

duced at home it is estimated and credited to the stock producing it, and charged against the crop on which it was used, at the price it would cost if bought on the market. Only one half the value is charged to the first crop on land where it is used and one quarter to each of the two succeeding crops.

Depreciation on Machinery is obtained from an annual inventory and can only be charged against crops approximately, by making an estimate of the depreciation on machinery used on the one crop only, such as haying and potato machinery, plus a fair percentage of depreciation on the cultivation and other machinery used in the cultivation of the crop, but which is also used in the cultivation of other crops.

Interest on money invested in the land is charged at an equal rate per acre for all crops, and interest on other extra capital necessary in handling the crop is added.

The way an account is made up from the information given in our records is shown in sample account, (Fig. 6)

Where a crop is not sold for cash but is kept for stock feed, the crop account is closed as shown in Fig. 6, as soon as harvest is complete, by crediting the crop with the total yield at a fair market price. This shows us our profit or loss on this crop and ends our interest in it for the present.

Live Stock accounts are made up from the records in the same way as the account shown in Fig. 6, and include the following items:

Expenditure—

Cost of feed consumed and bedding.

Cost of labor of caring for the stock.

Interest on money invested in the stock.

RECEIPTS

1915		Total Rec'pts	Bank Deposit	Cabbage	Potatoes	Apples	Strawberries	Cherries	Corn
Dec. 14	J. Jones.....	\$5.50			5.50\$				
Dec. 14	T. Brown.....	21.90			9.60	2.00	8.95	1.35	
Dec. 15	Watts & Co.....	752.72							
Dec. 16	Bank.....		780.12						

(Fig. 5)

Fig. 5, shows a sheet of our twelve column journal used for an itemized record of receipts. All receipts are recorded in this book and credited to crops from which they come, as shown in the illustration.

When all receipts from any crop or product are in, we can close out the account and determine our profit or loss thereon.

Receipts—

(a) Cash Receipts.

(b) Estimated value of manure produced.

I think perhaps there should be added to the expenditures the depreciation on stables and equipment and interest on money invested in the same, although this complicates the problem.