

Construct a projected balance sheet for your business base plan and for each whole farm strategy alternative you are considering. Where possible, include itemized details under each asset and liability category. Then, calculate your overall change in wealth earned from farm and nonfarm income after adjusting for living expenses and partner withdrawals. You may want to use a computer software package, such as FINPACK (available from the Center for Farm Financial Management), to collect and process the information needed for your projected balance sheet.

Year: _____

	Base Plan	Strategy #1	Strategy #2
Assets			
Current Farm Assets			
Cash and checking balance	_____	_____	_____
Prepaid expenses & supplies	_____	_____	_____
Growing crops	_____	_____	_____
Accounts receivable	_____	_____	_____
Hedging accounts	_____	_____	_____
Crops and feed	_____	_____	_____
Crops under gov't loan	_____	_____	_____
Market livestock	_____	_____	_____
Other current assets	_____	_____	_____
Total current assets	(a) _____	_____	_____
Intermediate Farm Assets			
Breeding livestock	_____	_____	_____
Machinery and equipment	_____	_____	_____
Other intermediate assets	_____	_____	_____
Total intermediate assets	(b) _____	_____	_____
Long-term Farm Assets			
Farm land	_____	_____	_____
Buildings and improvements	_____	_____	_____
Other long-term assets	_____	_____	_____
Total long term assets	(c) _____	_____	_____
Total Farm Assets	(d) = (a + b + c) _____	_____	_____
Nonfarm Assets	(e) _____	_____	_____
Total Assets	(f) = (d + e) _____	_____	_____

CONTINUED

Year: _____

	Base Plan	Strategy #1	Strategy #2
Liabilities			
Current Farm Liabilities			
Accrued interest	_____	_____	_____
Accounts payable & accrued expense	_____	_____	_____
Current farm loans	_____	_____	_____
Principal on CCC loans	_____	_____	_____
Principal due on term loans	_____	_____	_____
Total Current Farm Liabilities	(g) _____	_____	_____
Intermediate Farm Liabilities	(h) _____	_____	_____
Long-term Farm Liabilities	(i) _____	_____	_____
Total Farm Liabilities	(j) = (g + h + i) _____	_____	_____
Nonfarm Liabilities	(k) _____	_____	_____
Total Liabilities	(l) = (j + k) _____	_____	_____
Net Worth	(m) = (f - l) _____	_____	_____
Earned Net Worth Change Per Year			
Net Farm Income (from Worksheet 4.33)	(n) _____	_____	_____
Nonfarm Income	(o) _____	_____	_____
Family Living/Partner Withdrawals	(p) _____	_____	_____
Income Taxes	(q) _____	_____	_____
Earned Net Worth Change	(r) = (n + o) - (p + q) _____	_____	_____

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