

### Monthly Cash Flow Plan Executive Summary

#### Projected Cash Flow Summary

Total operating inflow		141,760
Total operating outflow	(-)	83,205
Capital purchases	(-)	26,400
Capital sales	(+)	26,400
New credit	(+)	-
Loan payments	(-)	25,764
<b>Net cash flow</b>	<b>(=)</b>	<b>32,791</b>
Beginning cash balance	(+)	2,897
Operating loan borrowings	(+)	-
Operating loan principal payments	(-)	-
Ending cash balance	(=)	35,688

Beginning operating loan balance	-
Peak operating loan balance (Jan)	-
Ending operating loan balance	-

#### Projected Change in Working Capital

Change in cash		32,791
Change in current inventories	(+)	3,509
Change in princ due on term loans	(-)	626
Estimated change in working capital	(=)	35,674

#### Projected Income Statement

Gross cash farm income		116,760
Inventory change - income items	(+)	3,136
Gross revenue	(=)	119,896
Cash farm operating expense		58,205
Interest expense	(+)	1,887
Depreciation	(+)	1,863
Inventory change - expense items	(+)	-373
Total farm expense	(=)	61,582
Net farm income		58,314

#### Projected Earned Net Worth Change

Net farm income		58,314
Personal income	(+)	25,000
Family living expense	(-)	25,000
Income taxes accrued	(-)	-
Personal loan interest expense	(-)	2,677
Personal asset depreciation	(-)	630
Earned net worth change	(=)	55,007

#### Term Debt Coverage

		Farm	Personal and Farm
Net farm income from operations		58,314	58,314
Depreciation	(+)	1,863	1,863
Personal income	(+)	25,000	25,000
Family living expense	(-)	25,000	25,000
Principal payments on personal debt	(-)	3,833	-
Income taxes accrued	(-)	-	-
Interest on term debt	(+)	1,514	4,191
Capital debt repayment capacity	(=)	57,858	64,368
Term debt payments		19,200	25,764
Capital debt repayment margin		38,658	38,604
Term debt coverage ratio		3.01	2.50

#### Financial Standards Measures

	Beginning	Ending
<b>Liquidity</b>		
Current ratio	1.2	3.2
Working capital	2,924	38,598
Working capital to gross revenue	2.4 %	32.2 %
<b>Solvency (market)</b>		
Debt to asset ratio	62.3 %	44.9 %
Debt to equity ratio	1.7	0.8
<b>Profitability (market)</b>		
Net farm income		58,314
Rate of return on assets		28.9 %
Rate of return on equity		59.9 %
Operating profit margin		54.1 %
EBITDA		61,691
<b>Repayment Capacity</b>		
Term debt coverage ratio (farm)		3.01
Replacement margin coverage ratio		3.01
<b>Efficiency</b>		
Asset turnover rate (market)		53.5
Operating expense ratio		48.5 %
Depreciation ratio		1.6 %
Interest expense ratio		1.3 %
Net farm income ratio		48.6 %
<b>Other</b>		
Term debt coverage (farm+personal)		2.50
Term debt to EBITDA		1.63

#### Shocks to Farm Term Debt Coverage Ratio

10% decrease in gross income	2.39
10% increase in operating expenses	2.71
3% increase in interest rates	2.58

	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Total</i>
<b>CASH INFLOWS</b>													
Beg cash bal	2897	3285	6808	10013	14863	19714	22538	24450	27353	30257	33161	34645	2897
Milk	9147	9147	9147	9147	9147	9147	9147	9147	9147	9147	9147	9147	109760
Cull stock	-	-	-	-	-	-	-	-	-	-	-	0	0
Misc. Ivstk													
Bull Calves	-	1750	1750	1750	1750	-	-	-	-	-	-	-	7000
Other pers.	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	25000
Total inflow	14127	16265	19788	22993	27843	30944	33768	35680	38583	41487	44391	45875	144657
<b>CASH OUTFLOWS</b>													
Seed	-	-	-	-	-	-	-	-	-	-	420	-	420
C. Cust hire	1724	1328	797	-	-	-	-	-	-	-	-	1858	5706
Pur. Corn	-	-	-	-	-	160	199	199	199	199	199	199	1357
Purch. feed	656	656	656	656	656	656	656	656	656	656	656	656	7874
Veterinary	102	102	102	102	102	102	102	102	102	102	102	102	1225
Supplies	233	233	233	233	233	233	233	233	233	233	233	233	2799
Hauling	262	262	262	262	262	262	262	262	262	262	262	262	3149
L. Marketing	9	12	12	12	12	9	9	9	9	9	9	12	123
Fuel & oil	142	142	142	142	142	142	142	142	142	142	142	142	1700
Repairs	250	250	250	250	250	250	250	250	250	250	250	250	3000
Cust hire													
Manure Haul	-	-	-	-	-	-	-	-	-	-	1000	-	1000
Labor	450	450	450	450	450	450	450	450	450	450	450	450	5400
Land rent	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000
Farm insur.													
Vehicle	-	-	-	-	-	120	-	-	-	-	-	-	120
Dairy	992	-	-	-	-	-	992	-	-	-	-	-	1984
Total	992	-	-	-	-	120	992	-	-	-	-	-	2104
Utilities	542	542	542	542	542	542	542	542	542	542	542	542	6500
Org certific	-	-	850	-	-	-	-	-	-	-	-	-	850
Misc.													
Supplies	133	133	133	133	133	133	133	133	133	133	133	133	1600
Education	50	50	50	50	50	50	50	50	50	50	50	50	600
Misc.	67	67	67	67	67	67	67	67	67	67	67	67	800
Total	250	250	250	250	250	250	250	250	250	250	250	250	3000
Living/Draw	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	2083	25000
Min end bal	-	-	-	-	-	-	-	-	-	-	-	-	-
Tot. outflow	8695	7310	7629	5982	5982	6260	7171	6179	6179	6179	7599	8040	83205
Opr. surplus	5432	8955	12160	17010	21861	24685	26597	29500	32404	35308	36792	37835	61452

	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>	<i>Total</i>
<b>CAPITAL PURCHASES</b>													
Tractor	-	-	10000	-	-	-	-	-	-	-	-	-	10000
Baler	-	-	3500	-	-	-	-	-	-	-	-	-	3500
Silo Unload	-	-	700	-	-	-	-	-	-	-	-	-	700
Generator	-	-	1800	-	-	-	-	-	-	-	-	-	1800
Manure Sprea	-	-	3000	-	-	-	-	-	-	-	-	-	3000
Plow	-	-	850	-	-	-	-	-	-	-	-	-	850
Misc.	-	-	6550	-	-	-	-	-	-	-	-	-	6550
Tot. cap pur	-	-	26400	-	-	-	-	-	-	-	-	-	26400
<b>CAPITAL SALES</b>													
FSA Funds	-	-	26400	-	-	-	-	-	-	-	-	-	26400
Tot cap sale	-	-	26400	-	-	-	-	-	-	-	-	-	26400
<b>LOAN PAYMENTS</b>													
FSA-Cows &..													
Prin pay	1092	1466	1468	1470	1471	1473	1475	1476	1478	1480	1481	1483	17313
Int. pay	508	134	132	130	129	127	125	124	122	120	119	117	1887
Total	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600	1600	19200
HB-Raymond..													
Prin pay	259	314	316	319	321	323	325	327	329	331	333	336	3833
Int. pay	288	233	231	228	226	224	222	220	218	216	214	211	2731
Total	547	547	547	547	547	547	547	547	547	547	547	547	6564
Tot loan pay	2147	2147	2147	2147	2147	2147	2147	2147	2147	2147	2147	2147	25764
<b>Surp. or def</b>	<b>3285</b>	<b>6808</b>	<b>10013</b>	<b>14863</b>	<b>19714</b>	<b>22538</b>	<b>24450</b>	<b>27353</b>	<b>30257</b>	<b>33161</b>	<b>34645</b>	<b>35688</b>	<b>35688</b>
<b>ANNUAL OPERATING LOAN TRANSACTIONS &amp; BALANCES</b>													
Beg AO bal	-	-	-	-	-	-	-	-	-	-	-	-	-
AO borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-
AO int. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
AO prin. pay	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>End AO bal.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Accrued int.	-	-	-	-	-	-	-	-	-	-	-	-	-
End cash bal	3285	6808	10013	14863	19714	22538	24450	27353	30257	33161	34645	35688	35688

**CROP & LIVESTOCK PRODUCTION**

Enterprise	Units	Production Per		Share	Operator Production
		Unit	Unit		
Hay, Mixed	60.0 Acres	2.50 ton	100	150 ton	
Barley, Organic, Feed	9.0 Acres	40.0 bu.	100	360 bu.	
Dairy	35.0 Cow	9800.0 lb.		343000 lb.	
Total crops	69 Acres				

**CROP & LIVESTOCK SUMMARY**

		Beg	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Corn equivalents															
Produced	bu.		288	-	-	-	-	-	-	-	-	-	-	-	288
Purchased	bu.		-	-	-	-	-	44	55	55	55	55	55	55	377
Price	\$/bu.		-	-	-	-	-	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Fed	bu.		55	55	55	55	55	55	55	55	55	55	55	55	665
Inventory	bu.	-	233	177	122	66	11	-	-	-	-	-	-	-	
Hay equivalents															
Produced	ton		38	38	23	-	-	-	-	-	-	-	-	53	150
Fed	ton		12	12	12	12	12	12	12	12	12	12	12	12	149
Inventory	ton	68	93	118	128	116	103	91	79	66	54	41	29	69	69
Oats, Organic															
Inventory	bu.	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Milk															
No. Cows			35	35	35	35	35	35	35	35	35	35	35	35	
Produced			28583	28583	28583	28583	28583	28583	28583	28583	28583	28583	28583	28583	343000
Price	\$/cwt.		32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00

**PROJECTED INVENTORY CHANGE**

Commodity	Begin Inventor	\$/Unit	Begin Value	Ending Inventory	\$/Unit	Ending Value	Change
Hay equivalents	68	146.81	9954	69	146.00	10090	136
Oats, Organic	200	3.75	750	200	3.75	750	0
Bull Calves	4	500.00	2000	0	0.00	0	-2000
Accounts receivable			4000			9000	5000
Hedging accounts			0			0	0
Other current assets			0			0	0
Total income items			16704			19840	3136
Prepaid expenses & supplies			1000			1000	0
Growing crops			0			0	0
Accounts payable		(End)	0		(Beg)	0	0
Accrued interest		(End)	0		(Beg)	373	373
Total expense items			1000			1373	373
Total inventories			17704			21213	3509

**TOTAL PLANNED INPUT QUANTITIES**

<i>Description</i>	<i>Unit</i>	<i>2015/16</i>
Cutting	cut	180

**BALANCE SHEETS**

	<b>6/22/2015</b>	<b>Projected 7/1/2016</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and checking	2,897	35,688
Prepaid exp. & suppl.	1,000	1,000
Accounts receivable	4,000	9,000
Crops		
Hay equivalents	9,954	10,090
Oats, Organic	750	750
Mkt lvst		
Bull Calves	2,000	-
Total current assets	20,601	56,528
<b>Intermediate Assets</b>		
Brdg lvst	104,250	104,250
Machinery	31,507	56,749
Titled vehicles	7,045	6,340
Other intermed.	26,400	-
Total intermediate assets	169,202	167,339
<b>Long Term Assets</b>		
Total long term assets	-	-
Total farm assets	189,803	223,867
Personal assets	186,800	186,170
Total assets	376,603	410,037
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued interest		
FSA-Cows & Equip	373	-
Prin due on term loans		
FSA-Cows & Equip	17,304	17,930
Total current liabilities	17,677	17,930
<b>Intermediate Liabilities</b>		
FSA-Cows & Equip	100,580	82,642
Total inter. liabilities	100,580	82,642
<b>Long Term Liabilities</b>		
Total long term liab.	-	-
Total farm liabilities	118,257	100,571
<b>Personal Liabilities</b>		
HB-Raymond Home	35,700	31,867
Accrued interest personal	54	-
Total personal liab.	35,754	31,867
Total liabilities	154,011	132,438

**BALANCE SHEETS (cont.)**

	<b>6/22/2015</b>	<b>Projected 7/1/2016</b>
Net worth	222,592	277,599
Net worth change		55,007
Total debt to asset ratio	40 %	32 %

***FINFLO NOTES -- 2015***

The New Building cost under Building Leases is the loan payment for the new barn. It is borrowing \$40,000 at 5.9% interest rate amortized over 10 years with monthly payments.



**Income Statement Trends**

Source	2011 FINAN	2012 FINAN	2015 Proj.
<b>Cash Farm Income</b>			
Corn	7,470	12,500	-
Soybeans	-	10,465	-
Corn, Organic	7,000	-	-
Meat Goats	3,100	-	-
Milk	-	-	109,760
Cull breeding livestock	-	-	0
Misc. livestock income	-	-	7,000
Crop government payments	2,515	1,233	-
CRP payments	-	1,172	-
Other government payments	8,681	4,042	-
Patronage dividends, cash	211	-	-
Other farm income	8,782	15,018	-
Contract livestock income	-	2,713	-
<b>Gross farm income (cash)</b>	<b>37,759</b>	<b>47,143</b>	<b>116,760</b>
<b>Cash Farm Expense</b>			
Seed	4,675	4,692	420
Crop chemicals	-	107	-
Crop insurance	621	288	-
Crop Custom hire	-	-	5,706
Feeder livestock purchase	517	23	-
Purchased feed	1,032	581	9,230
Veterinary	381	33	1,225
Livestock Marketing	-	-	123
Interest	66	712	1,887
Supplies	-	-	2,799
Fuel & oil	4,777	5,761	1,700
Repairs	13,115	9,750	3,000
Custom hire	-	1,866	1,000
Repair, buildings	-	1,190	-
Hired labor	-	-	5,400
Land rent	-	-	12,000
Real estate taxes	2,812	4,236	-
Farm insurance	121	624	2,104
Utilities	2,847	2,928	6,500
Hauling and trucking	-	-	3,149
Dues & professional fees	1,453	499	-
Organic certification	-	-	850
Miscellaneous	-	6,370	3,000
<b>Total cash farm expense</b>	<b>32,417</b>	<b>39,660</b>	<b>60,093</b>
<b>Net cash farm income</b>	<b>5,342</b>	<b>7,483</b>	<b>56,668</b>
<b>Inventory Changes</b>			
Accounts receivable	11,531	-13,531	5,000
Other current assets	120	-120	-
Crops and feed	1,557	30,042	136
Market livestock	5,550	-2,963	-2,000
Breeding livestock	-	-295	-
Accounts payable	-288	288	-
Accrued interest	-	-275	373

**Income Statement Trends**

	<b>2011</b>	<b>2012</b>	<b>2015</b>
<b>Total inventory change</b>	<b>18,470</b>	<b>13,147</b>	<b>3,509</b>
<b>Net operating profit</b>	<b>23,812</b>	<b>20,630</b>	<b>60,177</b>
<b>Depreciation</b>			
Machinery & equipment	-634	-988	-1,158
Titled vehicles	-	-605	-704
Buildings and improvements	-663	-826	-
<b>Total depreciation</b>	<b>-1,297</b>	<b>-2,420</b>	<b>-1,863</b>
<b>Net farm income from operations</b>	<b>22,515</b>	<b>18,210</b>	<b>58,314</b>
<b>Net farm income</b>	<b>22,515</b>	<b>18,210</b>	<b>58,314</b>

**Financial Trends**

	<b>2011</b>	<b>2012</b>	<b>2015</b>
Source	FINAN	FINAN	Proj.

**Income Statement**

Gross cash farm income	37,759	47,143	116,760
+ Inventory change (income items)	18,758	13,134	3,136
= Gross farm income (accrual)	56,517	60,277	119,896
Total cash farm expense	32,417	39,660	60,093
+ Depreciation	1,297	2,420	1,863
+ Inventory change (expense items)	288	-13	-373
= Total farm expense (accrual)	34,002	42,067	61,582
Net farm income from operations	22,515	18,210	58,314
<b>Net farm income</b>	<b>22,515</b>	<b>18,210</b>	<b>58,314</b>

**Profitability (market)**

Rate of return on assets	1.7 %	9.2 %	28.9 %
Rate of return on equity	1.8 %	9.6 %	59.9 %
Operating profit margin	28.8 %	157.4 %	54.1 %
Asset turnover rate	6.0 %	5.9 %	53.5 %

**Liquidity & Repayment**

Current ratio (farm only)	143.24	33.43	3.15
Working capital (farm only)	40,964	60,260	38,598
Working capital to gross revenue	72.5 %	100.0 %	32.2 %
Term debt coverage ratio	n/a	n/a	3.01
Replacement margin coverage ratio	6.90	4.93	3.01

**Efficiency Measures**

Operating expense ratio	57.8 %	64.1 %	48.5 %
Depreciation expense ratio	2.3 %	4.0 %	1.6 %
Interest expense ratio	0.1 %	1.6 %	1.3 %

**Solvency (market, exclude def liab)**

Farm assets	943,814	1,082,150	223,867
Farm liabilities	33,288	61,847	100,571
Total assets	943,814	1,082,150	410,037
Total liabilities	33,288	61,847	132,438
Net worth	910,526	1,020,303	277,599
Net worth change	25,756	102,964	55,007
Net worth change (%)	3 %	11 %	25 %
Farm debt to asset ratio	4 %	6 %	45 %
Total debt to asset ratio	4 %	6 %	32 %

**Other Information**

Personal income	1	-	25,000
Family living expense	-	-	25,000
Capital purchases	43,781	35,431	26,400
Capital sales	-	-	26,400