

Red Sky DATA ENTRY CHECKLIST

This checklist below is designed to highlight the key points to check after entering data in Red Sky. It is not meant to be an exhaustive list but should result in the most likely areas of inaccuracy being brought to your attention. These notes are provided to support the tool tips that also provide comprehensive notes on how to enter data in Red Sky. This list methodically works through the program's tabs and there is no distinction between different enterprises e.g. dairy, sheep, beef, cropping, other.

GENERAL

Check the Year is the end of the financial year e.g. 2012/13 = 2013

Check Start of the Financial Year corresponds to the first month of the financial year

Check Actual or Budget is selected depending on data being entered

Check View Area Details for effective and non-effective areas as well as ensuring that if dairy heifers (10-24 months old) are grazed at home that an area for Effective Area Dairy Young has been allocated

FINANCIAL – ASSETS [LAND&BUILDINGS]

For Each Enterprise

Check the per hectare land values to ensure they reflect actual land sales

Total

Check that the Change in Values reflect actual land sales

FINANCIAL – ASSETS [PLANT&OTHER]

Vehicles Plant Other Land

Check the Plant & Machinery values do NOT include milking plant, shearing plant, water supply, or other items sold as part of Land & Buildings

Check that Other Land & Buildings reflects support area values if these are not being analysed as a separate enterprise

Shares

Check that Dairy Industry Shares reflect the full value of shares in any cooperative dairy company

Other

Check that these non-core enterprise assets are not of such significance that they should be separated out into a separate enterprise

FINANCIAL – ACCOUNTS ENTRY

Assets

Check the changes in Total Fixed Assets, Current Assets and Other Assets between the Previous Year and This Year reflect reality as any significant change should reflect the purchase or sale of a significant asset

Liabilities

Check the changes in Total Current Liabilities and Long Term Liabilities between the Previous Year and This Year reflect reality

Capital Introduced

Check any entry here does represent the introduction of capital to the business with no off-setting liability

Revenue

Check that Livestock Sales, Purchases, Revaluations and Devaluations accurately record what is in the accounts

Expenses

Check that depreciation has been entered correctly

Check that fertiliser has been split between nitrogen and non-nitrogen components. To calculate the nitrogen component, multiply the kilograms applied per hectare x effective hectares x value per tonne of nitrogen divide by 1000.

Red Sky Farm Performance Analysis

Check that all feed costs are split into their relevant categories including cartage on the feeds

LIVESTOCK – STOCK

All Screens

Check the livestock values to ensure they reflect actual sales

LIVESTOCK – PRODUCTION & PRICING

All Screens

Check that Calculated Revenue and Actual Revenue are similar or confirm reasons for the difference

Check all entry cells are completed

FEED – (ENTERPRISE)

All Screens

Check that any significant change in Feed stocks on hand have been recorded

FEED – CALC (ENTERPRISE)

Land

Nothing to be completed

Costs

Nothing to be completed

LAND & ADJUSTMENTS – LAND DETAILS

Physical

Check that this is completed

Irrigation

Check that this is completed

Fertiliser

Nothing to be completed

LAND & ADJUSTMENTS – OTHER ADJUSTMENTS

Staff

Check a maximum of one imputed (unpaid) manager is entered if required

Check hours and hourly rate of imputed (unpaid) staff reflects reality

Capitalised Expenses – Fertiliser, R&M & Irrigation

Check that the amount capitalised and number of years is reasonable

If this was utilised in the previous year, ensure entries have been credited out and the appropriate amount has been carried forward (bottom entry cell)

Accelerated Depreciation

Check that the amount of depreciation reversed and number of years is reasonable

If this was utilised in the previous year, ensure entries have been credited out and the appropriate amount has been carried forward (bottom entry cell)

Other / Runoff Adjustment

If the enterprise owns a runoff or outpaddock then check that an adjustment has been entered

Check that any other entry in this screen has a sound basis

If there were entries in the previous year, ensure entries have been reversed in this year if appropriate

REPORTS

Summary

Check all ratios for accuracy and sensibility

Check Return on Capital and Return on Equity for accuracy

Check Change in Equity and Equity % for accuracy

Red Sky Farm Performance Analysis

Financials

Check Change in Working Capital for accuracy (if not then check Accounts Entry / Assets & Liabilities – differences between This Year and Previous Year)

Physical

Check Physical Parameters for accuracy (if not then check Livestock screens)

Operating Profit

Check all Expenses for sensibility

Check Change in Livestock Numbers against Livestock Sales and Purchases

Check other Adjustments for accuracy

Operating Profit per Stock

Check Livestock Revenue

Check all Expenses for accuracy – comparing with benchmarks is helpful

Check following expenses in particular; Animal Health, Breeding, Dairy Shed Expenses, Electricity, Freight, Vehicle Expenses and Depreciation.

Operating Profit per Hectare

Check all Expenses for accuracy – comparing with benchmarks is helpful

Check following expenses in particular; Administration, Cropping (green feed), Fertiliser, Irrigation, Pasture Maintenance & Renovation, Repairs & Maintenance, and Rates, Licenses, Levies & Insurance

Balance Summary (4-Year Rolling or Market Values)

Check changes in Start and End of Year Assets, Liabilities and Equity for accuracy

Check Financing and Debt Servicing Costs for accuracy

Check Principal Repayments for accuracy (if not then check Accounts Entry / Assets & Liabilities – differences between This Year and Previous Year)