

Financial and Production Recordkeeping



Using Zoom

Zoom

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Zoom Meeting



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Meeting Topic:

GoFarm Hawaii gofarmhawaii@gmail.com's Zoom Meeting

Host:

GoFarm Hawaii gofarmhawaii@gmail.com

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Invite Link:

<https://us02web.zoom.us/j/89718084468?pwd=cThoRjlzU0...>

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168478



Join Audio

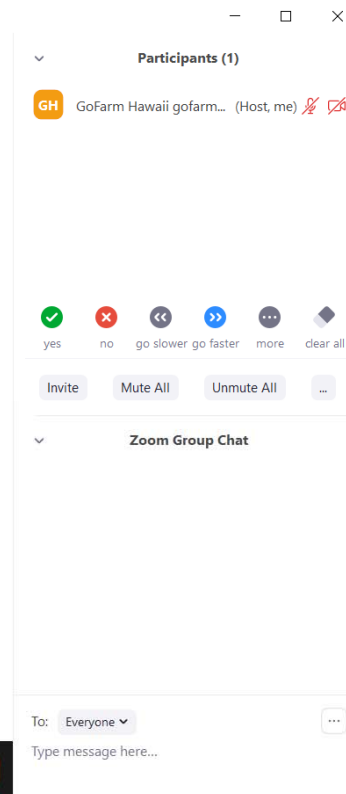
Computer Audio Connected



Share Screen



Invite Others



Resources

- Website
 - <https://gofarmhawaii.org/2020-molokai-lanai-business-training/>
- Workbook Reference:
 - <https://gofarmhawaii.org/wp-content/uploads/2020/06/GFH-Business-Training-Workbook.pdf>

What are we discussing today?

- Recordkeeping Basics
- Class presentations
- Next Steps
 1. Email homework assignments to Erikms@Hawaii.edu
 2. Schedule follow up meeting with GoFarm AgBusiness Team

Why Keeping Accurate Financial and Production Records is Important

- You need to be able to prepare accurate financial projections for grants, loans, leases and to manage your business
- Allows you to monitor progress of your business and identify areas to make improvements
- To be useful your records need to be accurate and timely.

Two of the most common reasons businesses fail:

1. Not knowing and managing cash flows.
2. Not asking enough for its products and services.
 - Keeping accurate records allows you to make sure your pricing covers your cost of production.

Financial Information to Track

- Revenues. For each sale:
 - Date of the sale
 - Name of the buyer, if store; general description if CSA/farmers' market/unknown (ex. Juicy Brew, FarmLink, CSA customer, farmers market customers)
 - What was sold (ex. 5 pounds of Kale; CSA bag, various produce, etc.)
 - Amount of revenues (revenues can be aggregated for farmers' market sales)
 - Type of sale (wholesale or retail)

Customer/venue	Date	Description	Sales Amount	Trans Type WS/Ret	GET Collected
Farmers Market X	2/21/2019	Sales of various produce (50 lbs total)	\$125	Retail	No
Restaurant X	2/27/2019	Lettuce Mix (20 lbs)	\$40	WS	No
Grocery Store X	2/27/2019	Sales of various produce (50 lbs Lettuce mix, 20 lbs Kale)	\$70	WS	No

Financial Information to Track

Business Expenses

- Date of Expense
- Vendors: who did you buy things from
- Expense: description of expense; expense type (see categories of Expenses on Schedule F); and how much did it cost

Date	Payee	Amount	Expense Category	Description
10/5/2018	Home Depot	26	Gas, fuel, oil	X cans of oil for equipment
10/23/2018	johnnys seeds	29	Seeds and plants	X packets of lettuce seeds
10/30/2018	texaco	24.99	Gas, fuel, oil	X gallons of gas for truck

Spreadsheet-Based Financial Tracking

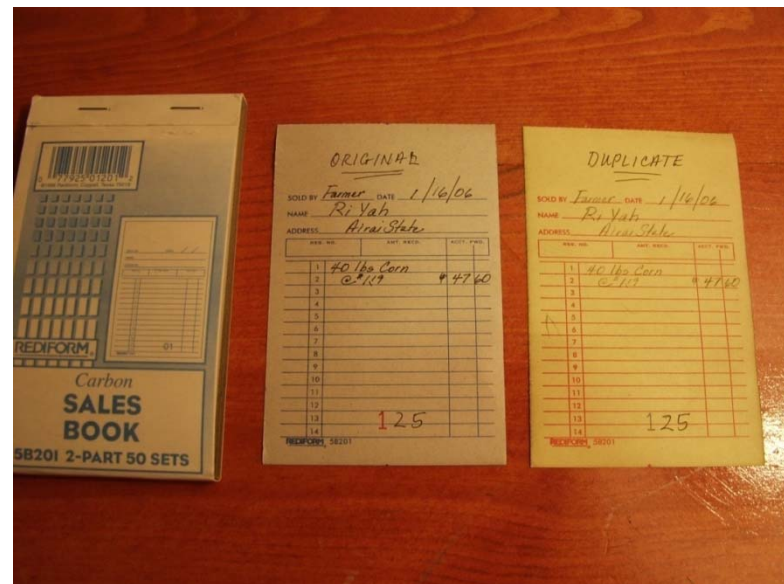
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- Reporting/analysis limited by the amount of information entered. In the above example you can filter by customer to see total sales to a specific customer for the year but you can't see total sales of "Lettuce Mix" unless you enter a separate line item for the volume sold of each type of produce.

Manual-Based Financial Tracking

Sales Receipt Book

- Contains receipts each with a unique number and carbon copy duplicates for filing
- Used for evidence of sales & capturing information for Monthly Income Record
- Give the original copy to the customer



Manual-Based Financial Tracking

Business Checking Account Register

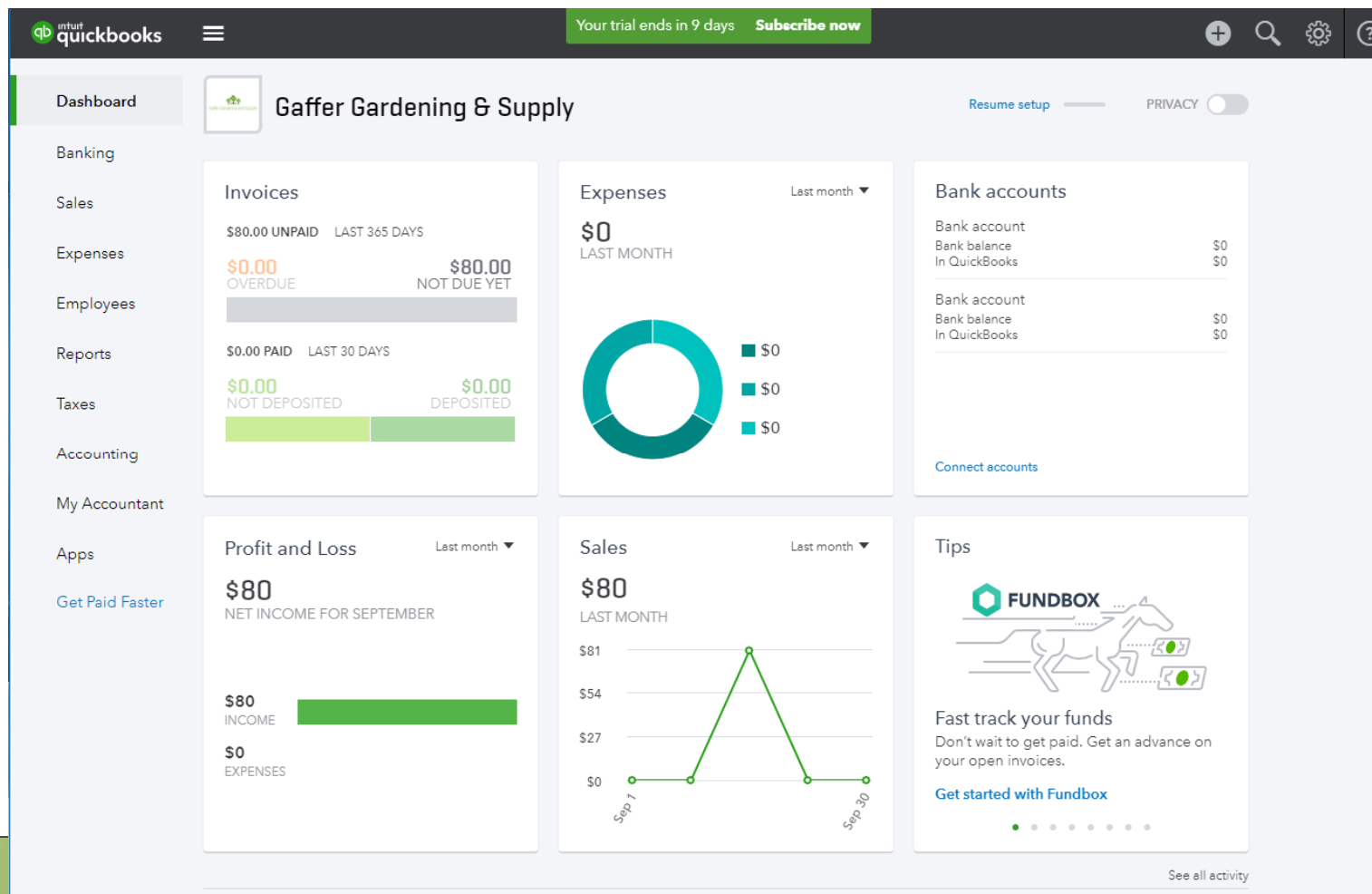
- Records all transactions (checks written, ATM withdrawals, deposits, etc.) and maintains bank balance

Expense Filing Folder

- Durable 12-pocket accordion folder with each pocket labeled with the months of the year
- Used to track business expenses
- Capture information for Monthly Expense Record
- Place all receipts into corresponding month pocket

Software-Based Financial Tracking

Quickbooks Online Dashboard



Field/Production Records to Track

1. Planting dates; volumes
2. Harvest dates; actual amount harvested and range of harvest (how much and how long did you harvest from that area)
3. Labor hours (by activity, crop, etc.)
4. Dates and amount of inputs used (fertilizers; amendments; etc.)
5. For food safety awareness:
 - Document pest/disease/rodent/animal activity observed on crop and action taken (including frequency/quantity of any spray used).

Spreadsheet-Based Production Planning

1. Use a spreadsheet to document activities and labor hours
2. Inputs used (fertilizers; pesticides; amendments; etc.) and costs
3. Harvest dates and quantities

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	
Crop	Bush Beans	Bush Beans	Bush Beans	Bush Beans	Bush Beans	Bush Beans	Bush Beans	Bush Beans	Bush Beans	Bush Beans	
Bed Feet Used	100	100	100	100	100	100	100	100	100	100	
Row Feet	200	200	200	200	200	200	200	200	200	200	
Activity	bed Prep	bed Prep	Direct Seed Planting	weeding/Maintenance	weeding/Maintenance	weeding/Maintenance	weeding/Maintenance	harvest	harvest	harvest	
Labor Hours	0.5	0.5	1	0.5	0.5	0.5	0.5	1	1	1	
Input and Usage	1/2 packet bush bean seeds				2 oz foliar nutrient		2 ounces foliar nutrient		50 plastic bags	50 plastic bags	50 plastic bags
Harvest Yield							and ties		and ties	and ties	
							60		60	60	

Recordkeeping

Manual Production Recordkeeping

- Track your daily inputs and activities on a field activity record (i.e. equip used and hrs; labor hrs by activity – planting, weeding, harvesting, etc.; fertilizer used; pesticides / chemicals used; etc.)

FIELD ACTIVITY RECORD

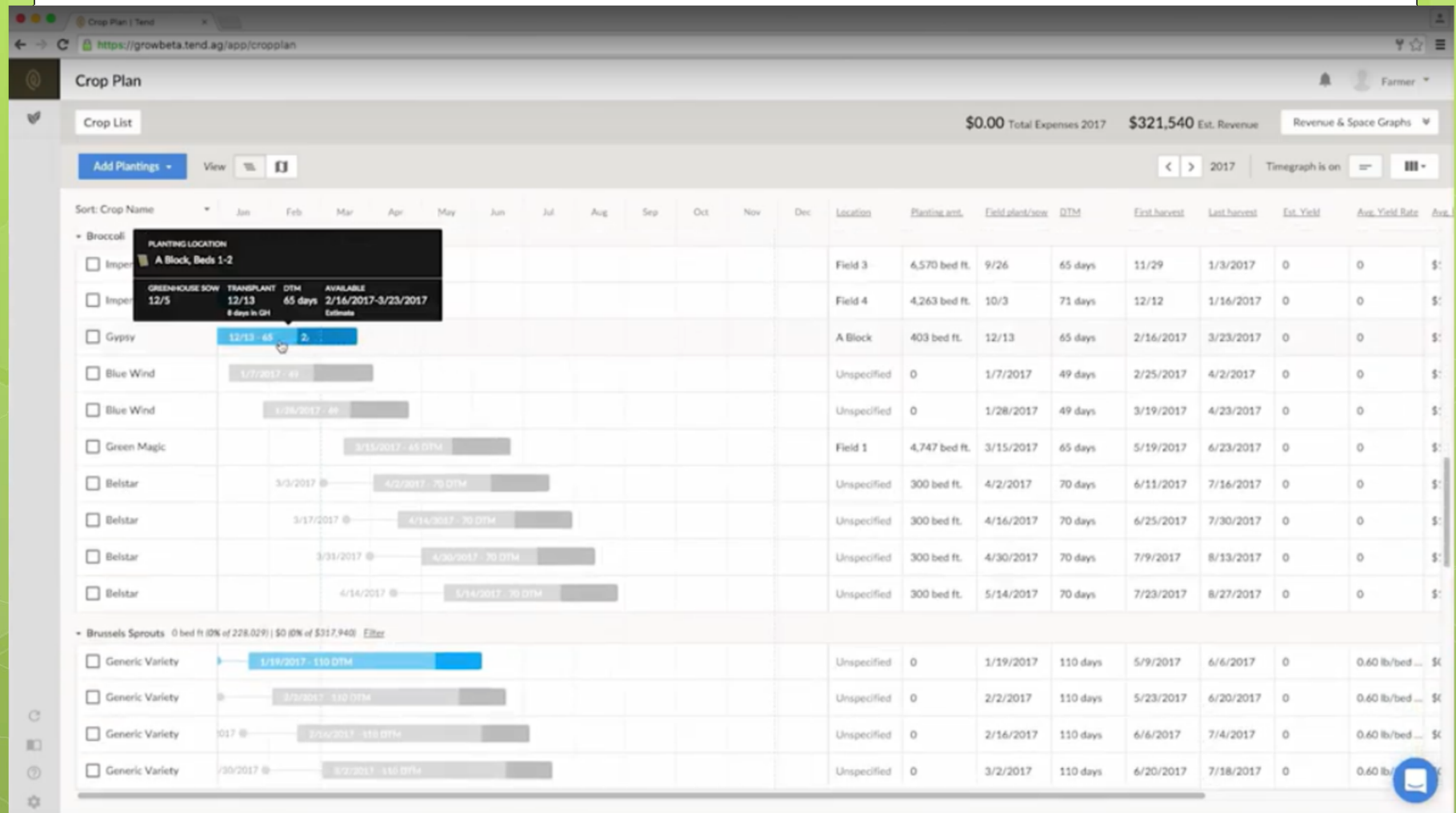
Field Name:

Field Area: _____

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Recordkeeping

Software-Based Production Tracking - Tend Smart Farm



General Recordkeeping

In addition to financial and production records, you should keep the following records on file and easy to locate:

Farm Info – including a farm map, field inventory record, important contact information, insurance policies, lease/rent agreements, historical tax returns, bank statements

Activity Logs – equip maintenance logs, daily activity records

Common Pitfalls

- Procrastinating - Not inputting information in a timely manner
- Not documenting adequate descriptions
- Waiting for exact numbers for projections
- Not recording your own labor

Conclusion

Questions?

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