



COMPREHENSIVE GUIDE TO FARM FINANCIAL MANAGEMENT

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What this Course is About

Your participation with Taking Care of Business demonstrates that you want to learn more about management. This course focuses on the management of the farm business and the family unit.

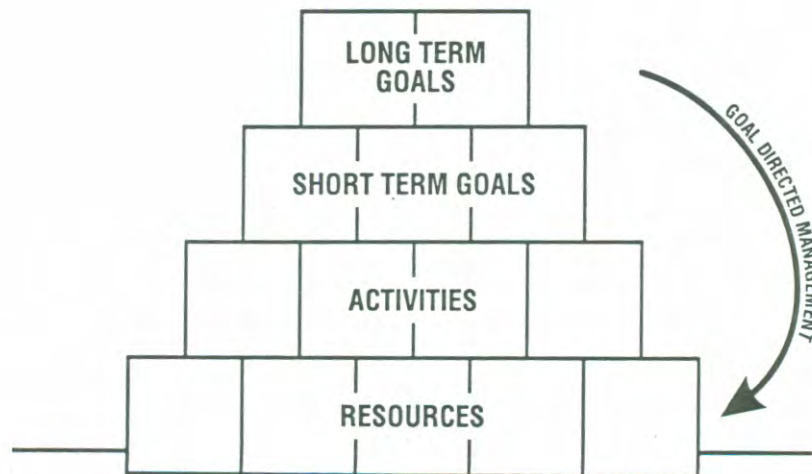
The course title has three components:

- A Team Approach
- Goal Directed Management
- Taking Care of Business

A Team Approach is two or more people working together to manage the farm business and family unit. They are called the management team. Some management team combinations are:

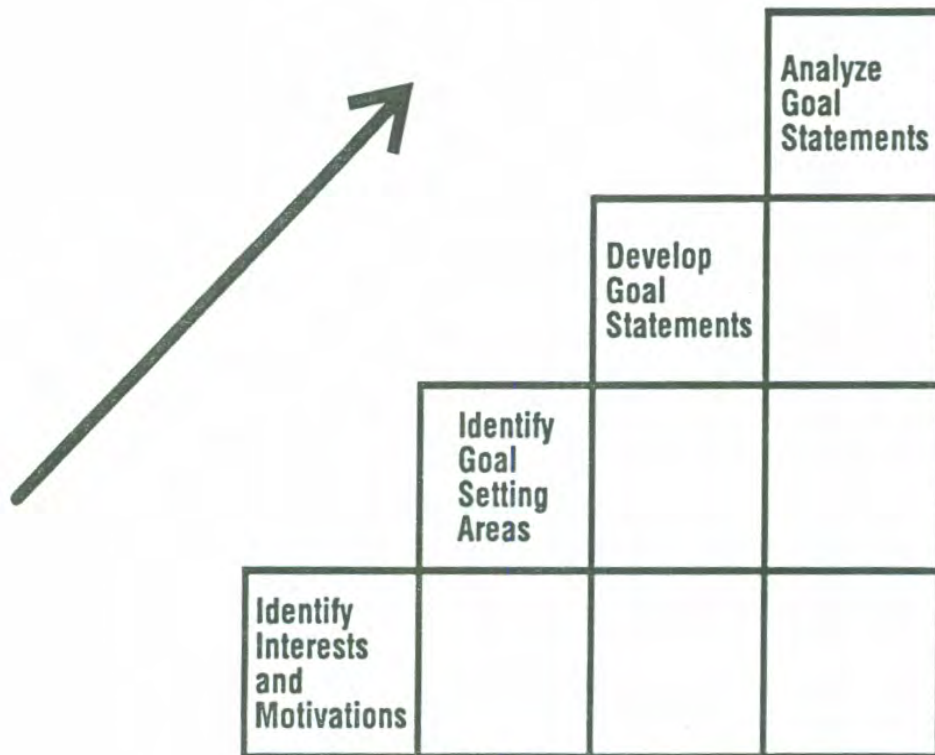
- husband and wife
- parent and child(ren)
- siblings
- partners

Goal Directed Management is the effective use of resources to achieve goals. A visual representation of goal directed management is a pyramid. In goal directed management, goals determine the day to day activities that are to be undertaken and the resources used to accomplish goals.

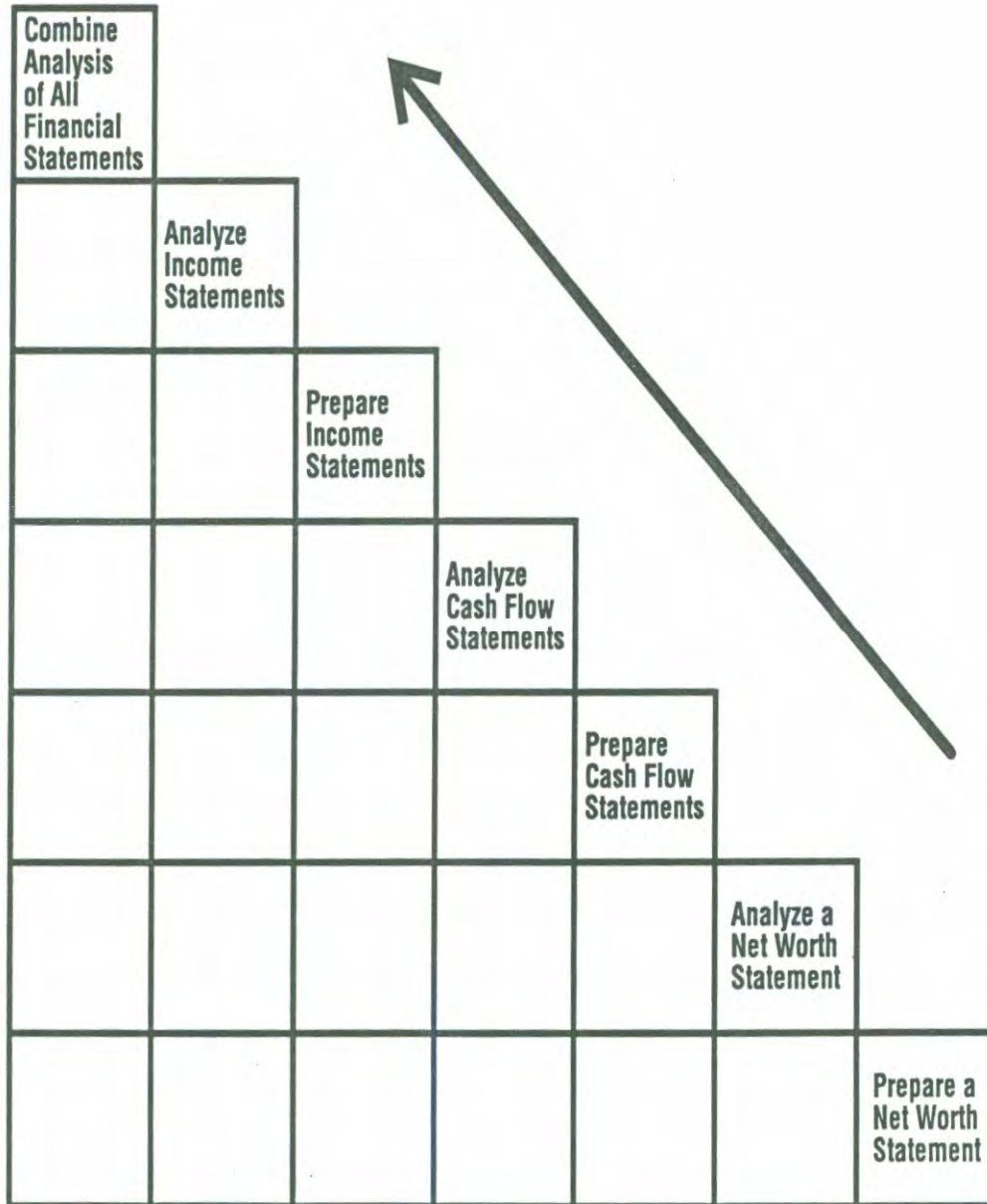


Taking Care of Business is what you do when motivating and believable goals are combined with sound resource management to develop a plan for your team to follow toward goal achievement.

To develop motivating and believable goals, the building process in this course is as follows:



To develop sound financial resource management, the building process in this course is as follows:



The information generated from the goal and financial portions of the course merge and combine to identify the most suitable team goals (Prioritized Management Team Goals) and develop a plan of action (Management Plan) to achieve them.



When the course is completed, you will know where you are now, where you want to go (goals) and how you will get there (management plan).

Management is a challenging but worthwhile process. Putting maximum effort into completing this course will generate maximum benefits - for your management team!

How to Take the Course

The course has eleven modules:

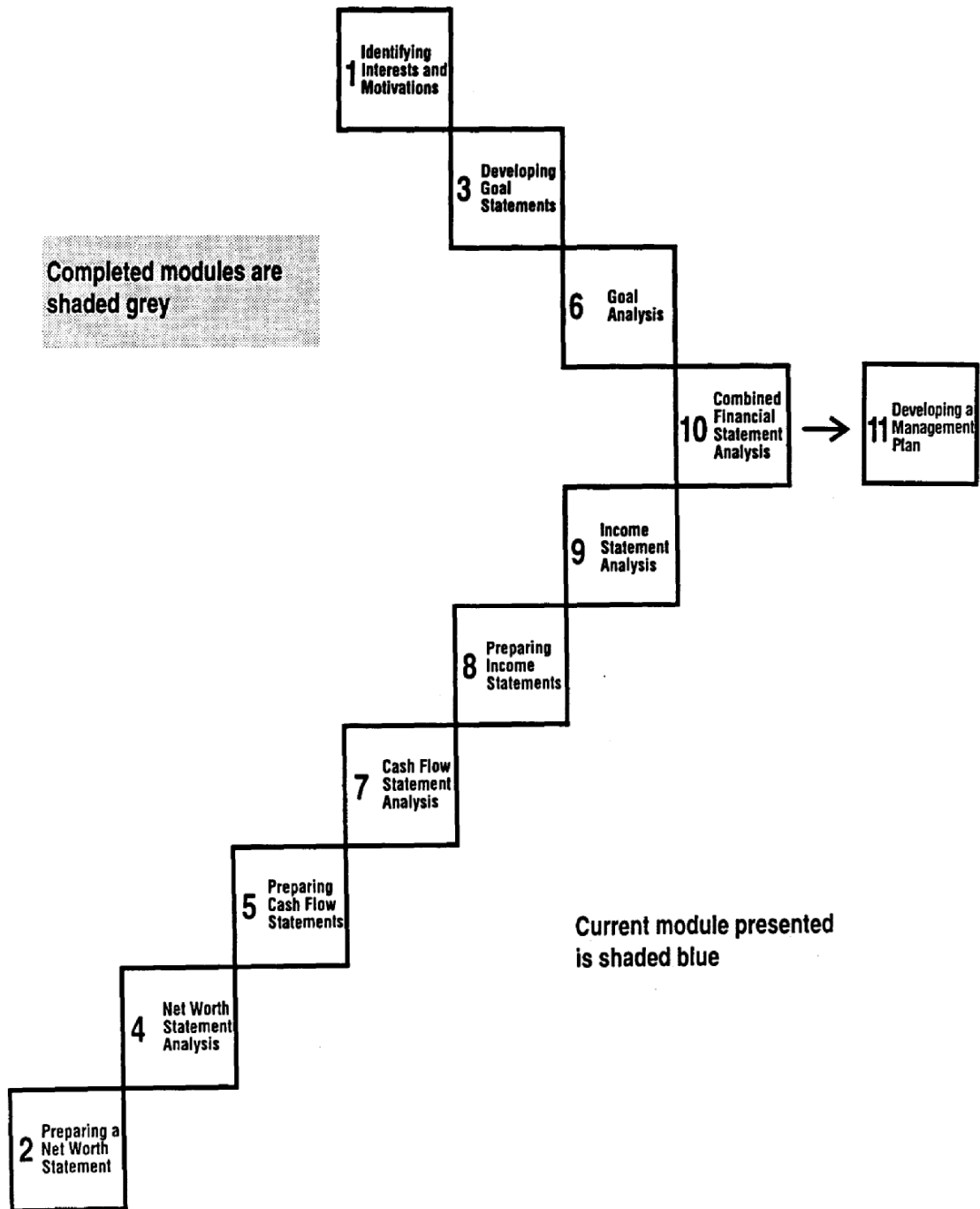
1. Identifying Interests and Motivations
2. Preparing a Net Worth Statement
3. Developing Goal Statements
4. Net Worth Statement Analysis
5. Preparing Cash Flow Statements
6. Goal Analysis
7. Cash Flow Statement Analysis
8. Preparing Income Statements
9. Income Statement Analysis
10. Combined Financial Statement Analysis
11. Developing a Management Plan

A glossary of course terms and summary of financial formulas are included in the workbook.

You will gain maximum benefit from the course by working through the modules in numerical sequence. The concepts, activities, and exercises of goal and financial modules build on one another. The goal and financial modules merge in Modules 10 and 11 - Combined Financial Statement Analysis and Developing a Management Plan.

You should complete one module per week. Each module requires a minimum commitment of five to six hours – by **each team member**. Select quality time to take the course – make sure you are fresh and relaxed. **Take regular breaks every one to two hours.**

A Course Map is provided at the beginning of each module to illustrate modules that have been completed, the module currently being presented, and modules yet to be completed.



To complete activities and exercises in the workbook modules you require:

- A pencil and eraser for each team member
- A highlighter marker
- A calculator
- A figuring pad for rough work
- Your personal and farm financial records

Course materials have been provided for two people. Management teams of more than two persons are encouraged to take the course. Extra workbooks are available from the Saskatchewan Ministry of Agriculture's Regional Farm Business Management Specialists.

Throughout the workbook modules there are goal activities and financial exercises to be completed by the management team. **All goal activity worksheets are found at the end of each module.** They are sequenced in the order presented in the module:

- Team Questionnaire and Wheel of Fortune
- Team Goals
- Goal Planning
- Goal Evaluation
- Prioritized Team Goals
- Management Plan
- Management Plan Calendar

Each goal activity the management team completes, builds on one another to develop a Management Plan.

The Farm Business Planner and Completion Guide are separate documents. The Planner is a convenient booklet in which to prepare your financial statements. The Completion Guide serves as a reference when completing the Planner.

Extra worksheets are provided to prepare your own financial data. These are found at the end of **Modules 4, 8 and 9**. When you have prepared the financial information indicated on these worksheets, you may wish to attach these worksheets directly to the Planner.