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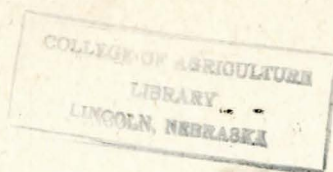
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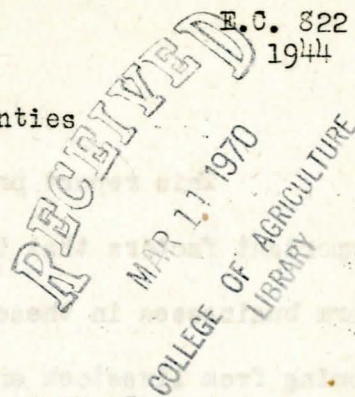
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ANNUAL FARM BUSINESS REPORT

E.C. 822-44
1944

Nine Farms In Dundy And Hitchcock Counties

1944



This report has been prepared by members of the Department of Rural Economics and the Agricultural Extension Service to enable each farmer cooperator to compare his business with other similar farm businesses in the area. Special emphasis has been placed upon factors that affect returns to the farm operator. By studying the facts about his business presented in this report and comparing his accomplishments with those of other farmers, the operator can get some ideas of changes in farming organizations that will increase his earnings.

Cooperative Extension work in Agriculture and Home Economics
University of Nebraska, College of Agriculture, and the United
States Department of Agriculture cooperating. W. H. Brokaw,
Director, Lincoln.

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Introduction

This report presents an analysis of farm income, expenses and some important factors that influence labor incomes on the farms in these two counties. Farm businesses in these counties are diversified with a little more than half coming from livestock and a little less than half from crops.

Summary of the Years Business

The average total capital investment of the nine farms included in the summary in table 1, is approximately \$36,000. About one half of this is invested in land, about ten per cent in machinery, a little more than ten per cent in feed, grain, and supplies, and about twenty per cent in livestock.

The total average receipts of \$10,872 were about sixty per cent from livestock and about forty per cent from grain. Cattle contributed over one half of the total livestock receipts with hogs contributing about one fourth and egg sales and dairy sales the balance.

Total cash expenses of \$4,953 is a little less than one half of the total receipts which leaves high returns for the use of the capital and unpaid operator's and family labor and management. (\$100 per month was allowed for the unpaid operator's and family labor.)

Table 1. Summary of Year's Business
9 Farms Dundy & Hitchcock Counties, 1944

Item	Your Farm	Averages in Each Group
		Average
Number of Records		9
Capital Investments		
Land		\$17,777
Farm improvements		3,475
Horses		315
Cattle		5,729
Hogs		665
Sheep		91
Poultry		221
Livestock -- total		7,021
Machinery and equipment		3,811
Feed, grain, & supplies		4,025
Total		\$36,109
Net Increases -- Receipts		
Horses		\$ 13
Cattle		3,267
Hogs		1,524
Sheep		139
Poultry		43
Egg sales		674
Dairy sales		322
Livestock -- total		6,072
Feed, grain, & supplies		4,336
Labor off farm		83
Miscellaneous receipts		471
Total		\$10,872
Net Decreases -- Expenses		
Farm improvements		\$ 379
Horses		32
Miscellaneous livestock decreases		32
Livestock expense		78
Machinery and equipment		1,567
Feed, grain & supplies		1,391
Crop expense		252
Hired labor		739
Taxes		421
Miscellaneous expense		62
Total		\$ 4,953
Net income for family and capital		\$ 4,919
Operators and unpaid family labor		\$ 1,978
Net income from capital		\$ 3,941
Rate earned on capital		10.8
*Net farm income		\$ 5,519
5% interest on capital		\$ 1,805
Labor income		\$ 3,714

*"Net farm income" is "net income for family and capital" minus "unpaid family labor".

Some Factors That Affect Farm Income

The nine farms in the summary averaged 504 work units and two and one-tenth man per farm. (A work unit is the amount of productive work that a man can accomplish in a ten hour day when working at average speed with the equipment common in the area.)

The farms averaged 1867 acres in total size with 556 acres in cropland. 300 acres of this cropland was in corn, 69 in wheat and 43 in alfalfa. These nine farms averaged 114 head of cattle. Eight of the nine farms averaged five milk cows and eight litters of hogs, and the whole nine farms averaged 244 hens.

Crop yields were fairly good for 1944, especially on those farms where they had some alfalfa. Livestock production was fair to good. Those farms selling butterfat averaged 190 pounds per cow besides that that was used in the household. Egg sales per hen were nine dozen. Pigs weaned per litter was six, and pork raised per litter was 2200 pounds.

Returns for each \$100 feed fed of \$123 would indicate that livestock was fairly profitable on these farms during 1944. There was a little margin in the feed fed to cattle, also in that fed to hogs and to poultry. (Note: In order to pay for the feed and pay the going wage for labor, Nebraska farmers should get about \$135 from hogs, \$127 from beef breeding herd and \$195 from hens for each \$100 worth of feed fed.) The returns for feed fed to livestock on these farms was enough to pay for the feed and give a fair return for labor but these cooperators could well afford to study their livestock enterprises in order to find possible ways for improving the returns for feed fed.

Net receipts of \$4.92 is good for this type of farm, but operators can well afford to study their entire business organization in order to hold these net receipts per acre at a fairly profitable figure. High net receipts give opportunity to meet obligations, repair buildings and machinery and then save some money for times that may come later when prices and production are not so good.

Factors That Affect Farm Income
Summary of 9 Farm Business Records in
Dundy and Hitchcock Counties, 1944

Factors	Your Farm	Averages in Each Group Average
Number of Records		9
I. Size of Business		
A. Work Units		504
B. Man Equivalent		2.1
C. Total Acres		1867
D. Acres Cropland		556
II. Farm Organization		
A. Acres in principal crops		
1. Corn		300
2. Oats		--
3. Wheat		69
4. Alfalfa		43
B. Numbers of livestock		
1. All cattle		114
2. Cows milked		5 (8)
3. Litters farrowed		8 (8)
4. Hens (Jan. 1)		244
III. Rates of Production		
A. Crop yields per acre		
1. Corn (bus.)		21
2. Oats (bus.)		--
3. Wheat (bus.)		17 (4)
4. Alfalfa (ton)		3.0 (2)
B. Livestock production		
1. Butterfat sales per cow (lbs.)		89.9 (5)
2. Egg sales per hen (doz.)		9 (7)
3. Pigs weaned per litter		6 (8)
4. Pork per litter (cwt.)		22 (8)
IV. Efficiency in Use of Feed, Labor, & Equipment		
A. Net increase per \$100 feed fed		
1. All productive livestock		\$123
2. Cattle		\$108
3. Hogs		\$134
4. Sheep		\$345 (1)
5. Poultry		\$144
B. Work units accomplished per man		220
C. Crop acres per man		250
D. Power & Machinery cost per crop acre		\$ 4.26
V. Miscellaneous		
A. Balance in farm organization		
1. Per cent work units in crops		50
2. Per cent work units on productive livestock		46
3. Per cent work units off farm		4
4. Per cent receipts from livestock		46
5. Per cent of farm in cropland		41
B. Other factors		
1. Value of land per acre		\$12
2. Total capital per acre		\$25.61
3. Gross receipts per acre		\$ 8.99
4. Total expense per acre		\$ 4.07
5. Net receipts per acre		\$ 4.92