

# APPENDIX 1-23

## BALANCE SHEETS

Balance sheets measure the wealth of a business at a specific point in time and allow you to analyze how your financial position changes on an annual basis.

Create a balance sheet for your farm business using the template below. If you are already farming, use current figures for your farm. If you are not yet farming, try developing a hypothetical balance sheet using the best data you have.

### FARM BALANCE SHEET

As of (date): \_\_\_\_\_

ASSETS	AMOUNT (\$)
<b>Current</b>	
Cash in checking	
Cash in savings	
Other investments (CDs, brokerage accounts, and so on)	
Accounts receivable	
Inventory	
Other	
<b>Noncurrent</b>	
Life insurance	
Retirement accounts	
Tools and equipment	
Vehicles	
Land/real estate	
<b>Total Assets</b>	
LIABILITIES	AMOUNT (\$)
<b>Current</b>	
Current bills	
Short-term debt	
Accounts payable	
Taxes	
<b>Noncurrent</b>	
Long-term debt (mortgages and other long-term loans)	
<b>Total Liabilities</b>	
<b>Net Assets = Total Assets - Total Liabilities</b>	