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How to Keep An Account With Livestock

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HOW TO KEEP AN ACCOUNT WITH LIVESTOCK

This record will enable one to keep an account with any one of the kinds or classes of livestock on the farm. It is published for the convenience of farmers who wish to make a study of the cost of producing beef, pork, milk, poultry or mutton and for members of Junior Livestock Clubs. For any one kind of livestock (hogs, beef cattle, dairy cattle, sheep or poultry) it will show the

- (a) returns per \$1 worth of feed,
- (b) returns per hour of man labor,
- (c) cost per pound or other unit,
- (d) net gain or loss for the year.

EXTENSION SERVICE
South Dakota State College
BROOKINGS, S. DAK.

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 May 8 and June 30, 1914. W. F. Kumlien, Director**

Name Postoffice

County Kind of Stock

SALES OF LIVESTOCK PRODUCTS—Continued

(Butter or eggs traded for groceries or other articles should be entered as cash sales.)

Date	Kind and Quantity of Products Sold	Amount Received	Date	Kind and Quantity of Products Sold	Amount Received
	Brought Forward	\$		Brought Forward	\$
Amount Carried Forward		\$	TOTAL		\$

MISCELLANEOUS CASH EXPENSES

Enter here such items as veterinary charges, medicines, dips, breeding fees, etc., for the stock on which this record is kept.

Date	Details of Transaction	Amt. Paid
		\$
TOTAL		

INVENTORY OF LIVESTOCK (.....)

Use the farm price or what you think the stock would sell for on the farm.

Description of Animals	Beginning of Year				End of Year			
	Number	Weight	Price	Value	Number	Weight	Price	Value
				\$				\$
TOTAL				\$				\$

SUMMARY OF ACCOUNT

	Amount	Price	Value
1. Closing Inventory (page 9)	\$.....	\$.....
2. Livestock Sold (page 6)
3. Livestock Products Sold (page 8)
4. Livestock Products Consumed
5. Total (lines 1 to 4)
6. Opening Inventory (page 9)
7. Livestock Purchased (page 6)
8. Total (lines 6 and 7)
9. Gross Income (line 5 minus line 8)
Feed and Other Expenses—			
10. Corn
11. Oats
12. Barley
13. Alfalfa Hay
14. Wild Hay
15. Silage
16. Pasture
17. Skimmilk
18. Tankage
19. Mill Feeds
20.
21.
22.
23.
24. Man Labor
25. Horse Labor
26. Shelter and Equipment
27. Miscellaneous Cash Expenses (page 8)
28. Interest and Taxes on Stock
29. Overhead Charge
30. Total Expenses (lines 10 to 29)
31. Net Gain or Loss (line 9 less line 30)
32. Returns per \$1 Worth of Feed
33. Returns per Hour of Man Labor
34. Cost per Pound or Other Unit of Product

HOW TO KEEP THE RECORD

Read the instruction at the head of each page carefully. Note that wherever the words "stock", "animals" or "livestock" occur in this record they refer to that particular class of livestock (dairy cattle, beef cattle, hogs, sheep or poultry) upon which this record is kept.

Make the opening inventory at the time of starting the record. This may be any time from November 1 to April 1, although January 1 is a good time to start. Keep track of the sales and purchases of livestock, the sales of livestock products and miscellaneous cash expenses. Keep also the feed and labor records as indicated on pages 2 to 5. Take the closing inventory at the end of the year and fill out the summary on page 10. Explanations of a few items in the summary are given below.

Livestock and Livestock Products Consumed on the Farm

Estimate the value of the food furnished the family by the livestock for which this record is kept (use actual records if you have them) and enter it on line 4 of the summary. For instance, if this is a hog record, estimate the value of the pork butchered and used on the farm.

Pasture

Use estimated cash rental value of the land.

Man Labor

Total the man labor hours on pages 2 to 4 of this circular. To find the approximate hourly rate to charge, add to the average monthly wage the cost of board and divide by the number of hours worked per month. On the Cost Route at Oklam in 1922 the average monthly wage was \$32, the cost of board \$20, the average number of hours worked per month 228, and the cost per hour 23 cents.

Horse Labor

Total the hours of horse labor and carry to line 25 of the summary. The cost of horse labor varies with the cost of keeping work horses and the number of hours work they perform in a year. The Cost Route average for 1922 was 813 hours labor at a cost of \$81.16 per horse or 10 cents per hour.

Shelter and Equipment

Charge 10 percent on the original value of buildings and equipment used by livestock for which this record is kept. In case a building or other piece of livestock equipment is used partly by other stock, estimate the proportion that should be charged to the animals that the record is being kept on, that is, $\frac{1}{2}$, $\frac{1}{4}$, $\frac{3}{4}$, etc. The 10 percent should cover interest, depreciation, repairs and taxes.

Interest and Taxes on Stock

Interest at percent and taxes (usually about $\frac{1}{2}$ %) on the average of the opening and closing inventories.

Overhead Charge

There is a certain amount of general expense in running a farm that cannot be charged to any one crop or class of livestock. This "overhead" ordinarily represents about 5 percent of the sum of the costs expressed in lines 10 to 28 inclusive.

Returns per \$1 Worth of Feed

Divide the gross income (line 9) by the number of \$1 worth of feed fed.

Returns per Hour of Man Labor

Cost of man labor plus net gain or minus net loss divided by the total number of man hours.

Cost per Pound or Other Unit of Product

To find the cost per pound of pork, beef or mutton, it is necessary to record the approximate weight as well as the value of the stock at the beginning and end of the year and the weights of animals bought, sold or consumed during the year. One can then figure the number of pounds produced. Divide the total expenses by this figure to get the cost per pound. If one is figuring the cost of producing butterfat or market milk, he should credit the dairy herd with the value of the whole milk or butterfat consumed by the calves. When hogs follow cattle in the feed lot, allowance should be made for the corn which they recover.

For estimates of the cost of man and horse labor or for any other information regarding the keeping or summarizing of this record write to the **Farm Management Demonstrator, South Dakota State College, Brookings, S. Dak.**