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What has this to do with your bank account? Bulletin no. 5 December 1920

[s.l.]: [s.n.], December 1920

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The Banker-Farmer News Bulletin

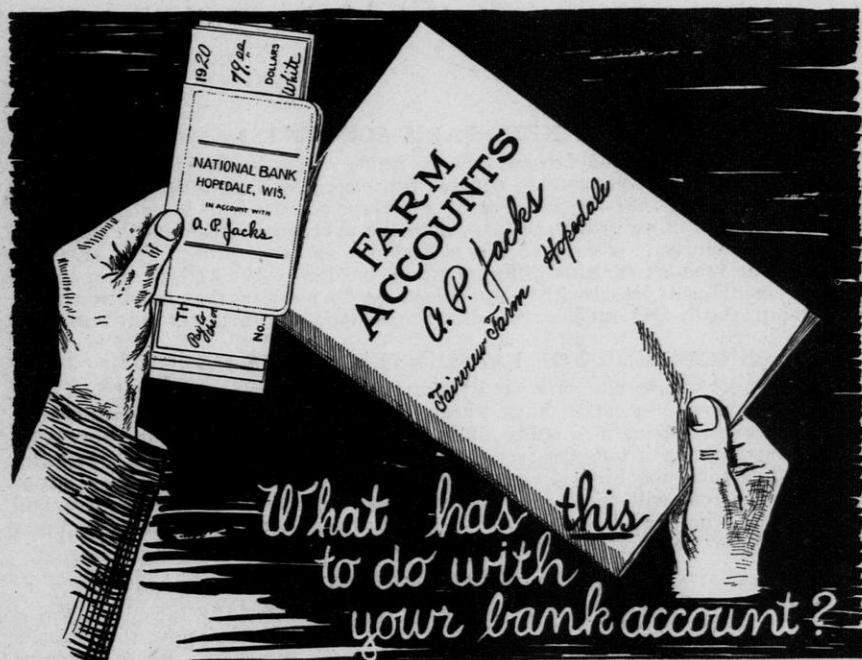
WISCONSIN
BANKERS'
ASSOCIATION

A Little Journal of Agricultural
Information for the Farmer

BANKER-
FARMER
EXCHANGE

BULLETIN No. 5

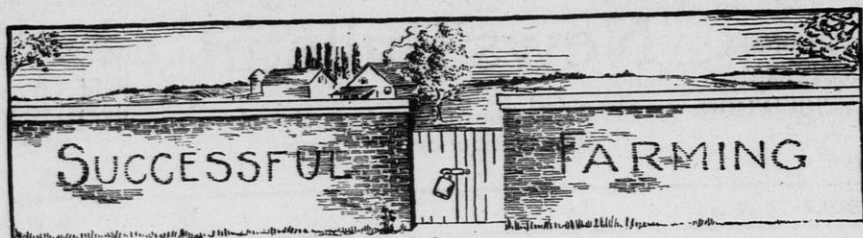
DECEMBER, 1920



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Compliments of

\$\$\$ FARM ACCOUNTS \$\$\$



WHY KEEP FARM ACCOUNTS?

Because they tell the farmer how to improve his business to make more money. In the Wisconsin farm contest conducted by the College of Agriculture, it was found that the farmers of a certain county who were in the contest made \$1,000 more profit per farm than the average contestants in the state. In any community it is easy to find differences in farm profits of a \$1,000 to \$3,000. The reasons for this difference may be due to the soil, to poor crops, poor or insufficient livestock, to poor feeding, to poor market conditions, etc. It is important to find out the reasons. Fortunately the farm account book will tell.

KNOWLEDGE OF FARM INVESTMENTS NEEDED

It is important to compare the amount of capital invested in land, in buildings, in machinery, in cattle, hogs, sheep, etc., with similar investments on our more successful farms. A study of farm records shows that the more successful farms have a large percentage of their total investment in operating capital (livestock, machinery, equipment, etc.). The farm account book, properly summarized, will show any farmer where he stands in this respect and will indicate whether he should borrow money to purchase more cows, to erect another silo, or to purchase up-to-date machinery.

A CHECK ON INCOME AND OUTGO

If the income is not satisfactory, it is important for the farmer to know why. If expenses for feed, labor, etc., are high, he should know the reasons and take such steps as are necessary to remedy the difficulty. Records are as important to the farmer as to the business man.

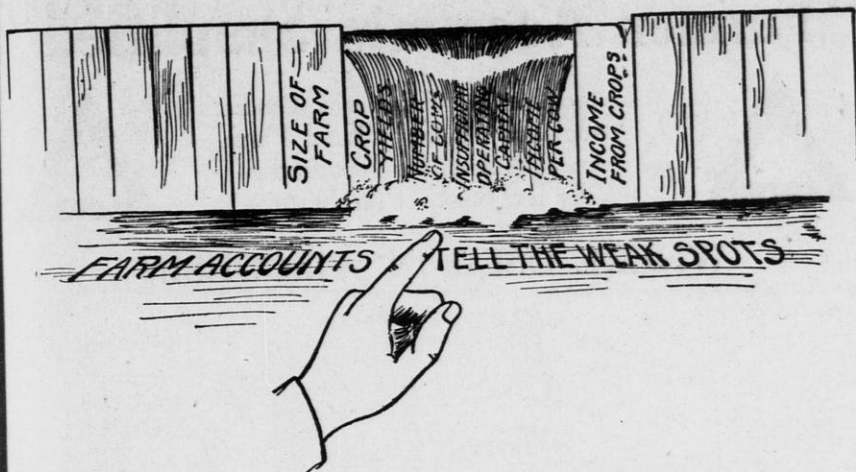
They point out the weak spots in the operation of the farm, and make it possible for the farmer to check any tendency in the wrong direction. They also reveal the strong points and enable the farmer to follow up successes. Time spent in thinking about what the farm accounts reveal can be made the most profitable of any time spent on the farm.

KNOWLEDGE OF BOOKKEEPING NOT NECESSARY

Farm account books have been so simplified that it is not necessary for a farmer to have a course in bookkeeping in order to keep accounts. By reading over the explanation and examining the ruled forms, the average farmer will readily see how simple it is for him to keep accounts. If he should have any difficulty, his local banker will be glad to help him out.

BANKING FACILITIES A BIG HELP

The work of keeping farm accounts can be greatly reduced if the farmer will deposit all his receipts, including cash, in the bank and note on the deposit



slip their source and purpose. A duplicate or carbon copy of the deposit slip can be retained by the farmer. All bills should be paid by check. These deposit slips and checks, with proper notations, serve as a day book record of farm transactions and the checks serve as receipts. The items can be recorded in the account book once a week or any other convenient time.

REQUIRES BUT LITTLE TIME

Only a few moments a day is required to keep farm accounts. Farmers report that an average of five to ten minutes per day is ample. If a farmer gets behind, it is not hard to catch up when he has the duplicate deposit slips and check stubs as a day book record. With these simple methods, the farmer has no excuse for not keeping farm accounts.

FARMERS' INCOME TAX

Why should the farmer have such a horror of making out his income tax returns? Why should the banker spend hour after hour helping the farmer to get an estimate of the figures needed for the detailed returns? Or why should a farmer be required to employ a lawyer to figure his returns?

All this trouble and worry can be avoided and the income tax returns made out in fifteen minutes when farm accounts are kept. This will do away with making out the detailed returns. Note the following:

TAX COMMISSION WILL ACCEPT TOTALS FROM FARMERS' ACCOUNT BOOK

Secretary Myrland of the Tax Commission writes:

"You ask for the Commission's approval of the above plan. (Arrangement of Accounts to harmonize with tax blanks, etc., were explained by Committee.) We approve of this plan for the farmers who will keep their accounts in the manner you have specified. We believe it will be a good idea to furnish a reference sheet similar to the one which you enclosed, giving the location of the totals needed for the income tax blank, and we would also suggest that the banker who assists the farmer in keeping his books or makes up his income tax return certify that the farmer has kept his farm accounts and that his record is from his book. We will have printed on the blank that totals only need be inserted where proper books of account are kept. Your suggestion that the order in which the items in the income tax blank for farmers and

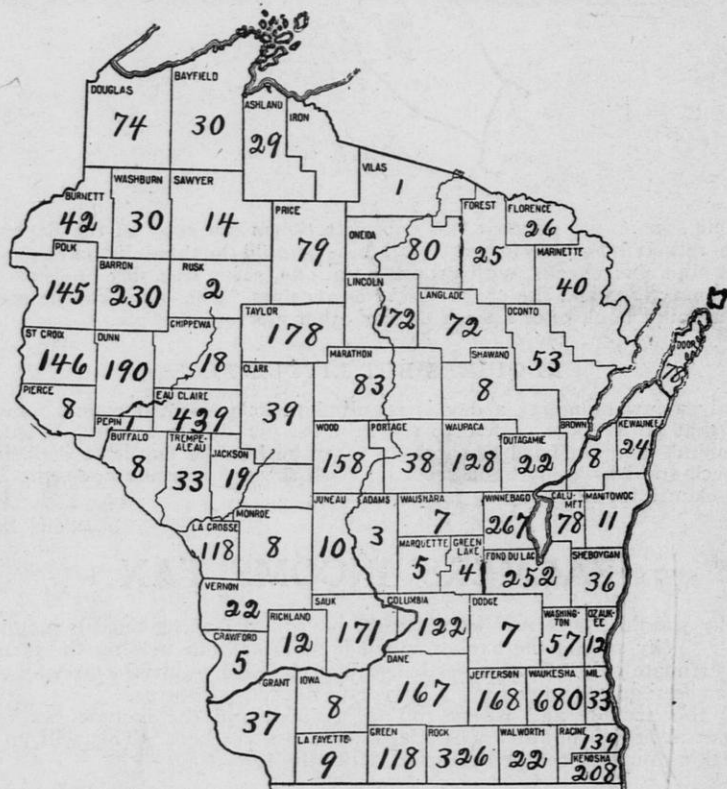
"Farmer Accounts Simplified"



Adopted by the Wisconsin Bankers'
Association as the Official Farm
Account Book for Distribution
by the Banks of the State



WHERE USED IN WISCONSIN



"Farm Accounts Simplified" has been tested out by farmers for six years.

SPECIAL FEATURES

1. Different length pages saves posting (Patented device).
2. Loose Leaf Index furnishes a uniform classification of income and expenses and indicates the column to which they belong (Patented device).
3. Inventory items listed in book.
4. Time saving summary complete in two pages.

SEE SAMPLE COPY AT YOUR LOCAL BANK—SIXTH EDITION