

RDFinancial

via RightRisk Analytics

RDFinancial is a risk analysis tool designed to help understand financial statements and how they interact to provide a measure of financial business position and performance. The primary purpose is to provide opportunities to discuss financial analysis in an easy to use and understand format. Online video and audio clips provide an overview of RDFinancial and several examples of how to use RDFinancial to illustrate financial management concepts. [Click here for the clips.](#)

RDFinancial is one of over 30 individual risk analysis tools developed by RightRisk and available free of charge at: RightRisk.org/analytics.

Introduction		Enter Data		Financial Statements		Ratios		Credit Scoring		Family Living, Revenues, Expenses	
Balance Sheet				Assets		Liabilities		Income Statement - Accrual Adj.			
	Beginning	Ending		Beginning	Ending						Income
Cash on Hand	25,000	19,520	Accounts Payable (Exp)	0	0	Cash Income (Net of Curr Risk sales)					\$54,721
Crops Held for Feed (Exp)	0	0	Accrued Interest (Exp)	28,759	25,304	Non-Cash Income Adjustments					0
Crops Held for Sale (Inc)	100,000	100,000	Current Principal	57,207	60,662	Non-Cash Income (Raised Brod Livsk)					17,500
Market Livestock (Inc)	0	0	Other Current Liability (Exp)	0	0	Capital Gain/Loss on Breeding Livsk (Net)					140
Other Current Assets (Inc)	0	0	Short Term Notes (Exp)	0	0	Gross Revenue					\$572,361
Invest Growing Crops (Exp)	0	0	Def. Tax on Current Assets	0	0	Expense					
Stocks & Bonds Exp. (Exp)	15,000	15,000	Operating Loan Carrying	0	0	Cash Expense (Excluding Interest)					425,848
Total Current Assets	140,000	134,000	Total Current Liab.	85,969	85,969	Non-Cash Feed Inventory Adjustment					0
Non-Current Assets			Non-Current Liabilities			Other Non-Cash Non-Interest Expense					0
Mach. & Equipment	600,000	570,000	Prn. on T.D. & C.L.	465,178	404,517	Depreciation (Land, Bldgs, Equip.)					65,500
Breeding Livestock	169,500	171,000	Def. Tax on Long Term Assets	0	0	Total Operating Expense					491,348
Real Estate (Land, Bldgs, Impr)	3,190,000	3,161,000	Total Business Liab.	551,144	490,483	Cash Int. Exp. - T.D. & C.L.					28,759
Total Business Assets	4,099,500	4,036,520	Business Net Worth	3,548,356	3,548,037	Cash Int. Exp. - Operating					8,027
			Change in Equity From Beginning to End of Year		(2,939)	Non-Cash Interest Expense					(3,456)
Cash Flow Statement				Inflows		Outflows		Statement of Owner Equity			
Cross Sales & Net Insurance Payments		445,050	Cash Expenses		No Interest						Accrual
Mkt & Cull Livestock Sales		168,703	Other Cash Business Outflows/Expense								Net Business Income From Operations
Livk Secondary Product Sales		0	Cash Int. Exp. - T.D. & C.L.		28,759						Net Business Income
Government Payments		18,668	Cash Int. Exp. - Operating		8,027						Income+SS+Def. Tax-Cash & Non-Cash
Other Cash Business Inflows/Income		0	Loan Prin. Payments - T.D. & C.L.		57,207						Net Income
Operating Loan Proceeds	70%	229,353	Breeding Livestock Asset Purchases		8,000						Beginning Net Worth (Cost/Mkt)
Loan Proceeds Capital Assets		0	Mach & Equip & Real Estate Purchase		0						Net Income
Non-Business Inflows/Revenue		0	Owner withdrawals		50,000						Non-Business Cash Inflows
Other Nonfarm Inflows		0	Cash Taxes Paid (Income & SS)		0						Owner Withdrawals (Cash)
Other Nonfarm Inflows		0	Other Cash Outflows (Not Expenses)		0						Asset Valuation Change/Cont./Distrib.
Total Cash Inflows		\$801,714	Subtotal		\$577,841						Calculated Ending Net Worth
* T.D. = Term Debt; C.L. = Capital Lease			Operating Loan Prin. Payments		\$229,353						Reported Ending Net Worth (Cost/Mkt)
			Total Cash Outflows		\$577,164						Discrepancy
			Annual Net Cash Flow (never = zero)		19,520						

Off/On	Profitability	<<<Accrual Basis Income Statement>>>	0.16	0.138
	Rate of Return on Business Assets			Ending
	Rate of Return on Business Equity			0.76%
	Operating Profit Margin Ratio			-0.07%
	Net Business Income			0.05
Off/On	Repayment Capacity			\$47,681
	Term Debt and Capital Lease Coverage Ratio			
	Capital Replacement and Term Debt Repayment Margin			1.07
Off/On	Financial Efficiency			\$5,975
	Asset Turnover Ratio			
	Operating Expense Ratio			0.14
	Depreciation Expense Ratio			0.74
	Interest Expense Ratio			0.11
	Net Farm Income From Operations Ratio			0.06
	Check Sum			0.08
				100.00%



How Much Risk is Right for You and Your Operation? RightRisk.org