FINANCIAL ANALYSIS OF CUT FLOWERS/CUT FOLIAGE

Instructions for Financial Analysis of Cut Flowers  (Modify for use with individual operation)

Capital Investment
Select CapInv Spreadsheet
This spreadsheet contains a typical cost of purchasing equipment that can be used over several years.

The tan colored cells are variables that can be changed to reflect your particular situation. Additions to the construction or durable goods section can be made by inserting a line anywhere in the section and entering the appropriate information.

Enterprise Budget
Select EntBud spreadsheet
This spreadsheet allows you to select the size of the plot, number of plots, plant density and yield. If more than one plot is assumed, the program will include multiple plots.

Returns over cash and full costs as well as breakeven prices are shown at the bottom of the spreadsheet.

Cash Flow Analysis
Select CashFlow spreadsheet
Enter the price and cost inflation factors, the loan period in years and loan rate in % and the percentage of the capital investment you wish to finance.

The cash flow analysis assumes labor costs are performed by the family members and are not a cash cost to the business. Cash inflows are from personal investment, financing and sales. Cash outflows are production expenses, capital investment, finance costs, durable goods replacement, taxes and insurance and interest on additional operating capital.

Line 27 of the worksheet shows the ending cash balance for that year. Red numbers indicates shortfall of cash for that particular year.

All of the spreadsheets are interconnected. For example, changing yield or number of plots changes cash flow and profitability rather dramatically.

NOTE:
The grower will get his personal investment back in the year the ending cash balance is greater than the grower's initial investment.
Cut Flower Investment Co

<table>
<thead>
<tr>
<th>Construction</th>
<th>Cost</th>
<th>Life-Yrs</th>
<th>Depreciation</th>
<th>Interest*</th>
<th>Taxes &amp;**</th>
<th>Annualized</th>
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* Interest Rate 7%  
** Taxes and 1.5%

Cut Flowers Enterprise Budget/Plot

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### Cash Flow Analysis of Greenhouse Tomato Production in North Florida

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<th>Year1</th>
<th>Year2</th>
<th>Year3</th>
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<td>($2,848)</td>
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<td>Total Cash</td>
<td>$13,800</td>
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<td>$18,266</td>
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<td>($400)</td>
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<tr>
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<td>($400)</td>
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