



C-ID Descriptor

Agricultural Accounting

Descriptor Details

- **Descriptor Title:** Agricultural Accounting
- **C-ID Number:** 128
- **Units:** 3.0
- **Date of Last Revision:** 10/12/2017 11:44:01 PM GMT+0000

General Description

The study of the principles of agricultural accounting systems and types of records, their use and how to compute and use measures of earnings and cost of production to improve agribusiness efficiency. Farm income tax, Social Security, and employee payroll records also included. Application of these concepts and methods through hands-on projects developing computer-based solutions for agriculture business.

Prerequisites

No information provided

Corequisites

No information provided

Advisories

No information provided

Content

1. Importance of record keeping
2. Principles of Accounting

- a. Single-entry accounting
 - b. Double-entry accounting
 - c. Accrual vs. cash basis of accounting
 - d. The Accounting Equation
3. Accounting Cycle
 4. Financial Statements
 - a. Balance Sheet
 - b. Work sheet
 - c. Income Statement
 - d. Analysis of financial statements
 5. Asset valuation and depreciation
 6. Liabilities and Equity
 - a. Calculating simple interest loans
 - b. Transactions involving loans and loan payments
 - c. Determining current principle loan balances
 - d. Determining interest payable
 - e. Determining Net Worth
 7. Practical Exercises in
 - a. Developing financial statements
 - b. Using computer applications as a tool for financial analysis

Lab Activities

No information provided

Objectives

At the conclusion of this course, the student should be able to:

- Define the uses of agricultural records.
- Explain the accounting cycle
- Define common agricultural accounting terms.
- Differentiate between cash and accrual accounting systems..
- Design a chart of accounts for an agricultural business. Demonstrate the principles of accrual accounting by opening, entering transactions, and closing a set of accounting records.

- Create a balance sheet and income statement.
- Calculate and analyze ratios of solvency and liquidity for an agricultural business
- Properly value asset and liability accounts.

Evaluation Methods

Comprehensive Quizzes and Exams

Written Critical Thinking Scenarios

Problem Analysis and Solution

Research and Term Papers

Textbooks

Skidmore, *Accounting for Agriculture*, Soft Data

Irwin, Hermanson, *Financial Accounting*, McGraw-Hill

Wheeling, *Introduction to Agriculture Accounting*, Cengage Learning