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# CHAPTER 4

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## GENERAL MENU

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The main aim of this component is to enter and edit some general information in *FARMS*, which is applicable to all/several farmers. This general information refers to the cost and supplier categories, input and product prices for crop and livestock enterprises and the machinery database (see Figure 4.1). These inputs need only to be entered or edited once and will be used throughout the program, and will be available for all the Farmers.



FIGURE 4.1 THE OPTIONS UNDER GENERAL IN THE MAIN MENU

### 4.1 CATEGORIES (*General / Categories*)

The two tabs, namely Cost and Supplier categories, serve as a utility function to categorise/classify input items into specified classes, as well as to identify the supplier used.

#### 4.1.1 COST CATEGORIES

The **Cost categories** option renders it possible to group later transactions as unique according to the month in which they occur, the category in which they fall, as well as whether they were credit or cash transactions.

The extent of detail in which input items are displayed in the financial statements can be decided by the user. Thus, if more categories are specified, fewer input items are grouped within that category.

The fuel category cannot be deleted, because it is necessarily as a group in the calculation of fuel cost. Total fuel cost in *FARMS* depends on cultivation practices in the crop enterprises.

#### **4.1.2 SUPPLIER CATEGORIES**

Suppliers of farming inputs can be listed to simplify the annual process of updating input prices. A list of all the inputs that are provided by a single supplier can then be printed and updated.

#### **4.2 INPUT PRICES (*General / Input prices*)**

With this option crop and livestock input items are listed, and since it is handled centrally, it has the advantage of facilitating the updating thereof. The prices of this list of inputs can be updated once here without the need to update it in every enterprise. Provision is made for a date so that the user can enter the date of the last price update, for both crop and livestock enterprises.

The sort facility enables the user to sort both lists alphabetically according to cost category, input item or supplier. The printer icon generates a hard copy of the inputs item lists. Provision, in the form of a column, was also made for the new input prices, together with the corresponding date.

##### **COST CATEGORY**

This column is used to group input items into different cost categories and must be completed.

Double-click the particular cell to open the list of categories, and select the appropriate category from the list. For a quick find, type the first few letters of the category in the find box, the cursor will then be placed on the first category that matches the letters.

##### **INPUT ITEM**

Refers to each input that is used in the farming operation and serves as a unique description.

##### **SUPPLIER**

This column is used to identify the supplier. Double-click the cell to open a list of suppliers, and select the supplier from the list. For a quick find, type the first few letters of the supplier in the find box, the cursor will then be placed on the first supplier that matches the letters.

##### **UNIT**

Describes the measurement of the input item and must be completed.

##### **PRICE/UNIT**

The price per unit is the basis for cost calculations in the model and must be entered.

#### **4.3 PRODUCT PRICES (*General / Product prices*)**

The product prices for both crop and livestock enterprises are centrally listed here, in order to minimise the number of model inputs. All the enterprises will use these product prices accordingly.

First the date must be updated to the date to which the new product prices are referring. The sort facility enables the user to sort the data list alphabetically according to product or trader. The printer icon generates a hard copy of the product list. Provision, in the form of a column, was made for new product prices.

##### **PRODUCT**

This column is used to identify the products of all the enterprises and must include each product that is produced in the farming operation, and serves as a unique description. Product in farming refers to wheat and maize in crop enterprises. It can also refer to different grades, cultivars and traders of different products.

##### **DESCRIPTION**

A short description to help the user identify the specific product.

##### **TRADER**

This column is used to identify the trader.

##### **UNIT**

This column describes the unit in which the product is measured.

##### **PRICE/UNIT**

This column is used to calculate the income of a product and must be completed or updated.

#### **4.4 MACHINERY DATABASE (*General / Machinery database*)**

This option under the **General** menu serves as a database for all possible mechanisation that may be needed in farming operations. Machines and implements for a specific farm analysis can be picked from this database at a later stage. Therefore, not every machine in the database is used in every analysis.

First the date must be updated. The user can enter or edit the variables on either the Form or Grid. The **Form** simultaneously displays all the parameters that are needed for a specific machine. Data is displayed in table format under the grid option.

#### **MACHINE DESCRIPTION**

Enter a unique name that describes the specific implement or machine.

#### **MODEL YEAR**

Indicated year of manufacture.

#### **LIFE-SPAN (yr)**

This time period is an indication of the expected life-span of the machine.

#### **kW-SIZE (kW)**

Enter the power size (kW) of machines with engines.

#### **MAXIMUM LOAD (t)**

The maximum load of lorries, trailers and light delivery vehicles is required.

#### **WIDTH (m)**

The width of cultivation implements is needed to calculate the work rate for various operations.

#### **REPAIRS AND MAINTENANCE (%)**

This is one of the few input items in *FARMS* that can be classified as complex, theoretical and perhaps difficult to obtain. The reason for this is twofold. Firstly, repair cost is usually available as an absolute annual amount, not for a specific implement, but as a total cost for the entire mechanisation system. The second reason is that repair cost is not distributed evenly over time.

*FARMS* requires a percentage value for the calculation of repair cost for each implement. This percentage has to express average annual repair cost during 1 000 working hours as a percentage of the list price (price of a new implement). The reason for using the list price in this calculation method is to cater/attend indirectly for the influence of inflation on annual cost. Furthermore this coefficient has to be expressed in terms of 1 000 working hours to account for the variable nature of repair cost.

#### **SALVAGE VALUE (%)**

The value of each implement that can be realised at the end of its life-span, estimated as a percentage of the initial purchase price.

**PURCHASE PRICE (R)**

Indicates the price paid for the machine.

**MARKET VALUE (R)**

Indicated potential price that can be obtained for the specific machine during the year of the current analysis.

**LIST PRICE (R)**

Indicates the current price of a similar new machine to replace the existing one.