

Session #5: Putting It All Together

In this Session you will learn how to...

- Synthesize Profitability Information with Market Research to create a Production Plan
- Create a Cash Flow Forecast
- Understand the definition of Financing
- Understand the difference between Debt and Equity Financing

After this session, you should be able to create . . .

- Your Pro Forma Profit & Loss Projections and Narrative
- Your full Cash Flow Statement and Narrative
- Sources and Uses of Funds
- Your Pro Forma Balance Sheet and Narrative

Accompanying Readings

NxLevel Chapter 7; Chapter 8, pages 1-20

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| 9:00 - 10:00 AM | <p>Creating a Production Plan</p> <ul style="list-style-type: none"> ● Production Enterprise Budgets are like Blocks; Add the Blocks to Make a Production Plan ● Add the Blocks to Create a Profit & Loss Statement ● Match Production to Potential Sales ● Start with the Most Profitable Productions & Customers First ● Using the Production Plan to create a pro forma profit and loss statement ● Troubleshooting a Production Plan |
| 10:00 - 10:15 | Break |
| 10:15 - 11:00 | <p>Cash Flow Forecasting</p> <ul style="list-style-type: none"> ● Use Your Production Plan to create Your Cash Flow Forecast ● What to Do if Your Cash Flow Statement is Negative |
| 11:00 - 12:00 | <p>The Basics of Financing</p> <ul style="list-style-type: none"> ● What is Financing ● Why Might Your Farm Need Financing (different types of Capital) ● Types of Financing (Debt, Equity, Sweat, Gift, Etc.) ● When & How to Use Financing |

NxLevel™ Tilling the Soil of Opportunity
Wednesday, February 13, 2019 – Kennebec Valley Community College

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| | What Lenders Look For <ul style="list-style-type: none">• 5 C's of Credit• Debt to Equity Ratios• Debt Coverage Ratio |
| 12 - 12:30 | Lunch |
| 1:00 – 1:30 | Risk Management Panel. <i>Speakers TBD</i> |
| 1:30 – 3:00 | Group Activity: Production Planning and Cash Flow Forecasting for 3 Farms |

