

PENANG SANGAM HIGH SCHOOL
P.O.BOX 44, RAKIRAKI
LESSON NOTES

School: Penang Sangam High School
Subject: Agricultural Science
Year/Level: 9

Week 10

| | |
|---------------------------------|---|
| Strand | AS 9.2 Farm Management |
| Sub Strand | AS 9.2.2 Financial Capital |
| Content Learning Outcome | AS 9.2.2.2 Practice keeping and using basic farm records. |

LESSON ONE: BASIC FARM RECORDS

[Textbook Reference: pages 62-63]

Lesson outcome: At the end of this lesson the student will distinguish among the basic records kept on a farm.

-  Records - sets of information collected and stored.

NOTES

Farm records are essential for farm management because they contain details and evidence of what, when and where things occur on a farm.

Farm records are usually classified as physical records and financial records.

* **Physical records** deal with what is happening and what is on the farm. There are many types of physical records kept on farms including records concerning natural resources, human resources and physical capital resources.

* **Financial records** deal with the movement of money on the farm. There are many financial records kept on farms but the two financial records to be practiced this year are cash book and income and expense records which relate to the horticultural enterprises run in the school i.e. the crop gardens.

Student Activity

1. Define the term farm records.

2. Differentiate between physical and financial records.

LESSON TWO: FARM DIARY

[Textbook Reference: pages 63 - 64]

Lesson outcome: At the end of this lesson the student will: i) discuss the importance of keeping a farm diary.

NOTES

A farm diary is:

- ♣ a small book.
- ♣ carried around by the manager and workers on the farm.
- ♣ filled with detailed and correct summarised notes/ observations/ information as they occur.

The workers on a farm are given farm diaries in which they record details of all events, observations and transactions which occur as they occur. These diaries are collected each day by the farmer and details are transferred into other related records.

Student Activity

1. State one reason why farmers usually keep a small book as a farm diary.

LESSON THREE: CASH BOOK [Textbook Reference: pages 63 - 64]

Lesson Outcome: At the end of this lesson, the student will state the use of a cash book

- ✓ A Cash Book is a book in which to record all transactions.
- ✓ Farming is a business so transactions occur almost every day.
- ✓ Details of transactions are entered in the farmer's diary as they occur.
- ✓ These details are then transferred into a Cash Book and the Current Balance is calculated after each transaction.

A simple Cash Book has 5 columns:

1. Date
2. Transaction
3. Money in
4. Money out
5. Current balance

Below is a page of a simple Cash Book which has the first 3 rows filled in.

The figures have been transferred from the diary in the last lesson.

| Date | Transaction | | Money in (+) | Money Out (-) | Current Balance (\$) |
|------|-------------------------|--------|--------------|---------------|----------------------|
| 14/2 | Balance as at Feb 13 | | | | 1 935.00 |
| 14/2 | Sold 100 kg of carrots | 700.00 | 700.00 | | 2 653.00 |
| 14/2 | Bought fuel for tractor | 80.00 | | 80.00 | 2555.00 |
| | | | | | |
