



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*



Release of an Updated FAST Tool: Balance Sheet Program

Ryan Batts

Department of Agricultural and Consumer Economics
University of Illinois

March 26, 2013

farmdoc daily (3):56

Recommended citation format: Batts, R. "[Release of an Updated FAST Tool: Balance Sheet Program](#)." *farmdoc daily* (3):56, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, March 26, 2013.

Permalink: <http://farmdocdaily.illinois.edu/2013/03/updated-fast-tool-balance-sheet.html>

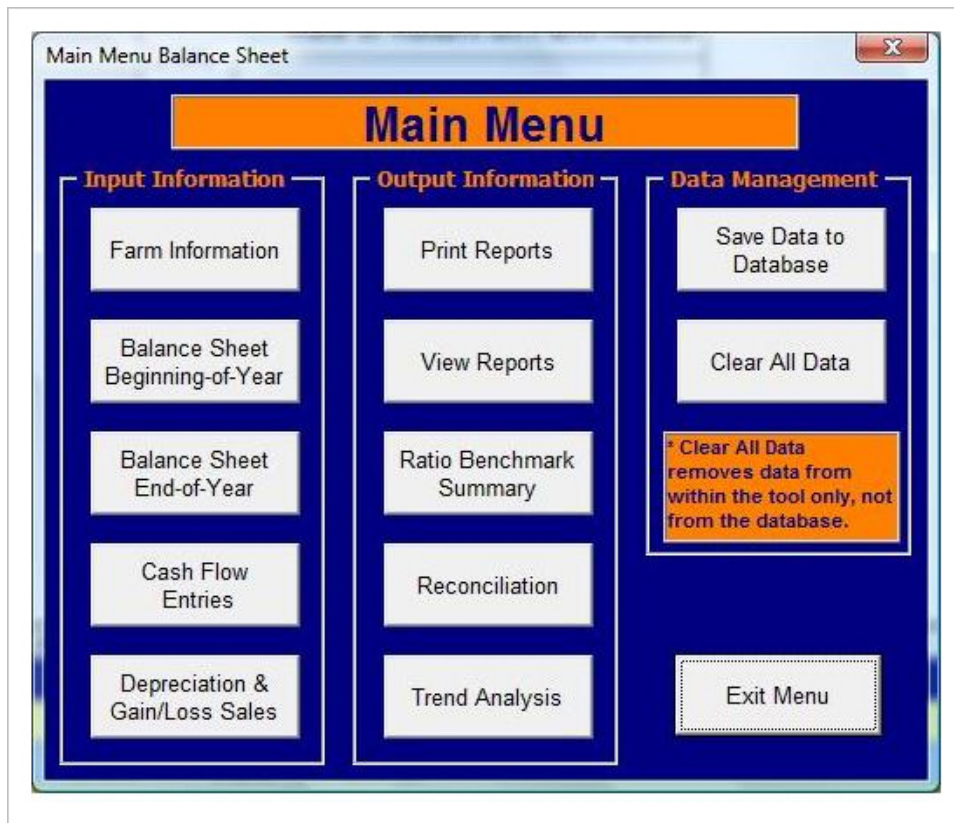
The Balance Sheet program (available [here](#)) has been updated to include two new features: 1) saving multiple users and years to a database and 2) performing trend analysis. The tool allows users to calculate beginning and ending balance sheets, income statement, statement of cash flows, and a report of the user's financial ratios, as well as deferred tax calculation. Users can generate financial statements for a one-year (simple balance sheet) or two-year period (beginning and ending year). The balance sheet program is a Microsoft Excel spreadsheet, part of our [FAST series of tools](#).

Database Function

A previous post (available [here](#)) goes through most parts of the program.

This new release adds the ability for a user to save multiple years of data to a database in order to look at financial ratios over time. In addition, the database can be used to store data for multiple users.

Most of the tool is identical to the previous version, except that now on the Main Menu, the user has additional Data Management options and a Trend Analysis button. Data Management options include saving data to the database and clearing the data from the program. The Trend Analysis button will load a sheet containing all of the ratio data from the database. The figure below shows the new menu layout.



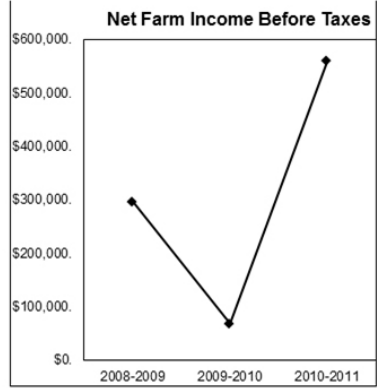
Trend Analysis

The second new feature of the Balance Sheet program is the ability to perform trend analysis on the financial ratios. The way this works is once the farm information has been entered, all of the ratio data for the selected user that has been saved to the database is loaded into the program. This information will then be displayed in a table on the trend analysis sheet. On the trend analysis sheet, the user can also select an individual ratio and display a chart. The table and the chart will expand as additional years of data are added to the database. The figure below shows the trend analysis page.



Main Menu

Net Farm Income Before Taxes



John and Sally Smith	2008-2009	2009-2010	2010-2011
Profitability			
Rate of Return on Farm Assets	4.32%	1.73%	11.19%
Rate of Return on Farm Equity	10.13%	4.62%	25.81%
Cost of Farm Debt	2.29%	2.56%	2.25%
Operating Profit Margin Ratio	11.40%	8.08%	32.96%
Net Farm Income Before Taxes	\$ 296,247	\$ 67,888	\$ 559,655
Liquidity			
Current Ratio	1.411	1.325	1.952
Working Capital	\$ 373,853	\$ 295,123	\$ 687,604
Working Capital to VFP (gross revenue)	0.255	0.288	0.402