

NON-CURRENT INVENTORY

How to manage the inventory during a student's enrollment

AET OFFICE HOURS

1.6.2026



TOPICS:

- What is Non-Current Inventory?
- Where does it go if the student has it on day 1?
- Rules for asset name, depreciation, and salvage value?
- How is it managed from one year to the next?
- How does it impact Productively Invested?

Non-Current Inventory - *Definition*

Non-Current Inventory



Definition: an asset that is expected to be used or held for more than one year and is not intended to be converted into cash in the short term.

Key Characteristics

- Long-term use (over 12 months)
- Provides ongoing value to the business or SAE
- Not easily or quickly sold for cash

***AET:** includes reproductive breeding animals, equipment, lawn mowers, barns, land, trailers, and other high-value items.*

Non-Current Inventory – when/where

Beginning Inventory:

= When students enter Ag Ed with assets to be used in their SAE

- Should involve a student/parent conversation
- Use the [Beginning Inventory Worksheet](#) to prep

Purchased during SAE:

= Assets purchased anytime during the SAE after the 1st day in Ag

- Enter the asset in the Non-Current Manager

NOTE: These should be assets that the STUDENT OWNS.



Non-Current – Beginning Inventory



Start of Ag Ed Inventory – Landing Page

Beginning Values

Beginning Date | Current Projects | **Non-Current** | Liabilities/Loans | Cash/Checking

Non-Current (Capital) items are assets you own that are used by your projects and that are usually expensive and last several years. [?] Examples include: show tack, feeders, breeding animals, trailers, and other equipment. If you have Non-Current Items from before you started class, you can use this page to add them. The PURCHASE DATE will automatically be set to your first day of class. Use the [Capital Item Manager](#) to specify additional details, depreciation, etc for each non-current/capital item.

SAVE / Add a new line | Exit

Asset Name	Item Type	Useful Lifetime [?]	Beginning Cost/Value [?]	Salvage Value [?]
	<ul style="list-style-type: none">✓ Non-Dep. draft, pleasure, or breeding livestockDep. draft, pleasure, or breeding livestockMachinery, equipment, and fixturesDep. land improvements, buildings, and fencesLand	5 years	\$	\$

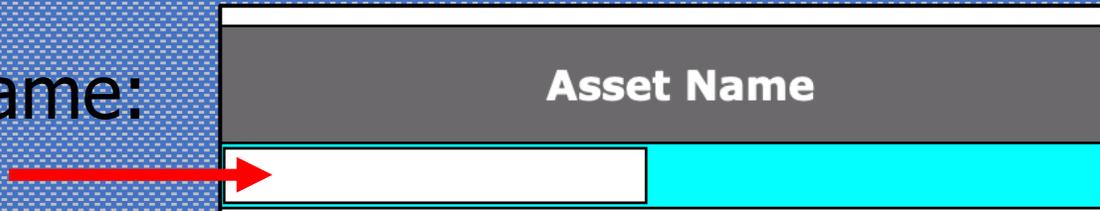
4999067 | 6814 | Tuesday, January 6, 2026

NOTE: *Can pre-plan assets by using the Beginning Inventory Worksheet and discussions with parents and advisor*



Non-Current – Beginning Inventory

Asset Name:



Asset Name

Rules:

1. Name the asset as if it were going to be appraised
 - a. Specifics help define value
 - Make
 - Model
 - Breed
 - Age
 - Size

Do not use: Cow, Mower, Dog

Asset Name (age, breed, model)	Item Type (machinery, breeding animals, build)
'22 ZT Zero Turn Mower 48" deck	
3 YO Reg. Border Collie Female	
Weaver Solo Tack Box Combo	
"Julie" Reg. Holstein Cow (DOB 2020)	

Beginning Worksheet



Non-Current – Beginning Inventory

Appears in the Financial Ledger: non-descript

Date	Added	Vendor	Debit
8/18/2021	1/6/2026	(Non-Current Purchases) Beginning Inventory	\$3,600.00
8/18/2021	1/6/2026	(Non-Current Purchases) Beginning Inventory	\$1,500.00
Grand Total			\$5,100.00

Appears in Non-Current Manager  : with specifics

Options 	Starting Date	Name
Edit Sell Usage	8/18/2021	'22 ZT Zero Turn Mower 48" deck
Edit Sell Usage	8/18/2021	3 YO Reg. Border Collie Female



Non-Current – Beginning Inventory

2. Useful Life



=

	Useful Lifetime	Beginning Cost/Value
	<p>Edit 733 This is the remaining years of use for each item. Some tips are:</p> <ul style="list-style-type: none">• Years 3 and 5 = Sows or older breeding animals• Years 8 and 10 = Cows or other younger breeding animals• Year 10 = Usually best for most all equipment• Year 20 = Usually buildings, other improvements, and Orchards	

a. Select useful life years from the drop-down based on



Useful Lifetime

- 20 years
- 10 years
- 8 years
- ✓ 5 years
- 3 years
- 5 years

3-5 years: sheep, goats, small animals, small equipment

8-10 years: females early in reproductive years (cattle)

10 years: show equipment, tools, smaller equipment

20 years: Fences, land, buildings owned by the student

**facilities/equipment used but not owned = rent/lease*

Non-Current – Beginning Inventory

3. Beginning Value – start of Ag

a. If assessed on 1st day of Ag – use value on that day



=

Useful ?	Beginning ?	Salvage ?
<p>Edit 734 An estimated value when you started Ag Education. Some tips are:</p> <ul style="list-style-type: none">• Be conservative in your value• A good idea is to estimated the items current price if you sold it now• A higher value does not help you gain FFA award and may actually hurt if valued too high		

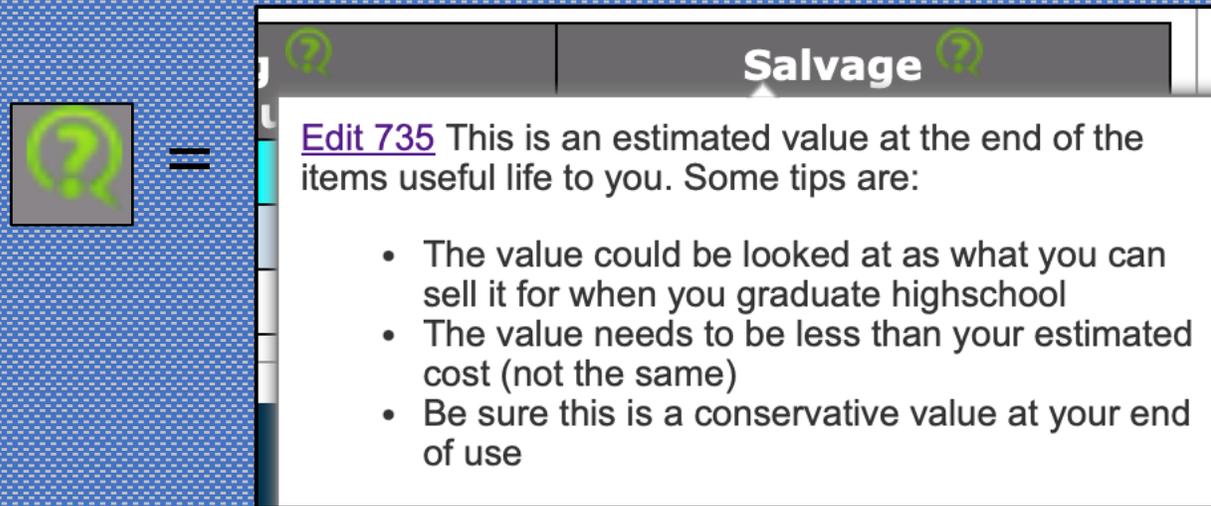
b. If entered after 1st day of Ag – use purchase price (whole numbers)

Beginning ? Cost/Value	
\$	<input type="text"/>
\$	3600
\$	1500



Non-Current – Beginning Inventory

4. Salvage Value: the value of an asset at the end of its useful life



The image shows a screenshot of a software interface. On the left, there is a small grey square with a red question mark icon. To its right is an equals sign. Further right is a larger window with a title bar that says "Salvage" with a red question mark icon. Below the title bar, the text reads "Edit 735 This is an estimated value at the end of the items useful life to you. Some tips are:" followed by a bulleted list of three tips.

Salvage

Edit 735 This is an estimated value at the end of the items useful life to you. Some tips are:

- The value could be looked at as what you can sell it for when you graduate highschool
- The value needs to be less than your estimated cost (not the same)
- Be sure this is a conservative value at your end of use

- Can estimate 65-75% of its original value as salvage value
- Never use 0
- Depreciation = $\text{Cost} - \text{Salvage} \times \text{depreciation \%}$

Non-Current - Purchased



Add New:

Same as
Beginning values

Enter all details
of asset

Description =
used as memo,
but goes
nowhere to
award

Add/Edit Non-Current Item	
Type of Item: 	Machinery, equipment, and fixtures 
Purchase Date:	1/6/2022 
Name:	Weaver Solo Tack Box w/Ce
Description:	
Vendor:	Weaver Livestock
Quantity:	1
Total Acquisition Cost:	485
Total Salvage Value: 	363
Depreciation Method: 	10 year - 10% 
<input type="button" value="Save"/> <input type="button" value="Cancel"/>	

Annual Management: Usage

Capital Item USAGE: the amount an asset is used in an SAE over the course of a year

- a. Usage can be divided among multiple SAE's evenly

Ex: A computer used in all SAE's (divided equally)

- b. Usage can be divided by days in a growing animal and a mature reproductive animal

Ex: A (show) dog grown and exhibited 8 mos. of the year (75%), then bred and transferred to breeding 4 mos. (25%)

- c. Usage must be manually entered at the end of each year



Asset Usage

- When not managed  appears
= Usage is missing for years 2022
- Must be manually entered for each year the project is in existence
- Enter % item is used in the appropriate SAE
- Can be used 1 SAE or can be used in multiple SAE's
- SAE's must have records in order to declare usage
- Usage assigns which SAE receives the depreciation deduction

ZT Zero Turn Mower - Usage

Non-Current Item Usage/Depreciation

Capital Item:	'22 ZT Zero Turn Mower 48" deck
Acquisition Cost:	\$3,600.00
Salvage Value:	\$2,700.00
Useful Life:	10 years
Business Percentage:	100%
Yearly Depreciation:	\$90.00

Deducted from SAE

Tips: When a cell is **gray**, the Experience had no transactions during that year.
Double-click a cell to distribute equal usage to that Experience.

Experience	2021	2022	2023	2024	2025	2026
2022 Beg.- Dairy Cow Herd		0				
2022 Beg.- TD Mowing		100				
2022 Beg.- TD Track Dogs		0				
TOTAL	0%	100%	0%	0%	0%	0%

Used in only 1 SAE

Save

Cancel



3 YO Border Collie- Usage

Non-Current Item Usage/Depreciation

Capital Item:	3 YO Reg. Border Collie Female
Acquisition Cost:	\$1,500.00
Salvage Value:	\$1,125.00
Useful Life:	5 years
Business Percentage:	100%
Yearly Depreciation:	\$75.00

Tips: When a cell is **gray**, the Experience had no transactions during that year.
Double-click a cell to distribute equal usage to that Experience.

Experience	2021	2022	2023	2024	2025	2026
2022 Beg.- Dairy Cow Herd		10				
2022 Beg.- TD Mowing		0				
2022 Beg.- TD Track Dogs		90				
TOTAL	0%	100%	0%	0%	0%	0%

Used in slightly in this SAE

Used in primarily in this SAE



Weaver Solo Tack Box - Usage

Non-Current Item Usage/Depreciation

Capital Item:	Weaver Solo Tack Box w/Cart
Acquisition Cost:	\$485.00
Salvage Value:	\$363.00
Useful Life:	10 years
Business Percentage:	100%
Yearly Depreciation:	\$12.20

Tips: When a cell is **gray**, the Experience had no transactions during that year.
Double-click a cell to distribute equal usage to that Experience.

Experience	2022	2023	2024	2025	2026
2022 Beg.- Dairy Cow Herd	50				
2022 Beg.- TD Mowing	0				
2022 Beg.- TD Track Dogs	50				
TOTAL	100%	0%	0%	0%	0%

Used evenly in both SAE's



"Julie" Reg Holstein Cow - Usage

Non-Current Item Usage/Depreciation

Capital Item:	"Julie" reg Holstein Cow (2020)
Acquisition Cost:	\$4,800.00
Salvage Value:	\$3,600.00
Useful Life:	10 years
Business Percentage:	100%
Yearly Depreciation:	\$120.00

Tips: When a cell is **gray**, the Experience had no transactions during that year. **Double-click** a cell to distribute equal usage to that Experience.

Experience	2022	2023	2024	2025	2026
2022 Beg.- Dairy Cow Herd	100	100	100		
2022 Beg.- TD Mowing	0				
2022 Beg.- TD Track Dogs	0				
TOTAL	100%	100%	100%	0%	0%

Used in SAE for 3 years

Grey areas will no allow usage unless financials entered for each year



Depreciation assigned in each SAE

***Asset listed, assigned to SAE with annual deduction in the financial ledger*

12/31/2022	1/6/2026	TD Mowing (Depreciation) Depreciation: '22 ZT Zero Turn Mower 48" deck	\$90.00
12/31/2022	1/6/2026	Dairy Cow Herd (Depreciation) Depreciation: "Julie" reg Holstein Cow (2020)	\$120.00
12/31/2022	1/6/2026	Dairy Cow Herd (Depreciation) Depreciation: Weaver Solo Tack Box w/Cart	\$6.10
12/31/2022	1/6/2026	Dairy Cow Herd (Depreciation) Depreciation: 3 YO Reg. Border Collie Female	\$7.50
12/31/2022	1/6/2026	TD Track Dogs (Depreciation) Depreciation: 3 YO Reg. Border Collie Female	\$67.50
12/31/2022	1/6/2026	TD Track Dogs (Depreciation) Depreciation: Weaver Solo Tack Box w/Cart	\$6.10



3 YO Border Collie – DEATH LOSS

Sale Info	
Sell Animal Death Loss	
Total Sales: \$0	

1.



In Breeding Manager, mark death

Death-Loss Capital Item

Unique #:	1418199	
Name:	3 YO Reg. Border Collie Female	
Sale Date:	<input type="text" value="12/22/2022"/>	
Sale Amount:	<input type="text" value="0"/>	
Vendor:	<input type="text" value="Death Loss"/>	Enter the vendor that purchased this capital item.
Memo:	<input type="text"/>	Enter optional comments about this transaction.
<input type="button" value="Return Item to Inventory"/>		To undo a sale, click this button.

2.

Record date of death and memo

3.

Non-Current (Capital) Item Manager ?

Inventory
 Sold Items
 ← Asset now appears in sold items

Options	Ownership	Name	Acq. Cost	Total Dep.	Sale Amount	Cap. Gain
Sale Usage	Bought: 8/18/2021 Sold: 12/22/2022	3 YO Reg. Border Collie Female	\$1,500.00	\$150.00	\$0.00	\$-1,350.00



Non-Current Asset - SALE

Unique #:	1418168	
Name:	'22 ZT Zero Turn Mower 48" deck	
Sale Date:	<input type="text" value="12/6/2024"/> 	
Sale Amount:	<input type="text" value="1800"/>	Enter the purchase price.
Vendor:	<input type="text" value="JD Equip"/>	Enter the vendor that purchased this capital item.
Memo:	<input type="text" value="Trade in"/>	Enter optional comments about this transaction.
	<input type="button" value="Return Item to Inventory"/>	To undo a sale, click this button.

**The asset is then located in SOLD ITEMS in the Non-Current Manager



Usage - Warnings

Options 	Starting Date
Edit Sell Usage 	8/18/2021
<div data-bbox="198 792 1141 925">Usage is missing for years 23-24.</div>	
Edit Sell Usage	07/01/2022



Red Triangle = Warning

- Years without records
 - Is the SAE active, if YES, enter financials
 - If No, sell assets, toggle SAE off (inactive)
- When all years have usage, no warnings will appear

AWARD WARNING: If no usage is determined, the Non-Current page in a proficiency app will be blank



Non-Current Assets – American Degree/Proficiency

F. DEPRECIABLE DRAFT, PLEASURE, OR BREEDING ANIMALS ON 12/31/2024

Description	Quantity	Acquisition Cost	Depreciation Claimed	Total Value
"Julie" reg Holstein Cow (2020)	1.00	\$4800	\$360	\$4440
TOTAL				\$4,440

G. DEPRECIABLE MACHINERY, EQUIPMENT, AND FIXTURES ON 12/31/2024

Description	Acquisition Cost	Depreciation Claimed	Total Value
'22 ZT Zero Turn Mower 48" deck	\$3600	\$360	\$3240
Weaver Solo Tack Box w/Cart	\$485	\$37	\$448
TOTAL			\$3,688

**Dog not included on last year of application - death



Productively Invested – Non-Current

- TD Track Dogs - \$2000 dog asset

G. SAE EARNINGS		Total Value	
1. Placement SAE Earnings (Cash)		\$0	
2. Total Net Income from Operations & Net Non-Current (Entrepreneurship & Research)		(\$2,001)	
3. Total SAE Earnings (Retained Earnings) 		(\$2,001)	
H. PRODUCTIVELY INVESTED		Value	
1. Change in Net Worth (Productively Invested from operations)		(\$2,001)	
2. (Add) Total Educational Expenses (Personal Use)		\$0	
3. (Deduct) Net Sources of Assets from Gifts or Non-SAE		\$0	
4. Total Growth in Productively Invested 		(\$2,001)	
I. UNPAID HOURS		Value	
1. Total Unpaid Hours		0	
2. Factor per Hour		3.56	
3. Total unpaid hours factor (hours X rate)		0	
J. QUALIFICATION CHECK		Your Value	Condition
QUALIFIED UNDER AT LEAST ONE OPTION 			NOT MET
Option 1 Conditions 			
a. Productively Invested at least \$7,500 (LINE H4)		(\$2,001)	NOT MET
b. SAE Earnings at least \$10,000 (LINE G3)		(\$2,001)	NOT MET

- Negative on E/P
- Positive on Net Worth
- Productively Invested requires a return on investment



Proficiency: Non-Current Scoring



The listing of item(s) in Ending Non- Current Inventory, their total value, depreciation claimed (if applicable) and cost are reasonable for the size and type of SAE program and correspond to information listed in SAE explanation.

Note: Lack of inventory may be appropriate for the SAE(s) and if explained in Performance A 1 &2, full credit maybe given in this area.

Crop SAE Example: Non-Current Assets

G. Depreciable Machinery, Equipment, and Fixtures on 12/31/2015

Description	Acquisition Cost	Depreciation Claimed	Value
JD 4920 Sprayer	\$120,000	\$23,000	\$97,000
Transport Auger	\$4,000	\$300	\$3,700
ProStar Semi	\$17,456	\$623	\$16,833
TOTAL	\$141,456	\$23,923	\$117,533

Lawn Care SAE: Non-Current Assets

G. DEPRECIABLE MACHINERY, EQUIPMENT, AND FIXTURES ON 12/31/2023

Description	Acquisition Cost	Depreciation Claimed	Total Value
Toro 60-in 24-HP V-twin Gas	\$4900	\$420	\$4480
Torro Weed Whip	\$250	\$150	\$100
ECHO PB-580TAA Leaf Blower	\$380	\$180	\$200
TOTAL			\$4,780

Beef Cow SAE: Non-Current Assets

E. NON-DEPRECIABLE DRAFT, PLEASURE, OR BREEDING ANIMALS ON 12/31/2023

Description	Quantity	Total Value
Ivy 412D Reg Maintainer (DOB 4/7/16)	1.00	\$3000
Chloe 575E Reg. Maintainer (DOB 4/28/17)	1.00	\$2375

Questions:

Resources:

[FFA Proficiency Rubric](#)

[Starting First Year Record Keepers](#)