

## Risk Navigator

STRATEGIC RISK MANAGEMENT

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www.RightRisk.org



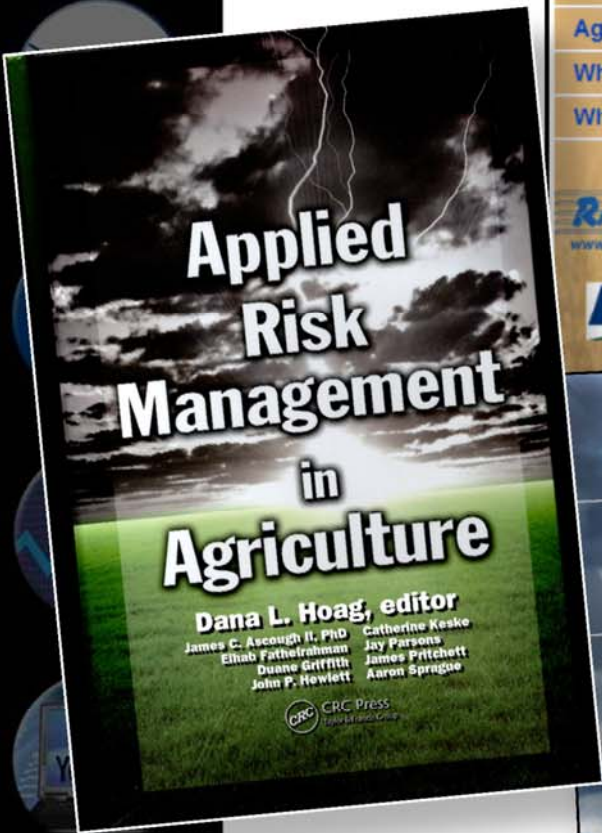
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Risk Navigator  
STRATEGIC RISK MANAGEMENT

### Toolbox

- Financial
- Management
- Planning
- Risk Analysis
- Ratio Analysis
- Tools Folder
- Install Flash Player
- Install Adobe Reader

Exit



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### Strategic Risk Management 101

- Getting Started
- Risk Management and the SRMP
- Your Financial Health
- Determining Your Risk Preference
- Setting Your Goals
- Prioritizing Your Risks
- Identify Risk Management Alternatives
- Risk Likelihood
- Choosing a Risk Management Plan
- Implementing, Monitoring, and Re-plan

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# Tools for Alternatives

- Risk Scenario Planner  
*relatively minor changes*
- Enterprise Budget  
*larger changes*
- Whole Farm Budget  
*substantial changes*

**RIGHT RISK™**  
Risk Scenario Planning

By:  
John P. Hewlett, University of Wyoming  
Dr. Jay Parsons, Colorado State University

UNIVERSITY OF WYOMING Colorado State University  
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EnterpriseRiskAnalyzer\_v1.06 - Microsoft Excel

**RIGHT RISK™**

**Enterprise Risk Analyzer**  
Version 1.06

Click Here to Begin

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RMA UNIVERSITY OF WYOMING Extension

Adobe Flash Player 9

Introduction Enter Data Financial Statements Ratios Credit Scoring **Family Living, Revenues, Expenses**

Balance Sheet		Assets		Liabilities		Income Statement - Accrual Adj.	
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Income
Cash on Hand	28,000	57,833	Accounts Payable (Exp)	12,540	11,890	Cash Income (Net of cul stock sales)	\$600,453
Crops Held for Feed (Exp)	0	0	Accrued Interest (Exp)	11,808	12,559	Non-Cash Income Adjustments	0
Crops Held for Sale (Inc)	200,000	200,000	Current Principal	11,808	10,000	Non-Cash Income (Praised Birds Livst)	0
Market Livestock (Inc)	15,000	15,000	Other Current Liability (Exp)	10,000	10,000	Capital Gain/Loss on Breeding Livst (Net)	0
Other Current Assets (Inc)	15,000	15,000	Short Term Notes (Exp)	0	0	<b>Gross Revenue</b>	<b>\$600,453</b>
Invest Growing Crops (Exp)	10,000	10,000	Chf. Tax on Current Assets	0	0	Cash Expense (Excluding Interest)	444,913
Feed & Preaid Exp. (Exp)	10,000	10,000	Operating Loan Carrying	0	0	Non-Cash Feed Inventory Adjustment	0
Total Current Assets	250,000	297,833	Total Current Liab.	34,448	34,448	Other Non-Cash Non-Interest Expense	0
Non-Current Assets	0	0	Non-Current Liabilities	0	0	Depreciation (Land, Bldgs, Equip.)	34,500
Mach. & Equipment	325,000	292,500	Prin. on T.D. & C.L.	255,399	242,840	<b>Total Operating Expense</b>	<b>479,413</b>
Breeding Livestock	0	0	Chf. Tax on Long Term Assets	0	0	Cash Int. Exp. - T.D. & C.L.	12,540
Real Estate (Land, Bldgs, Impr)	1,040,000	1,076,000	Total Business Liab.	289,847	277,288	Cash Int. Exp. - Operating	7,261
Total Business Assets	1,815,000	1,813,333	<b>Business Net Worth</b>	<b>1,325,153</b>	<b>1,326,043</b>	Non-Cash Interest Expense	(651)
			Change in Equity From Beginning to End of Year			<b>Total Expense</b>	<b>\$498,967</b>
						Net Business Income From Operations	110,890
						Net Business Income	110,890
						Income +/- Chf. Tax - Cash & Non-Cash	0
						<b>Net Business Income</b>	<b>\$110,890</b>

Cash Flow Statement

Inflows		Outflows	
Crop Sales & Net Insurance Payments	579,600	Cash Expenses	444,913
M&E & Cul Livestock Sales	0	Other Cash Business Outflows/Expense	0
Livk-Secondary Product Sales	29,845	Cash Int. Exp. - T.D. & C.L.	12,540
Government Payments	29,845	Cash Int. Exp. - Operating	7,261
Other Cash business Inflows/Income	0	Loan Prin. Payments - T.D. & C.L.	11,808
Operating Loan Proceeds	80%	Breeding Livestock Asset Purchases	0
Loan Proceeds Capital Assets	207,457	Mach & Equip & Real Estate Purchase	0
Non-Business Inflows/Revenue	0	Owner Withdrawals	100,000
Other Nonfarm Inflows	0	Cash Taxes Paid (Income & S&S)	0
Other Nonfarm Inflows	0	Other Cash Outflows (Not Expenses)	0
<b>Total Cash Inflows</b>	<b>\$816,910</b>	<b>Subtotal</b>	<b>\$576,622</b>
		Operating Loan Prin. Payments	\$207,457
		<b>Total Cash Outflows</b>	<b>\$784,079</b>
		<b>Annual Net Cash Flow (never &lt; zero)</b>	<b>\$7,831</b>

Statement of Owner's Equity

Beginning		Ending	
Beginning Net Worth (CostMkt)	1,325,153	Net Income	110,890
Net Income	110,890	Non-Business Cash Inflows	0
Non-Business Cash Inflows	0	Owner Withdrawals (Cash)	(100,000)
Owner Withdrawals (Cash)	(100,000)	Asset Valuation Change/Cost/Contrib.	0
Asset Valuation Change/Cost/Contrib.	0	Calculated Ending Net Worth	1,326,043
Calculated Ending Net Worth	1,326,043	Reported Ending Net Worth (CostMkt)	1,326,043
Reported Ending Net Worth (CostMkt)	1,326,043	Discrepancy	(\$0)

Mouse Over for Help

Owner Withdrawals \$100,000 Percent Crop Revenue 100% Percent Crop Cost of Production 100%

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