

Discipline: Agriculture	Sub-discipline: Agricultural Business
General Course Title: Agricultural Accounting	Min. Units: 3 Semester
Proposed Suffix: L	
<p>Course 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.</p>	
Required Prerequisites or Co-Requisites ¹	
Advisories/Recommended Preparation ²	
<p>Course Objectives: <i>At the conclusion of this course, the student should be able to:</i></p> <ul style="list-style-type: none"> • 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 • Contrast methods of depreciation and calculate annual depreciation. • Determine the value of an inventory using FIFO, LIFO, and average cost methods. <p>Utilize computer software for common accounting procedures. Determine the payroll for employees given the major deductions.</p>	
<p>Course Content:</p> <ol style="list-style-type: none"> 1. Importance of record keeping <ol style="list-style-type: none"> a. Record keeping objectives b. Components of agricultural records and accounting systems c. Accounting periods 2. Principles of Accounting <ol style="list-style-type: none"> a. Single-entry accounting b. Double-entry accounting c. Accrual vs. cash bases of accounting 	
<p>Agricultural Accounting (Content Continued)</p>	

¹ Prerequisite or co-requisite course need to be validated at the CCC level in accordance with Title 5 regulations; co-requisites for CCCs are the linked courses that must be taken at the same time as the primary or target course.

² Advisories or recommended preparation will not require validation but are recommendations to be considered by the student prior to enrolling.

3. Kinds of agricultural accounts and record keeping systems
 - a. Single entry systems
 - b. Double entry systems
 - c. Enterprise accounting
 - d. Computerized accounting
 - e. Employee Records
 - f. Production records
 - g. Social Security records
 - h. Depreciation and Inventory records
 - i. Budgets and Cash Flow records
 - j. Various accounting systems available
 - k. University of California Record Book
 - l. Ideal System Account Book
 - m. New Holland One-Book System

4. Types of entries and their uses
 - a. Diary
 - b. Inventory
 - c. Receipts
 - d. Expenses
 - e. Accounts payable
 - f. Accounts receivable
 - g. Balance sheets (Net Worth or Financial Statement)
 - h. Profit/Loss Statement
 - i. Others

5. Accounting Cycle
 - a. Beginning Balance Sheet (Net Worth Statement)
 - b. Opening entries
 - c. Recording Transactions
 - d. Journal entries
 - e. General Ledger posting
 - f. Trial Balances
 - g. Correcting entries
 - h. Adjusting entries
 - i. Adjusted Trial Balance
 - j. Closing entries
 - k. Post-closing Trial Balance
 - l. Ending Balance Sheet
 - m. Profit and Loss Statement
 - n. Worksheet
 - o. Income Statements
 - p. Different forms
 - q. Profit/Loss Ratios

Agricultural Accounting
(Content Continued)

6. Asset valuation and depreciation
 - a. Depreciable Asset definitions

- b. Depreciation methods
 - c. Depreciation calculation
 - d. Book vs. Market valuation
 - e. Depreciable asset disposal and capital gains
 - f. Inventory valuation and control
7. Liabilities and Debt
- a. Calculating simple interest loans
 - b. Transactions involving loans and loan payments
 - c. Determining current principle loan balances
 - d. Determining interest payable
 - e. Loan Applications
 - f. Cash Flow Budgets
 - g. Financial and management measures
 - h. Balance Sheet
 - i. Income Analyses
 - j. Capital income
 - k. Ratio analyses
 - l. Cost per unit of production
 - m. Percent return on investment
8. Computerized records and analysis
- a. Computer spreadsheet programming
 - b. Records and analysis templates using computer spreadsheet programs
9. Payroll Accounting
- a. Allowable deductions
 - b. Reporting requirements
10. Social Security
- a. Deductions
 - b. Separate accounts and deposits
 - c. Reporting procedures
11. Income Tax (Federal)
- a. Cash or accrual basis
 - b. Proper entries
 - c. Allowable deductions
 - d. Depreciation requirements
 - e. Capital gains tax
12. Complete problem from diary to income and cost analyses

Laboratory Activities: Individual Laboratory Activities are designed to support course objectives.

Methods of Evaluation: Lecture Comprehensive Quizzes and Exams Written Critical Thinking Scenarios Problem Analysis and Solution Research and Term Papers	Methods of Evaluation: Laboratory Laboratory Skill Validation by Observation Laboratory Reports Laboratory Research Projects and Reports Laboratory Skill Practicum Exams
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Typical Textbooks, Manuals, or Other Support Materials
Accounting for Agriculture, Skidmore, Richard, Soft Data,

Lancaster, CA., 1995 (ISBN: 1-887787-003)
Financial Accounting, Irwin, Richard D., Hermanson, Roger,
1995, (ISBN: 078630488X)

Statewide Articulation: CPSLO-AGB 331, CSUF-AGEC 31, CSUC-ABUS 261, UCD-MGT 11A, other universities as lower division electives

FDRG Lead Signature:

Date:

Mark E. Bender, PhD CSU Stanislaus

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Internal Tracking Number