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Worksheet 4T.24: Projected Cash Flow
 (<http://misadocuments.info/4T.24ProjectedCashFlow.pdf>)

PROJECTED CASH FLOW

Use the space below to calculate cash flow during transition and your first two years of certification. If you are exploring more than one transition strategy, make a copy of this worksheet and complete it for each. Begin by estimating total cash inflows and outflows. Then subtract outflows from the inflows. If the projected net cash flow is positive, then you should have enough cash on hand to cover expenses each year; you will be able to make debt payments on time. (Keep in mind that month-to-month cash flow may still be an issue.) If, on the other hand, net cash flow is negative, the farm business will have trouble repaying short-term debt. Compare this transitional cash flow plan to your current cash flow plan (found on **Worksheet 2T.15: Current Cash Flow**). An electronic version of this worksheet is available at http://misadocuments.info/OrganicTransitionPlanner_spreadsheets.xlsx

	← TRANSITION →			← CERTIFIED →	
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CASH INFLOWS					
Gross cash farm income (a) (g) from Worksheet 4T.23	_____	_____	_____	_____	_____
Nonfarm income (b)	_____	_____	_____	_____	_____
Capital sales (c)	_____	_____	_____	_____	_____
New borrowings (d)	_____	_____	_____	_____	_____
Grants (e)	_____	_____	_____	_____	_____
Total cash inflows (f) = (a+b+c+d+e)	_____	_____	_____	_____	_____
CASH OUTFLOWS					
Total farm expenses (g)	_____	_____	_____	_____	_____
Depreciation (h)	_____	_____	_____	_____	_____
Total cash farm expenses (i) = (g-h)	_____	_____	_____	_____	_____
Living expenses (j)	_____	_____	_____	_____	_____
Taxes (income, social sec.) (k)	_____	_____	_____	_____	_____
Capital purchases (l)	_____	_____	_____	_____	_____
Principal payments (m)	_____	_____	_____	_____	_____
Total cash outflows (n) = (i+j+k+l+m)	_____	_____	_____	_____	_____
Net cash flow (f-n)	_____	_____	_____	_____	_____
Cumulative net cash flow (current year + previous years)	_____	_____	_____	_____	_____