

Records refer to the documentation of all the various activities on the farm. It shows the major activities and transactions that take place in a farm enterprise over a period of time.

Importance of Farm Records

Farm record keeping is advantageous in the following ways:

- Farm records give the history of what has happened on the farm for the periods during which they are kept.
- It allows the manager to carry out performance evaluation of the farm business.
- It helps in determining the profitability of the business.
- It is an indispensable tool for the farm manager during planning and budgeting.
- It allows the manager to determine the efficiency levels of inputs used in the production.
- It is a vital requirement when seeking loans from banks.
- It enables both the government and managers to determine the amount of money payable by the farm business.
- It enables the manager to make or take sound management decisions about the farm.
- It is useful for insurance purposes.
- It gives room for comparison with the same farm enterprises in the same areas.
- Proper farm records assist the government at various levels when planning national agricultural and economic development programmes.
- It determines the farmer's management skills.
- It gives an actual value of the farm in case of winding up.
- It also gives the actual farm yields.