Managing your Farm Cash Flow
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Profit (Income Statement) | Cash Flow
---|---
+Cash income | +Beginning cash balance
-Cash expenses | +Cash income
-Depreciation | -Cash expenses
= Profit | Capital sales

| Cash Flow | 
|---|---|
| +Beginning cash balance | +Cash income
| +Cash income | -Cash expenses
| Capital sales | -Capital purchases
| +Loans | -Loan principal payments
| -Non-business income | +Non-business income
| Withdrawals from business | -Withdrawals from business
| =Ending cash balance | (Checkbook balance)

Solving Cash Flow Problems
- Improve profitability
- Identify problems beforehand
- Change production plans
- Manage expenditures
- Improve marketing plans
- Lease or rent
- Reduce withdrawals
- Take an off-farm job
- Refinance
- Liquidate assets
- Maintain credit reserves
- Accept credit cards payments

Accepting Credit Card payments

Benefits
- Increase number of customers
- Increase quantity of sales per transaction
- Expedite transactions
- Automatic depositing of sales

Costs
- Gateway fee $5.00 - $20.00/month
- Statement fee $5.00 – 10.00/month
- Monthly minimum $15.00-25.00/month
- Discount rate 1.5%-2.5% of sales
- Transaction charges $0.05 – 0.25/transaction

www.creditcardprocessing.org