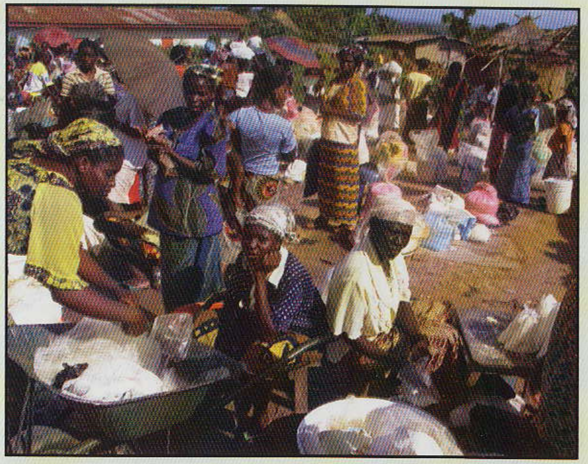

Table 3. Profit and loss in the Arise and Shine Cassava Enterprise (Abia State) over a period of 6 months.

Item	Expenditure (₦)	Income (₦)
Beginning balance		50,000
Sales of *gari*		80,000
Subtotal		130,000
Purchase of cassava tubers	35,000	
Purchase of fuel & spare parts	6,250	
Payment of salaries & wages	22,000	
Machines maintenance & servicing	2,000	
Payment of loan	20,000	
Subtotal	85,250	
Profit		**44,750**

losing it. This will also help in fine-tuning business activities for optimal performance.

All income (money in) to the enterprise during the period of 6 months was added together (i.e., all sales for the 6 months (Table 3). Also, all expenditure (money out) over the 6 months was added. The difference between income and expenditure is the **Profit** of the enterprise over a period of 6 months.

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Correct citation: Patino M., R.U. Okechukwu, C. Ezedinma, L. Sanni, J. Lemchi, F. Ogbe, M. Akoroda, G. Tarawali, E. Okoro, J. Mkumbira, G. Ssemakula, B. Maziya-Dixon, A.G.O. Dixon, and C.O. Geteloma. 2006. Record keeping in cassava enterprises flyer. IITA integrated cassava project, Ibadan, Nigeria.

Cassava Enterprises Management Series

Record Keeping in Cassava Enterprises

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Objective

This guide explains the importance of record keeping, the type of records, and how to keep them in cassava enterprises.

Record keeping is a way of writing down all transactions involving money, coming into and going out of the enterprise, as well as the quantity of goods produced, sold, and in stock.

Why keep records in cassava enterprises?

- To know the amount of money that comes into an enterprise through sales and services such as grating, pressing, and frying.
- To know how much money is spent on tubers, wages, fuel, and other purchases and payments.
- To guide management decisions about business.
- To know the performance of the enterprise over a period of time.
- To determine whether the enterprise is making a profit or loss.
- To know the quantity of goods produced, sold, or kept (in stock) at any time.

Records show the future of an enterprise's business transactions; this can help in securing loans from financial institutions.

Types of records in cassava enterprises

The number of records to be kept in cassava enterprises depends on the size of the enterprise and the volume of its transactions. Two records are most important.

- Daily Activity Record (DAR)
- Cash Book

Daily Activity Record (DAR)

This is the record of the quantity of raw cassava processed and the money realized on daily basis. See Table 1. The last column of this record is designed for customers' identity and other important information on daily activities.

Table 1. Daily Activity Record (DAR)

Date	Quantity of cassava	Unit cost	Total cost	Type of processing	Customers' names/ general remarks
12/11/05	10 Basins	₦40/ Basin	₦400	Grating/ pressing	Mrs Adaobi
12/11/05	2 Bags	₦100/ Bag	₦200	frying of *gari*	Ms Lydia
12/11/05			₦600		**Money transferred to the cash book**

As shown in Table 1, on 12/11/2005, the enterprise grated and pressed ten basins of cassava tubers at ₦40 basin, amounting to ₦400. On the same day, two bags of *gari* were fried at ₦100/ bag. The total income for 12/11/2005 was ₦600.

Further information on enterprise activities for a day should be provided in the last column of this record. The names of the customers and information on where the income for 12/11/2005 was kept were provided in this column. Other events such as machinery breakdown and public holidays can also be recorded in this column.

Cash Book

This provides detailed information on acquisitions and use of cash. All sales and purchases as well as withdrawals from and deposits into the business should be recorded.

Loans provided by a cooperative group for their cassava processing enterprise, money realized on a daily basis, as well as all withdrawals for payment of wages, purchase of cassava tubers, and other costs and revenue should be recorded.

Table 2. Cash Book

Date	Description	Money in (₦)	Money out (₦)	Cash Balance (₦)
10/11/2005	Loan from the group	50,000		50,000
12/11/2005	Sales from DAR on 12/11/05	600		600
13/11/2005	Purchase of bags for *gari* packaging		2,500	48,100
13/11/2005	Purchase of 50 liters of diesel @ ₦70/liter		3,500	44,600
	Sales from DAR on 13/11/05			
13/11/2005		1,850		46,450

Table 2 shows that the initial capital in the business was ₦50,000. Income (sales, ₦600) for 12/11/2005 was added to it, while expenditure (purchase of bags, ₦2,500) for 13/11/2005 was subtracted from the balance and so on. Thus, the cash book shows the financial position of the cassava enterprise at every point in time.

Profit and Loss statement

These records (i.e., Daily Activity Record and Cash Book) can help managers of cassava enterprises in preparing the Profit and Loss statement.

The Profit and Loss statement shows how an enterprise has traded over a period of time. It is designed to show the financial performance of an enterprise during the period under review (this could be monthly or annually) and this will help indicate whether a business is making money or