

Agricultural Economics Curriculum

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Development Partners Include:



Lesson 3. Activity 4 – SAE Analysis

Introduction

Now that you have learned about enterprise budgets, cash flow budgets, and balance sheets, it is time to apply these financial tools to your own Supervised Agricultural Experience project. Having a successful SAE project depends on many factors and your management decisions for your current SAE project should not be based solely on financial analysis. However, using the tools you have learned in this unit will help you grow your SAE into a profitable enterprise in the future.

Materials

Students will need to have the following materials to complete this exercise:

- Pencil
- Computer with access to Excel® or other spreadsheet program - or -
- Calculator
- SAE Record Book or Sample Data

Student Instructions

Use your current SAE record book and complete each of the three analysis tools that you used to assess Megan's business plan. Add the enterprise budget, cash flow budget, and balance sheets to your record book. Your teacher will review each and ask you questions regarding the "health" of your current project. Use this time to set intermediate goals to improve or expand your SAE project.

Student Reflection

1. How can enterprise budgets, cash flow budgets, and balance sheets help you expand your SAE project?
2. What concerns do you have after you checked your SAE project using the financial analysis tools that you learned in this unit?
3. What are your intermediate and short-term goals to improve the financial health of your current SAE project?