Economic Analysis

Nerilyn J. Victoria

Profitability Analysis- show an agribusiness overall efficiency and performance.

Total Revenue- refers to the total sales of a firm based on a given quantity of goods.

Formula:
Total Revenue= Price x quantity

Net Profit or Net Income

- is the residual amount of earnings after all expenses have been deducted from sales.
- In short, gross income is an intermediate earnings figure before all expenses are included, and net income is the final amount of profit or loss after all expenses are included.

Formula:
Net Income or Net Profit= Revenue (Kinita)- Expenses (Gastos)

Variable Cost- is depending on an agribusiness production volume; they rise as production increases and fall as production decreases.

Examples of variable cost are feeds, forage, animal health cost, labor cost and other cost.

Fixed Cost- is an expense that does not change as production volume increases or decreases within a relevant range. Example of fixed cost is foundation stock

Formula:
Total cost = Total variable cost + Total fixed cost

Fixed Asset- is a long-term tangible piece of property or equipment that a firm owns and uses in its operations to generate income.

Fixed assets are not expected to be consumed or converted into cash within a year.

GROSS MARGIN- indicates how much profit an agribusiness makes after paying off its cost of goods sold.

- It is a measure of the efficiency of an agribusiness using its raw materials and labor during the production process.
- The higher the gross profit margin, the more efficient a company is.

Formula:
Gross Margin = Revenue – variable cost

- **NET PROFIT MARGIN**- ratio measures the amount of net income earned with each peso of sales generated by comparing the net income and net sales of a company.
- In other words, the profit margin ratio shows what percentage of sales are left over after all expenses are paid by the business.

Formula:
Net Profit margin = Net farm income ÷ Revenue x 100

RETURN ON INVESTMENT- is a profitability ratio that calculates the profits of an investment as a percentage of the original cost.

- In other words, it measures how much money was made on the investment as a percentage of the purchase price.

Formula:
Return on investment = Net farm income ÷ Total Cost x 100

Bulacan Agricultural State College

Shaping minds.
Transforming lives.

VISION

A globally-engaged higher education institution of agriculture and allied disciplines.

MISSION

Provide excellent instruction, conduct relevant research, and foster community engagement that produce highly competent graduates necessary for the development of the country.

This IEC material was made as part of the 4K Program "Karne ng Kuneho para sa Kalusugan at Kabuhayan," which was funded by the Commission on Higher Education, and implemented by the Bulacan Agricultural State College.

For more information, contact:
Dr. Honeylet J. Nicolas
Research, Extension, Production and Development Office
Bulacan Agricultural State College Pinaod, San Ildefonso, Bulacan 3010
honeyletnicolas@basc.edu.ph

Guide to Rabbit Farm

Recordkeeping & Economic Analysis

Commission on Higher Education | Bulacan Agricultural State College

Record Keeping

Kathleen T. Dionisio
Honeylet J. Nicolas, Ph.D.

Record Keeping

A document containing the details of each business event; details of the inventory, costs, income, sales records, and other events.

Importance of Record Keeping

- Information
- Decision making
- Monitoring
- Cash in & outflow
- Financial Statement
- Livestock Performance

3 Types of Record Keeping

1. Inventory
2. Production
3. Financial Record

Inventory

A complete list of all assets and materials of the farm or business. Inventory also includes the estimated value of farm equipment or supplies.

- Asset
    - Fixed Asset
- Liabilities
- Fixed Cost
- Variable Cost

Production

Measuring the performance of domestic rabbits

- Mortality - list of animals to check for their possible diseases
- Breeding - Make sure that good classes and quality are used for rabbit breeding
- Performance
    - Birth records- Birth date, parental evaluation, and weaning data
    - Production records - Size, weight, weight when purchased or when sold
- Feed Information - Feed ratio, consumption, and expenses
- Labor record- Number of hours required for farm operation or amount of labor required and cost.

Rabbitry record

Record to know where the dam is in its breeding cycle.

RABBITRY RECORD							
Dam		Date mated	Dam	Kindling due	Born		Remarks
Cage	No.				Alive	Dead	

Dam Breeding Record

Record to know the individual performance of the mother rabbit.

Dam No.					Breed			
Date of birth					Sire			
Litter no.					Dam			
Date bred	Buck	Date kindled	No. of Born		Weaning			
			Alive	Dead	Date	Age	Wt.	Remarks

Note: If the doe was brought from another breeder, enter the herd or place it in "Litter Number".

Litter Record

This record is completed at the weaning time when every young rabbit is given its own number. Entries are made in a book after each weaning.

Litter number	Date of birth	Individual numbers	Dam	Sire	Weaning date	age	Wt.	Remarks

Note: "Individual Numbers" – The first and last numbers of each litter may be shown in this column.
"Weaning Weight" – The total weight of the litter is entered in this column. It saves time to weigh the whole litter together in a basket or small cage.

Sire Breeding Record

Keeping an individual breeding record for each sire is equally important as keeping a record of the dam. As each sire mates with several dams, his characteristics are passed on to numerous litters. These records are kept on cards in the same way as the dam records.

Sire Breeding Record

Sire No.			Breed		
Date of birth			Dam		
Litter no.			Dam		
Date mated	Doe	Date kindled	No. of Born		Remarks
			Alive	Dead	

Note: If the sire was bought from another breeder, enter that or place it in "Origin". If he is from your own herd, enter his litter number.

Financial Record

This type of record is all financial transactions in rabbit farms such as product sales, purchasing of equipment, operating expenses, and other. These records can be kept in a notebook and at the end of the month, this will be the data for the Income Statement of the rabbit farm.