

A PRIMER for Selecting New Enterprises for Your Farm:

Annual and Long Run Cash Flow Budgeting Worksheet

Agricultural Economics Extension Series – No. 2000-13: Worksheet 2
August 2000

By:

Tim Woods and Steve Isaacs

University of Kentucky
Department of Agricultural Economics
400 Charles E. Barnhart Bldg.
Lexington, KY 40546-0276

Phone: 859-257-5762

Fax: 859-323-1913

<http://www.uky.edu/Ag/AgEcon/>

AGRICULTURE & NATURAL RESOURCES • FAMILY & CONSUMER SCIENCES
4-H/YOUTH DEVELOPMENT • RURAL & ECONOMIC DEVELOPMENT

Profitability 2

Use this worksheet to estimate the amount and timing of cash flowing into and out of the business. One table is for a typical year, the other is for projects whose cash flows will vary each year.

ANNUAL CASH FLOW BUDGET (TYPICAL YEAR)

ITEM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. BEGINNING BALANCE												
2. PRODUCT SALES												
3. SERVICE REVENUES												
4. CAPITAL ASSET SALES												
5.												
6.												
7. TOTAL CASH INFLOW												
<hr/>												
8. PURCHASED INPUTS												
9. LABOR												
10. UTILITIES												
11. CAPITAL ASSET PURCHASES												
12.												
13.												
14. TOTAL CASH OUTFLOW												
<hr/>												
15. NET CASH FLOW (7 MINUS 14)												
16. PLUS LOAN PROCEEDS												
17. MINUS LOAN PAYMENTS												
18. ENDING BALANCE												

LONG RUN CASH FLOW FOR MULTI-YEAR PROJECTS

ITEM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. BEGINNING BALANCE												
2. PRODUCT SALES												
3. SERVICE REVENUES												
4. CAPITAL ASSET SALES												
5.												
6.												
7. TOTAL CASH INFLOW												
<hr/>												
8. PURCHASED INPUTS												
9. LABOR												
10. UTILITIES												
11. CAPITAL ASSET PURCHASES												
12.												
13.												
14. TOTAL CASH OUTFLOW												
<hr/>												
15. NET CASH FLOW (7 MINUS 14)												
16. PLUS LOAN PROCEEDS												
17. MINUS LOAN PAYMENTS												
18. ENDING BALANCE												