

## **User Manual for Monthly Feed Inventory**

The purpose of this decision aid is to facilitate the maintenance of a monthly ranch raised and purchased feed inventory. This will help organize data to report raised feed sales, use and use for the different types of cattle feeds.

Rising feeds costs place an emphasis of effective feed cost use for raised and purchased feed to control costs and for planning the timing of feed purchases to minimize costs.

Having the ranch feed beginning and ending inventory is necessary to complete the accrual adjusted income statement and the beginning and ending balance sheet. These financial statements are of course necessary to calculate the business profitability or measure return on assets (ROA) and return on equity (ROE).

This decision aid requires data for each feed produced or fed and use in units that facilitate reporting efforts. Each unit can be given a pound value that will facilitate converting all to pounds to calculate pounds producers or fed per head of livestock.

Alternative spreadsheets are available to facilitate reporting feed fed by category and a spreadsheet to calculate feed loss to address questions for investments like hay rings to reduce cost of hay losses.

### **Key Data Used by The Feed Inventory**

Beginning Inventory  
Purchases  
Raised or Transfer In  
Increased Feed Adjustments

#### **Total Beginning + Entries (A)**

Feed Fed  
Transfers Out  
Sales  
Feed Loss Adjustments

#### **Total Out (B)**

#### **Ending Inventory (A-B)**

### **Reports Generated by The Feed Inventory Include**

- Each Months Reconciled Inventory by Feed fed
- Annual Feed Fed Summary for All Feeds Fed
- Beginning Inventory of Feeds – Quantity and Market Value
- Ending Inventory of Feeds – Quantity and Market Value
- Annual Summary of All Inventory Values for the Year