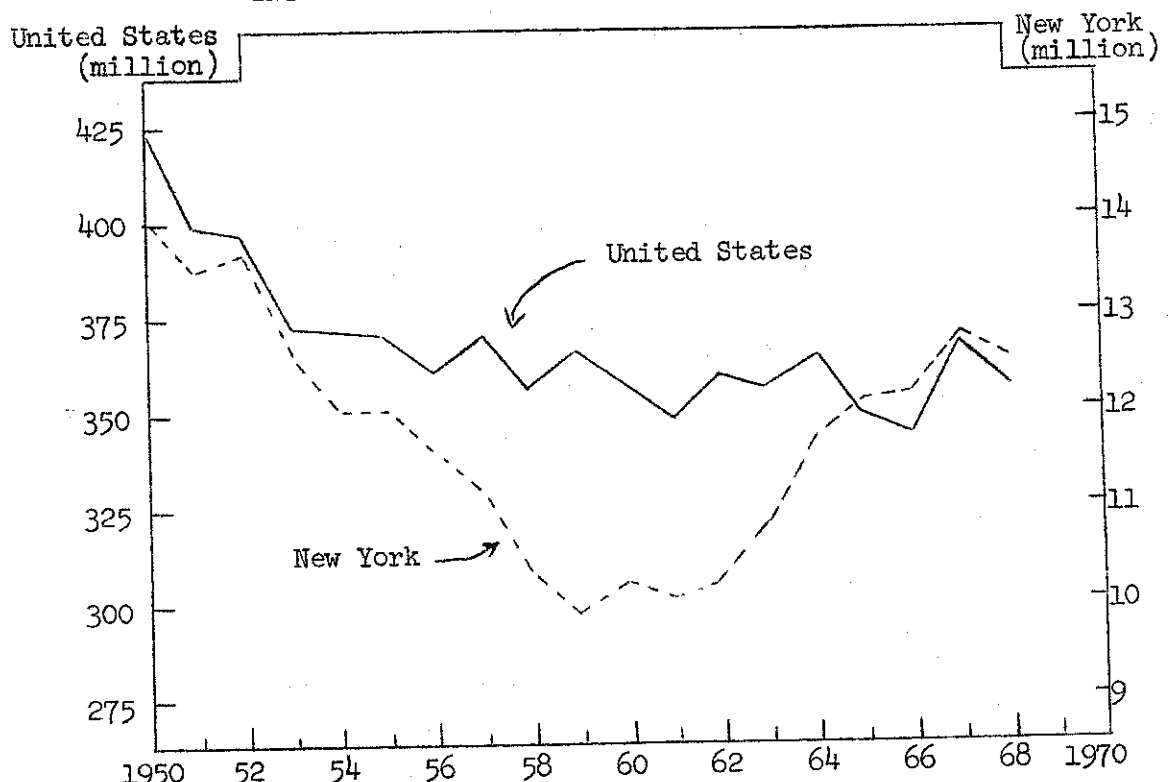
Year	Number* of layers (millions)	Eggs per hen (number)	Egg production (billions)
1940	297	134	39.7
1945	369	152	56.2
1950	340	174	59.0
1955	309	192	59.5
1960	295	209	61.5
1961	297	210	62.4
1962	300	212	63.6
1963	298	213	63.5
1964	301	217	65.2
1965	302	218	65.7
1966	305	218	66.5
1967**	316	221	69.6

* Av. number layers on hand during year

** Preliminary

It is expected that number of layers, eggs per hen, and total egg production in 1968 will be down slightly from that of 1967.

LAYERS AND POTENTIAL LAYERS* ON FARMS, JANUARY 1



* Pullets not yet laying

SOURCE: U.S.D.A. Poultry and Egg Situation

NUMBER OF LAYERS AND POTENTIAL LAYERS ON FARMS, January 1

Year	U. S.	N. Y.
	m i l l i o n s	
1950	424	14.0
1951	399	13.5
1952	397	13.7
1953	373	12.6
1954	371	12.0
1955	369	12.0
1956	361	11.6
1957	370	11.2
1958	356	10.3
1959	367	9.9
1960	352	10.2
1961	348	10.0
1962	359	10.2
1963	357	10.8
1964	364	11.7
1965	349	12.2
1966	346	12.2
1967	369	12.8
1968*	356	12.5

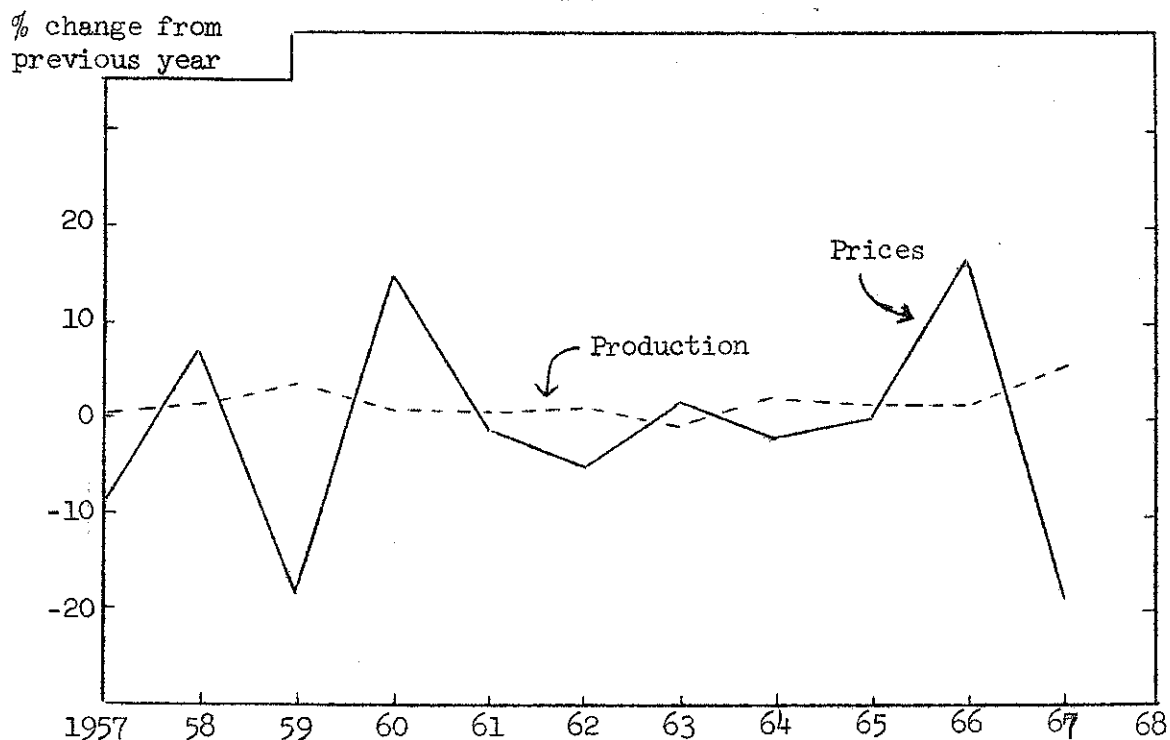
* Preliminary

On October 1, 1967, there were 11 million more layers but 8 million less pullets not yet laying (potential layers) than a year earlier. This makes 3 million more layers and potential layers on United States farms than on October 1, 1966. With fewer chicks hatched since April, the number of layers and potential layers on farms January 1, 1968 is expected to be down from that of a year earlier.

The flocks October 1, 1967 were 49 percent pullets. This compares with 46 percent in 1966 and 44 percent in 1965. This will mean a younger flock going into 1968 than the one on hand the two previous years.

In New York, the number of layers and potential layers on farms January 1, 1968 is expected to be down from a year earlier. Since 1960, however, there has been an increase of more than two million layers on New York farms. This general increase in numbers is expected to continue but at a somewhat slower rate.

EGG PRODUCTION AND FARM PRICES



SOURCE: U.S.D.A. Poultry and Egg Situation

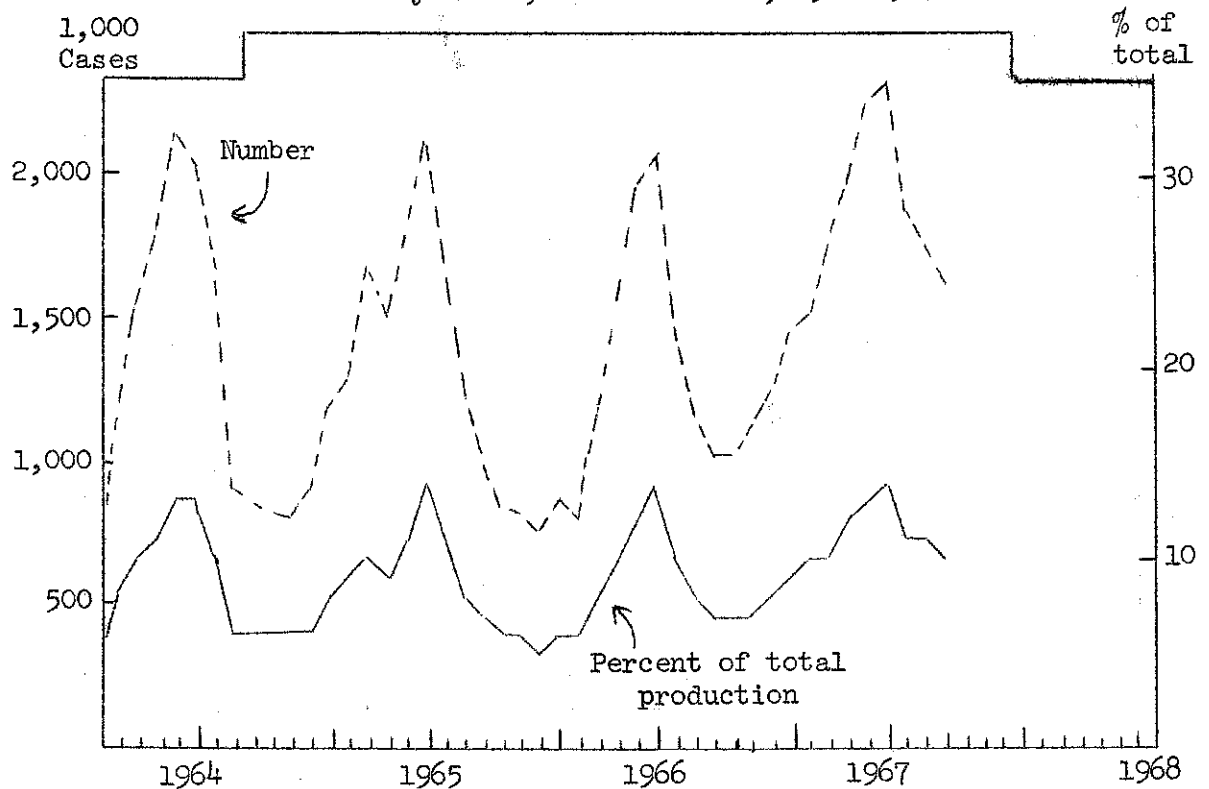
A relatively small percentage change in egg production is usually accompanied by a somewhat larger change in the opposite direction in farm prices. The 5 percent increase in egg production in 1967 is associated with a 19 percent decrease in average egg prices.

The relatively high price of 1966 encouraged the largest annual expansion in production for any year during the past decade and precipitated the largest percentage reduction in price. This should point to a smaller flock next year and associated increases in egg prices. However, the structure of the industry is much different than it was a decade ago. Therefore, don't expect comparable rapid downward adjustments in hen numbers.

CHANGE IN EGG PRODUCTION AND PRICES

Year	Price % change from previous year	Production
1957	- 9	--
1958	+ 7	+1
1959	-18	+3
1960	+15	+1
1961	- 1	--
1962	- 5	+1
1963	+ 2	-1
1964	- 2	+2
1965	--	+1
1966	+16	+1
1967	-19	+5

EGGS BROKEN COMMERCIALLY
By Month, United States, 1964-1967



SOURCE: U.S.D.A. Poultry and Egg Situation

Egg breaking activity was up in 1967 compared to earlier years and is expected to account for 11 percent of the eggs produced in the U. S. The U.S.D.A. initiated a purchase program for dried whole eggs in July, the first such program since 1964. Low prices and government purchases encouraged breaking activities. During the period July 13 to September 7, the equivalent of 236 thousand cases of shell eggs were purchased at a cost of \$3.2 million. But even with increased breaking, larger military purchases, and more purchases for the school lunch program, shell egg storage as of November 1, 1967 was 5 times that of the same date a year earlier.

EGGS BROKEN COMMERCIALLY
United States, 1964-1967

Year	Eggs broken (1,000 cases)	Total eggs produced (1,000 cases)	% broken is of total produced
1964	15,152	179,295	8
1965	15,919	182,478	9
1966	15,729	184,583	9
1967*	16,579	146,356	11

* Eight months total

PART I - SUMMARY OF THE BUSINESS

This part is to help you systematically summarize your business. It provides for an examination of the physical resources, capital investment, receipts, expenses, and the financial summary for the year.

Physical Resources

Each farm family must make their management decisions on the basis of the things they have to work with. Therefore, in analyzing a farm business, a first step is to look at the resources. In order to evaluate the total tasks to be done, work units were calculated as shown below.

FARM ORGANIZATION
26 New York Poultry Farms, 1967

Item	Your farm		Average of number reporting
	Actual 1967	Planned 1968	
<u>Labor:</u>			
Months of:			
Operators	_____	_____	13.8
Family	_____	_____	5.6
Hired and other	_____	_____	<u>13.9</u>
Total	_____	_____	33.3
Man equivalent (No. men)	_____	_____	2.8
Number of operators	_____	_____	
<u>Livestock: (number)</u>			
Laying hens	_____	_____	13,562
<u>Work Units*</u>			
Work units per farm	_____	_____	1,108
Work units per man	_____	_____	396

* Work units are calculated as shown on Farm Business Chart, page 23

Capital Investment

Capital is invested in machinery, livestock, feed and supplies, and land and buildings. Some of the capital is owned by the operator and some is borrowed. Here all is considered whether owned or borrowed. The end-of-year farm inventory is used as the measure of capital investment. The inventory should reflect the "market value" or what things would sell for at a well-attended sale.

FARM INVENTORY VALUES, January 1, 1968
26 New York Poultry Farms

Item	Your farm		Amount per farm
	Actual 1967	Planned 1968	
Machinery & equipment	\$ _____	\$ _____	\$ 26,371
Poultry	_____	_____	17,575
Other livestock	_____	_____	2,627
Feed & supplies	_____	_____	5,653
Land & buildings	_____	_____	54,831
TOTAL INVESTMENT	\$ _____	\$ _____	\$107,057

While these farms averaged \$107,057 total investment, the range was a low of \$44,000 to a high of \$253,000. Twelve of the farms had investments of more than \$100,000. Modern farms use sizeable amounts of capital. It is important that this capital be used efficiently. Below are figures for analyzing your capital situation.

CAPITAL INVESTMENT ANALYSIS

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Total investment/man	\$ _____	\$ _____	\$38,234
Total investment/work. unit	\$ _____	\$ _____	\$97
Total investment/hen	\$ _____	\$ _____	\$7.89
Machinery investment/hen	\$ _____	\$ _____	\$1.94
Land & buildings/hen	\$ _____	\$ _____	\$4.04
% Land & buildings are of total investment	_____ %	_____ %	51%
% Machinery & equipment are of total investment	_____ %	_____ %	25%

Receipts

In any business, it is essential that there be a sizeable gross income. Unless there is a reasonable amount of receipts, one cannot expect to have much net income. In a low profit rate industry, which is the case here, volume of sales must be maintained if at all economically possible.

FARM RECEIPTS
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Egg sales	\$ _____	\$ _____	\$ 84,852
Livestock sold	_____	_____	3,625
Crop sales	_____	_____	2,747
Milk sales & miscellaneous	_____	_____	5,343
Total cash farm receipts	\$ _____	\$ _____	\$ 96,567
Increase in inventory	_____	_____	8,016
TOTAL FARM RECEIPTS	\$ _____	\$ _____	\$104,583

Total cash receipts on these farms averaged \$104,583. The range was wide. Several farms had total receipts of less than \$50,000. The high farms in the group went well over \$225,000. Egg sales were major source of the cash receipts.

Increases in inventory are usually due to expansion or improvements in the business. Inventory increases are treated here as farm receipts. The following shows some of the relationships found.

INCOME ANALYSIS

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Av. price/doz. of eggs sold*	\$ _____	\$ _____	\$.32
Egg sales/hen	\$ _____	\$ _____	\$6.25
Total cash receipts/man	\$ _____	\$ _____	\$37,351
Total cash receipts per \$1,000 investment	\$ _____	\$ _____	\$977

* 262,763 doz. sold

Expenses

Good information on actual expenses is the first step toward expense control. A good manager keeps his eye on the expenditures keeping in mind that they can be too low as well as too high.

FARM EXPENSES
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Hired labor	\$ _____	\$ _____	\$ 5,943
Feed bought	_____	_____	50,245
Machine hire	_____	_____	220
Machinery expense	_____	_____	1,237
Auto expense (farm share)	_____	_____	184
Gas and oil	_____	_____	819
Livestock expense	_____	_____	3,212
Lime & fertilizer	_____	_____	746
Seeds and plants	_____	_____	216
Spray & other crop expense	_____	_____	441
Building expense	_____	_____	639
Insurance & taxes	_____	_____	1,838
Electricity & telephone	_____	_____	1,546
Eggs bought	_____	_____	1,612
Pullets purchased (incl. livestock)	_____	_____	10,656
Miscellaneous	_____	_____	996
TOTAL CASH OPERATING EXPENSE	\$ _____	\$ _____	\$80,551
New machinery	_____	_____	5,944
Real estate	_____	_____	5,474
Unpaid labor	_____	_____	1,188
TOTAL FARM EXPENSE	\$ _____	\$ _____	\$93,157

Financial Summary of Year's Business

The returns from a farm business can be measured in several ways. Two are used here - labor income and farm cash operating income.

LABOR INCOME
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Total Farm Receipts	\$ _____	\$ _____	\$104,583
Total Farm Expenses	_____	_____	93,157
Farm Income	\$ _____	\$ _____	\$ 11,426
Interest on Capital @ 5%	_____	_____	5,152
LABOR INCOME per farm	\$ _____	\$ _____	\$ 6,274
No. of operators on the farms	_____	_____	30
LABOR INCOME per operator	\$ _____	\$ _____	\$ 5,437

Labor Income is a measure of the return the farm operator receives for his labor and management. It is the amount left after paying all farm expenses and deducting a charge for unpaid labor and for interest on the capital invested.

Interest payments and payments on debts are not included in the farm expenses. To make all farms comparable, a five percent interest charge on the average capital investment is deducted to get labor income.

In analyzing a poultry business on this basis, it should be remembered that the nature of the business is such that one should have more than one year of records in order to effectively determine rate of progress.

FARM CASH OPERATING INCOME
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Total cash farm receipts	\$ _____	\$ _____	\$96,567
Total cash operating expenses	_____	_____	80,551
Cash farm income	\$ _____	\$ _____	\$16,016
Non-farm income (net)	_____	_____	
Total cash family income	\$ _____	\$ _____	
Total family living expenditures	_____	_____	(subtract)
Total debt payments (include interest)	_____	_____	(subtract)
Cash available for family and farm investment	\$ _____	\$ _____	

PART II - ANALYSIS OF THE FARM BUSINESS

Summarizing a business is only a first step to good management. The second step is the analysis of the operation. This part of the workbook provides the framework for a systematic analysis of your business.

Four farm business factors are examined here. They are: size of business, rates of production, labor efficiency, and cost control. Farm management research has repeatedly shown these to be major factors affecting income.

Business Factor: Size of Business

In general, the larger farms make higher incomes but some large farms have large losses. Size makes possible certain efficiencies. It also serves as a "multiplier" which applies to either a profit or a loss.

MEASURES OF SIZE OF BUSINESS
26 New York Poultry Farms, 1967

Measure	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Number of hens	_____	_____	13,562
Doz. eggs produced & sold	_____	_____	262,763
Man equivalent	_____	_____	2.8
Total work units	_____	_____	1,108

In the table below, the 24 farms are sorted into three size groups with the average labor income (per operator) for each group.

HENS PER FARM AND LABOR INCOME/OPERATOR
24 New York Poultry Farms, 1967

Number of hens	No. of farms	Av. no. of hens	Labor income per operator
Less than 10,000	8	6,787	\$712
10,000 - 17,500	9	12,501	\$4,123
More than 17,500	7	22,667	\$13,385

Business Factor: Rates of Production

Rates of production for both animals and crops have long been important factors contributing to the success of a farm business. The operator must strive to find the level of inputs, such as feed and fertilizer, which will give the highest net income. Few farmers exceed this level whereas many fall short.

MEASURES OF RATES OF PRODUCTION
26 New York Poultry Farms, 1967

Measure	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Eggs sold/hen	_____	_____	233
Doz. eggs/man	_____	_____	97,320

Eggs sold per hen is used in measuring the rate of production on poultry farms. Production per hen is calculated by dividing total eggs sold by the average number of hens for the year.

The effect of eggs sold per hen on labor income is illustrated below.

EGGS SOLD PER HEN AND LABOR INCOME
24 New York Poultry Farms, 1967

Eggs sold per hen	No. of farms	Av. no. layers	Labor income per operator
Less than 210	7	11,127	\$770
210 - 230	6	13,151	\$4,232
More than 230	11	15,360	\$9,645

Next is shown relationships noted on some farms reporting the data between type of market and labor income.

TYPE OF MARKET AND LABOR INCOME
New York Poultry Farms, 1967

Type of market	No. of farms	Av. no. layers	Labor income per operator
Semi-retail*	5	11,456	\$2,788
Wholesale*	6	16,036	\$1,615

* Over 50 percent of eggs marketed

Business Factor: Labor Efficiency

Labor efficiency is sometimes claimed to be the most important single factor on farms today. This is brought about by the rapidly rising wage rates. If a farmer wants top efficiency from his hired man's time as well as his own, he must keep a close watch on the factors which affect labor efficiency.

MEASURES OF LABOR EFFICIENCY
26 New York Poultry Farms, 1967

Measure	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Doz. eggs sold/man	_____	_____	97,320
Number hens/man	_____	_____	4,844

The relationship of labor efficiency and labor income is shown in the table below.

DOZENS OF EGGS SOLD PER MAN AND LABOR INCOME
24 New York Poultry Farms, 1967

Dozens of eggs sold per man	No. of farms	Labor income per operator
Less than 60,000	7	\$3,092
60,000 - 100,000	9	\$8,435
More than 100,000	8	\$3,650

Business Factor: Cost Control

Cost control has been growing in importance on farms. As more "input" items are purchased, cost control has a greater effect on incomes. Cost control is difficult to measure. However, keeping good records and making use of them can give you some useful checks.

Feed, labor, and machinery are major cost items on poultry farms and can easily get out of line. It is also important to watch the minor costs. Small leaks can build up into sizeable losses. On the next three pages, you can study your costs.

COST CONTROL MEASURES
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Layer feed bought per hen	\$ _____	\$ _____	\$3.70
Feed bought/doz. eggs produced	_____	_____	\$.18
s. feed/doz. eggs produced	_____	_____	4.5¢
bor cost per hen	_____	_____	\$.44
bor cost per doz. eggs	_____	_____	2.3¢
ilding repairs per hen	_____	_____	4.7¢
Electricity & telephone per hen	_____	_____	11.4¢
Taxes & insurance per hen	_____	_____	13.6¢
Total cash income per hen	_____	_____	\$7.12
Total cash expenses per hen	_____	_____	\$5.94
Total cash expenses per \$100 cash receipts	_____	_____	\$84.00

Labor and Machinery Costs are sizeable on a poultry farm. It is important to keep these under control. Since labor and machinery work as a team, it is well to study them together.

POWER AND MACHINERY COSTS
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Beginning inventory	\$ _____	\$ _____	\$23,763
New machinery bought	_____	_____	<u>5,944</u>
Total	\$ _____	\$ _____	<u>\$29,707</u>
End inventory	\$ _____	\$ _____	\$26,371
Machinery sold	_____	_____	<u>70</u>
Total	\$ _____	\$ _____	<u>\$26,441</u>
Depreciation	\$ _____	\$ _____	\$ 3,266
Interest @ 5% av. inventory	_____	_____	1,253
Gas and oil	_____	_____	82
Machinery repairs	_____	_____	1,281
Machine hire	_____	_____	221
Auto expense (farm share)	_____	_____	162
Electricity (farm share)	_____	_____	<u>1,314</u>
Total power and machinery cost	\$ _____	\$ _____	\$ 8,325
Less: Gas tax refund	\$ _____	\$ _____	\$ 5.00
Income from machine work	_____	_____	<u>345.00</u>
NET POWER & MACHINERY COST	\$ _____	\$ _____	\$ 7,975

Net power & machinery cost:			
per hen	\$ _____	\$ _____	\$.59
per man	\$ _____	\$ _____	\$2,850
per doz. eggs produced & sold	_____¢	_____¢	3.1¢

Farmers frequently justify high machinery costs on the basis that the machinery saves labor. The combined machinery and labor cost measure gives a good check.

LABOR AND POWER AND MACHINERY COSTS
26 New York Poultry Farms, 1967

Item	Your farm		26 New York farms
	Actual 1967	Planned 1968	
Value of operators' labor*	\$ _____	\$ _____	\$ 6,231
Hired labor	_____	_____	5,943
Unpaid family labor	_____	_____	1,188
TOTAL LABOR COSTS	\$ _____	\$ _____	\$13,362
Net power & machinery cost	_____	_____	7,975
TOTAL LABOR & MACHINERY COSTS	\$ _____	\$ _____	\$21,337

Total labor & machinery costs/hen	\$ _____	\$ _____	\$1.57
Total labor & machinery costs per doz. eggs sold	_____¢	_____¢	8.1¢
Total labor & machinery cost per work unit	\$ _____	\$ _____	\$19.00

* Valued at \$5,400 per operator - some farms have more than one operator

It is important to watch these costs. They can "eat into" the net returns.

NEW YORK POULTRY FARM SUMMARIES 1964, 1965, 1966 and 1967

Factor	1964	1965	1966	1967
Number of farms	37	28	30	24
Man equivalent	2.1	2.5	2.7	2.8
Number of hens	9,567	11,255	11,416	13,562
<u>Investment</u>				
Land & buildings	\$35,123	\$45,225	\$ 48,396	\$ 54,831
Machinery	12,184	22,833	25,114	26,371
Livestock & poultry	13,306	17,141	19,254	20,202
Feed & other	1,263	2,584	5,246	5,653
Total	\$61,876	\$87,783	\$ 98,010	\$107,057
<u>Receipts</u>				
Egg sales	\$63,200	\$76,285	\$ 92,299	\$ 84,852
Livestock sales	2,807	2,884	3,571	3,625
Other	9,424	14,935	21,473	8,090
Total	\$75,431	\$94,104	\$117,343	\$ 96,567
<u>Expenses</u>				
Feed bought	\$37,051	\$41,861	\$ 48,996	\$ 50,241
Hired labor	3,462	4,251	5,571	5,941
Pullets & livestock purchased	9,953	9,256	10,711	10,656
Electricity & telephone	1,008	1,031	1,234	1,546
Other	14,627	23,153	27,972	12,161
Total	\$66,632	\$79,552	\$ 95,297	\$ 80,551
<u>Business Factors</u>				
Average price per doz.	34.6¢	36.1¢	42.6¢	32.0¢
Eggs sold per hen	220	225	216	233
Hens per man	4,600	4,500	4,200	4,844
Lbs. feed per doz. eggs	4.8	4.8	5.0	4.5*
Labor income per operator	\$ 5,705	\$ 8,537	\$ 14,930	\$ 5,437

* Average of 24 farms reporting

Family Living Expenditures

Family living expenses have first claim on farm income. In any financial planning, it is important to include the family living expenses.

Below are listed the family living expenditures for 1965 of 42 farm families in Cayuga, Onondaga, and Oswego Counties. These data give an indication of what some farm families require for family living. Total family expenditures varied from \$2,737 to \$14,029.

FARM FAMILY LIVING EXPENDITURES 42 New York Farm Families, 1965

Expenditure	My family	Average of 42 families	Percent of total
Food	\$ _____	\$1,436	32
Clothing	_____	457	10
Medical and dental	_____	370	8
Home furnishings and appliances	_____	435	10
Household operation	_____	304	7
Personal auto	_____	144	3
Recreation	_____	352	8
Education	_____	200	4
Non-tax deductible gifts	_____	223	5
Tax deductible gifts	_____	166	4
Personal care	_____	65	1
Domestic help	_____	41	1
Utilities	_____	164	3
House and grounds repair	_____	137	3
All other	_____	64	1
TOTAL LIVING EXPENSES	\$ _____	\$4,558	100
Insurance premiums	_____	879	
Investments, etc.	_____	590	
Taxes	_____	513	
TOTAL FAMILY EXPENDITURES	\$ _____	\$6,540	

These 42 families had an average of five persons per family. The average age of the husbands was 40.

The various living expense items are affected considerably by the number of family members, their ages, health, and interests, and the educational requirements of the children. Each family should consider these factors when evaluating their own expenditures.

FARM-FAMILY RECORD OF PROGRESS

If your records are complete, it should be easy to fill out the blanks below. If you do not have the information readily available, perhaps now would be a good time to change your record system so it will provide the missing data in the future.

	19__	19__	19__	19__
<u>I. Net Worth Statement</u>				
a. Farm assets	_____	_____	_____	_____
b. Non-farm assets	_____	_____	_____	_____
c. Farm liabilities	_____	_____	_____	_____
d. Non-farm liabilities	_____	_____	_____	_____
(a + b) - (c + d) = Net Worth	=====	=====	=====	=====
<u>II. Operating Statement</u>				
a. Total farm & family income	_____	_____	_____	_____
b. Total farm & family expenses	_____	_____	_____	_____
(a - b) = Net Farm-Family Income	=====	=====	=====	=====
<u>III. Production</u>				
Doz. eggs sold/man	_____	_____	_____	_____
Doz. eggs sold/hen	_____	_____	_____	_____
Lbs. feed fed/doz. eggs	_____	_____	_____	_____
Man equivalent	_____	_____	_____	_____
<u>IV. Capital Management</u>				
Total INVESTMENT/100 hens	_____	_____	_____	_____
Total DEBT/100 hens	_____	_____	_____	_____
Machinery & equipment investment/100 hens	_____	_____	_____	_____
<u>V. Operating Costs</u>				
Av. price/ton of feed	_____	_____	_____	_____
Av. price/doz. eggs	_____	_____	_____	_____
Feed cost/doz. eggs	_____	_____	_____	_____
Total cost/doz. eggs	_____	_____	_____	_____
Labor & machinery costs/doz. eggs	_____	_____	_____	_____

Summarizing the Analysis

Each page in this booklet was designed to help you study your farm business. However, study and analysis alone will not assure a more profitable business. Action must be taken.

Now take a careful overall look at your business. Summarize the strong and weak points revealed from the detailed analysis. This will help you to locate the trouble spots or problems. In view of what you have to work with, consider the possible ways that these problems might be solved. Next budget the likely effects of the proposed changes. Finally decide on the most promising proposal and then take action to put it into effect.

STRONG POINTS

1. _____
2. _____
3. _____
4. _____

WEAK POINTS

1. _____
2. _____
3. _____
4. _____

MAJOR PROBLEMS TO BE SOLVED

1. _____
2. _____
3. _____
4. _____

PROPOSED CHANGES TO STRENGTHEN THE BUSINESS

1. _____
2. _____
3. _____
4. _____