

Doing Multiple Year Projections

The Agricultural Business Analyzer (ABA) program is designed to do projections for one year, starting with an opening date, and ending with a closing date, one year later. Occasionally, however, projections covering a time span of more than one year are required. While this cannot be done on one ABA document, multi-year projections can be completed by using two or more ABA documents in sequence to cover the projection period being considered.

In doing multi-year projections, the most important thing to remember is that assets, debts, and net worth at the end of a preceding time period must be the same as the opening statement of assets and debt for the subsequent period.

The following process is suggested for creating a series of multi-year ABA statements:

1. Create and complete the ABA document for the first year, starting with the opening statement of assets and debts, then entering projected activities, and cash flows for that year. From that information, ABA will then be able to create a closing statement of assets and debts, which will be shown on the NW SUM page.
2. Save the first statement, then save again as the statement for the second year. Change the dates then, to the opening and closing dates for the second year, and adjust the detail on the opening assets and debts to match those on the closing net worth statement from the Year 1 statement.
3. Enter the projected activities and cash flows for the Year 2 statement.
4. Complete the next and any subsequent year ABA documents following the same process.

If, after creation of the series of ABA documents, any changes are made to preceding documents, the assets and debts on subsequent statements will need to be adjusted so the opening statement of assets and debts on a subsequent document will match the ending statement on a preceding document. Those statements are not linked, so the changes to subsequent statements will not happen automatically.

It is important to note too, that this is NOT when you will use the Macro function using the Year End Macro button on the Title page. The main purpose of that function is to move historical information (past year end asset and debt, and past income and expense detail) over one year at the end of a projected year, so the most recent information can be added when that year has ended. When multi-year projections are created, there is no need to move that past information over one column, as the multiple year information is all created at the same time, and there is no additional historic information to add after the statements for the year are finished.