

The Complete Guide to

Farm Funds

(Version 11.0 and higher for Microsoft® Windows® Operating Systems)

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Chapter 1 - Welcome to Farm Funds



Farm Funds, is the only farm accounting program on the market that fully integrates with crop record-keeping (Farm Trac), herd management records (Farm Stock), and layering for application records (Farm Site). This allows you to know exactly how profitable each enterprise really is on your farm, while still maintaining the records you need for tax purposes.

The Farm Funds program:



Is Made for Both Farmers & Accountants – The certified public accountants and professionals software programmers at Farm Works Software® created Farm Funds to meet the needs of both accountants and farmers. Whether you are a farmer who is new to accounting or an accountant or co-op manager who needs the perfect program to meet the needs of your customers, Farm Funds is just right for you!



Is Useful for Both Family & Farm – Farm Funds gives you the convenience of using one program to keep track of all the income & expenses for both your family living and family farm. The software program also keeps your family living and agricultural business accounting records separate.



Provides Both Cash & Accrual Accounting – Farm Funds gives you the freedom to enter financial information for both cash and accrual accounting records for your farming enterprise and family.



Makes Budgeting a Breeze – area allows preparation of budgeted cash flows with easy-to-read reports.



Has a Complete Check-Recording System – The software includes an interactive check register, which you may use to reconcile your checkbook and even print checks and other reports.



Assists with Tax Preparation – The program assists you in printing helpful reports to simplify the preparation of Federal, and tax returns for most states.



Integrates with Farm Trac+ – Farm Funds integrates with the Farm Work Software record-keeping program Farm Trac+ to provide accurate enterprising of fields, livestock groups, equipment, structures and personnel. The program automatically enters information in Farm Trac+ when you record the purchase or sale of supplies or livestock.



Is Compatible with Farm Stock – The program also automatically enters information in the Farm Works Software livestock management program Farm Stock, such as the sale and purchase of livestock, or feed.



Prints Easy-to-Understand Reports – With Farm Funds you can print comprehensive reports of for each field, herd or item of equipment, as well as invoices, 1099s, W-2s, payroll checks, personal checks, checkbook registers, and many financial reports you, your cooperative, your customers, your employees, or government entities require.



Is Simple to Customize – Farm Funds keeps separate accounts for each kind of financial record you want. The program makes it easy for you to change existing accounts or create completely new ones to suit the individual needs of your agricultural business and family financial records.



Automatically Determines Profitability – Farm Funds automatically calculates and displays a summary of the net worth of each field or herd of animals you own.



Accurately Tracks Inventories – Farm Funds keeps your supplies up to date, based on purchases and usage, so you can know the exactly how much you have of any supply at any time.



Shows All Equipment Costs – The software keeps detailed cost records for all of your agricultural equipment, machines and vehicles.



Routinely Tracks Depreciation – With Farm Funds you always know the current value of all of your equipment, machines, structures, and livestock.



Prints Market Values at a Glance – You can use Farm Funds to print and save complete market value balance sheets to help you make informed business decisions.



Provides a Complete Payroll System – The software application calculates federal, FICA, and most state withholdings for you.



Records Animal Weights & Feedings – The program calculates feed conversion and cost per pound gained for each group of livestock animals for you.



Requires No Monthly Closings & Year-End – The year-end closing of your financial records are easy with Farm Funds, and reports can be printed or saved at any time for any previous or current financial periods. However, the program assists you in quickly closing out a year if you choose to do so.

Chapter 2 - About Farm Works Software



Farm Works Software is located at CTN Data Service, Inc. in Hamilton, Indiana.

Farm Works Software® is the creator of farm management programs used by today's farmers. Norman Teegardin, the president of CTN Data Service, Inc., founded the company in the summer of 1992. Once a farmer himself, Teegardin knows how time consuming and boring record keeping can be. The object of Farm Works Software is to create a comprehensive farm management system, while keeping it simple and fun! Farmers have long respected CTN Data Service, Inc. for serving the computer needs of grain elevators and co-ops throughout the Midwest. Since 1992, they have trusted Farm Works Software, a division of CTN Data Service, to meet their software needs.

Software Modules Offered by Farm Works Software

Farm Works Software offers a complete suite of farm management programs to meet a wide range of needs for the today's producer. The programs work seamlessly together, each adding features to the software suite. Our software is designed to help you, the modern farmer, operate your farm efficiently and with greater profitability. The software does the hard work, so you do not have to work as hard!

Farm Works Office Software Modules

The Farm Works office software (Farm Trac+, Farm Funds, Farm Stock, Farm Site, and Site Pro) is programmed for IBM PC-compatible personal computers with Microsoft Windows 98 (or later) operating systems. Here is what these software modules offer you:



Farm Trac+ — It is the next generation in crop record keeping software. Farm Trac+ is a mapping and field documentation application designed with today's cultivator in mind. This software enables you to draw and virtually farm your fields, automatically keep records of field history and chemical usage, apply direct costs to each field, and plan future farming operations. We know you will find Farm Trac+ to be a real plus when it comes to keeping track of your farm!



Farm Stock – This software offers something for every livestock manager, no matter how small or large the enterprise. Farm Stock enables you to keep precise records of mating, births, genealogies, weights, and more. The program automatically reminds you of important events, such as dates to give vaccinations. It makes it easy to keep track of every animal, and even gives you the option of adding a digital photo of each one! Farm Stock also makes it easy to print comprehensive reports of any livestock data you need.



Farm Site — This program adds global positioning system (GPS) referenced mapping of your farm to enhance Farm Trac+. Farm Site supports a limitless number of virtual mapping layers that represent everything from soil tests and soil types, to last year's field maps and next year's planting intentions. It is the perfect way to see at a glance the current state of your farming operation, and visually plan your future endeavors! Farm Site reads information from all major yield monitors, and Farm Works Software is committed to supporting the widest possible range of yield monitor data.



Site Pro — Made specifically for crop consultants, co-op managers, seed representatives and other professionals, Site Pro gives you the features of Farm Trac+ and Farm Site for an unlimited number of your customers. With Site Pro, you may have all of your clients' virtual layers of mapping data readily available. You also get the U.S. Geological Survey Roads and Waterways compact disc, which has the roads and watercourses for all of your customers.

Farm Works Mate Software Modules

The Farm Works Mate programs (Stock Mate, Trac Mate, Site Mate and Guide Mate) are designed for handheld computing devices with the Windows CE, Pocket PC, or Windows Mobile 2003 operating system. You may also install them on notebooks, laptops and tablet PCs with the Windows 98 (or later) operating system.



Farm Stock Mate — This software application takes the pain out of entering records when you return to the office. With Farm Stock Mate, all you have to do is take your handheld device with you to the barn or pasture and enter records on the fly. Just save the information to your desktop computer that is running the Farm Stock program when you get back to the office. Farm Stock Mate makes it that simple!



Farm Trac Mate — The perfect companion to Farm Trac+, Farm Trac Mate integrates with Farm Trac+ to provide exact field record keeping. Farm Trac Mate lets you enter field data when it is convenient for you—while you are still in the field! It takes the hassle out of keeping records to give you more time on the farm and less time in the office.



Farm Site Mate — This software gives you the power of Farm Site in the palm of your hand! Farm Site Mate lets you use a handheld computing device and a GPS receiver to get site-specific mapping, scouting and soil sampling while you are in the field. You may then save the data to your personal computer running Farm Site when you return home. Farm Site Mate also works with most variable rate controllers to assure that you have precise application of your product.
















Guide Mate — The guidance module of Farm Site Mate adds an on-screen light-bar to keep you on an almost perfectly straight path. Guide Mate is the first product to provide an affordable guidance solution that works on industry standard handheld devices. Raven Industries, which has a proven record of accomplishment of years of experience with GPS guidance technology, developed the software. The Guide Mate light-bar is easy to follow, and the software integrates fully with Farm Site Mate so you may quickly access maps of your field while you are planting, spraying, or harvesting.

Chapter 3 - Using This Guide



Farm Works Software has designed this user guide for both the beginner who has never used Farm Funds and the experienced user who needs a comprehensive guide to the program. If you are a veteran Farm Funds user, you should find this guide valuable as a reference source, and may frequently use the Index to locate the specific information you need. If you are new to the program, you may get the most out of this guide by reading the chapters in succession, and following the instructions to enter the financial information for your farm as you read along. If you are learning how to use Farm Funds but feel confident enough to begin utilizing the program without first reading this guide, you should at least complete the initial setup before you start entering your financial information (see chapter six).

Here is a summary of the subsequent chapters:

-  **Chapter 4 (Starting Farm Funds)** — Shows you how to start the program for the first time and create a new farm project.
-  **Chapter 5 (Quick Tour of Farm Funds)** — Familiarizes you with Farm Funds and takes you through a short excursion of the layout of the program, and briefly describes its basic features.
-  **Chapter 6 (Getting Started)** — Explains either how to complete a partial, or a full, initial setup of the program so you may begin entering the financial information for your farm.
-  **Chapter 7 (Payments & Purchases)** — Describes how to enter payments and purchases using checks, credit cards, petty cash, and hedging accounts (that is, margin calls), and how to print checks and payment reports.
-  **Chapter 8 (Income, Sales & Deposits)** — Covers how to record income from sales, and make deposits to bank and cash accounts, and how to print sales reports and invoice statements.
-  **Chapter 9 (Cash Account Maintenance)** — Continues the instructions on creating and modifying cash accounts.
-  **Chapter 10 (Inventory Maintenance)** — Gives details on how to make additions and changes to your supply inventory.
-  **Chapter 11 (Payroll)** — Goes over setting up and using payroll, and printing W-2s, payroll and other reports.
-  **Chapter 12 (Budget & Market Value)** — Discusses ways to set up a budget and to enter market value information.
-  **Chapter 13 (General Ledger)** — Instructs you in the use of the Farm Funds general ledger.
-  **Chapter 14 (Farming & Enterprises)** — Points out how to record various farming and enterprise information.
-  **Chapter 15 (Depreciation & Year End)** — Finishes with instructions on how to keep track of depreciation and close out a year-end financial record.
-  **Chapter 16 (Support Options)** — Lists the free support options available to you, and explains how to sign up for premium phone support for a reasonable price.

Throughout this user guide, you will see various sidebars. Each sidebar has helpful information pertaining to the topics on the same page. The icon in the upper left-hand corner of each sidebar denotes its content:



Ask Your Accountant ... These sidebars recommend questions you should consider asking your accountant or other financial advisor before entering information in Farm Funds.



CAUTION ... These give warnings regarding the topics on the pages. It is important to read these.



FAQ ... These offer answers to questions Farm Stock software users often ask.



FYI ... These point out information regarding how Farm Funds works, such as automatic entries made by the program, and how the information you enter will affect other records within the program, and other programs in your Farm Works Software office suite.



On the CD ... These point to additional topics found on your Farm Works Software compact disc.



On the Web ... These suggest links to our Web site, and other Web sites, that you might visit to read additional facts related to the topics on the pages.



See Also ... These sidebars refer you to helpful information elsewhere in this user guide, or in other user guides available from Farm Works Software.



Tip ... These sidebars give helpful hints about how to use Farm Funds.


Chapter 4 - Starting Farm Funds



You may start your new Farm Funds software application the same way you start other programs within a Microsoft Windows operating system—by way of the Windows Start menu.




Click **Start**, point to **Programs** (or **All Programs** in Windows XP), point to **Farm Works Software**, and click **Farm Works**.


 **FYI ...** If you have not already installed the Farm Funds and the other Farm Works Software office suite programs, and would like instructions on how to do so, please read the *Farm Works Quick Start Guide* that accompanied your Farm Works Software installation CD.

Another way to start Farm Funds is to double-click the **Farm Works** icon on the Windows desktop.

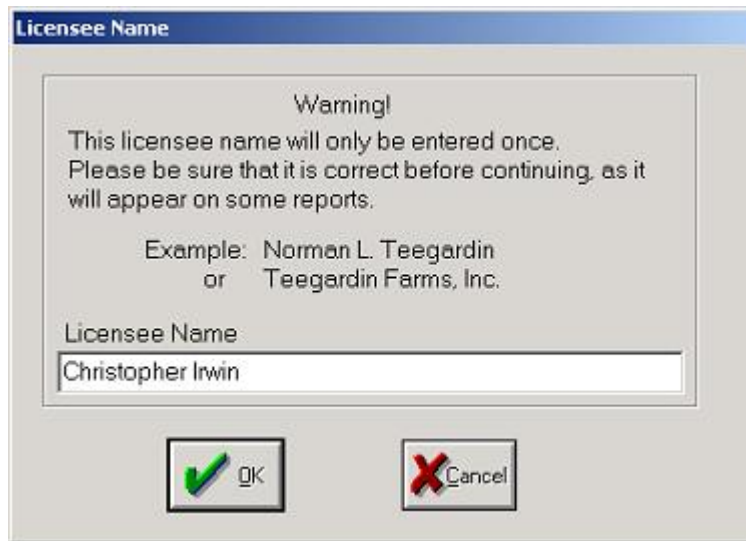


 **FAQ ... Q.** "Is there a way I can change the icon on my desktop?"


A. Sure! Farm Funds gives you several icon pictures from which to choose. Change the picture by right-clicking the **Farm Works** icon, which is located on the Windows desktop, and clicking **Properties**. In the **Farm Works Properties** dialog box, click the **Icon** tab and click **Change Icon**. The **Change Icon** dialog box appears. Click the new icon you want and click **OK**. Back in the **Farm Works Properties** dialog box, click **Apply** and click **OK**. The desktop icon is now changed!




Entering Your Licensee Name & Registration Numbers



If this is the first time you have used the software, the **Licensee Name** dialog box appears. Before you may begin using Farm Funds, you must type your licensee name in the **Licensee Name** box and click **OK**. You are only required to enter the licensee name once. After that, the program remembers the name and does not ask you to provide it again.

 **FYI ...** For more information on the licensee name and registering the software read the *Farm Works Software Quick Start Guide* that accompanied your Farm Works Software CD.

After you enter your licensee name, the software prompts you to register your new Farm Funds program. Registering the software is important, as you will not have full use of all of the features of the program until you register. You will only have to register once, unless you reinstall the software.




 **Tip ...** Do not worry if you later decide to change your personal information. You may change this in Farm Funds by clicking **File**, pointing to **Preferences**, and clicking **User Info**. This opens the **User Info** dialog box where you may enter your new personal information and click **OK**.

Creating & Opening a Farm Project

If you have installed other Farm Works Software office programs besides Farm Funds (such as Farm Site or Farm Trac+) you must let the software know what project Farm Funds should open. Do this via the **Project Selection** dialog box that comes into view.



Use the Project Selection Dialog Box to:

-  **Choose a Project** – By highlighting the project name in the list and clicking **OK**.
-  **Restore a Project Backup** – Reinstates a copy of a project previously saved to a CD, floppy disk, hard drive, or other media by clicking **Restore Project**.
-  **Create a New Project** – By clicking **New Project**.



CAUTION ... We strongly recommend you make a backup copy of your project frequently (at least once a week), as this might be the only way to protect your vital financial information should your desktop computer suffer a hardware failure or become infected by a computer virus. Farm Funds saves the backup to your desktop computer's hard drive, but you can save the backup to a removable medium, such as a CD if you have a CD burning software and a CD-RW drive, for example.

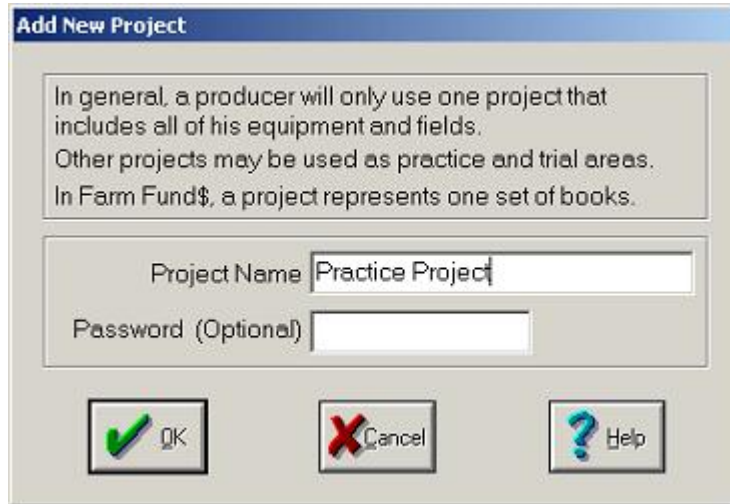


On the Web ... For more information on creating and restoring backups of your farm projects, check out these links at the FAQ Web page of the Farm Works Software Web site:
www.farmworks.com/support/make_backup/index.html
www.farmworks.com/support/backup/index.html

Adding a New Project

If this is the first time you have used Farm Works software, you will not see any projects listed in the **Project Selection** dialog box. To create a new project, follow these instructions:

1. In the **Project Selection** dialog box, click **New Project** to open the **Add New Project** dialog box.

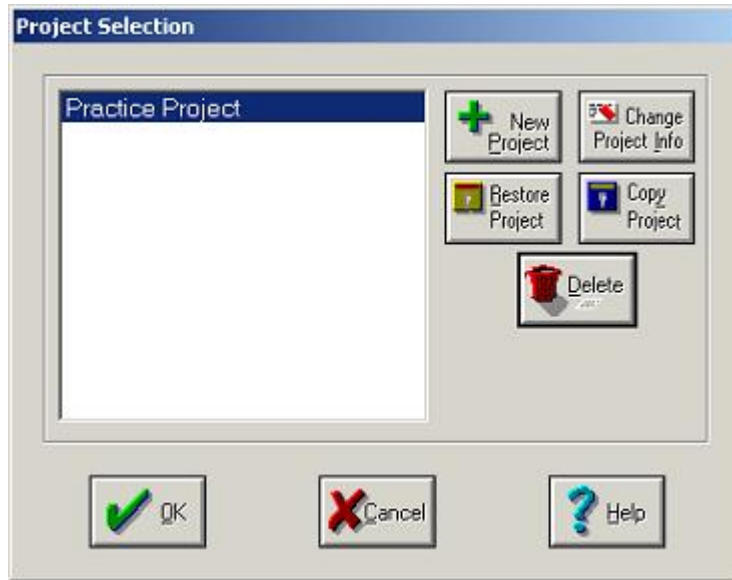


2. In the **Add New Project** dialog box, type the name of your new project (for example, you might type "Practice Project") in the **Project Name** box. You may also type an optional password in the **Password** box, however a password is not required.

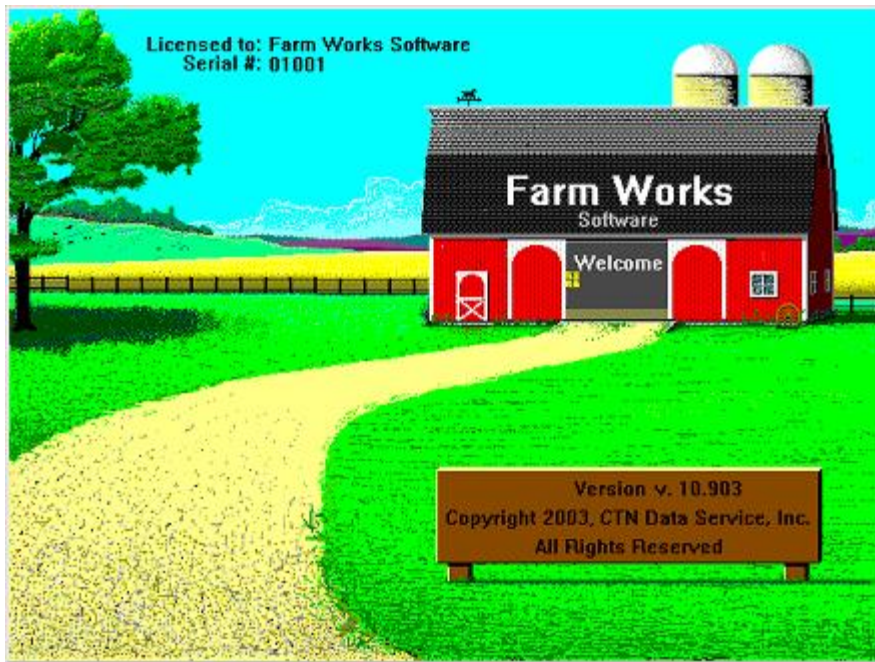


CAUTION ... Using password protection can keep prying eyes from viewing your project, but be careful: If you forget your password, it will also keep *you* from viewing your project! Should you decide to use this security feature, make sure the password you enter is one you will remember, yet one that is not easy for others to guess. If you cannot recall your password, please call the Farm Works Software technical support team at (800) 225-2848.

3. After you enter the name of your new project in the **Add New Project** dialog box, click **OK** to return to the **Project Selection** dialog box.



4. The **Project Selection** dialog box displays the name of your project. To open Farm Funds make sure you have highlighted the correct project name and click **OK**.



5. The barn doors of the Farm Works Software splash screen open wide and welcome you to begin using the program.

In the next chapter, you will take a quick tour inside your new Farm Funds program.



On the Web ... To find out more about the Farm Trac+, Farm Stock and Farm Site programs for desktop computers, and the Farm Works Mate programs for Pocket PCs, visit the Farm Works Software Web site at www.farmworks.com/products, or call to speak to one of the friendly and knowledgeable sales team members at (800) 225-2848.





Chapter 5 - Quick Tour of Farm Funds



If you are new to using computer software, this chapter should familiarize you with the features of Farm Funds, and give you a brief overview of the program. The features of the program that this chapter describes include menus, toolbars and dialog boxes. In addition, there are descriptions of the various types of menus, buttons, boxes and lists, which you may use to display, delete, enter, edit, and print financial information for your farming enterprise.

Farm Funds Menus

Farm Funds offers three types of menus—drop-down menus, submenus, and context menus (also called right-click menus). You can use the menus to:

-  **Take Immediate Action** – Such as bringing the maps of your farm into view by right-clicking a layer name in the Layer Management area of the program and clicking **Zoom Layer** on the menu.
-  **Display Submenus** – Pointing to some menu items opens a submenu. For instance, when you click **Accounting** and point to **General Ledger** the program displays a submenu. Pointing to **Cash Reports** in this submenu opens a second submenu where you may click **Balance Sheet** to view and print a balance sheet.
-  **Change Program Settings** – An illustration is when you enable the rectangle-drawing tool by clicking **Mapping** and then clicking **Rectangle**. When you click this type of menu item, a check mark appears next to it to indicate you have selected it. To disable the rectangle-drawing tool, you can click **Rectangle** once more.
-  **Open Dialog Boxes** – For example, you can open the Reconcile Account dialog box, which you may use to balance your checking account. You open the dialog box by clicking **Accounting**, pointing to **Cash Account Maintenance**, and clicking **Checkbook Reconciliation**. Most menu items you click open a dialog box.

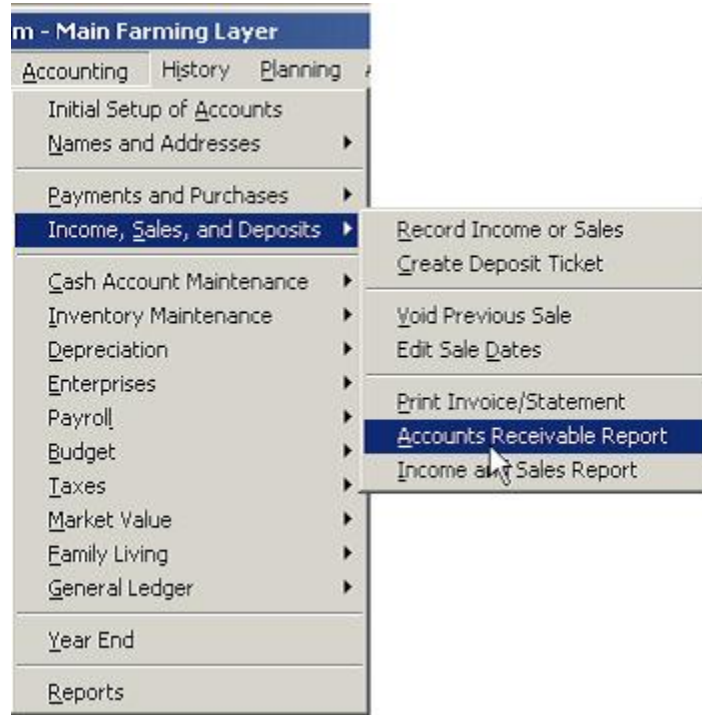


See Also ... The sections of this chapter that follow provide detailed descriptions of the menus and submenus.



Tip ... Sometimes menu commands appear dimmed and Farm Funds does not perform any action when you try to click them. The program displays these items with a lighter color than the other items on the menu, to indicate they are currently unavailable. (For example, if you have not installed a printer to your computer, the print option will appear dimmed.)

Menus & Submenus



The Farm Funds menu bar contains several menus that appear when you click on the name of the menu in the menu bar. These menus, in turn, contain submenus. The menus and submenus include commands you may select to take some action, or to open a dialog box. For example, clicking **Accounting** on the menu bar causes the **Accounting** menu to appear. Pointing at **Income, Sales and Deposits** in the menu displays a submenu, and clicking **Accounts Receivable Report** in this submenu opens the Preview window, which you may use to print the report.

Shortcut (or Right-click) Menus




Other menus available in Farm Funds are shortcut menus (also called right-click or context menus) which appear when you right-click on an item, such as a transaction in the **General Ledger** dialog box or an icon on the **Main Farming Layer** map. Choices on these menus are associated with the currently selected item. For example, if you right-click on a custom-hire field, the **Custom Hire Fields** shortcut menu appears. You may then click a menu command, such as **Enterprise Statement** to display the **Enterprise Statement** dialog box that you might use to print a report.

The items in a shortcut menu change depending on the icon, or other item, you right-click. For example, right-clicking a livestock icon lets you select a feed option, but right-clicking a tractor icon lets you select a fuel option.

Farm Funds Toolbars



Many Farm Funds toolbars display toolbar buttons you may select to open a dialog box, or complete some other action. For example, to display the **Payroll** toolbar, click the toolbar list arrow  and select **Payroll** from the list. Farm Funds displays the buttons for the **Payroll** toolbar. You may then click the toolbar buttons to open dialog boxes with which you may display, delete, enter, edit, or print payroll information.



Tip ... Most, but *not all*, of the items contained in the menus and submenus have corresponding toolbar buttons. If you cannot find a toolbar button to perform the command you want, try looking for the command on the **Accounting** menu.

To select a different toolbar within the main program, choose its name in the list to the left of the toolbar. Farm Funds has two other toolbars besides the **Payroll** toolbar. To view these, click **Checking** or **General Ledger** in the toolbar list.

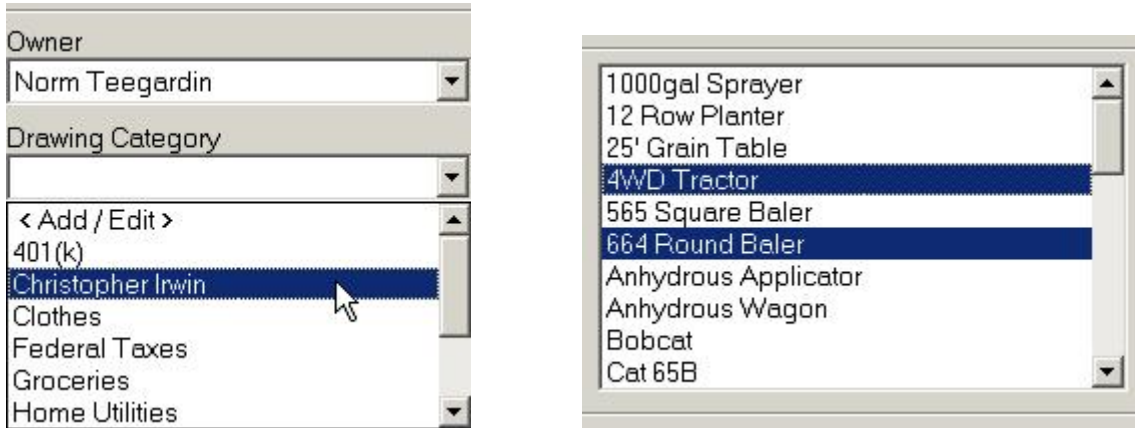



See Also ... See more information on buttons in the section of this chapter called "Buttons".


Farm Funds Dialog Boxes

When Farm Funds requires information from you or needs you to make a choice of some action it should take, the program displays a dialog box. The dialog boxes contains various items you may use to add, edit, delete, view and print information. These features include buttons, options, check boxes, lists and boxes.

Lists in Dialog Boxes

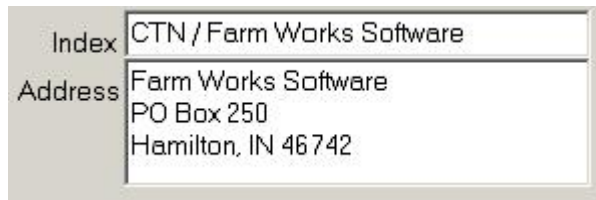


Several dialog boxes contain lists (sometimes called drop-down lists or list boxes) in which you may select one, or sometimes more than one, item from that list. Farm Funds highlights the current selection(s) in the list with a different color. To view the available items in the list, either drag the scroll bar to the right of the list, or click the arrow.  Then, click the item, or items, in the list that you want. Some lists allow you to choose just one item; others give you the freedom to select more than one by clicking on the items one at a time.


 **Tip ...** If you cannot select more than one item from a list, try pressing the CTRL key on the keyboard at the same time you click each of the items that you want. Some lists in Farm Funds require you to use the CTRL key to select more than one item and other lists do not.

Many lists contain an **<Add/Edit>** item. Clicking **<Add/Edit>** displays a dialog box where you can add a new item to the list, or change the name of an item that appears in the list. Other choices found in the lists include **<New>**, which allows you to type a new item in an adjacent box, and **<All>**, which selects all items in an adjacent list.


Boxes in Dialog Boxes




You can use the boxes (sometimes called text boxes) of the Farm Funds dialog boxes to type information to enter into the program. To do this, click inside the box and then type the information you want to enter. Most boxes allow you to type only one line of letters or numbers, but some, such as those used to enter addresses, give you the freedom to type more than one line by pressing the ENTER key on the keyboard at the end of each line.

 **FYI ...** If a box in Farm Funds appears shaded (that is, if it displays a box with a darker color) then the box is currently not available. You cannot enter, or modify, information in these shaded boxes.



Other boxes (which can be called combo boxes) are combinations of text boxes and lists or combinations of text boxes and other types of boxes. For instance, many boxes where you may enter dates in Farm Funds let you either type the date directly into the box, or click on the **Calendar** button  and then double-click the date you want from the calendar that appears. In boxes that combine text boxes and lists, you can either click an item in the list, or type a new item to add to the list.

 **Tip ...** If you want to add an item to a list that does not have an **<Add/Edit>** item, try clicking inside the list and typing the new item that you want to add to it. Only a few of the lists in Farm Funds allow you to add new items to the list this way.

Option Buttons & Check Boxes in Dialog Boxes




You can use options buttons (which are sometimes called radio buttons) to enable one option of two or more options. For example, clicking the **Sort by Order Entered** option button sorts information in the order you added it to the program, while clicking **Sort by Date** sorts the information in chronological order. Option buttons appear in pairs, or in groups of three or more, but you may only select *one* in a pair or group.

Check boxes are small, square boxes you may use to enable, or disable, one or more options. Clicking a check box selects the option and displays a checkmark inside the check box to let you know you have enabled it. Clicking a second time on the check box clears the checkmark from the check box and disables the option. Unlike option buttons, you may select more than one check box to enable more than one option, or you may clear all check boxes to disable all the options. For example, in a dialog box with two check boxes (one for **Show Transaction Numbers** and one for **Print Personal Logo**) you can select both check boxes to enable both options, or select one check box to enable only one option, or clear both check boxes to disable both options.

Buttons in Dialog Boxes



Clicking a button (sometimes called toolbar buttons or command buttons) of Farm Funds with the left mouse button performs an immediate action, such as enabling an option or opening a dialog box. Clicking the **Cash** button, for example, opens the **Cash Purchase** dialog box, while clicking the **Zoom** button  enables the zoom pointer tool.

The buttons you use most in the program's dialog boxes are **OK**, **Cancel**, **Record** and **Done**. Depending on what button, or buttons, you click, Farm Funds either saves the information you entered in the dialog, or closes the dialog box without saving the information:

ACTION TO PERFORM

BUTTONS TO CLICK

Save information and close a dialog box that has the **OK** and **Cancel** buttons.

Click **OK**.

Save information and close a dialog box that has the **Record** and **Done** buttons.

Click **Record** first, and then click **Done**.

Close a dialog box that has the **OK** and **Cancel** buttons *without* saving the information.

Click **Cancel**, but do *not* click **OK**.

Close a dialog box that has the **Record** and **Done** buttons *without* saving the information.

Click **Done**, but do *not* click **Record**.

Chapter 6 - Getting Started



You may use the Initial Setup toolbar of Farm Funds to establish the beginning balances of your assets, liabilities and equity. The program worksheets included with your software (see the chapter "Appendices" of this user guide) should help you organize the financial information of your farming enterprise and your personal and family finances. If you want to begin entering day-to-day transactions before you complete the initial setup, you must first enter some basic information in the program. You need not do the initial setup all at once, but you should complete all of the initial setup *before* you close your first fiscal year. The table below lists, in alphabetical order, the information Farm Funds requires you to enter, when you should consider adding this information, and the section of this chapter where you can find instructions on entering the information.

<u>WHAT TO ENTER</u>	<u>WHEN TO ENTER</u>	<u>SECTION OF THIS CHAPTER</u>
Accounting Options	Before setting up accounting information	"Beginning the Initial Setup"
Accounts Payable	Before recording the payment	"Setting Up Accounts Payable"
Accounts Receivable	Before recording the receipt	"Setting Up Accounts Receivable"
Bank Accounts	Before you record checks and deposits	"The Quick, Basic Setup"
Chart of Accounts	As needed	"Setting Up the Chart of Accounts"
Equipment	Before closing first year-end	"Setting Up Equipment"
Field Inventories	Before harvesting crops	"Setting Up Field Inventories"
Fields/Map Drawings	Before recording farming actions	"Setting Up Structures"
Harvested Crops	Before selling crops	"Setting Up Harvested Crops"
Icon Setup	Before recording farming actions	"Setting Up Equipment"
Improvements	Before closing first year-end	"Setting Up Improvements"
Land	Before closing first year-end	"Setting Up Land"
Livestock	Before selling animals	"Setting Up Livestock"
Loans	Before recording a payment	"Setting Up Loans"
Other Assets	Before closing first year-end	"Setting Up Prepaid & Other Assets"
Other Liabilities	Before closing first year-end	"Setting Up CCC Loans & Other Liabilities"
Structures	Before storing crops or closing year-end	"Setting Up Structures"
Supplies	Before applying to fields	"Setting Up Supplies"

Beginning the Initial Setup

Before you begin using Farm Funds, you must first enter some essential information so the program knows how to set up your financial books. To enter this required data:

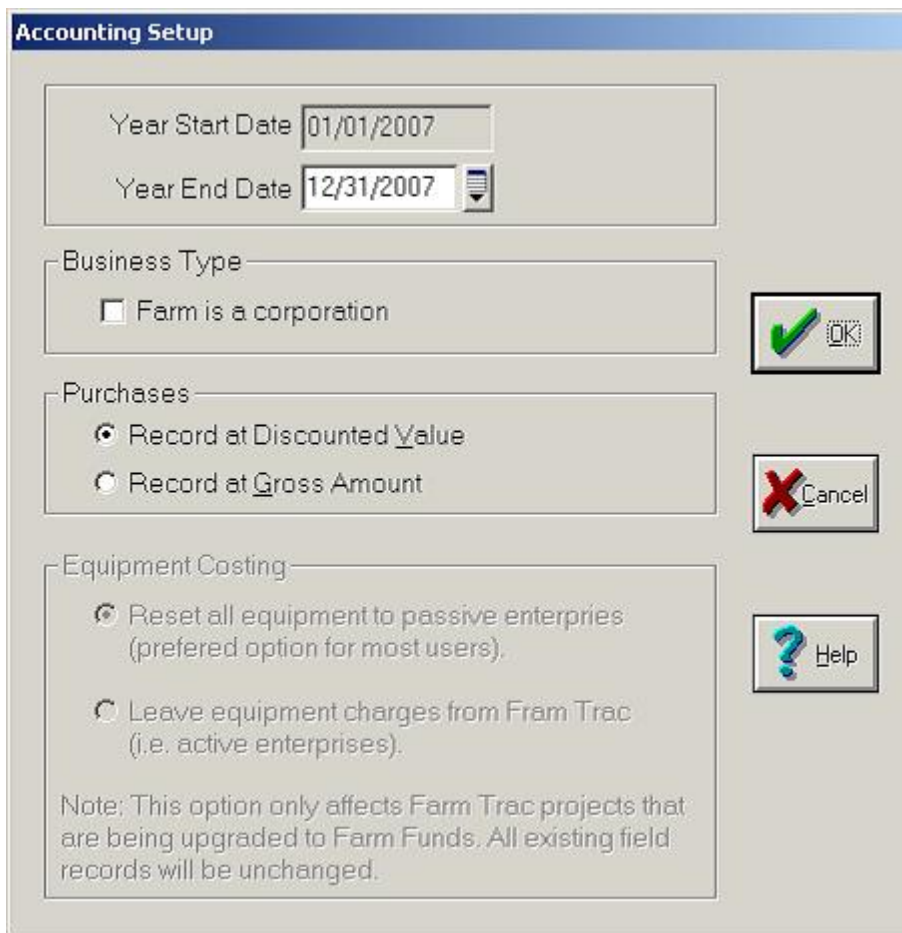


1. Click **Account Options** on the **Setup** menu.
2. The **Accounting Setup** dialog box opens (see the figure below).
3. Enter the year-end date in the **Year End Date** box (this date is at the end of the first year for which you will enter records into Farm Funds).




FYI ... Farm Funds computes the year start date as twelve months before the year-end date that you enter.

4. If your agricultural business is incorporated, select the **Farm Is a Corporation** check box in the **Business Type** area.



5. If you usually take early-payment discounts for your purchases, click **Record at Discounted Value** in the **Purchases** area. Farm Funds then records the net of discounts on your books and keeps track of the amount of discounts lost. If you do *not* usually receive early-payment discounts, click **Record at Gross Amount**. Farm Funds then records purchases without discounts and keeps track of the amount of discounts you take.

 **FYI ... Q.** "What is the equipment costing and why can't I change it?"

A. Farm Funds only enables the **Equipment Costing** area of the dialog box if you previously installed Farm Trac+ and are now adding Farm Funds. If you installed Farm Trac+ before installing Farm Funds, then click **Leave Equipment Charges from Farm Trac**. If you installed Farm Trac+ and Farm Funds together, Farm Funds disables the Equipment Costing area, as you have not previously recorded any equipment charges to Farm Trac+.

6. Click **OK** to record your choices and close the dialog box.

 **Tip ...** If you want to return to the **Accounting Setup** dialog box to change any of the information you previously entered, simply click **File**, point to **Preferences** and then click **Account Options**.


After you close the **Accounting Setup** dialog box, Farm Funds adds items to the Setup menu that you may use to complete the initial setup. To enter the initial setup:



Use the Setup Menu – Click menu items to open dialog boxes that you may use to enter the information required for the initial setup. At any time, you may exit the initial setup by clicking Exit Initial Setup.

- or -



Use the Initial Setup Toolbar – Click Initial Setup from the box and then use the command buttons of the toolbar to enter the information required for the initial setup. To leave the initial setup process, click the Exit Initial Setup button. 



See Also ... The remainder of this chapter instructs you to use the **Initial Setup** toolbar buttons to enter information in the initial setup, but you may use the **Setup** menu instead.



Once you exit the Initial Setup, Farm Funds replaces the Setup menu with the Accounting menu, which you may use to access the features you added during the initial setup of the program. You are not required to finish the initial setup to use Farm Funds, however, you should *not* close out the fiscal year until you do complete the initial setup. At any time, you may return to the initial setup by clicking **Initial Setup of Accounts** on the **Accounting** menu.



Tip ... You may return to the initial setup as many times as you like before you close the books for the fiscal year. However, you should *not* close the year-end financial record before you complete all of the initial setup.

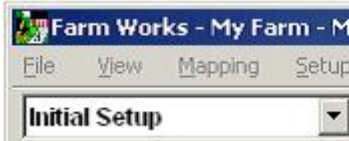
Doing a Quick Basic Setup


Entering beginning balances into Farm Funds may be time consuming, but you need not complete the process before you start using Farm Funds. If you want, you may enter the minimal information required to begin adding day-to-day transactions. Later, you may return to the initial setup and finish entering the other information. For example, if you want to enter checks, but do not wish to record payments on a loan at this time, you may create your checking account now, but leave the creation of your loan account for later.



Tip ... You should set up bank and cash accounts before using Farm Funds to record any deposits, withdrawals, or written checks.

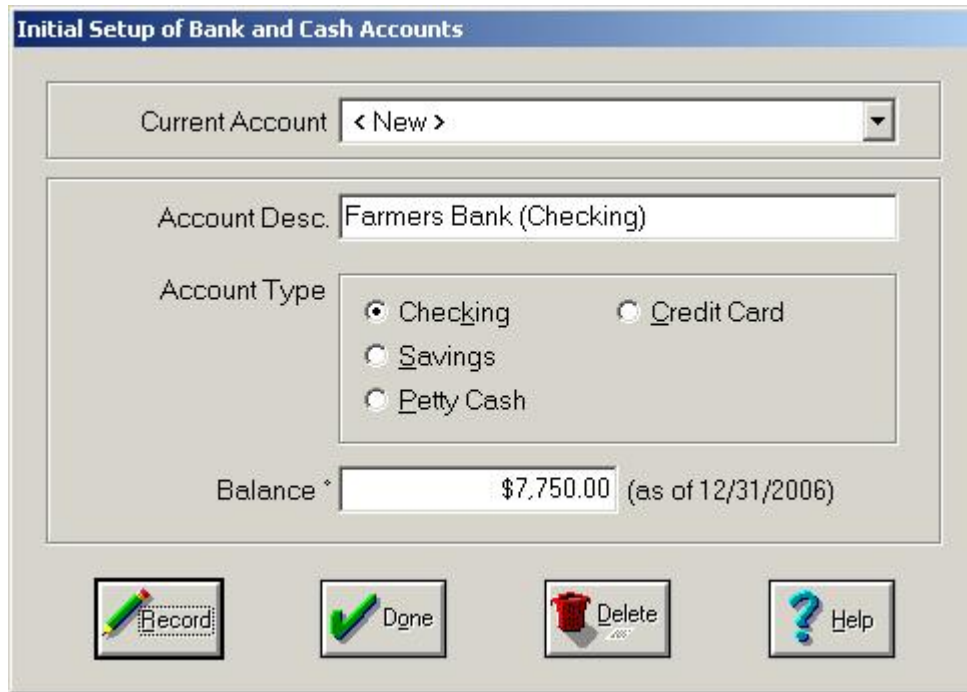
The following steps explain how to quickly set up one account and then exit initial setup to start recording daily transactions.



1. Click **Initial Setup** in the toolbar list, and then click the **Bank and Cash Accounts** toolbar button.  The **Initial Setup of Bank and Cash Accounts** dialog box opens (see the figure below).
2. Click **<New>** in the **Current Account** list and type a description of the account in the **Account Description** box. For a checking or savings account, the description should include the name of the bank as well as the kind of account (for example, "Norwest Checking").
3. In the **Account Type** area clicking the applicable option button.
4. Enter the **Balance** of the account as of the date indicated. This should be the beginning fiscal year balance of your account and is the balance from your checkbook, which is not necessarily the same as the balance on your bank statement.



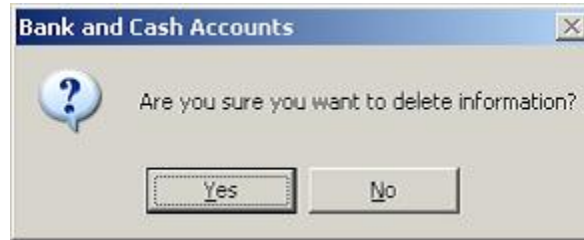
Ask Your Accountant ... If you do not know the exact balance, you may enter the number zero. You may change the balance later after you obtain this figure from your accountant or other financial assistant.



5. To save the information, click **Record**, to close the dialog box. A message asks you to confirm the changes. Click **Yes** on the message, then click **Done** in the **Initial Setup of Bank and Cash Accounts** dialog box to close it.




Tip ... If you make a mistake in the **Initial Setup of Bank and Cash Accounts** dialog box, you may delete the account and enter a new one to replace it. To do so, click the account in the **Current Account** list and click **Delete**. Farm Funds asks if you are certain you want to remove the account information. Click **Yes** and the program deletes the account. You may then enter a new account with the correct information in the dialog box.



6. To set up additional bank and cash accounts, repeat the above steps. You should set up any other accounts you need.



See Also ... You can find instructions for each item later in this chapter.

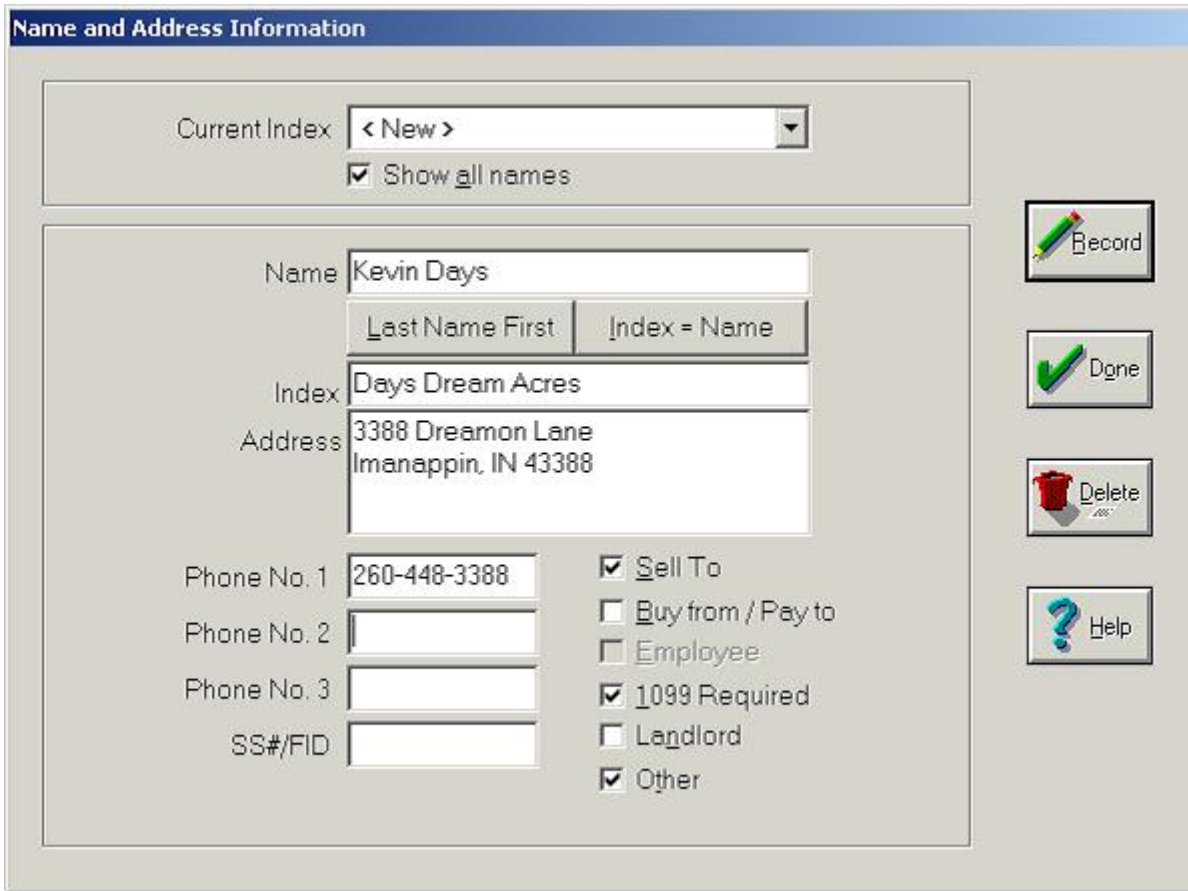
7. To exit initial setup, click the **Exit Initial Setup** button. 




On the Web ... For additional information on completing a quick startup, see the FAQ on the topic at www.farmworks.com/support/quickstart/quickstart.html at the Farm Works Software Web site.

Adding Names & Addresses


When you add a new purchaser, vendor, or customer, Farm Funds displays the **Name and Address Information** dialog box where you may enter the name, address, phone numbers and other information for the person or business. To enter information in the dialog box:



1. If you opted to add a new purchaser, click **<New>** in the **Current Index** list, and type the purchaser's name, index, address and phone numbers in the appropriate boxes.
2. Select all of the check boxes that apply to the purchaser:
 - **Sell To** – Check this if you will sell items or receive payments from this name.
 - **Buy From/Pay To** – Check this if you will purchase from or make payments to this name.
 - **Employee** – You cannot check this, as Farm Funds requires you to set up employees through payroll.
 - **1099 Required** – Check this if you may print 1099s (or W-2s) for this name.
 - **Landlord** – Check this if the name is for a proprietor who owns land that you farm.
 - **Other** – Check this for other reasons, such as a name you want to add to a Christmas card list.

 **On the Web ...** You may download and print Forms 1099 or W-2s from the Web site of the Internal Revenue Service, by pointing your Web browser to www.irs.gov/formspubs or by calling (800) TAX-FORM.

3. Click **Record** to save the information and **Done** to return to the **Initial Setup of Accounts** dialog box.

 **Tip ...** You may use the **Name and Address Information** dialog box to delete names and addresses by clicking the desired index in the **Current Index** list and then clicking **Delete**. To view current and deleted items, select the **Show All Names** check box.

Setting Up the Chart of Accounts

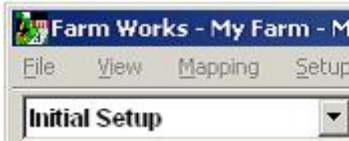
Farm Funds provides a flexible chart of accounts that you may conveniently customize to fit your individual needs. You should set up the chart of accounts before you start entering information into the program. You may also easily add and change accounts as you enter transactions in the future. When setting up accounts, be sure not to add too many of them, as having too many may cause confusion when clicking accounts for a check or deposit.

The **Chart of Accounts Setup** dialog box gives you a list of standard accounts from which to click. This area is where you may quickly set up the accounts that you need for your farm.



Caution ... Since Farm Funds links certain accounts to each other you should be careful when changing the chart of accounts. Adding a new supply account for fuel, for example, automatically creates a corresponding fuel expense account. While entering a new account for inventory, such as Cattle, automatically creates corresponding cattle sales and cattle expense accounts, and recording new revenue or expense accounts create corresponding supply or inventory accounts.

To set up the chart of accounts:



1. In the **Initial Setup** toolbar, click the **Chart of Accounts Setup** toolbar button.



Tip ... to view the existing chart of accounts, you may open the **Chart of Accounts** dialog box by clicking **Initial Setup**, pointing to **General Ledger**, and then clicking **Add Accounts**.

2. The **Chart of Accounts Setup** dialog box that appears (see the figure below) displays these categories:
 - **Supplies** – Those used on fields, livestock and, in some cases, equipment for which you will be keeping an inventory. Do not set up the name of each individual supply item. Instead, add accounts used to group similar supplies together, such as Chemicals, Fertilizer, etc.
 - **Crops** – These are general crops that you raise, not the individual varieties. Accounts to set up may include corn, rice or wheat, for example.
 - **Resale Livestock** – Click categories of livestock, such as cattle or hogs that you purchase, or raise for resale purposes.



Tip ... If the animals are for any breeding purposes, or if you will depreciate them, then create breeding livestock accounts instead, or in addition to, resale livestock accounts.

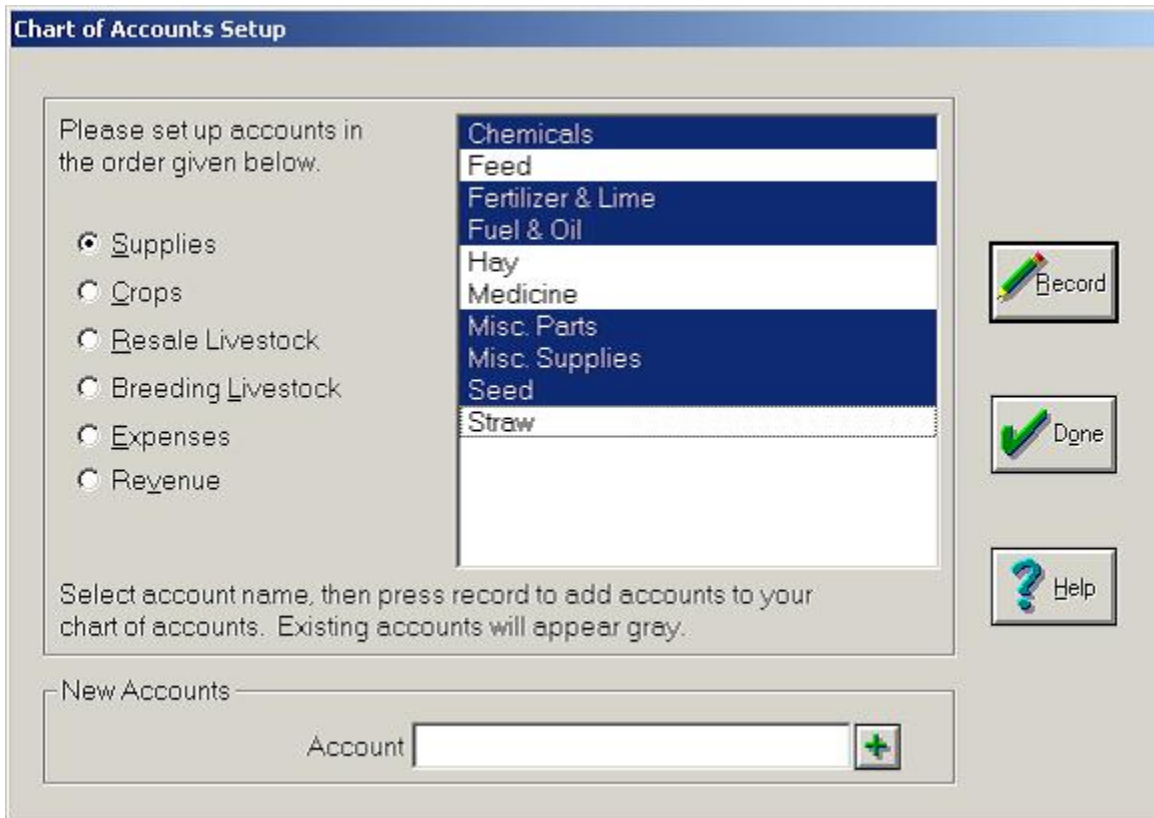
- **Breeding Livestock** – Click categories of livestock, such as boars, sows, cows and bulls that you will use for breeding purposes. Set up categories here even if you will sell the animals.
- **Expenses** – Click categories for general expenses, such as repairs, rent, and utilities. Do not set up expenses that apply to supplies or livestock here, as they are set up automatically in the previous categories.

- **Revenue** – Click general income categories, such as custom hire and patronage dividend income. Do not set up crop or livestock sales accounts here, as they are set up automatically in the previous categories.



FYI ... Farm Funds makes your job easier by automatically creating the following for you: Corresponding revenue accounts for crop accounts you add, matching expense accounts for supply accounts you record, equivalent revenue and expense accounts for inventory accounts you create, and parallel expense and accumulated depreciation accounts for asset accounts you set up.

3. It is important that you set up the account in proper order. Begin by clicking **Supplies** in the **Please Set Up Accounts In The Order Given Below** section of the **Chart of Accounts** dialog box.



4. Click each account you wish to use in the list to highlight it. To deselect an account, click on it a second time.




FAQ ... **Q.** "Do I need to put all my accounts now?"
A. No, it is not necessary to create all of your accounts during the initial setup of Farm Funds. You may set up just the few accounts that you are sure you will need at the beginning, and later you may add additional accounts while you record transactions, such as purchases and sales.

5. Once you highlight the accounts you want to use, click **Record** to add them to your chart of accounts. Once added, the account names appear dimmed in the **Chart of Accounts** dialog box.
6. Click **Crops**, and repeat the above steps. Then repeat the above steps for each option button, working in order from top to bottom (do not skip any of the option buttons).



FYI ... Once you get to **Revenue**, Farm Funds selects certain accounts for you. For example, if you previously chose the Breeding Livestock account for Boars, the program automatically sets up the Revenue account for Breeding Boars Sales and creates the expense accounts Beg Vs End Breeding Boars and Breeding Boars Expense as well.

7. You may add new accounts by clicking an option button (**Crops**, for example) and typing a new name in the **New Account** box (Sugar Cane, for instance). Click the **Add** button  to add the new account to the list and click the name in the list before clicking **Record**.
8. Click **Record** to save the changes and **Done** to close the dialog box.

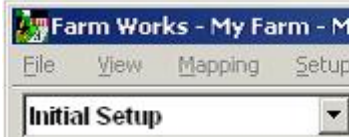
Setting Up Bank & Cash Accounts


You may use the Bank and Cash Accounts area to set up checking and savings accounts, petty cash, and credit card information. A line of credit may also be set up this way if you plan to write checks from the account.



Tip ... You should set up bank and cash accounts before using Farm Funds to record any deposits, withdrawals, or written checks.

To set up bank and cash accounts:



1. Click **Initial Setup** in the toolbar list, and then click the **Bank and Cash Accounts** toolbar button. 
The **Initial Setup of Bank and Cash Accounts** dialog box opens (see the figure below).
2. Click **<New>** in the **Current Account** list and enter a description of the account in the Account Description box. For a checking or savings account, the description should include the name of the bank as well as the type of account (for example, Farmers Bank – Checking).
3. Indicate the Account Type by clicking the applicable option button—**Checking**, **Credit Card**, **Savings**, or **Petty Cash**.
4. In the **Balance** box, type the balance of the account as of the date indicated to the right of the box. This should be the beginning, fiscal-year balance of your account and is the balance from your checkbook, which is not necessarily the same as the balance on your bank statement. For the account, you selected, record the balance as indicated:
 - **Checking** – Enter your reconciled checkbook balance as of the beginning of your fiscal year, not your bank statement balance. You may change this balance later, if necessary. Enter amounts owed as a negative number.
 - **Savings** – Enter the balance of the account as of the beginning of your fiscal year. This amount should include interest compounded through the date displayed.
 - **Petty Cash** – This consists of cash in a cash drawer, which often exists if a farm has a retail outlet, or consists of cash on hand. Petty cash may be used to track cash purchases for both farm and personal expenditures. If you do not know what the exact petty cash balance is as of the start of the year, enter your best estimate.

- **Credit Card** – Enter the Balance Owed on your credit card as of the start of the year. Set up credit cards whether or not they have an outstanding balance.



Tip ... If you do not know the exact balance, you may enter zero. If necessary, you may change the balance later.

5. Click **Record** to save the information.
6. Repeat the above steps for each checking, savings, petty cash and credit card account.
7. To save the information, click **Record**. A message asks to confirm the changes. Click **Yes** to the message, then click **Done** to close the **Initial Setup of Bank and Cash Accounts** dialog box.
8. To set up additional bank and cash accounts, repeat the above steps. You should set up all of the accounts you will need.



Tip ... If you make a mistake in the **Initial Setup of Bank and Cash Accounts** dialog box, you may delete the account and then enter a new one with the correct information. To delete an account, click it in the Current Account list and click **Delete**. Farm Funds asks if you are certain you want to remove it. Click **Yes**. You can then enter a new account in the dialog box. However, Farm Funds will not allow you to delete accounts that it has posted.

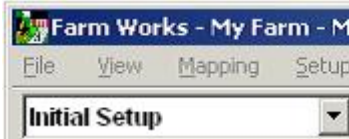
Setting Up Accounts Receivable


Accounts receivable are short-term assets in which you record the amounts others owe to your agricultural enterprise from sales of products or services on credit to your customers. You will not normally charge your customers interest, unless they do not pay their bills on time. You may use initial setup of accounts receivable to set up amounts that others owe your farm as of the beginning of the year, and create these receivables for custom work performed, for sales of supplies, crops or livestock, or for refunds for purchased items returned to a vendor. For example, if you do custom harvest work for a customer who did not pay at the time you did the work, you may set this up as an account receivable in the initial setup.



Tip ... You should set up accounts receivable before using Farm Funds to record any receipts.

To set up initial balances for receivable accounts:



1. Click **Initial Setup** in the toolbar list, and then click the **Accounts Receivable** toolbar button.  This opens the **Initial Setup of Accounts Receivable** dialog box (see the figure below).
2. In the **Initial Setup of Accounts Receivable** dialog box, click **<New>** in the **Current Receivable** list to set up a new receivable account.
3. Enter a description to identify your new receivable in the **Invoice No or Description** box (for example, Custom Harvest – 100 Acres).
4. Click the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new buyer.

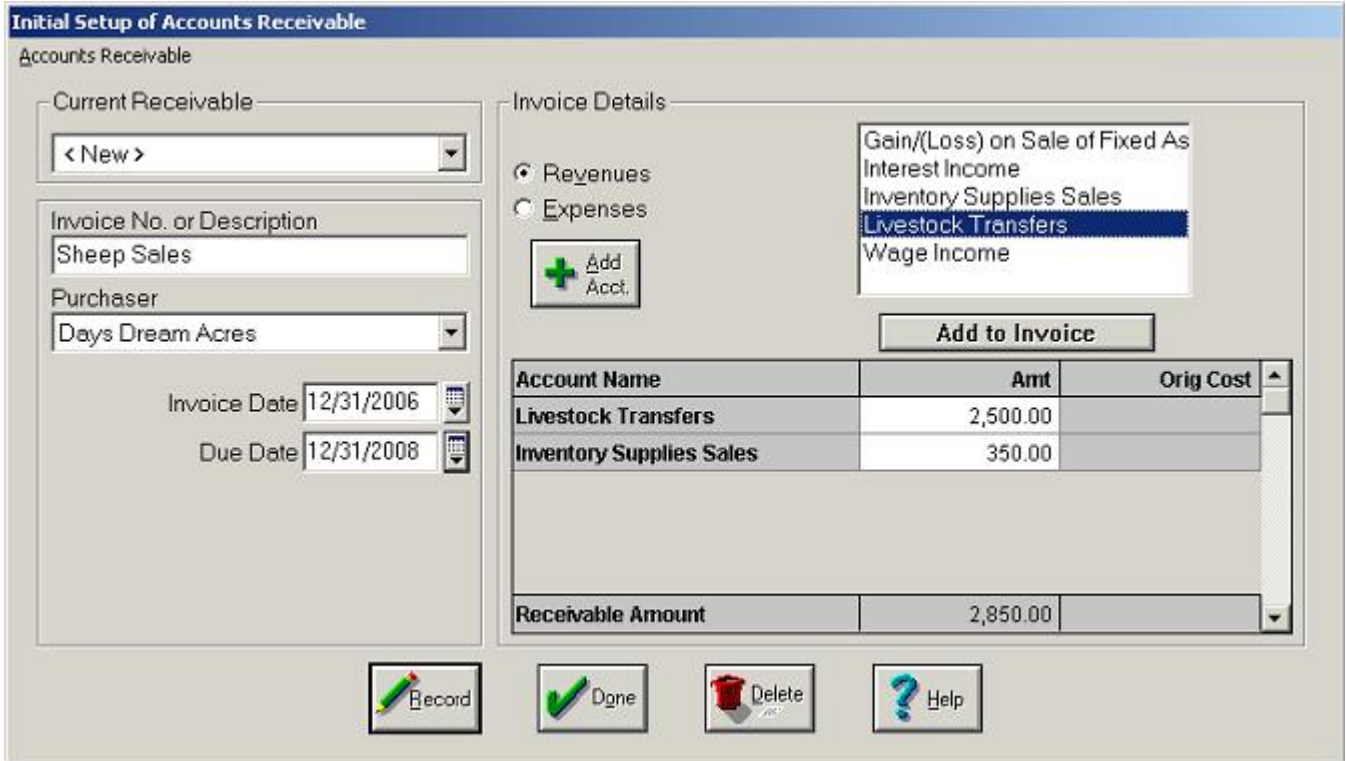


See Also ... For instructions on how to add a name, address and phone number to Farm Funds, see section "Adding Names, Addresses & Phone Numbers" in this chapter.


5. Enter the date of the sale in the **Invoice Date** box and the date payment is due in the **Due Date** box.
6. Under **Invoice Details**, click either **Revenues** or **Expenses**. In the list click the account to which the receivable applies, and then click **Add to Invoice**.




Tip ... to add another account to the same invoice after you add the first account, click the second account and click **Add to Invoice**. Farm Funds then adds this account to the invoice, too. Repeat this step for each revenue or expense account you wish to add.



- Record the amounts for each account in the **Amt** column. Farm Funds displays the total receivable amount in the bottom row of the column.

 **FYI ...** Farm Funds only records accounts receivable in the accrual books, which have no effect on the cash general ledger of the program until the customer actually pays you. Thus, you are not always required to use the accounts receivable feature of the program. You should use accounts receivable *only* to keep track of amounts owed to you, or to make accrual and market-value balance sheets that include the amounts owed to you.


- Once you add all accounts and the receivable balance is correct, click **Record** to save the information and **Done** to close the dialog box.

 **Tip ...** If you receive an error message indicating an incorrect invoice date, you must enter a different invoice date that is *before* the date indicated in the error message. Click **OK** to the message, and then enter a correct date in the **Invoice Date** box.

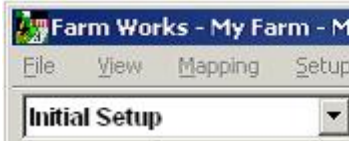



Setting Up Land

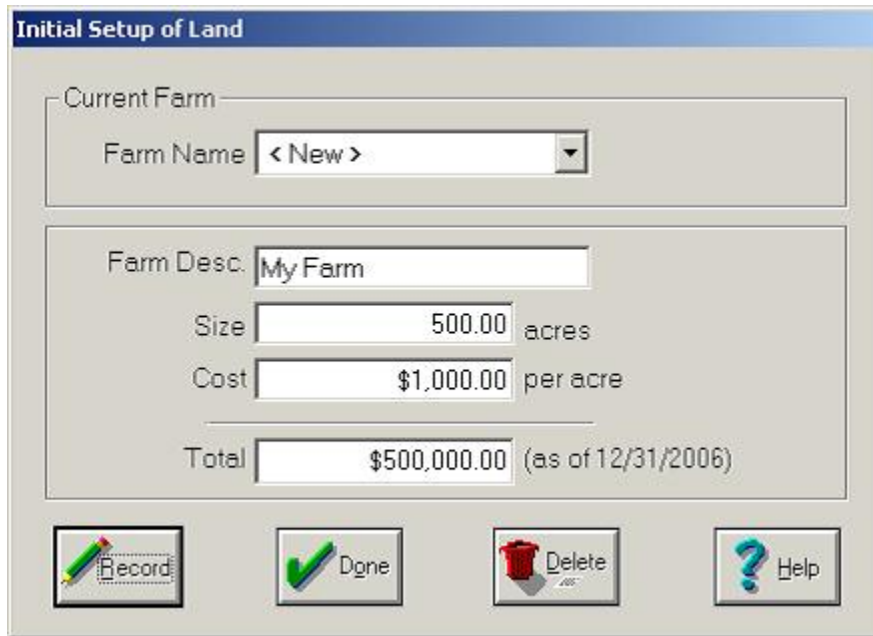
The cost of land is the original purchase price less the cost of any structures or land improvements, such as field tile. Do not set up any rented or sharecropped land.

 **Tip ...** You should set up all of your land before using Farm Funds to close out the first year-end financial record.


To set up land records:



1. In the **Initial Setup** toolbar, click the **Land** toolbar button. 
2. Click **<New>** in the **Farm Name** list, and then type the name of the farm in the **Farm Description** box.



3. Type the number of acres in the **Size** box, and enter either the cost per acre as of the beginning of your fiscal year, or the total cost of the field in the applicable box.

 **FYI ...** Farm Funds automatically calculates and displays the total value of your land when you enter the number of acres and cost per acre.

4. Click **Record** to save the cost of your land and **Done** to close the dialog box.



Ask Your Accountant ... You may usually obtain the correct cost of land figures from your attorney or accountant, or from your depreciation schedule.

Setting Up Structures

You may use the initial setup to enter cost and depreciation expenses for all the structures that you own and use for business purposes. These structures should be those you wish to include on your balance sheets, such as grain bins, barns and storage sheds. They might include rental properties and personal residences if you want to add these to your balance sheets.




Tip ... You should set up structures before using Farm Funds to store harvested crops within those structures.



See Also ... For information on the Farm Funds balance sheet see the chapter "General Ledger" in this user guide.

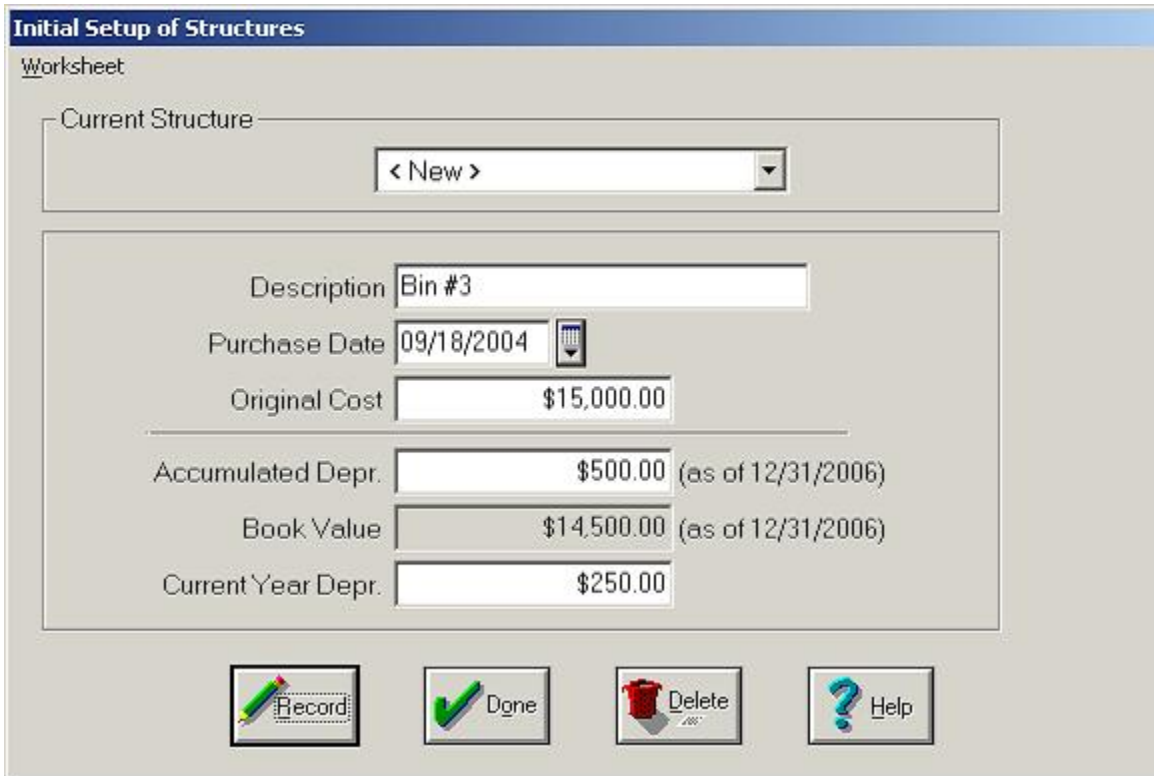
To set up structures you owned as of the start of the year:




1. In the **Initial Setup** toolbar, click the **Structures** toolbar button.  The **Initial Setup of Structures** dialog box opens (see the figure below).
2. If you have already drawn and defined a structure on your map, you may click its name in the **Current Structure** box. Otherwise, click **<New>** and type a name for the structure in the **Description** box. If you later draw this structure on your map, Farm Funds will let you to click the name and information you now enter in the **Initial Setup of Accounts** dialog box.




FYI ... Farm Funds allows you to enter accounting information for a structure even if you have not drawn the structure on the map. If you are renting a structure, or if someone else owns it, you may draw it on the main farming layer and use it for storage if you want to do so. However, you are *not* required to complete the initial setup before you create structures.




3. Enter the date you purchased the structure in the **Purchase Date** box, and then enter the gross price paid for the structure in the **Original Cost** box. In the **Accumulated Depreciation** box, enter the total depreciation as of the date indicated to the right of the box. Then, enter the depreciation for the current year in the **Current Year Depreciation** box.

 **FAQ ...** Q. "What is accumulated depreciation?"

A. All things wear out or wear down, and most lose economic value when they do. The same applies to fixed assets your farming business owns, such as the structures on your farm. A depreciation expense is a way to calculate the reduction in the value of those fixed assets as they wear out over time. An accumulated depreciation is the total cumulative amount of depreciation expense you have recorded since you acquired the assets to which you are applying the depreciation. Generally, you should allocate depreciation expenses over several years to the cost of your fixed assets, based on the estimated useful life of those assets to your farming business. You should charge each year of the life of your assets with part of their total costs as the assets gradually wear out and lose their economic value. If you are not sure what the accumulative depreciation amounts should be, ask your accountant or tax advisor.

 **Ask Your Accountant ...** If you do not know your current year depreciation, consult your accountant or tax preparation professional. Until you obtain the exact amount, you may simply use your best estimate. Later, you may change this amount before you close out the year-end financial record.

4. Click **Record** to add the new structure and **Done** to close the dialog box.

 **On the Web ...** For information on setting up structures using, see the FAQ at the Farm Works Software Web site at this link: www.farmworks.com/support/elevator/elevator.html

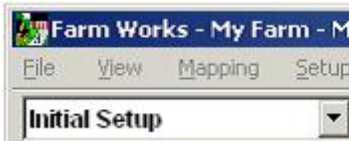
Setting Up Equipment


Equipment includes tractors, implements, farm vehicles, and even office equipment. The equipment setup in Initial Setup should only include equipment your farm owns as of the start of the fiscal year. Rented equipment or equipment that is borrowed from others may have an icon, but should not normally be set up in Initial Setup. Farm Funds adds the equipment setup data you enter in the initial setup to your balance sheets.



Tip ... You should set up all equipment before using Farm Funds to close the first year-end financial record.

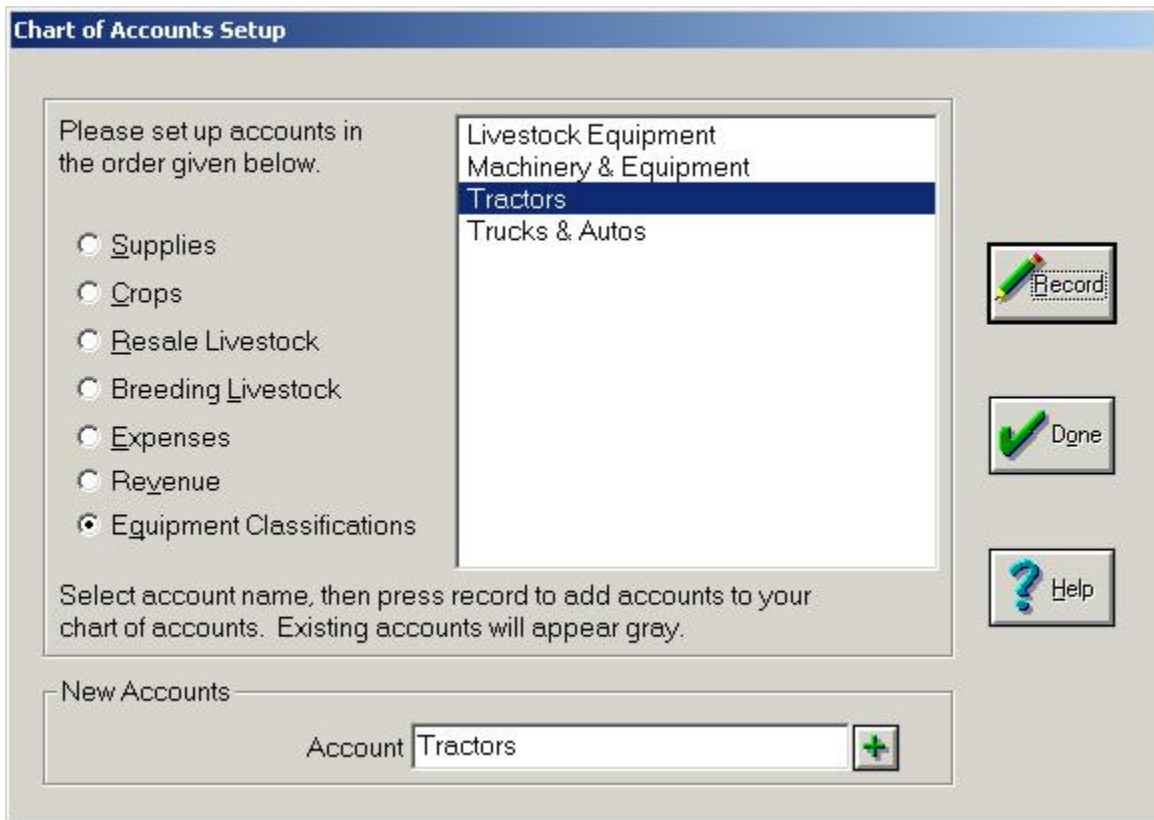
To set up equipment:




1. In the **Initial Setup** toolbar, click the **Equipment** toolbar button.  The **Initial Setup of Equipment** dialog box opens (see the figure below).
2. If you have already added an item of equipment with Farm Trac+ and you now want to enter the equipment into Farm Funds, click the icon representing that equipment from the **Current Item** box. Otherwise, click **<New>** and enter the name of the equipment in the **Description** box (for example, John Deere 8030Tractor).
3. Click an Account for each item of equipment. Accounts are used to group similar items together on your balance sheets. If Farm Funds does not list the account you want, click **<Add>** in the **Account** box.



See Also ... For information on the program balance sheet see the chapter "General Ledger" in this user guide.



4. If you are adding new equipment, complete the information in the **Chart of Accounts** dialog box: Click **Equipment Classifications**, click the equipment type in the box, or type a new equipment category in the Accounts box (such as Tractors) and click the **Add** button.  Farm Funds adds the category to the list. Highlight all of the items of equipment you want to add by clicking on them, and then click **Record** and **Done**.



Tip ... Most farms only need a few equipment accounts. You should set up an account for each category of equipment, but do *not* set up a separate account for each item of equipment. For instance, if you have two John Deere tractors, you should not create an account for each tractor. Rather, create a one account called Tractors and add both tractors to that account.

5. In the **Initial Setup of Equipment** dialog box, enter the purchase date and original cost in the appropriate boxes.



FYI ... Farm Funds does not use some equipment in farming actions (for example, office equipment and personal computers), so you should check **Do Not Set Up Icon for This Item** if you add equipment that you would not use in farming actions.

6. Enter the accumulated depreciation and current year depreciation in the applicable boxes. Farm Funds calculates and displays the value in the **Book Value** box.



Ask Your Accountant ... You may find the depreciation figures in the depreciation schedule from your accountant or other financial assistant. If you do not know your current year depreciation, you can use your best estimate. You can change this to a more accurate amount later, before you close the year-end financial record.

7. Click **Record** to save the new equipment and **Done** to close the dialog box.
8. If you add the equipment for the first time to the program, the **Equipment Properties** dialog box appears with the name of the equipment in the **Current Item** box (see the figure below).
9. In the Description area of the **Equipment Properties** dialog box, add an icon for the equipment by clicking it from the **Picture Group** box, or by clicking **<Add/Edit>** in the list and typing the name of the equipment category and clicking **Add**. Click an equipment type and icon in the **Icon Selection** dialog box, and click **Change Picture** and **OK**. Then, click the normal use for the equipment in the Action list (for example, click **Pulled** for a tractor) and click the charge unit for the equipment in the **Charge Unit** box (such as **Tach Hours** for a tractor).



On the CD ... For more information on setting up icons, see the Farm Trac+ user guide that the Farm Works Software CD installed on your computer: Click the **Start** button, point to **Programs** (or **All Programs** in Windows XP), point to **Farm Works Software**, point to **Manuals**, and click **Farm Trac Manual**.

- Under **Enterprise Type**, click **Passive Enterprise** to have Farm Funds apply the charges evenly across the total charge units, or click **Profit Enterprise** to have Farm Funds apply a flat rate per charge unit.



FYI ... An example of how Farm Funds calculates passive and profit enterprises differently follows. Let us say you configure Farm Funds to track the tachometer of your tractor and use a passive enterprise. If the tractor then uses \$100.00 in expenses for fuel and repair in 100 hours of driving, the program records the charge per unit as \$1.00, but it only charges \$2.00 per hour if the tractor drives 50 hours with for the same expense. On the other hand, say you set up Farm Funds to track the tachometer of your tractor and use a profit enterprise with a rate per charge unit of \$1.50. In this case, Farm Funds charges \$1.50 per hour of the tachometer, regardless of the number of hours driven.

- Under **Machine Properties**, click **Harvester**, or **Distributor**, or **Other**. Then, select all of the check boxes that apply, and enter a number in the **Implement Width** box if the equipment is a plow, sprayer, or other pertinent item of equipment.



On the Web ... to view equipment available from some well-known manufacturers, check out these links:
www.cat.com
www.newholland.com
www.deere.com/en_US/deerecom/equipment_quickfind

Setting Up Improvements


Depreciable improvements are additions or changes to existing assets and include such items as field tile, engine overhauls and new roofs. Your accountant or tax professional may help you determine whether an item is a repair or a depreciable improvement. Structures and equipment to which improvements relate must be set up in Initial Setup before the improvement may be setup.

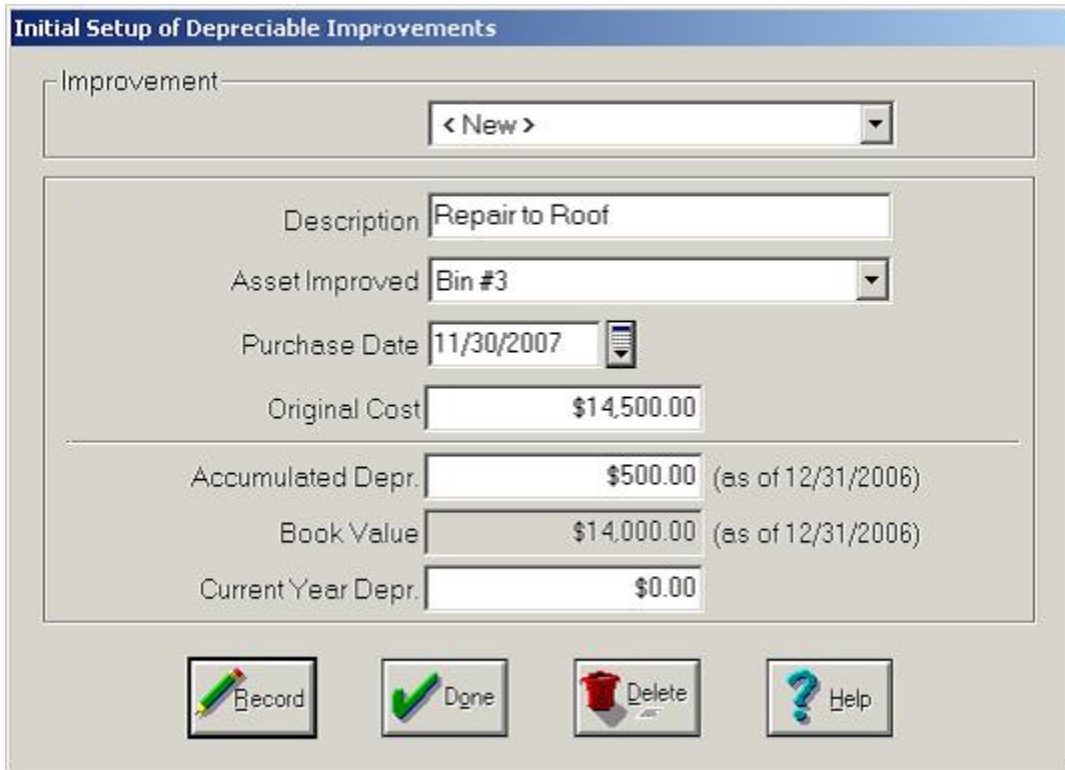


Tip ... You should set up improvements before using Farm Funds to close out the first year-end financial record.


To set up a depreciable improvement as of the start of the year:



1. In the **Initial Setup** toolbar click the Improvements toolbar button.  The **Initial Setup of Depreciative Improvements** dialog box opens (see the figure below).
2. To document improvements to an item, click its name in the **Current Item** list. Otherwise, click **<New>** in the list and enter a description of a new item in the **Description** box.
3. In the **Asset Improved** list, click the item that was improved (for example, Bin #3).




4. Enter the date that you made the payment for the improvement in the **Purchase Date** box, then type the original cost, accumulated depreciation, and current year depreciation in the appropriate boxes.


 **FAQ ... Q.** "I'm not sure of the exact depreciation amount. Is it OK if I make guess?"

A. Sure! If you do not have your current year depreciation number, your best estimate may be used. Just be sure to change this amount to the correct quantity before you close the fiscal year. Ask your accountant or tax preparation assistant to provide these amounts from the depreciation schedule she has prepared for you.

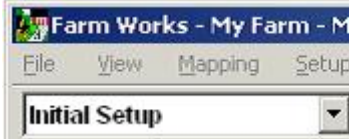
Setting Up Livestock


Use the **Initial Setup of Livestock** dialog box to set up groups of animals you wish to include on your balance sheets. You may keep profit and loss records for each unit in the form of enterprise statements.

 **Tip ...** You should set up all livestock before using Farm Funds to record the sale of animals.

 **See Also ...** For information on the Farm Funds balance sheet see the chapter "General Ledger" in this user guide.

To set up a group of livestock:



1. In the **Initial Setup** toolbar click the Livestock toolbar button.  This opens the **Initial Setup of Livestock** dialog box (see the figure below).
2. If you previously created an icon for an animal group, click its name in the **Animal Group** box. Otherwise, click **<New>** and type a description for the animal group in the **Description** box (for example, Hogs).



Tip ... You should put purchased and raised animals in different groups, and keep breeding and resale animals (i.e., animals which are purchased or raised strictly for resale) in separate groups from one another.



3. Click an icon for the livestock group in the **Picture Group** box, or click **<Add/Edit>** in the list to add an icon to a group, using the **Picture Groups** dialog box. In the **Picture Groups** dialog box, type a name for the livestock group and click **Add**. The **Icon Selection** dialog box opens.

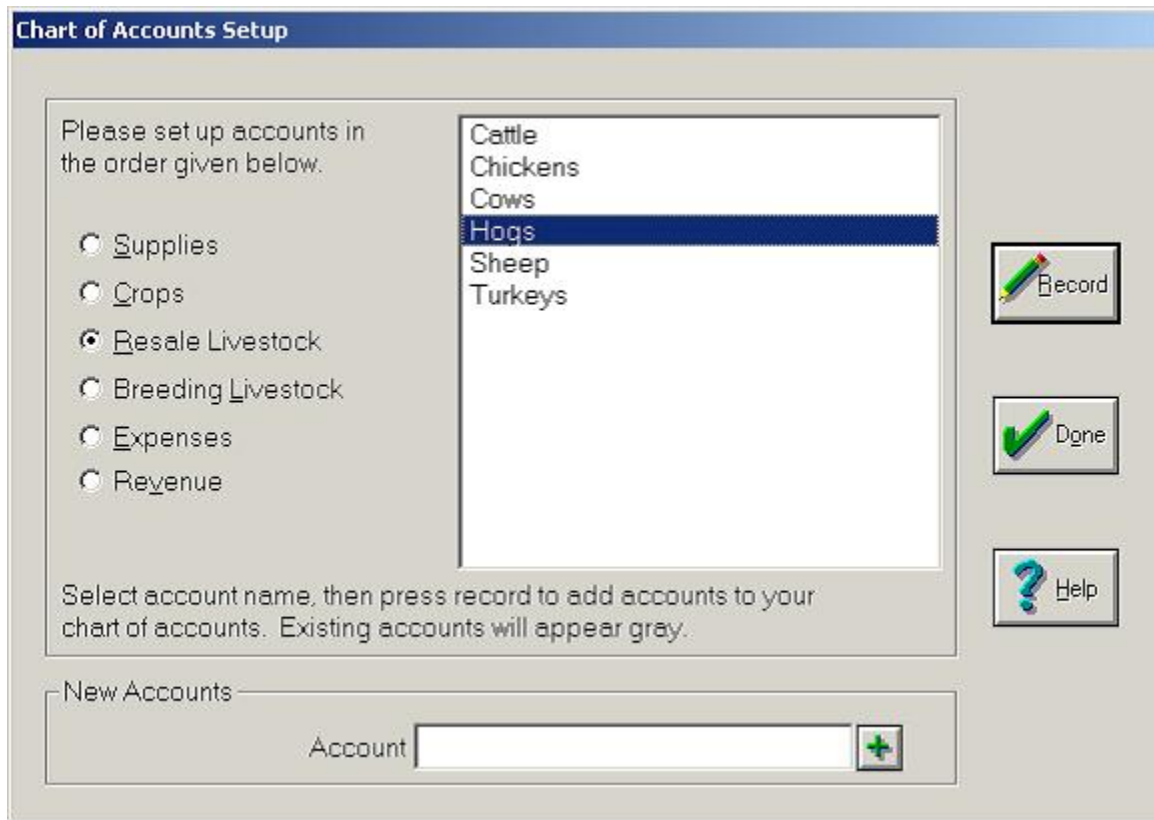


4. In the **Icon Selection** dialog box, click the animal type in the list, and then click an icon to represent the livestock. The icon appears in the upper, right-hand corner of the dialog box. Click **OK** to close the **Icon Selection** dialog box, and click **Done** in the **Picture Groups** dialog box to close it.
5. The **Initial Setup of Livestock** dialog box displays the animal group in the **Picture Group** box. Under **Category**, click either **Resale Livestock** or **Breeding Livestock** to indicate the type of animals in the group.




FAQ ... Q. "I'm going to sell animals that I'm breeding. Are they breeding stock or resale stock?"

A. Good question! You should set up all animal groups you yourself breed as breeding livestock, even if you plan to eventually sell them. Any livestock group in your depreciation schedule you should identify as breeding stock. Resale livestock, on the other hand, are animal groups you plan to sell that you did *not* breed on your farm.



- Click the account for the group in the **Account** list, or click **<Add>** in the list to open the **Chart of Accounts** dialog box that you may use to select your livestock group. In the **Chart of Accounts** dialog box, click either **Resale Livestock** or **Breeding Livestock**, click the animal group in the list, and click **Record** and **Done**.



Tip ... If the dialog box does *not* have the animal group you want listed, enter the name of the group in the **Account** box and click the Add button.  Click **Record** and **Done** to save the change and return to the **Initial Setup of Livestock** dialog box.

- In the **Initial Setup of Livestock** dialog box, enter the number of animals, and add either the average weight or total pounds in the correct boxes.



FYI ... If you enter the number of animals and average weight, Farm Funds estimates the total weight and displays this estimate in the **total Pounds** box. If you enter the number of animals and total weight, the program displays the average weight per animal (which is the mean value) in the **Average Weight** box.

8. Select the **Calculate Cost Per Lb** check box to have Farm Funds determine the price per pound rather than the price per hundredweight.
9. For *purchased animals only*, enter the original price per pound or hundredweight and record the total cost in the appropriate boxes. Animals you did not purchase but bred and raised on your farm should have total cost of zero. Then, enter the date of purchase in the **Purchase Date** box.



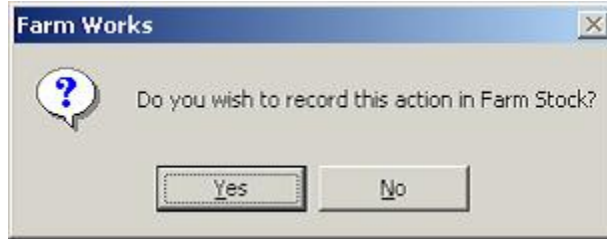
FYI ... Even if you have not purchased the livestock, Farm Funds still requires you to enter a date. You should substitute the date the last animal in the group was born for the date of purchase in the **Purchase Date** box.

10. For breeding stock, enter the accumulated depreciation and current year depreciation in the pertinent boxes.



Ask Your Accountant ... Your accountant or tax preparation professional should have your current year depreciation figures for your livestock. If you cannot get this information at the time you begin the initial setup, you may use your best estimate and change the amount later before you close the year-end financial record.

11. Click **Record** to save the changes. Farm Funds opens the **Icon Selection** dialog box for you to choose an icon for the livestock group you created (see the above instructions on how to do this).



12. If you installed Farm Stock with Farm Funds, the software asks if you want to record this information in Farm Stock. You should click **Yes** to the message.



13. Clicking **Yes** to the message opens the first dialog box to begin entering information in Farm Stock. In the **Select Species** dialog box, click the species of the animal group you added to Farm Funds in the **Species** list, or click **<New>**. To open the **Add New Animal Type** dialog box, click **OK**.



14. In the **Add New Animal Type** dialog box, type a description for the animal type in the Description box and click the animal type in the **Icon Group** list. If applicable, select the **All Animals Have ID Numbers or Names** check box. Then click **OK** to save the information, and click **OK** to close the **Select Species** dialog box.



CAUTION ... It is important that you select the **All Animals Have ID Numbers or Names** check box if you plan to give each animal a separate identification name or number in Farm Stock. Farm Stock will not allow you to add names to the animal group later if you clear this check box.

15. The **Add Animals** dialog box appears. Click a location and group in the **Location** and **Group** lists, or click **<Unassigned>** if you intend to transfer the animals to a group and location in Farm Stock later.
16. The dialog box displays the information you entered in Farm Funds in the **Added** area. You should not change this information unless it is necessary to do so.
17. If you opted to give individual animals names or identification numbers, select **Identify Individual Animals**. Otherwise, clear the check box. Click **OK** to save the information and close the dialog box. Then, click **OK** to close the **Initial Setup of Livestock** dialog box.



FYI ... If you indicated that animals have separate identifiers, Farm Stock requires you to enter an animal name for each animal in the next dialog box before returning to Farm Funds. This may take some time if you add a large number of animals.



See Also ... For complete instructions on importing animals into Farm Stock and using the livestock management program, see the *Farm Stock – Step by Step* user guide eBook by clicking the **Start** button, pointing to **Programs** (or **All Programs** in Windows XP), pointing to **Farm Works Software**, pointing to **Manuals**, and clicking **Farm Stock Manual**. You may also order a printed version of this complete *Farm Stock* user guide by calling Farm Works Software at (800) 225-2848.

Setting Up Field Inventories

You may use the initial setup of field inventories to enter cost of any fieldwork you completed in the previous year for the crop of a field. These figures are required for the field enterprise statements since you will be unable to enter prior year farming actions. The cost of seed and chemicals may be included for crops such as winter wheat. Even fields that do not have crops in them may have costs related to fall fertilizer and tillage actions. Field inventories will only be set up on your accrual books and have no effect on your Cash General Ledger.



Tip ... You should set up field inventories before using Farm Funds to record harvested crops.


To set up the cost of field inventories as of the start of the year:

1. Before you begin, make sure you have the fields for which you are setting up field crops drawn and defined as fields on your main farming layer before you do the field inventory setup.



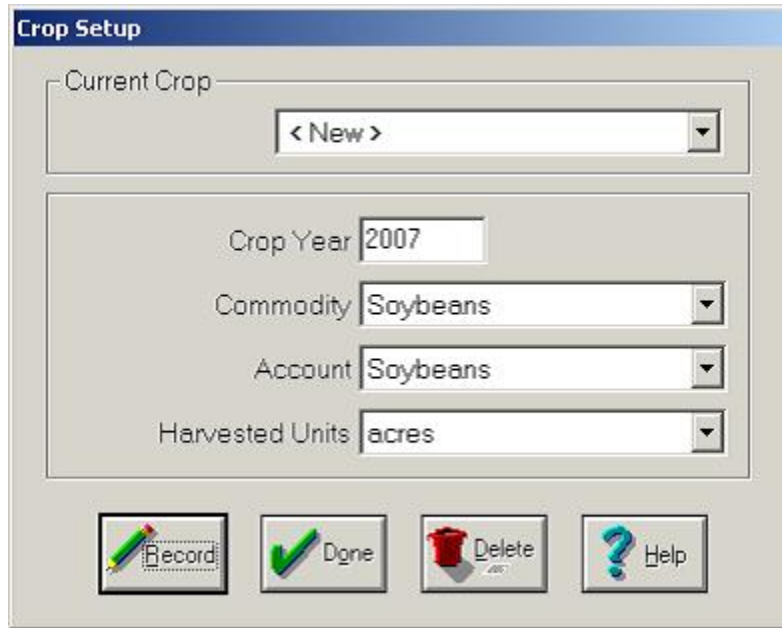
See Also ... For instructions on how to draw and define fields, see the user guides for Farm Trac+, Farm Site, or Site Pro by clicking the **Start** button, pointing to **Programs** (or **All Programs** in Windows XP), pointing to **Farm Works Software**, pointing to **Manuals**, and clicking the name of the manual. To order manuals for the programs that are more complete, call Farm Works Software at (800) 225-2848.



2. Click **Initial Setup** in the list and click the **Field Inventory** toolbar button. 
3. In the **Initial Setup of Field Crops** dialog box that opens (see the figure below), click the field name in the **Location** list, then click the year and commodity in the **Crop** list (for example, 07 Corn) or click **<Add/Edit>** in the list to add a new commodity in the **Crop Setup** dialog box.



FAQ ... Q. "I don't see anything my Location list. Why not?"
A. You must have a field drawn and defined as a field on your main farming layer before Farm Funds displays its name in the Location box. For instructions on defining fields, see the manual for Farm Trac+, Farm Site, or Site Pro. You may order these manuals by calling (800) 225-2848.



4. In the **Current Crop** list of the **Crop Setup** dialog box, click **<New>** and type the year you intend to harvest the crop in the **Crop Year** box. Click the commodity, account and harvested units in the appropriate boxes, or click **<Add/Edit>** to add a new type of commodity, account, or harvested unit.



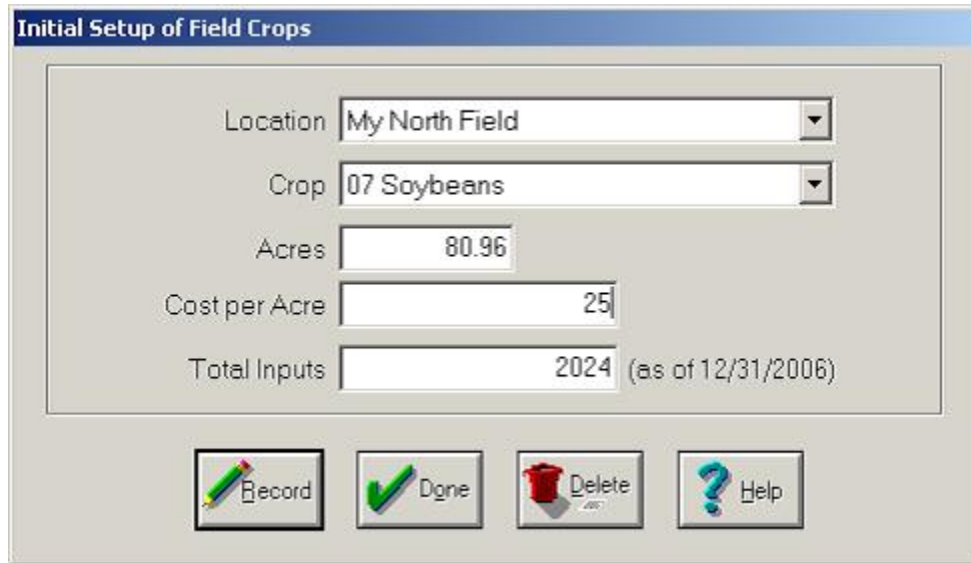
Tip ... If you have not yet planted the crop, you may click **Field Prep** in the **Account** list, and then click the commodity you expect to plant in the **Commodity** list (you may change this later, if necessary).

5. Click **Record** to save the information and **Done** to return to the **Initial Setup of Field Crops** dialog box.
6. In the **Initial Setup of Field Crops** dialog box, click the crop that was in the field as of the start of the year in the **Crop** list. If you have not yet sown see in the field, click **Field Prep**, instead. To add a new crop to the list, click **<Add/Edit>**.



FAQ ... Q. "How do I keep track of two different kinds of soybeans?"

A. When setting up a crop, you may use the commodity to keep track of different brands. Say that you want to keep track of which fields have Roundup-Ready beans and which fields have conventional beans, you might set up each with the same account (for example, Soybeans) but a different commodity (either Beans or Roundup Beans, for instance).



7. Click **Record** to save the current information.
8. Repeat the above steps to record additional field inventories, then click **Done** to close the **Initial Setup of Field Crops** dialog box.





FYI ... In the Acres box, Farm Funds displays the size of the field that you defined on your main farming layer. The program also calculates the cost per acre or the total inputs after you enter your best estimate in either the **Cost Per Acre** or the **total Inputs** box.

Setting Up Harvested Crops

You may use the initial setup of harvested crops to set up any commodity in storage at the beginning of the fiscal year (that is, crops that have been harvested but not sold). Examples include crops stored in grain bins, or at an elevator, co-op, or other organization. You must enter this information before recording crop sales. Harvested crop inventories only reflect your accrual books and have no effect on your Cash General Ledger. To set up harvested crop inventories as of the start of the year:




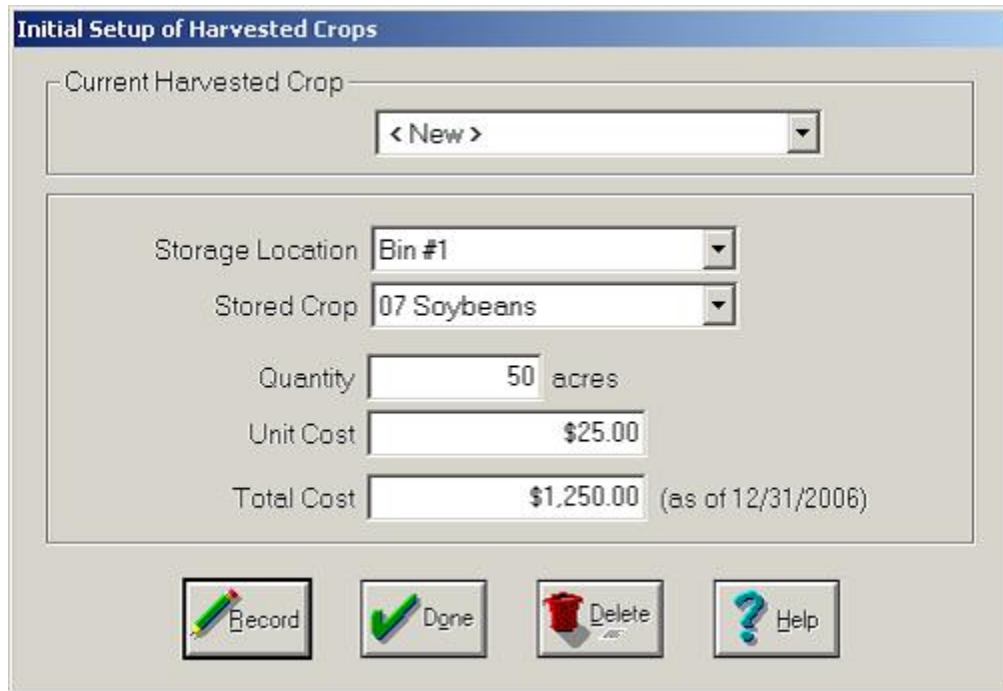
1. In the Initial Setup toolbar click the **Harvested Crop Inventory** button.  This opens the **Initial Setup of Harvested Crops** dialog box (see the figure below).
2. In the **Initial Setup of Harvested Crops** dialog box, click a previously harvested crop in the **Current Harvested Crop** list, or click **<New>** in the list to add a new crop.
3. Click the locale where you stored the crop in the **Storage Location** list (this may be a bin, a silo, a field, or an off-farm location such as a cooperative or grain elevator). Farm Funds displays all structures and fields you have drawn and defined on your main farming layer in the **Storage Location** list.

 **FAQ ... Q.** "I'm storing my grain at a co-op. How do I enter this?"


A. You may use the **off-Farm** option for crops stored at cooperatives or grain elevators, or you may draw and define a structure on your map for each elevator or co-op where you store your harvests. This is helpful if you do business with several different elevators or co-ops and you wish to keep inventories at each location. You may draw these structures as small rectangles or circles in a corner of your main farming layer, and define them as structures. For instructions on defining objects as structures, see the Farm Trac, Farm Site, or Site Pro user guide: Click the **Start** button, point to **Programs** (or **All Programs** in Windows XP), point to **Farm Works Software**, point to **Manuals**, and click the name of the manual you want to read. To order manuals for the programs that are more complete, call Farm Works Software at (800) 225-2848.

- In the **Stored Crop** list, click the crop that you put in storage or click **<Add/Edit>** to add a new crop.

 **Tip ...** When setting up a crop, you may use the commodity to keep track of different brands. Say that you want to keep track of which fields have Roundup-Ready beans and which fields have conventional beans, you might set up each with the same account (for example, Soybeans) but a different commodity (either Beans or Roundup Beans, for instance).



- Enter your best estimate of the amount you stored as of the start of the year in the **Quantity** box, and then type either the cost per unit or the total cost in the applicable box (Farm Funds automatically calculates the other value for you).

 **Ask Your Accountant ...** Consult your accountant or other financial advisor if you are unsure whether to enter the cost as the market value from the start of the fiscal year, or as an estimate of the cost to grow and harvest the crop.

- Click **Record** to save the current information.
- Repeat the above steps to record additional harvested crops. When you are finished, click **Done** to exit the **Initial Setup of Harvested Crops** dialog box.

Setting Up Supplies

Use the initial setup of supplies to enter farm inputs (such as feed, seed, fuel, chemicals and fertilizer) that your farm possessed at the beginning of the year. You must enter this information before using supplies in farming operations with the Farm Trac+, Farm Site, or Site Pro program. Farm Funds only reflects supply inventories in the accrual books for your farm, which have no effect on the cash general ledger.




Tip ... You should set up all supplies you will use, and draw and define fields on your main farming layer, before using the software to apply supplies to fields.

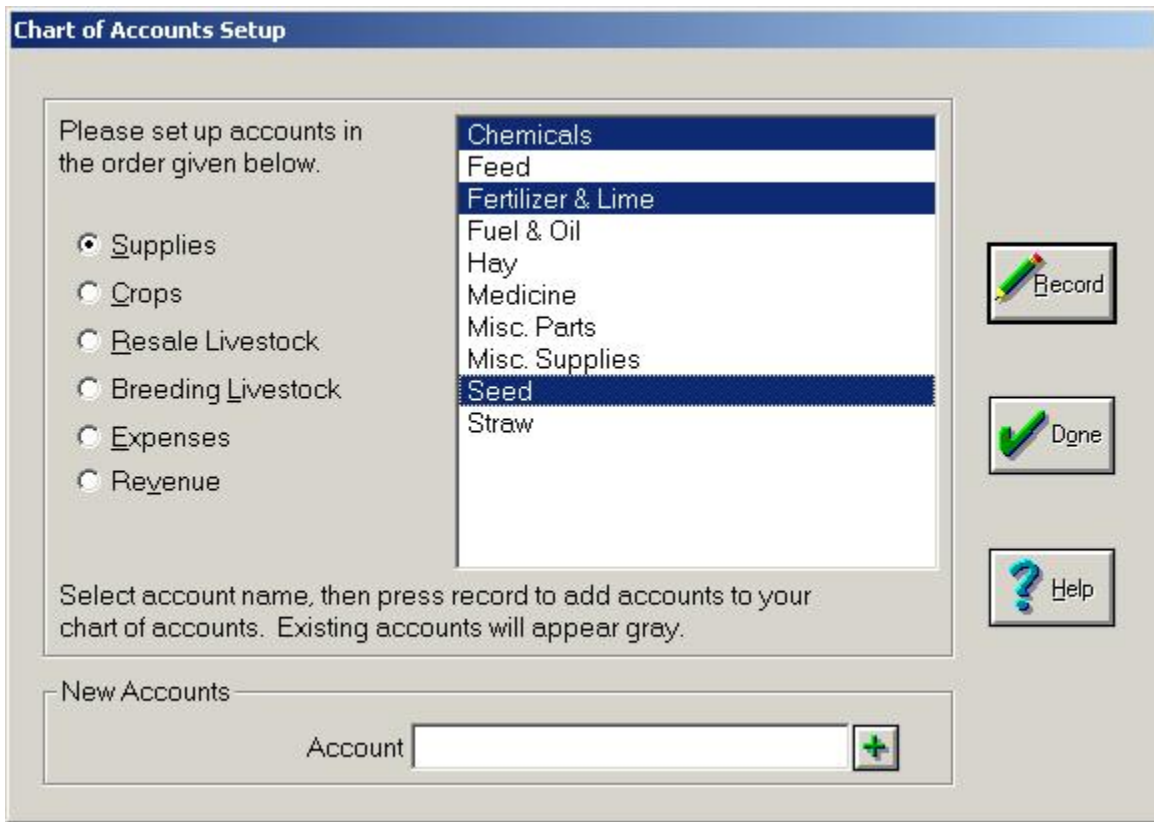


See Also ... If you are prepaying for a supply, but might take delivery of a different supply, then set it up as *other asset* rather than as a *supply*. (See the section of this chapter called "Setting Up Prepaid and Other Assets".) You should set up prepaid inputs as supplies *only* if you are sure you will actually take delivery of the supply for which you prepaid.



To set up supplies in Initial Setup:



1. In the Initial Setup toolbar, click the **Supplies Inventory** button.  This opens the **Initial Setup of Supplies Inventory** dialog box (see the figure below).
2. In the **Initial Setup of Supplies Inventory** dialog box, click the supply in the **Current Item** list, or click **<New>** to add a new supply. Type a description of the supply in the **Description** box.
3. Click the account for the supply in the **Account** list, or click **<Add/Edit>** to open the **Chart of Accounts** dialog box where you may add a new supply account.



4. In the **Chart of Accounts Setup** dialog box, click **Supplies** and then click all of the supplies you wish to add in the list. Then, click **Record** to save the information and **Done** to close the dialog box. The **Supply Properties** dialog box appears.

 **Tip ...** You can also add new supply accounts under **New Accounts** by typing the name of the supply in the **Account** box and clicking the **Add** button. 

5. In the **Supply Properties** dialog box that appears, click the **General** tab. Under **Type**, click the option button that best describes the type of supply, and select the **Changes Field Pattern** check box if you want the program to modify the pattern of a field that receives the supply.

Supply Properties

General | Chemical | Fertilizer | Restrictions | P.H.I. | Pattern

Description: Roundup Ultra
 Part #:
 Account: Chemicals

Type

Herbicide Seed Feed
 Insecticide Fertilizer/Lime Fuel
 Fungicide Adjuvant Other Non-Distributed Item
 Nematicide Growth Regulator
 Rodenticide Other Chemical

Changes Field Pattern

Units

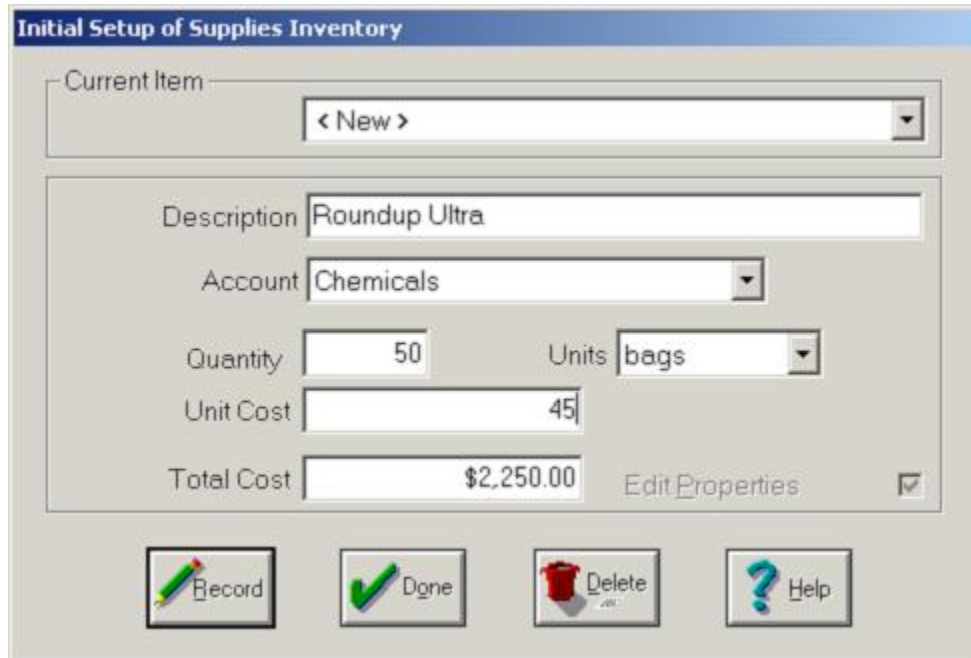
Purchased Unit: bags
 Distributed Unit: lbs
 1 bags = 10 lbs

OK Cancel Help

- Under **Units**, click the purchased unit and distributed unit in the lists, verify that the amount in the units box is correct, and click **OK** to save the information and return to the **Initial Setup of Supplies Inventory** dialog box.



Tip ... The Purchased Unit list contains the form in which you purchase the supply. The Distributed Unit list contains the form in which you distribute the supply. (For example, you may purchase fertilizer in bags, but distribute it by pound. If each bag holds 10 pounds, the ratio should be one bag for every 10 lbs.)



7. Back in the **Initial Setup of Supplies Inventory** dialog box, enter the quantity on hand at the start of the year in the **Quantity** box, and click the unit of measure in the **Units** box. Then, type an amount in either the **Unit Cost** or the **total Cost** box; Farm Funds calculates the other value for you.



Tip ... If you wish to change the supply properties of an existing item, select **Edit Properties**.

8. Click **Record** to save the information. The **Supply Properties** dialog box appears if the item is new or if you selected **Edit Properties**. Click **Done** to close the dialog box.



Tip ... You may also set up the names and other information for supplies that you do *not* have on hand, but might be using in the upcoming year. When doing this, be sure to enter the number zero for the quantity and for the cost of the supply. This alternative is useful if you have time to set up all supplies and you want to save time later.

Setting Up Prepaid & Other Assets


Farm Funds also gives you the freedom to set up other assets that do not fit under the categories offered. Other assets may be short term, such as prepaid expense accounts and hedging accounts that you will use within a year, or they may be long-term, such as stock you hold in a cooperative. Prepaid expenses are expenses that you have paid in advance, or up front, for future benefits (prepaid fertilizer, for example). Prepaid expenses are usually much smaller than the inventory and accounts receivable assets of your farming enterprise.




Tip ... You should set up any prepaid and other assets before using Farm Funds to close out the first year-end financial record.


To set up an Other Assets:



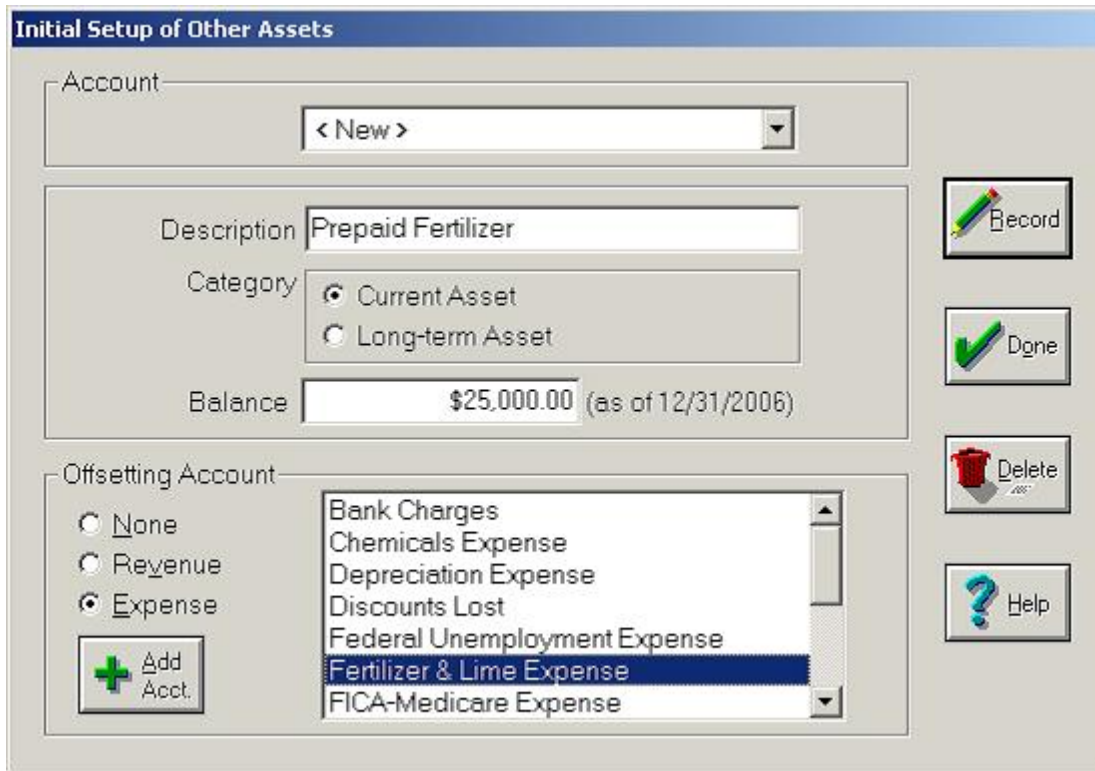
1. In the Initial Setup toolbar, click the Other Assets button.  This opens the **Initial Setup of Other Assets** dialog box.
2. Click an account in the **Account** list, or click **<New>** and type a description of the other asset account in the **Description** box.

 **Tip ...** You should set up a separate other asset account for each prepaid item (for example, prepaid fertilizer, or prepaid chemicals) so that the program's cash-basis financial books reflect the proper offsetting account.

3. In the **Category** area, click either **Current Asset** or **Long-term Asset**.

 **Tip ...** Prepaid assets are current assets since you should use them within a fiscal year. In contrast, co-op stocks or equities are long-term assets for which you might take more than a year to pay.

4. Enter the amount for the balance of the asset as of the start of the year indicated in the **Balance** box.



5. In the **offsetting Account** area, click the appropriate option button:
 - Click None for co-op stock without an offsetting account.



- Click Revenue if accrued interest income has a revenue offset of interest income.
 - Click Expense for prepaid purchases, and click the expense account to which the purchase relates.
6. Click the appropriate account in the **offsetting Account** list.



Ask Your Accountant ... You may enter co-op equity as other expenses by recording the total amount of patronage stock or equity received over the years. This is usually the difference between amounts reported on form 1099-PATR and the amounts paid to you over the years as you have done business with a cooperative. If you are unsure of the amount of co-op equity you possess, check with your accountant, or co-op representative.



On the Web ... You may download and print form 1099-PATR from the Web site of the Internal Revenue Service at www.irs.gov/pub/irs-pdf/f1099ptr.pdf or call the IRS to order copies of the form by dialing (800) TAX-FORM. Be sure you submit Copy B and *not* Copy A of form 1099-PATR. Copy A is for your own records and it uses a red font, which the IRS cannot scan. The IRS may fine you a penalty if you accidentally submit Copy A.

7. To add an asset that is *not* included in the list of revenues, click the Add Account button.  In the **Chart of Accounts** dialog box that appears, click **Revenues**, type the revenue account you want to add in the **New Accounts** box and click the Add button.  Verify that the program highlighted the new account in the list before you click **Record** to save it. Then, click **Done** to close the dialog box.

Initial Setup of Other Assets

Account: < New >

Description: 4-H Fair Earnings

Category: Current Asset
 Long-term Asset

Balance: \$150.00 (as of 12/31/2006)

Offsetting Account:

None
 Revenue
 Expense

+ Add Acct.

4-H Fair Contest Winnings
Gain/(Loss) on Sale of Fixed Assets
Hogs Sales
Interest Income
Inventory Supplies Sales
Livestock Transfers
Soybeans Sales

Record
Done
Delete
Help

8. Follow the instructions in the above steps to add the new revenue asset in the **Initial Setup of Assets** dialog box.
9. Click **Record** to save the information and **Done** to close the **Initial Setup of Other Assets** dialog box.



FYI ... Farm Funds allows you to set up other assets *only* with an offsetting account in your accrual general ledger, since the program treats prepaid assets as an expense or revenue in your financial books when you incur them, rather than when you use them. The program adds assets with no offsetting accounts to both your cash and accrual general ledger.

Setting Up Accounts Payable

Accounts payable are one main type of short-term liabilities for your farming business, in which are recorded the amounts owed to vendors or suppliers for the purchased products, supplies, parts, or services that you buy on credit. The amounts recorded in this liability are non-interest bearing (although you may incur interest charges as penalties for late payments). You may use the initial setup of accounts payable to add bills you received, but did not pay as of the start of the year. For instance, a load of feed purchased in December for which you will not pay until the following January is an accounts payable. It is only necessary to enter accounts payable into Farm Funds when you wish to have the program keep track of unpaid bills, or when you want to have the program record these liabilities on your balance sheets. Farm Funds includes accounts payable only on your accrual general ledger, and they have no effect on your cashbooks until you pay them.

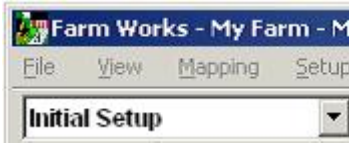



Tip ... You should set up accounts payable before using Farm Funds to record any payments.



See Also ... For information on the Farm Funds balance sheet see the chapter "General Ledger" later in this user guide.

To set up accounts payable balances as of the start of the year:



1. In the Initial Setup toolbar, click the **Accounts Payable** button.  This opens the **Initial Setup of Accounts Payable** dialog box (see the figure below).
2. In the **Initial Setup of Accounts Payable** dialog box click an item from the Current Invoice list, or click **<New>** in the list.



See Also ... For instructions on how to add a names, addresses and phone numbers to Farm Funds, see section "Adding Names, Addresses & Phone Numbers" of this chapter.

3. Enter an invoice number or other description in the **Description** box.
4. Click **Record** to save the information and **Done** to return to the **Initial Setup of Accounts** dialog box.



Tip ... You may delete name and address information by clicking the desired index and clicking **Delete**. Farm Funds allows you to view deleted items by selecting **Show All Names** in the **Name and Address Information** dialog box.

5. In the **Initial Setup of Accounts Payable** dialog box, enter dates in the **Invoice Date**, the **Due Date** and the **Reminder Date** boxes. The reminder date defaults to three days before the due date, but you may change this if you want.



FYI ... Farm Funds displays reminders for invoices due each time the program is opens. To change the default number of days for the reminder date, click **Reminder Date** in the **Accounts Payable** menu.

6. If there are any early payment discounts, enter the information for these in the **Discount Date** box and the **Discount %** box.
7. Under **Invoice Details**, click **Revenues** or **Expenses**, click the first item in the box that applies to the receivable account, and then click **Add to Invoice** to add the item to the **Account Name** column. Repeat this step for each revenue and expense.

Initial Setup of Accounts Payable

Accounts Payable

Current Invoice: < New >

Invoice No. or Description: Parts & Labor

Vendor: Grease Monkey Tractor Repair

Invoice Date: 12/01/2007

Due Date: 12/01/2008

Reminder Date: 11/28/2008

Discount Date: 03/01/2008

Discount: 10 % or \$150.00

Invoice Details:

Revenues

Expenses

+ Add Acct.

Rent Expense - Equip

Rent Expense - Land

Repairs Expense - Bldg

Repairs Expense - Equip

Seed Expense

Add to Invoice

Account Name	Amt
Repairs Expense - Equip	1500.00
Gross Payable Amount	1,500.00
Net Amount with Discount	1,350.00

Record Done Delete Help

- Enter the amounts for each account name in the **Amt** column. Farm Funds automatically calculates and displays the discount amount, gross payable amount, and net amount with discount.
- Once you add all of the payable accounts and verify that the payable balance is correct, click **Record** to save the information and **Done** to close the dialog box.

 **FYI ...** If the reminder date is later than the discount date, Farm Funds displays a message to ask if this is all right. If you would rather set the reminder date to before the discount date, click **No** and change the reminder date in the **Initial Setup of Accounts Payable** dialog box. If the reminder date is correct, click **Yes**.

Accounts Payable Setup

Reminder date is later than discount date.

Is this okay?

Yes No

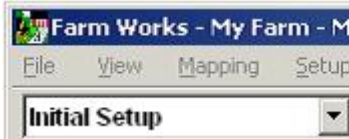
Setting Up Loans


Use the initial setup of loans to set up loan balances as of the start of the year. Loans may include operating loans, equipment loans, mortgages, or land contracts. You may locate your loan balances on bank statements or amortization schedules, or you may need to check with your bank's loan department.



Tip ... You should set up loans before using Farm Funds to record payments on the loans.

To set up the initial balance on loans:



1. In the Initial Setup toolbar, click the **Loan** button.  This opens the **Initial Setup of Loans** dialog box (see the figure below).
2. To change the initial balance of a previously entered loan, click the name of the loan in the **Current Loan** list, or click **<New>** to create a new loan and type a description of the new loan in the **Account Desc** box.
3. Type the balance due as of the start of the date indicated in the **Balance** box.



Tip ... This balance should be only the principal balance; do *not* include any interest in this amount.

Current Loan	< New >
Account Desc.	Farmer's Bank & Loan
Balance	\$15,000.00 (Total as of 12/31/2006.)
Short Term	\$5,000.00 (Principal due this year.)
Long Term	\$10,000.00 (Principal due after year end.)

4. Enter the principal due within the next 12 months in the **Short Term** box. Farm Funds automatically calculates and displays the long-term portion of the loan (that is, the amount due after the first 12 months).



FAQ ... Q. "Do I need to type in the exact amount of the short-term principal of my loan?"

A. No, you may enter an estimate if you do not know the exact figure. If, for example, you have a ten-year, \$70,000 loan, you may estimate that you will pay \$7,000 per year in principal repayments by dividing the loan amount by the remaining number of years. Later you may change this to a more exact amount.

5. Click **Record** to save the information and **Done** to close the dialog box.

Setting Up CCC Loans & Other Liabilities

Use the initial setup of other liabilities to establish charges that do not fit in the other categories. Other liabilities may consist of payroll taxes payable (that is payroll taxes from a prior year that are not paid until the following year), or Commodity Credit Corporation loans (that is, CCC loans).




On the Web ... For information on Commodity Credit Corporation loans available to farmers, check out these links:
www.irs.gov/businesses/small/industries/article/0,,id=99000,00.html
www.fsa.usda.gov/dafp/psd/reports.htm



Tip ... You should set up any other liabilities before using Farm Funds to close out the first year-end financial record.

To set up Other Liabilities from the start of the year:



1. In the Initial Setup toolbar, click the **Other Liabilities** button.  This opens the **Initial Setup of Other Liabilities** dialog box (see the figure below).
2. In the **Initial Setup of Other Liabilities** dialog box, click a liability account in the **Account** list, or click **<New>** and type the name of the liability you wish to add in the **Description** box.
3. In the **Category** area, click either **Current Liability** or **Long-term Liability**.



Tip ... Payroll taxes and CCC loans should be marked as current liabilities since you will pay them within the next 12 months.

4. Enter the balance owed as of the date indicated in the **Balance** box.

5. Under **Offsetting Account** click the appropriate option button:
- Click **None** if you treat a CCC loan as a loan for tax purposes and recognize it as income when you sell the crop, instead of when you receive the loan.
 - Click **Revenue** if you treat a loan as income when you receive it.
 - Click **Expense** if you deduct payroll taxes when you deposit them.



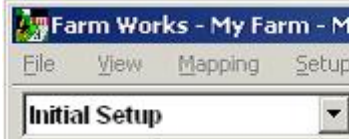
Ask Your Accountant ... Use **Wage Expense** as the offset account for all payroll tax withholding, except FICA (Employer) when following step #5c. Use FICA-Medicare Expense for the employer expense. Use the Federal or State Unemployment Expense for the unemployment taxes. For other liabilities, your accountant or tax assistant should help you determine whether you need to use an offsetting account.





On the Web ... You can read the FAQ on working with CCC loans at the Farm Works Software Web site: www.farmworks.com/support/CCC_loans/ccc_loans.html

Exiting the Initial Setup

To exit the Initial Setup:







1. Click the **Exit Initial Setup** button.  The **Initial Setup of Equity** dialog box appears (see the figure below).
2. If your agricultural enterprise is either a partnership or proprietorship do this:
 - In the **Initial Setup of Equity** dialog box, click the proprietor in the **Owner** list, or add a new proprietor by clicking **<New>** in the list and typing the name, equity amount, and owner's percentage in the appropriate boxes.

 **Tip ...** If there is only one owner, enter 100% in the **Owner's Percentage** box.

- Click **Record** to save the information for the first proprietor.

Initial Setup of Equity - Proprietorship

<p>Owner: Christopher Irwin</p> <hr/> <p>Name: Christopher Irwin</p> <p>Equity: \$51,824.00 (as of 12/31/2006)</p> <p>Owner's Percentage: 100 %</p> <p>Total Described: 100.000 %</p>	<h4 style="margin: 0;">Equity Summary</h4> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td>Total Assets</td> <td style="text-align: right;">\$93,524.00</td> </tr> <tr> <td>Less:</td> <td></td> </tr> <tr> <td>Total Liabilities</td> <td style="text-align: right;">\$41,700.00</td> </tr> <tr> <td>Total Equity</td> <td style="text-align: right; border-top: 1px solid black;">\$51,824.00</td> </tr> <tr> <td>Out of Balance</td> <td style="text-align: right; border-top: 1px solid black;">\$0.00</td> </tr> </table> <p style="font-size: small; margin-top: 10px;">Your initial setup is now in balance. You may now use accounting.</p> <hr/> <h4 style="margin: 0;">Automatic Equity Allocation</h4> <div style="text-align: center; margin-top: 5px;"> Clear all Equity Split by Current Equity Split by Percentages </div>	Total Assets	\$93,524.00	Less:		Total Liabilities	\$41,700.00	Total Equity	\$51,824.00	Out of Balance	\$0.00
Total Assets	\$93,524.00										
Less:											
Total Liabilities	\$41,700.00										
Total Equity	\$51,824.00										
Out of Balance	\$0.00										

 Record
 Done
 Delete
 Help

- Follow the same steps for each proprietor of the proprietorship or partnership. After you have entered all of the owners, the total **Described** box should display 100%.
- The out of balance amount must equal zero before Farm Funds allows you to exit the initial setup and begin using the program. If **Out of Balance** in the **Equity Summary** area is greater than zero dollars, click the **Split by Percentages** button. Farm Funds adds the difference between total **Assets** and total **Liabilities** to the total **Equity** displayed.



Tip ... If you make a mistake and want to start over, click **Clear All Equity**, then click **Yes** to the message that asks if you want to erase all initial setup equity. Clearing the equity in this way will not delete an owner's assets and liabilities.

- Click **Record** to save the information and **Done** to close the dialog box.
3. If your agricultural enterprise is a corporation do this:
- Enter the various equity balance amounts for your corporation in the **Capital Stock**, **Preferred Stock**, **Paid in Capital**, and **Treasury Stock** boxes. Under **Retained Earnings**, type the appropriate amounts in the **Non-Appropriated Retained Earnings** and **Appropriated Retained Earnings** boxes.



Ask Your Accountant ... You may enter these figures later if you do not know what they are at this time. If you are not sure what amounts should be entered here, consult with your tax assistant, accountant or attorney.

Initial Setup of Equity - Corporation


<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Capital Stock</td> <td style="border: 1px solid gray; text-align: right;">\$500,000.00</td> </tr> <tr> <td>Preferred Stock</td> <td style="border: 1px solid gray; text-align: right;">\$100,000.00</td> </tr> <tr> <td>Paid In Capital</td> <td style="border: 1px solid gray; text-align: right;">\$50,000.00</td> </tr> <tr> <td>Treasury Stock</td> <td style="border: 1px solid gray; text-align: right;">\$50,000.00</td> </tr> </table> <p>Retained Earnings</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Unappropriated</td> <td style="border: 1px solid gray; text-align: right;">\$900,000.00</td> </tr> <tr> <td>Appropriated</td> <td style="border: 1px solid gray; text-align: right;">\$50,000.00</td> </tr> </table>	Capital Stock	\$500,000.00	Preferred Stock	\$100,000.00	Paid In Capital	\$50,000.00	Treasury Stock	\$50,000.00	Unappropriated	\$900,000.00	Appropriated	\$50,000.00	<p>Equity Summary</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Total Assets</td> <td style="text-align: right;">\$1,550,000.00</td> </tr> <tr> <td>Less:</td> <td></td> </tr> <tr> <td>Total Liabilities</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>Total Equity</td> <td style="text-align: right; border-top: 1px solid black;">\$1,550,000.00</td> </tr> <tr> <td>Out of Balance</td> <td style="text-align: right; border-top: 1px solid black;">\$0.00</td> </tr> </table> <p style="text-align: center;">Your initial setup is now in balance. You may now use accounting.</p> <p>Automatic Equity Allocation</p> <div style="border: 1px dashed gray; padding: 5px; text-align: center;"> Balance to Unappropriated Retained Earnings </div>	Total Assets	\$1,550,000.00	Less:		Total Liabilities	\$0.00	Total Equity	\$1,550,000.00	Out of Balance	\$0.00
Capital Stock	\$500,000.00																						
Preferred Stock	\$100,000.00																						
Paid In Capital	\$50,000.00																						
Treasury Stock	\$50,000.00																						
Unappropriated	\$900,000.00																						
Appropriated	\$50,000.00																						
Total Assets	\$1,550,000.00																						
Less:																							
Total Liabilities	\$0.00																						
Total Equity	\$1,550,000.00																						
Out of Balance	\$0.00																						

- Under **Automatic Equity Allocation**, click **Balance to Non-Appropriated Retained Earnings** to complete initial setup of the corporation. This allocates the amount out of balance to the non-appropriated retained earnings account for your corporation.



Tip ... The **Initial Setup of Equity – Corporation** dialog box is where you enter ownership capital of your corporation. This equity derives from two sources—investment of capital in the corporation by the owners for which the corporation issues capital stock shares, and profit that the corporation earned but has not distributed to its owners, which are the retained earnings for the corporation. The current market value of your equity in the corporation is usually different from the recorded book value, which the program reports in the balance sheet.

4. Click **OK** to save the information and close the **Initial Setup of Equity** dialog box.

5. When you are finished working in the initial setup, click the **Exit Initial Setup** button.  You may then click either **Split by Percentage** or **Balance to Non-Appropriated Retained Earnings** to balance Farm Funds' books so you may begin entering your financial transactions.

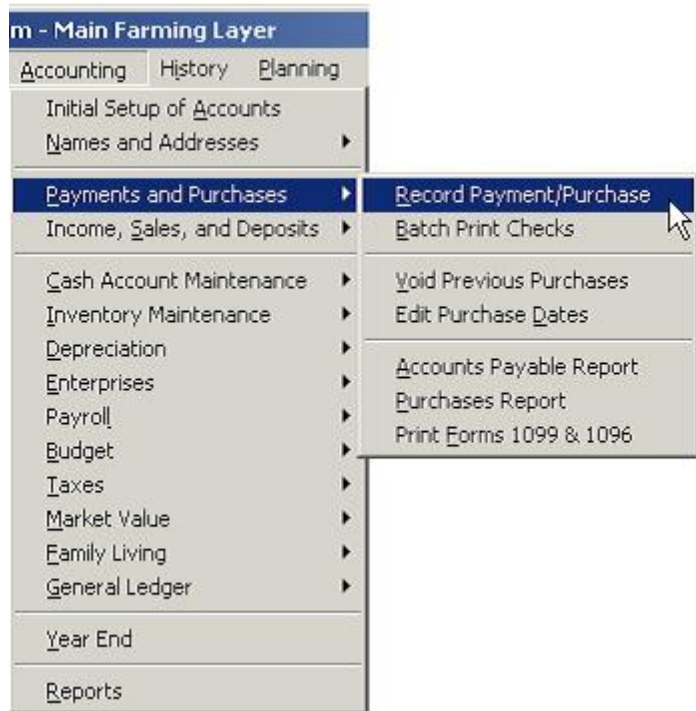


Tip ... At any time, you may return to the initial setup to enter the remaining information by clicking the **Initial Setup of Accounts** command in the **Accounting** menu. If you do not complete the entire initial setup before you begin using Farm Funds, you *must* finish the initial setup before you do your year-end closing of your financial records.

Chapter 7 - Payments & Purchases




Writing a check, charging items on your credit card, and purchasing something with cash are just a few examples of transactions you can enter using Payments and Purchases dialog box of Farm Funds. This chapter covers each of the payment and purchase options, devoting a section to each one. Following these sections is a section on loading templates, a section on correcting mistakes, and a section on printing reports. To open the Payments and Purchases dialog box:




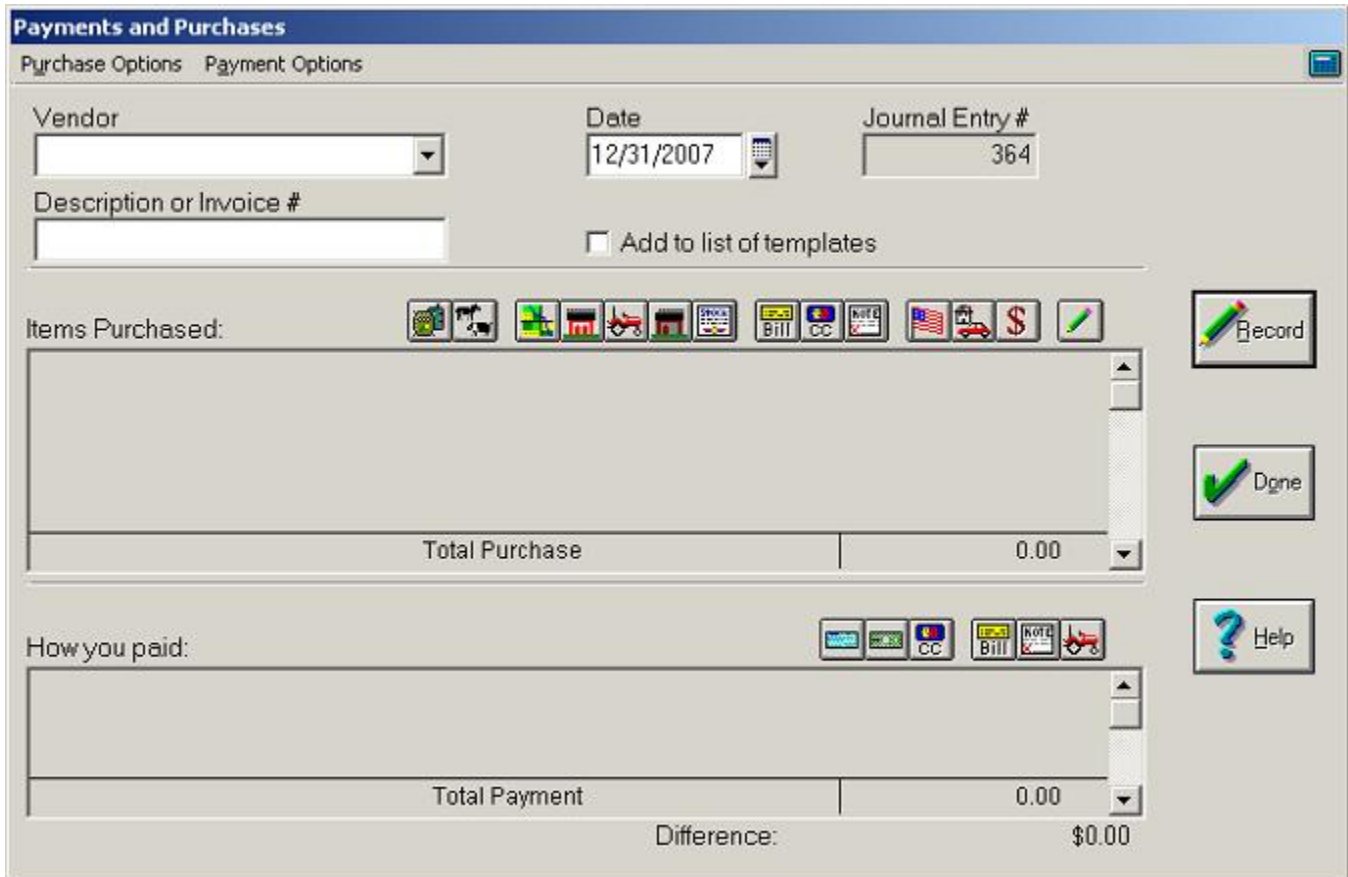
On the menu bar, click Accounting, point to Payments and Purchases, and click Record Payment/Purchase

- or -



Click Checking in the list of the toolbar and click the Record Payment/Purchase toolbar button 

 **Also See ...** The rest of this chapter instructs you to use the latter method of opening the Payments and Purchases dialog box, but you can use any method you like to open this dialog box.



The Payments and Purchases dialog box appears where you can enter payments and purchase transactions, as described in the sections that follow.

The Payment and Purchases Dialog Box







The Payments and Purchases dialog box has four sections—the menu bar, the vendor area, the Items Purchased area and the How You Paid area. Descriptions of these are in the sections that follow.


The Menu Bar

The menu bar, which is located near the top of the dialog box, has two menus you can use to record payments and purchases—the Payment Options menu and the Purchase Options menu.





The Payment Options menu gives you the same options as the toolbar buttons of the How You Paid area of the dialog box. You can use this menu to record payments made by:

-  Check
-  Cash
-  Credit Card
-  Payable
-  Loan
-  Trade-In






 **Tip ...** You can pick more than one payment option to complete the transaction. For example, you can purchase a new tractor by way of a trade in and a loan.








The Purchase Options menu offers you the same choices as the Items Purchased area of the dialog box. You can use this menu to enter payments for:

-  Inventory Supplies
-  Livestock

The Complete Guide to Farm Funds

-  Land
-  Structures
-  Equipment
-  Depreciable Improvements
-  Other Assets

In addition, you can use the Purchase Options menu to document:

-  Payable Payments
-  Credit Card Payments
-  Payroll Deposits
-  Family Living Payments
-  Other Expenses and Payments



See Also ... The following sections of this chapter cover the purchase options in the same order they appear in the Purchase Options menu. Information on correcting mistakes and printing reports are at the end of this chapter.

The Vendor Area

Vendor	Date	Journal Entry #
<input type="text"/>	12/31/2007	364
Description or Invoice #	<input type="checkbox"/> Add to list of templates	
<input type="text"/>		


The Vendor area of the dialog box has several boxes to enter information. For each payment or purchase you make: Click the purchaser to whom payments are made in the **Vendor** box, type a description of the transaction in the **Description Or Invoice Number** box, and click the date the transaction you made in the **Date** box. You can also select the **Add To List Of Templates** check box to have Farm Funds create a template you can use in the future for the same type of transaction. The **Journal Entry #** box displays the number Farm Funds automatically assigns to the transaction.

The Items Purchased Area



Like the Purchase Options menu, the Items Purchased area of the dialog box lets you select the types of purchases you made. Instead of menu items, the Items Purchased area has different toolbar buttons you can click to record different types of purchases made. The toolbar buttons correspond to the same menu items of the Purchase Options menu. These are the Inventory Supplies, Livestock, Land, Structures, Equipment, Depreciable Improvement, Other Assets, Payable Payment, Credit Card Payment, Loan Payment, Payroll Deposits, Family Living Payments, and Other Expenses and Payments.


Living, Other Expenses and Payments, and Load Template toolbar buttons. The dialog box displays the purchases you click and the total amount of the transaction in the list under the toolbar.

 **See Also ...** Explanations of these purchase options in the sections that follow this one appear in the same order they appear on the toolbar.

The How You Paid Area




Like the Payment Options menu, the How You Paid area of the dialog box has lets you choose the types of payments you make. Rather than menu items, the How You Paid area has different toolbar buttons you can click to enter different kinds of payments made. The toolbar buttons correspond to the same menu items of the Payment Options menu. These are the Check, Cash, Credit Card, Payable, Loan and Trade In toolbar buttons.


 **Tip ...** In the examples of payments that follow, the chapter explains how to enter one or more of the payment options. You can substitute any of the other payment options you wish to use. For example, the section that follows called *Procuring Supplies with Vendor Credits* explains how to enter a payment made by check, but you can enter your own payment with a credit card, instead.

The Buttons



Use the buttons to the right of the dialog box to save the transaction, access the Farm Funds help file, or close the dialog box. Click **Done** to either close the dialog box without saving the information. Click **Record** and then **Done** to save the information entered in the dialog box before closing the dialog box. Click the **Help** button to open the Farm Funds help file to obtain assistance with the dialog box.

 **See Also ...** You will find the information in this user guide more complete than the information in the help file on many subjects. If you cannot find a topic for which you need assistance, try browsing the Index near the end of this user guide.

Another button you might find convenient is the Calculator button  in the upper, right-hand corner of the dialog box. Click this button to open the Calculator program included with every Microsoft Windows operating system.



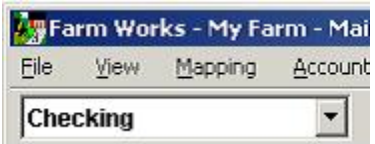
Tip ... You might find it easier to use the number keypad on the right side of every standard computer keyboard to enter information in the Windows calculator. Use the number keys of the number keypad to enter numbers, the backslash key (/) to divide, the asterisk key (*) to multiply, the minus sign key (-) to subtract, the plus sign key (+) to add, and the Enter key to display the sum, difference, product, or quotient. You must press the NUM LOCK key of the keyboard to turn on the keypad.



Purchasing Supplies

You can use the Payments and Purchases dialog box to record the purchase supplies on account and using prepaid transactions.

Acquiring Supplies on Account

Included in the accrual general ledger of Farm Funds is an Accounts Payable section. You can use Accounts Payable to keep track of bills that you have received but have not paid. If you use Accounts Payable in Farm Funds, you will enter the details of what you are purchasing when you receive the bill. You should record this as an Accounts Payable because when you pay the bill, you simply pay the payable without entering the details again. The following are the steps for purchasing supplies with a payable:



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the **Checking** toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date from the **Date** box and the vendor in the **Vendor** list (or click <Add/Edit> to add a new vendor).
3. Type a brief description to summarize the transaction, or the invoice number in the **Description or Invoice Number** box.
4. Click the **Inventory Supplies** toolbar button  in the **Items Purchased** area. This brings up the **Supplies Inventory Purchase** dialog box.
5. In the **Supplies Inventory Purchase** dialog box, click the supply item that you purchased from the **Items Purchased** list. If this is a new item, you can add it at this time by clicking <New>.
6. Enter the appropriate amounts in the **Quantity Purchased**, and the **Unit Cost** or **Gross Total** boxes.



FYI ... When you enter the quantity and unity cost, Farm Funds automatically calculates the total gross amount for you.

Supplies Inventory Purchase

Item Purchased: Starter Fertilizer

Description: Starter Fertilizer

Account: Fertilizer & Lime

Qty. on Hand: 165.933 tons

Qty. Purchased: 20 tons


Unit Cost: \$999.00


Discount: 5 %


Gross Total: \$19,980.00

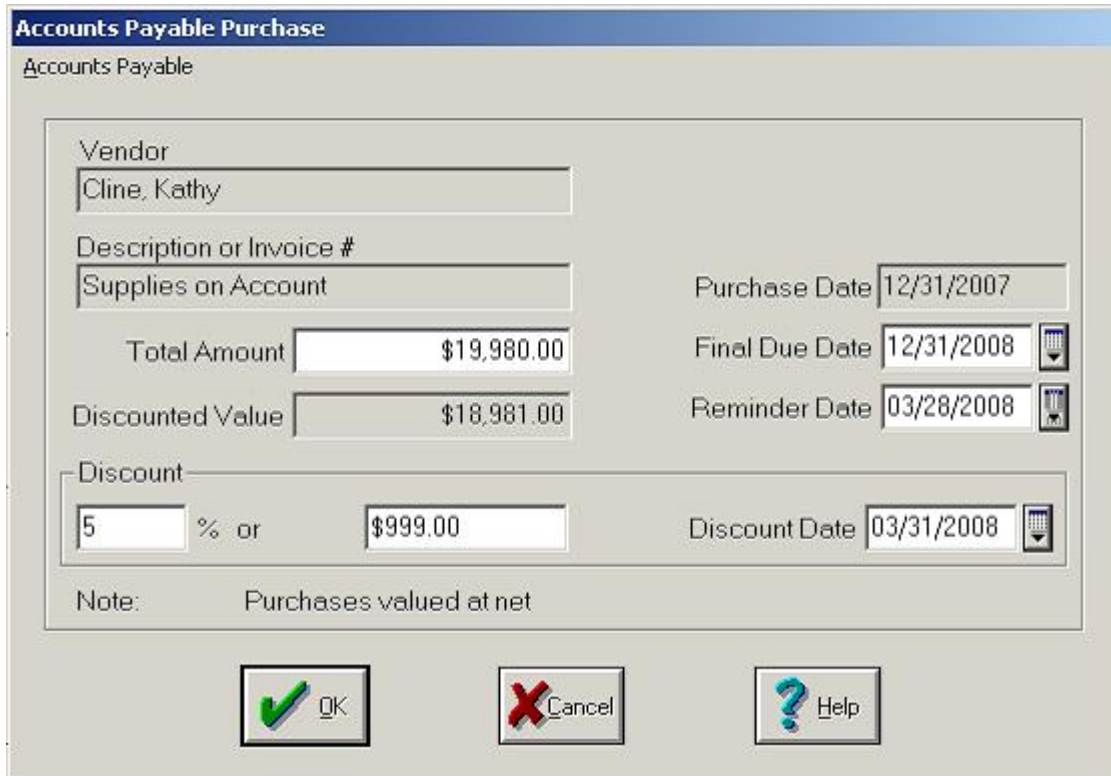
Net: \$18,981.00

Buttons: OK, Cancel, Help

7. If there is a discount for early payment, enter this percent in the **Discount** box.
8. Click **OK** when you have completed all information for the supply.
9. Continue to use the **Items Purchased** area for each additional item purchased in this transaction. When you have recorded all items, the total purchase amount displayed should equal the amount of your invoice.
10. Click the **Payable** toolbar button  in the **How You Paid** area to set up the payable. This brings up the **Accounts Payable Purchase** dialog box.
11. The **Total Amount** box displays the amount of the purchase. You can change this amount if necessary.
12. Enter the date when you must pay the entire bill in the **Final Due Date** box.

 **FYI ...** Farm Funds automatically displays the reminder date, which is the first date when Farm Funds will remind you to pay the bill. You can change this date if you desire.

 **Tip ...** To change the default number of days before a due date that Farm Funds displays a reminder, click the **File** menu of the menu bar, point to **Preferences**, and click **Reminder Date**. In the **Default Reminder Date** dialog box, change the number of days and click **OK**.

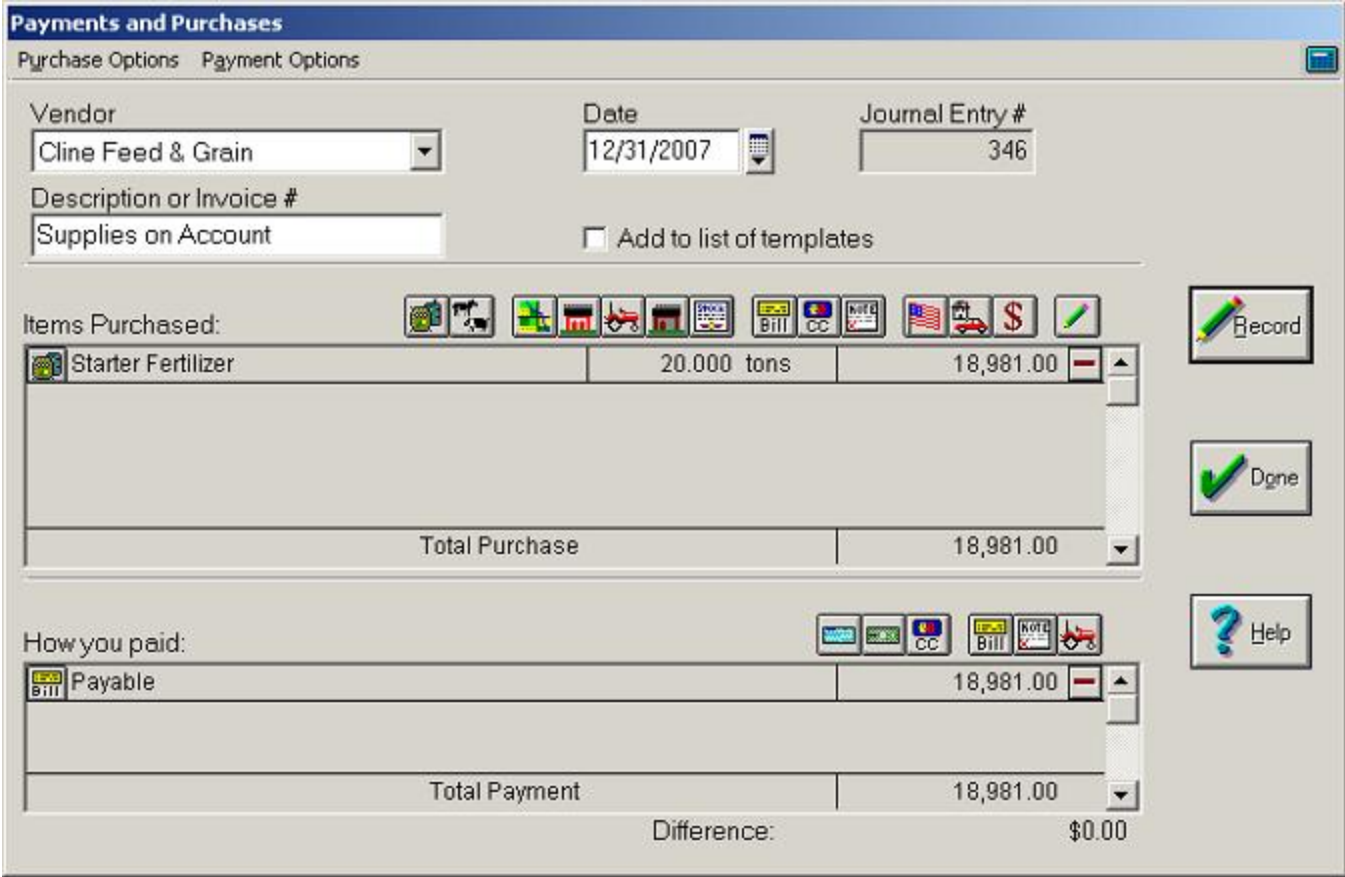


The image shows a software dialog box titled "Accounts Payable Purchase". The window has a blue header bar with the title. Below the header, the text "Accounts Payable" is displayed. The main area contains several input fields and labels:




- Vendor:** A text box containing "Cline, Kathy".
- Description or Invoice #:** A text box containing "Supplies on Account".
- Purchase Date:** A date field containing "12/31/2007".
- Total Amount:** A text box containing "\$19,980.00".
- Final Due Date:** A date field containing "12/31/2008" with a calendar icon.
- Discounted Value:** A text box containing "\$18,981.00".
- Reminder Date:** A date field containing "03/28/2008" with a calendar icon.
- Discount:** A section with two input boxes: the first contains "5" followed by "% or", and the second contains "\$999.00".
- Discount Date:** A date field containing "03/31/2008" with a calendar icon.
- Note:** A text label followed by "Purchases valued at net".

At the bottom of the dialog box, there are three buttons: "OK" with a green checkmark icon, "Cancel" with a red X icon, and "Help" with a blue question mark icon.

13. If there are discounts for early payment, enter the date for the discount in the **Discount Date** box, and either type the percentage or dollar amount of the discount in the appropriate box of the **Discount** area.
14. Click **OK** to save your information and close the dialog box.



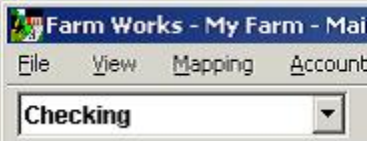
15. The **Payments and Purchases** dialog box displays a summary of the transaction.

 **Tip ...** You can make any needed changes at this time by clicking the **Inventory Supplies** button  to the left of the entry in the **Items Purchased** area, or by clicking the button to the left of any of the entry in the **How You Paid** area (the **Payable** button  for example).


16. If you have balanced your transaction with a difference of zero dollars, click **Record** to post the transaction and **Done** to close the dialog box.

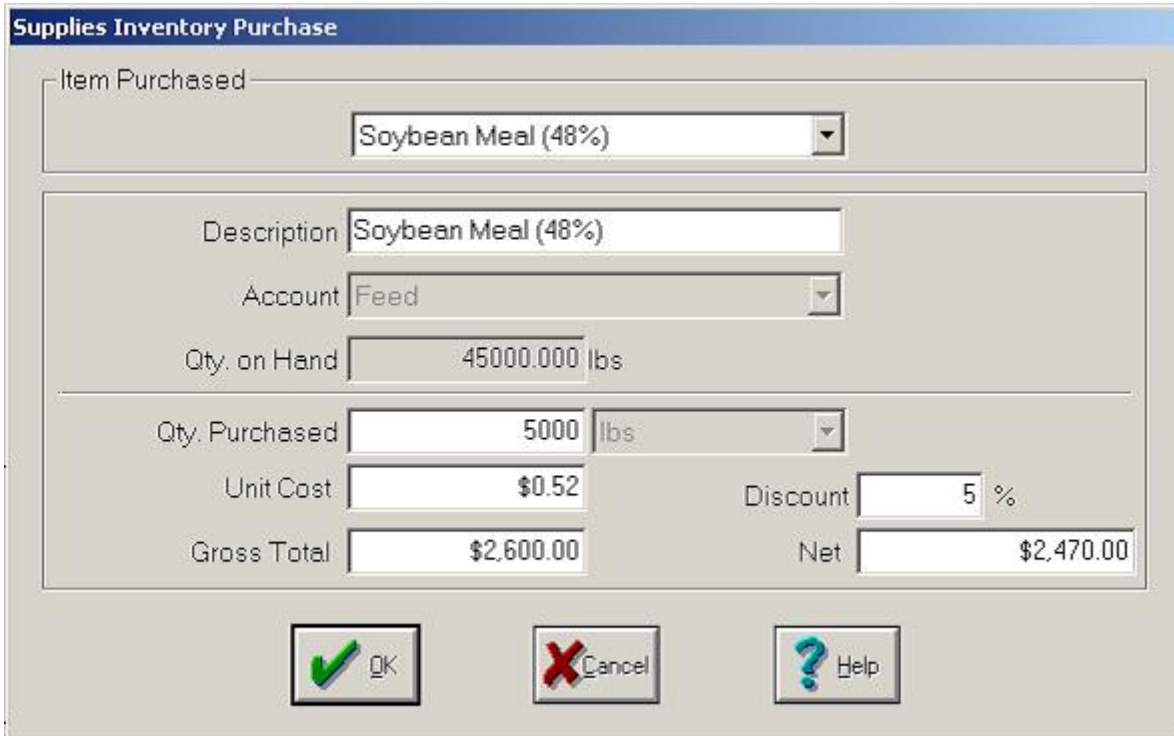
Using Prepaid Transactions to Purchase Supplies

To use prepaid transactions to purchase supplies:





1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).

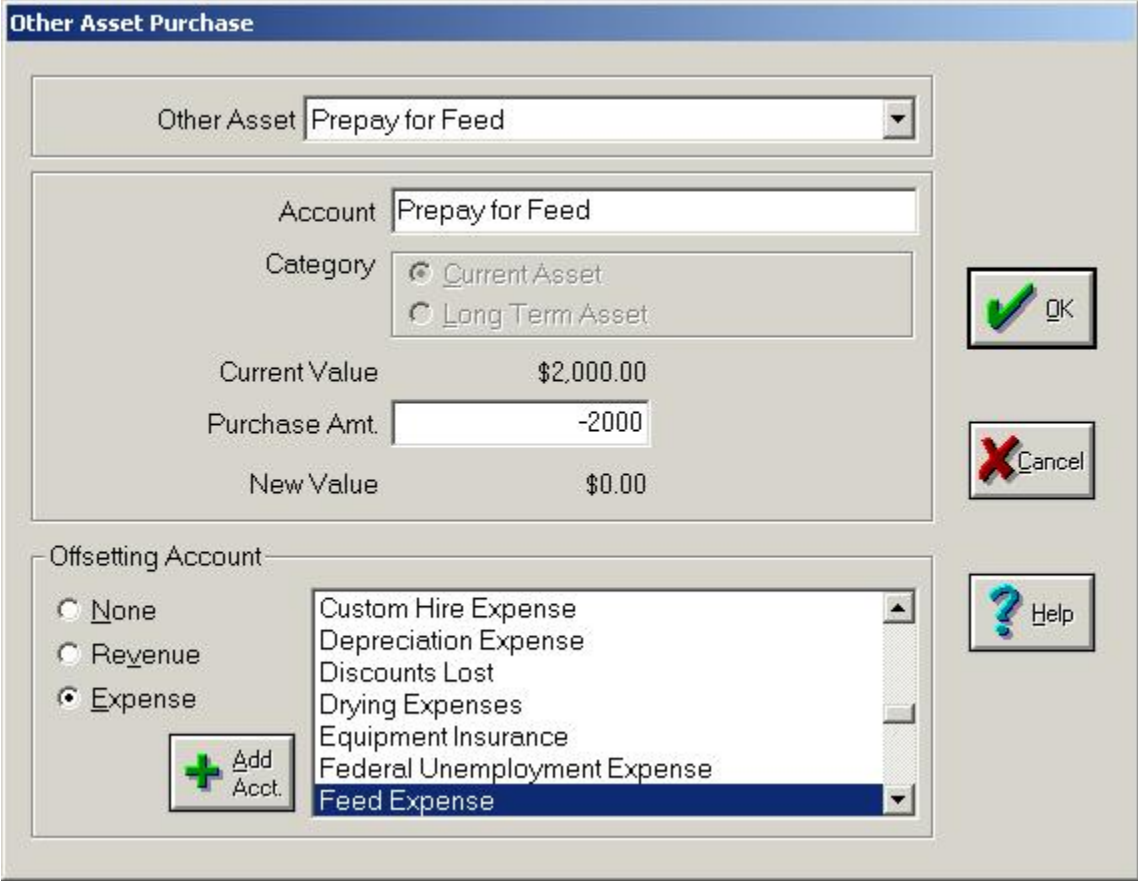
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Inventory Supplies** toolbar button  in the **Items Purchased** area to bring up the **Supplies Inventory Purchase** dialog box.
5. Click the supply purchased in the **Item Purchased** list, or click **<New>** to add a new supply.



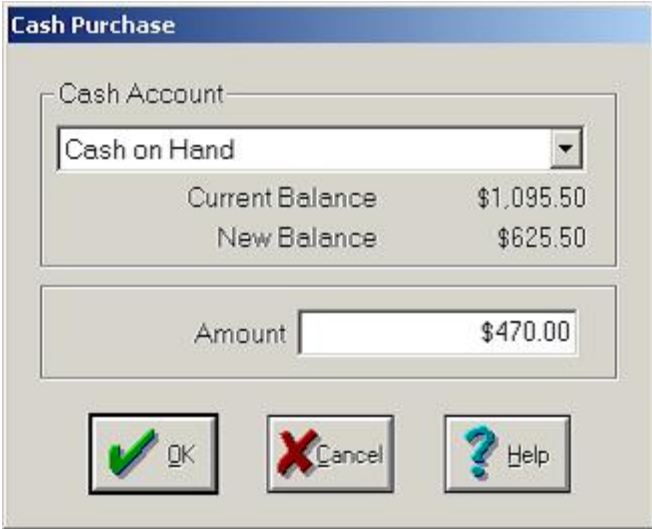
6. Type the appropriate amounts in the **Quantity Purchased**, and the **Unit Cost** or **Gross Total** boxes.


 **FYI ...** When you enter the quantity and unity cost, Farm Funds automatically calculates the total gross amount for you.

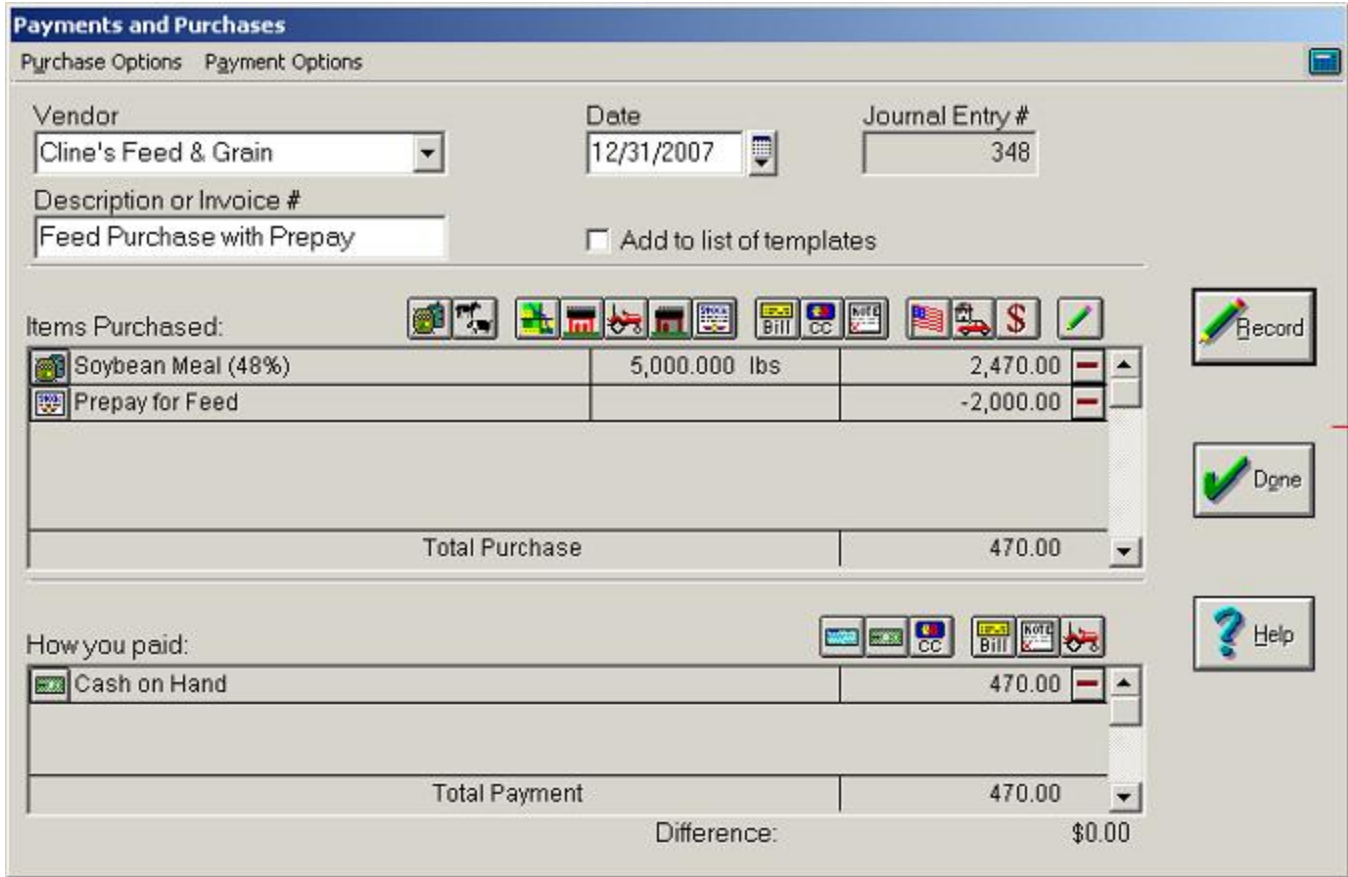
7. Click **OK** to save this information and return to the **Payments and Purchases** dialog box.
8. In the **Items Purchased** area of the dialog box, click the **Inventory Supplies** toolbar button  to record any additional supplies purchased. Enter other items procured.
9. Since you prepaid for the supplies purchased, click the **Other Assets** toolbar button  in the **Items Purchased** toolbar to reduce the prepaid balance.
10. In the **Other Asset** list of the **Other Asset Purchase** dialog box that opens, click the applicable prepaid account for the supply you purchased (**Prepaid For Feed**, for example).





11. Enter a *negative* number in the **Purchase Amt** box. Farm Funds displays the prepaid balance before and after this transaction as the current value and new value, respectively. Click **OK** to proceed.



12. To use additional prepaids or other payment methods, click the appropriate toolbar buttons from the **How You Paid** toolbar (for example, click the **Cash** toolbar button  if you pay the remaining balance with petty cash) to enter the payment.



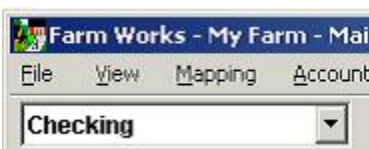
13. The **Payments and Purchases** dialog box displays a summary of your transaction.


 **Tip ...** You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.


14. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.


Purchasing Livestock

Farm Funds gives you the ability to keep cost and other records for your groups of livestock. Included in these records will be the number of head and weight of the animals along with their purchase cost (when applicable) and the costs to raise the animals. The following steps show how to enter a purchase of livestock.




1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).

2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. In the **Items Purchased** area Click the **Livestock** toolbar button.  This brings up the **Livestock Purchase** dialog box (see the figure that follows).
5. In the **Livestock Purchase** dialog box, click a group in the **Animal Group** list, or click **<New>** to add a new animal group.


 **Tip ...** You should put raised animals and purchased animals in different groups, because adding them to the same group makes it more difficult for you to keep track of the original purchase cost of the animals.



6. If you clicked **<New>** in the **Animal Group** list, type a description for the livestock of that group in the **Description** box, and click a picture group in the list immediately under it. Click the correct option button for the category, and the appropriate account from the **Account** list.

 **Tip ...** Use the **Breeding Livestock** option button for animals you will depreciate.

7. Enter the number of animals you purchased in the **Number of Head** box, then enter either the average weight or total weight in the pertinent box (Farm Funds automatically calculates the other value for you).

8. Enter the amount in either the **Price/Lb** box or the **Total** box (Farm Funds automatically calculates the other amount for you).

 **Tip ...** To have Farm Funds display the price by hundredweight, rather than the price per pound, clear the **Calculate Price Per Lb** check box.

9. Click **OK** to save this information. If you created a new group, you can click the icon for this group.
10. Continue to use the applicable buttons for each additional item purchased in this transaction (for example, you can use the **Other Expense** toolbar button  to enter shipping or other costs).
11. To record a payment by loan, click on the **Loan** toolbar button  in the **How You Paid** area to open the **Loan Purchase** box.

Loan Purchase


Loan

< New >

Loan Description

	Current	Additional	Total
Loan Amount	\$0.00	\$612.00	\$612.00
Principal due this year	\$0.00	\$0.00	\$0.00
Principal due at year end	\$0.00	\$612.00	\$612.00

12. Click the **Loan** used for your purchase from the **Loan** list, or click **<New>** and type a brief description for the new loan in the **Loan Description** box. Farm Funds displays the balance of the loan before and after this transaction in the **Current** and **Total** boxes respectively.

 **FYI ...** Farm Funds enters the full amount of the transaction in the **Additional Loan Amount** box. If you are going to pay back a portion, or all, of the loan within 12 months, enter the amount you expect to pay in the **Principal Due This Year** box, and Farm Funds will automatically calculate and display the **Principal Due At Year End** amount, which is the amount due after the first 12 months of the loan.

13. Click **OK** to save this information and return to the **Payments and Purchases** dialog box.

Payments and Purchases

Purchase Options Payment Options

Vendor: Shipe's Livestock Exchange Date: 12/31/2007 Journal Entry #: 350

Description or Invoice #: Sheep Purchase Add to list of templates

Items Purchased:

Ewes	21.000 head	462.00	
Shipping (Sheep)		150.00	
Total Purchase		612.00	

How you paid:

Sheep & Shipping Loan	612.00	
Total Payment		612.00

Difference: \$0.00

Buttons: Record, Done, Help

14. The **Payments and Purchases** dialog box displays a summary of your transaction.



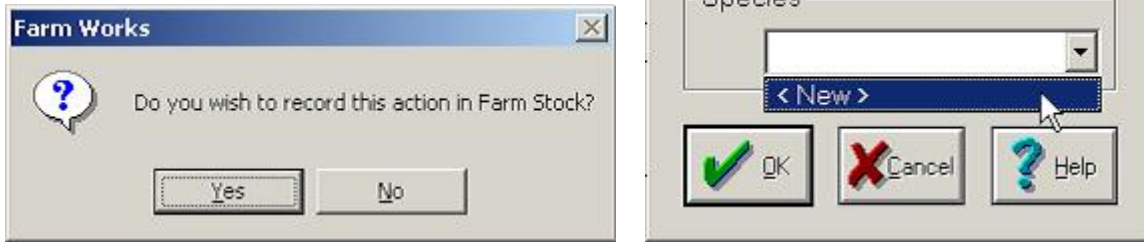
Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

15. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.



FAQ ... Q. "I'm using Farm Stock to keep records of my livestock. When I add information to Farm Funds, will I have to enter the same information in Farm Stock?"


A. No, you do not have to do twice the work. If you are using Farm Stock, Farm Funds asks if you want the program to add the same information to Farm Stock for you. Simply click **Yes** to the message to have Farm Funds enter the information in Farm Stock.



16. If you have installed the Farm Stock program with Farm Funds, a message asks if you want to record the information in Farm Stock. You should click **Yes**. In the **Select Species** dialog box that opens, click the animal type from the list, or click **<New>** to add a new animal type, and **OK**.



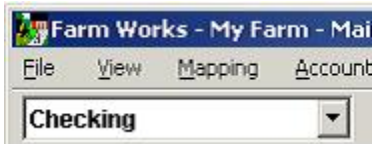
17. If applicable, use the **Add New Animal Type** dialog box to add a new species to Farm Stock. Click **OK** and **OK**, again.



 **See Also ...** For more information on adding animal types to Farm Stock, see the Farm Stock user guide that the Farm Works setup wizard installed with the program. To view the manual, click the Windows **Start** button, point to **Programs** (or **All Programs** in Windows XP), point to **Farm Works Software**, point to **Manuals**, and click **Farm Stock Manual**.

18. The **Add Animals** dialog box that opens displays the date, quantity and total weight you recorded in Farm Funds for the group of animals. If desired, click a Farm Stock location and group in the appropriate lists, and click **OK**. Farm Funds adds this information to Farm Stock.

Purchasing Land & Structures

Certain purchases, such as land and structures, can include more than one payment method. This section explains how to purchase land and structures when you write a check for the down payment with the balance of the cost applied to loan.



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Land** toolbar button  in the **Items Purchased** area to bring up the **Land Purchase** dialog box.

Land Purchase

Farm: < New > Active Only

Farm Desc: East Field

Beginning Area: 0.00 acres

Area Added: 150.00 acres



Ending Area: 150.00 acres

Price: \$100.00 per acre

Total Cost: \$15,000.00

OK Cancel Help

5. Enter a name to identify the land in the Farm Description box and the number of acres in the **Area Added** box. Then, record either the price per acre or the total cost in the appropriate boxes (Farm Funds automatically calculates the other value for you).

 **Tip ...** Do *not* include the cost of any other items purchased (such as barns, bins and other structures) in this amount. You can add the cost for structures using the **Structures** toolbar button  in the **Payments and Purchases** dialog box before you record the transaction (see an example of this in the steps that follow).

6. Click **OK** to save this information and return to the **Payments and Purchases** dialog box.

Structure Purchase

Structure: < New >


Description: Bin #4

Cost: \$1,000.00

OK Cancel Help

7. Click the **Structures** toolbar button  in the **Items Purchased** area to set up any buildings or bins that you purchased along with the land. This opens the **Structure Purchase** dialog box.

- If you have already drawn and defined the structure to your Main Farming Layer, click its name in the **Structure** list. If you have not yet added the structure to the Main Farming Layer, click **<New>** and type a name for the structure in the **Description** box.



FAQ ... Q. "Do I have to draw a bin or barn before I buy it?"

A. No, you do not have to add the structure to your Main Farming Layer before you record the purchase in Farm Funds. You can add the structure later and click the name of the structure you enter now.

- Enter the cost of the structure and click **OK** to save the information and return to the **Payments and Purchases** dialog box.
- Repeat the steps above for each additional structure, or other item, purchased with the land. When finished, the total purchase amount displayed in the **Payment and Purchases** dialog box should be the total cost of the farm.

Check Purchase



Checking Account		Current Balance	\$99,295.68
<input type="text" value="Farmers Bank & Loan (Checking)"/>		New Balance	\$98,295.68

Christopher Irwin Box 250 Hamilton, IN 46742 219-488-3492	Date <input type="text" value="12/31/2007"/>	Check # <input type="text" value="1233"/>
Pay to the Order of <input type="text" value="Farmers Bank & Loan"/>		<input type="text" value="\$1,000.00"/>
<small>*****</small> <input type="text" value="one thousand and 00/100"/>		
Memo <input type="text" value="Farm Mortgage"/>		
Account #:		

OK

Cancel

Help

- If you made a down payment on a loan for the land and structure with a check, click on the **Check** toolbar button  in the **How You Paid** area. This opens the **Check Purchase** dialog box.
- The **Check Purchase** dialog box displays the full amount of the land and structure. Change this to the amount you paid for the down payment and click **OK**.
- If you purchased the land and structure with a loan, click on the **Loan** toolbar button  in the **How You Paid** area to enter loan information. This brings up the **Loan Purchase** dialog box with the difference between the loan amount and the down payment shown.
- To borrow against an existing loan, click the loan from the **Loan** list. To borrow on a new loan, click **<New>** and type a description for the new loan.

Loan Purchase

Loan

Loan Description

	Current	Additional	Total
Loan Amount	\$0.00	\$15,000.00	\$15,000.00
Principal due this year	\$0.00	1500	\$1,500.00
Principal due at year end	\$0.00	\$13,500.00	\$13,500.00

15. Enter the principal due this within the next 12 months in the **Principal Due This Year** box. Farm Funds calculates and displays the difference between this amount and the loan amount in the **Principal Due at Year-End** box.



Tip ... The *principal due this year* is the amount (without interest) that you will repay within the next twelve months, rather than the amount due by the end of the calendar. A quick way to estimate this amount is to divide the total loan amount by the life of the loan in years. This amount is just an estimate and does not need to be exact. The *principal due at year-end* is the year-end balance that will still be on the books after you pay the *principal due this year*.

16. Click **OK** to save the changes and return to the **Payments and Purchases** dialog box.

Payments and Purchases

Purchase Options Payment Options

Vendor: Farmers Bank & Loan Date: 12/31/2007 Journal Entry #: 339

Description or Invoice #: Loan for Land & Bin Add to list of templates

Items Purchased:

Land - East Field	15,000.00	-
Bin #4	1,000.00	-
Total Purchase	16,000.00	

How you paid:

Farmers Bank & Loan (Checking)	1,000.00	-
Land Loan	15,000.00	-
Total Payment	16,000.00	

Difference: \$0.00

Buttons: Record, Done, Help

17. The **Payments and Purchases** dialog box displays a summary of your transaction.

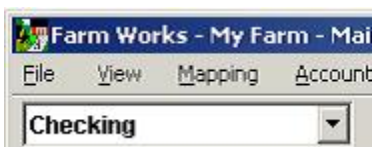



Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.


18. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

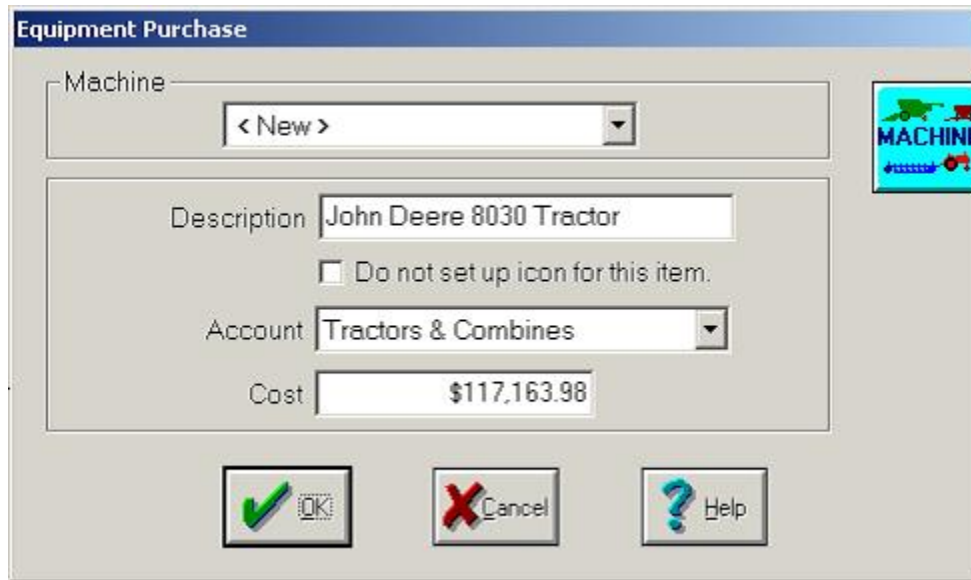
Purchasing Equipment

Certain purchases, such as large equipment, can include more than one payment method. In this example, we will purchase a new tractor by trading in an old tractor, writing a check for a down payment, and recording a loan for the balance.




1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).


2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Equipment** toolbar button  in the **Items Purchased** area to indicate the item purchased. This causes the **Equipment Purchase** dialog box to appear.



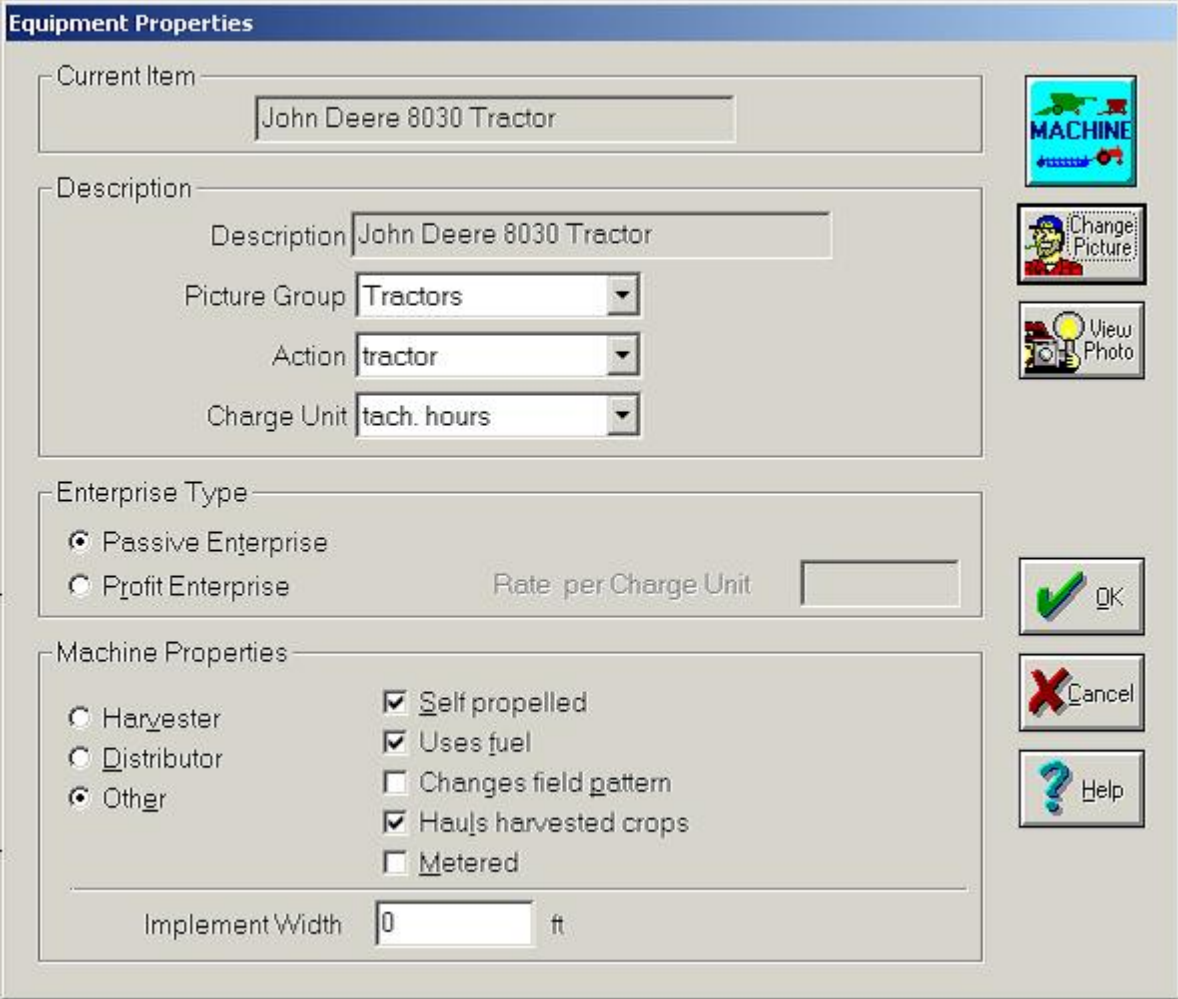
5. If an icon has already been set up for the item, click it from the **Machine** list, otherwise, click **<New>** and enter a description for the new item in the **Description** box.

 **Tip ...** If you will not use an item purchased in your farming operations (office equipment, for example) then select the **Do Not Set Up a Button for This Item** check box.

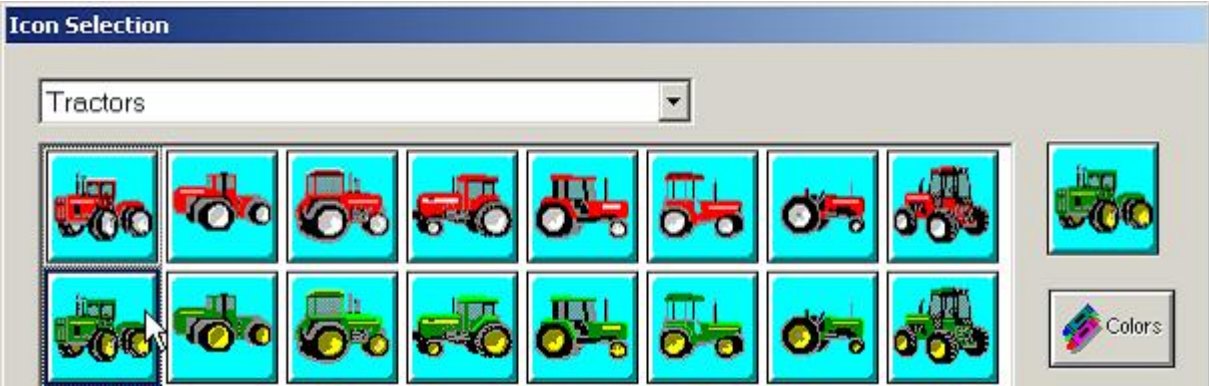
6. Click the **Account** for this item (Tractors & Combines for example).

 **FYI ...** Farm Funds groups items in the same account together on your balance sheet, so you should add similar equipment to the same account.


7. Type the price you paid for of the equipment in the **Cost** box (this should be the total cost of the item before your trade-in, not the net amount of the purchase) and click **OK** to continue.




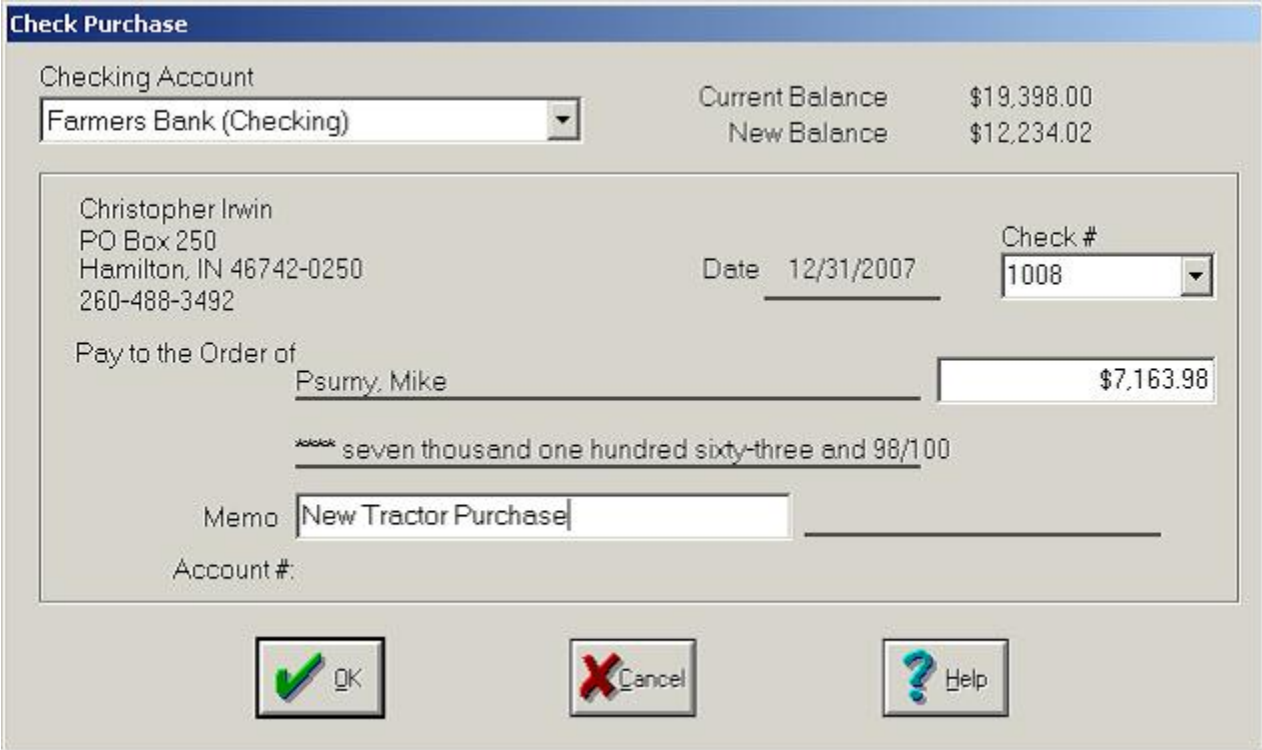
- 8. The **Equipment Properties** dialog box appears where you can enter information for the new equipment. Enter the correct information for the equipment and click **OK** to save the changes and close the dialog box.




- 9. If you have not previously set up an icon for this item, you can do so in the **Equipment Properties** box, by selecting the appropriate equipment type from the list and clicking the button for the icon you want to represent the equipment.


 **Also See ...** See the Farm Trac user guide installed with your software for additional information on setting up icons for your equipment (click the Windows **Start** button, point to **Programs** (or **All Programs** in Windows XP), point to **Farm Works Software**, point to **Manuals**, and click **Farm Trac Manual**).


10. Repeat the steps for each additional item purchased.
11. To record your payment, click the appropriate toolbar buttons in the **How You Paid** area. You can choose more than one method of payment. To make a down payment with a check, click the **Check** toolbar button  to bring up the **Check Purchase** dialog box.



12. The **Check Purchase** dialog box displays the full cost of the purchase in the box (you may adjust this amount if you desire). Click the checking account used for your purchase in the **Checking Account** list, and type a brief description of the reason for the purchase in the **Memo** box, if necessary.
13. The dialog box displays the balance before and after this transaction as the **Current Balance** and **New Balance** respectively.

 **FYI ...** Farm Funds automatically displays the next unused check number in the **Check Number** list. You can change this number if you wish to do so.

14. Click **OK** to save the down payment information and close the dialog box.
15. To enter the trade-in information, click on the **Trade-In** toolbar button  in the **How You Paid** area of the dialog box. This brings up the **Trade-In Purchase** dialog box.
16. Click the equipment that you traded in from the **Trade-In** list.

17. Enter the dollar amount in the **Amount Received for Trade** box (this amount should be listed on your dealer invoice) and click **OK** to save the trade-in information and close the dialog box.
18. If you traded more than one item of equipment, repeat the steps above to record each one.
19. To wrap up the transaction, you can click the **Loan Payment** toolbar button  in the **Items Purchased** toolbar. This brings up the **Loan Purchase** dialog box.
20. If you are borrowing against an existing loan, click that loan from the **Loan** list in the **Loan Purchase** dialog box. To create a new loan, click **<New>** from the Loan list and enter a Description for the loan.
21. Enter the amount borrowed in the **Additional** box. If you are borrowing on an existing loan, Farm Funds adds this amount to the current amount and displays the new total.



Tip ... The additional loan amount should equal the difference between your total purchase and the sum of your trade and down payment. (For example, if the total loan is \$117,163.98, the down payment is \$7,163.98, and the amount for the trade was \$50,000.00, then the additional loan amount you should enter is $\$117,163.98 - (\$7,163.98 + \$50,000.00) = \$60,000.00$).

Loan Purchase

Loan:

Loan Description:

	Current	Additional	Total
Loan Amount	\$0.00	\$60,000.00	\$60,000.00
Principal due this year	\$0.00	\$0.00	\$0.00
Principal due at year end	\$0.00	\$60,000.00	\$60,000.00



FYI ... The *principal due this year* that Farm Funds displays in the dialog box is the amount (without interest) that you expect to repay within 12 months of the date the loan was established. An easy way to estimate this amount is to divide the total loan amount by the life of the loan in years. This amount is just an estimate and does not need to be exact.

- Click **OK** to save the loan information, close the dialog box, and return to the **Payments and Purchases** dialog box.

Payments and Purchases

Purchase Options Payment Options

Vendor: Psumy's Trucks & Tractors, Inc. Date: 12/31/2007 Journal Entry #: 352

Description or Invoice #: New Tractor Purchase Add to list of templates

Items Purchased:

John Deere 8030 Tractor	117,163.98	
Total Purchase		117,163.98

How you paid:

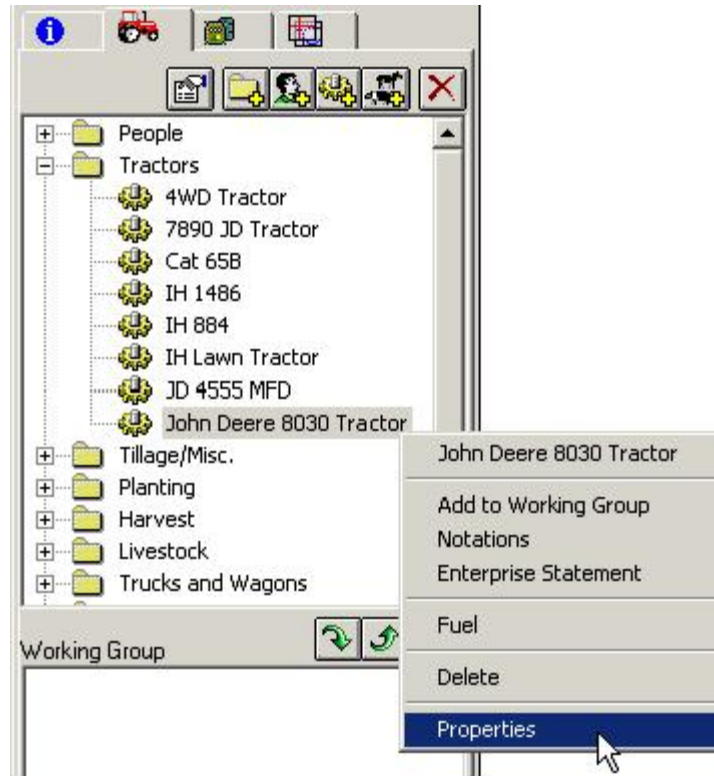
Farmers Bank (Checking)	7,163.98	
Trade In 4WD Tractor	50,000.00	
Loan for John Deere 8030	60,000.00	
Total Payment		117,163.98


Difference: \$0.00

23. The **Payments and Purchases** dialog box displays a summary of your transaction.

Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button to the right of the entry amount.

24. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.



25. To view the equipment you just purchased, click the Farming tab.  Click the folder where the equipment is stored, right-click on the equipment and click **Properties** on the shortcut menu. This opens the **Equipment Properties** dialog box once more.

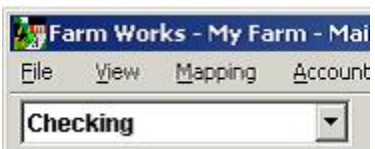
Making Payments for Supplies with Other Assets


You can record the purchase of supplies by way of other assets, such as prepay accounts or vendor credits for returned supplies.


Prepaying for Supplies



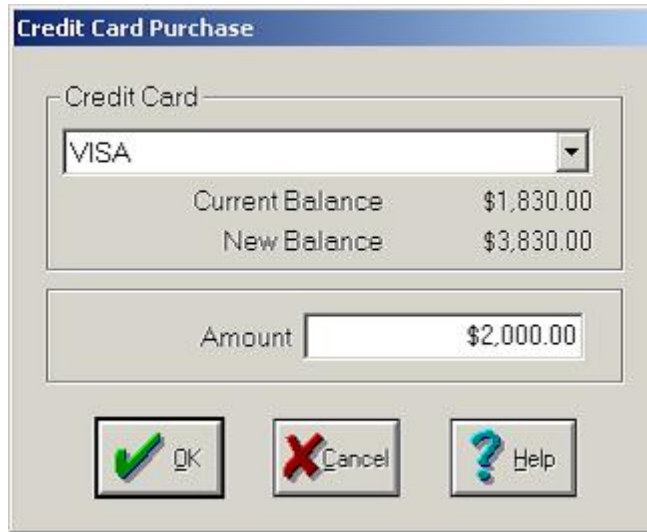
Also See ... This section explains how to set up a prepayment of supplies on your books. To use a prepaid for a supply purchase, see the section "Using Prepaid Transactions to Purchase Supplies" of this chapter.




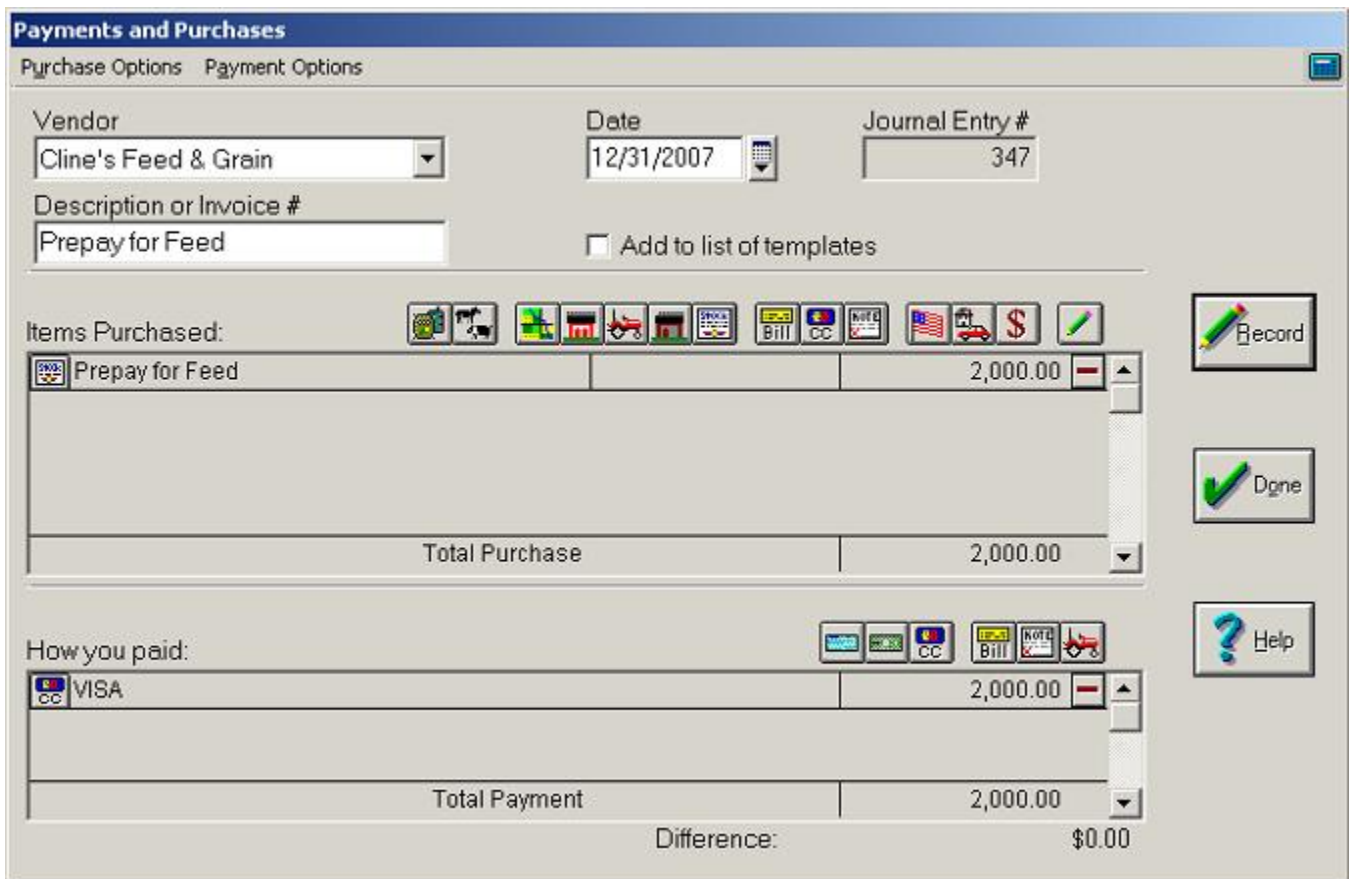
1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).

2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Other Assets** toolbar button  in the **Items Purchased** toolbar. This brings up the **Other Asset Purchase** dialog box.
5. In the **Other Assets Purchase** dialog box, click the prepaid account from the **Other Asset** list, or click **<New>** to add a new account name. Create a separate account for each prepaid category (for example, prepay for chemical, fertilizer, or seed).
6. Because you will use the prepaid asset within the next 12 months, click the **Current Asset** option button.

7. Enter the amount in the **Purchased Amount** box.
8. Because you should show prepaid items as an expense, you should click an offsetting expense account (**Feed Expense**, for example). Click **OK** to save this information and close the dialog box.
9. Continue using the **Items Purchased** area to record any additional items that you purchased.




10. Click your method of payment from the **How You Paid** toolbar. To record a credit card payment, click on the **Credit Card** toolbar button.  Farm Funds opens the **Credit Card Purchase** dialog box, which displays the purchase amount (you can change this amount as needed). Click **OK** to save the information and return the **Payments and Purchases** dialog box.



11. The **Payments and Purchases** dialog box displays a summary of your transaction.

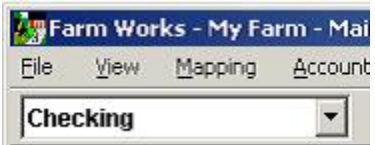




Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

12. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Procuring Supplies with Vendor Credits

Farm Funds includes the ability to create Accounts Payable for unpaid bills. You can reduce these payables by payments made or returns. Sometimes, you make returns when there is no outstanding payable balance and the vendor gives you a credit for future purchases. These credits wind up being similar to a prepaid. This section shows you how to return supplies for credit and how to make supply purchases using the credit. To record a return of supplies for credit, follow these instructions:



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Inventory Supplies** toolbar button  in the **Items Purchased** area. This opens the **Supplies Inventory Purchase** dialog box.
5. Click the supply item that you purchased in the **Items Purchased** list, or add a new supply by clicking **<New>** and typing a description for it in the **Description** box.

Supplies Inventory Purchase

Item Purchased: Roundup Weathermax

Description: Roundup Weathermax

Account: Chemicals

Qty. on Hand: 546.578 gallons

Qty. Purchased: 100 gallons


Unit Cost: \$38.00


Discount: 0 %

Gross Total: \$3,800.00

Net: \$3,800.00

Buttons: OK, Cancel, Help

6. In the appropriate boxes, enter the quantity purchased and either the unit cost or total cost (Farm Funds automatically calculates and displays the other value for you).
7. Click **OK** to save the information and return to the **Payments and Purchases** dialog box where you can repeat above steps as needed to record all supplies you purchased.
8. Click the **Other Assets** toolbar button  in the **Items Purchased** area to use the credit. The **Other Asset Purchase** dialog box appears.
9. Click the **Other Asset** account that you are using for the credit.

 **Tip ...** You can use a credit to purchase a different item. For instance, you can use a credit for returned chemicals to purchase fertilizer.

10. Type the amount of the credit as a *negative* number in the **Amount** box. Farm Funds displays any remaining credit balance as the **New Value**.

Other Asset Purchase

Other Asset: < New >

Account: Credit for Returned Chemicals

Category: Current Asset
 Long Term Asset

Current Value

Purchase Amt. \$-1,500.00

New Value \$-1,500.00

Offsetting Account

None
 Revenue
 Expense

+ Add Acct.

- Cattle Expense
- Chemicals Expense**
- Cows Expense
- Custom Hire Expense
- Depreciation Expense
- Discounts Lost
- Drying Expenses

OK
Cancel
Help

- 11. Farm Funds automatically selects the offsetting account for you. Click **OK** to save the information and return to the **Payments and Purchases** dialog box.
- 12. Repeat above steps for each credit you wish to add.

Check Purchase

Checking Account: Farmers Bank (Checking) Current Balance: \$1,698.00
New Balance: \$-602.00

Christopher Irwin
PO Box 250
Hamilton, IN 46742-0250
260-488-3492



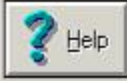
Date: 12/31/2007 Check #: 1007

Pay to the Order of: Farmers Cooperative \$2,300.00


two thousand three hundred and 00/100

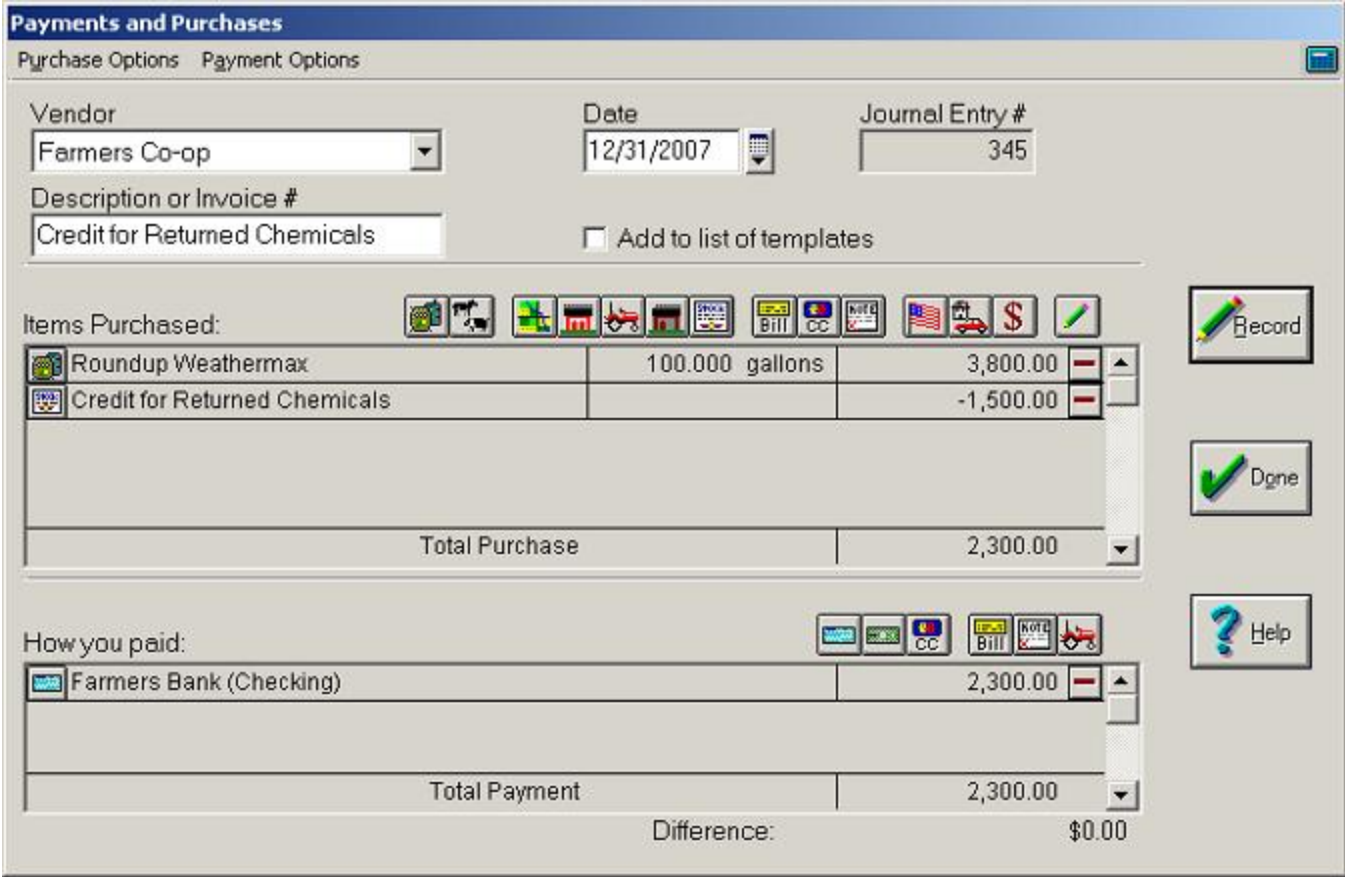
Memo: Credit for Returned Chemicals

Account #:



  

13. Click the payment method used for any remaining balance in the **How You Paid** area and complete the applicable information.

 **Tip ...** You might do this, for example, when you purchase more than that for which you have credit.



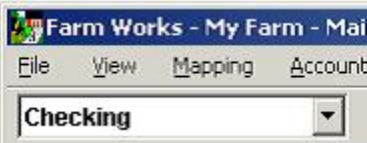
14. The **Payments and Purchases** dialog box displays a summary of your transaction.


 **Tip ...** You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.


15. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

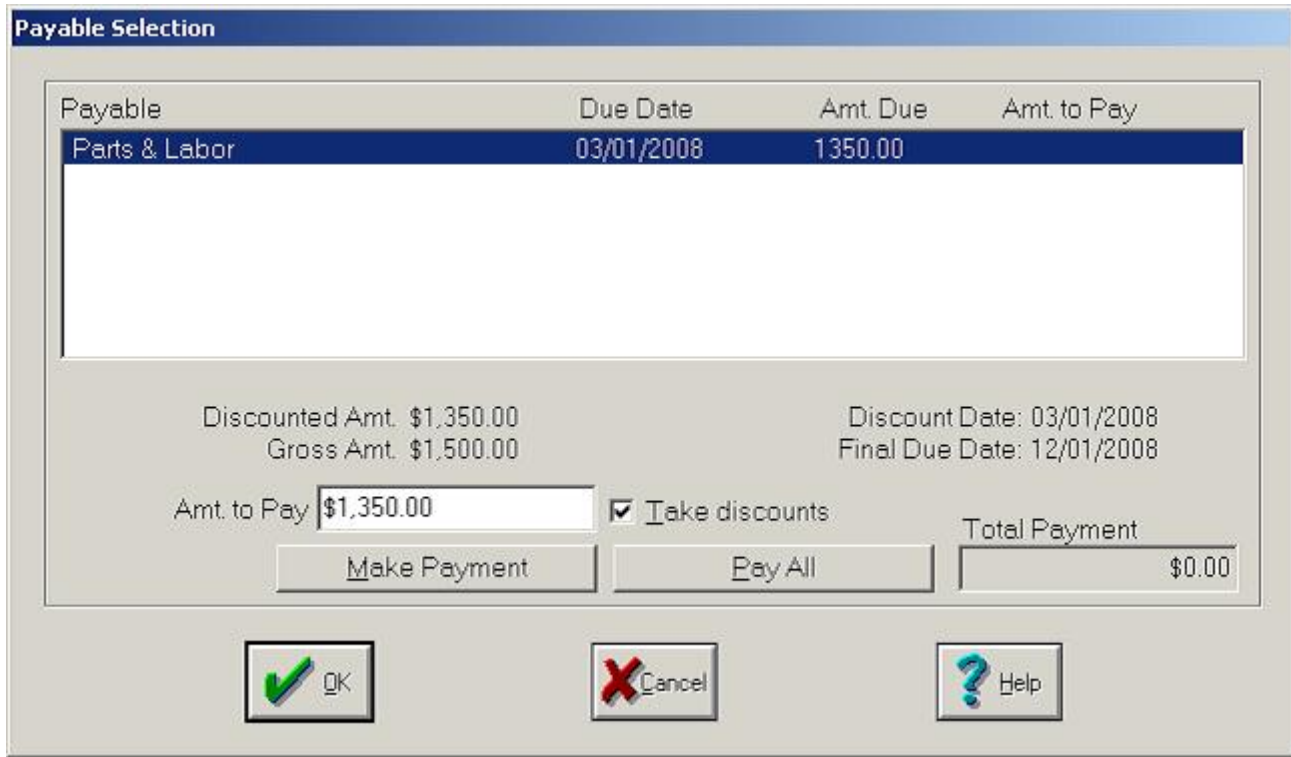
Making Payable Payments

To record payments on a payable:



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).

2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Payable Payment** toolbar button  in the **Items Purchased** area. This opens up the **Payable Selection** dialog box, which displays all outstanding accounts payable for the vendor.
5. Click the invoice for which you are making a payment in the list, and type the amount you are paying in the **Amount to Pay** box.



Payable	Due Date	Amt. Due	Amt. to Pay
Parts & Labor	03/01/2008	1350.00	

Discounted Amt. \$1,350.00
Gross Amt. \$1,500.00

Discount Date: 03/01/2008
Final Due Date: 12/01/2008

Amt. to Pay Take discounts

6. If you are receiving a discount with this payment, select the **Take Discounts** check box to show the net amount of the invoice.
7. Click **Make Payment** to record the payment.
8. The dialog box now displays the **Total Payment** amount. Click **OK** to save this information.

Check Purchase

Checking Account: Farmers Bank (Checking) | Current Balance: \$3,048.00 | New Balance: \$1,698.00

Payee: Christopher Irwin, PO Box 250, Hamilton, IN 46742-0250, 260-488-3492 | Date: 12/31/2007 | Check #: 1006


Pay to the Order of: Grease Monkey Tractor & Equipment Repair | Amount: \$1,350.00

Amount in words: one thousand three hundred fifty and 00/100



Memo: Parts & Labor

Account #: _____

Buttons:

- 9. Back in the **Payments and Purchases** dialog box, click the appropriate toolbar button from the **How You Paid** area (for example, click the **Check** toolbar button  to record a payment by check).
- 10. Farm Funds automatically fills in the information in the **Check Purchase** dialog box that appears. Verify the information is correct, and make any changes if necessary. Click **OK** to save this information.


11. The **Payments and Purchases** dialog box displays a summary of your transaction.

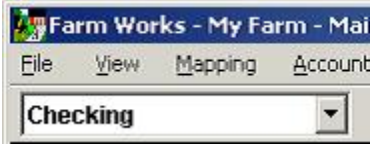
 **Tip ...** You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.



12. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

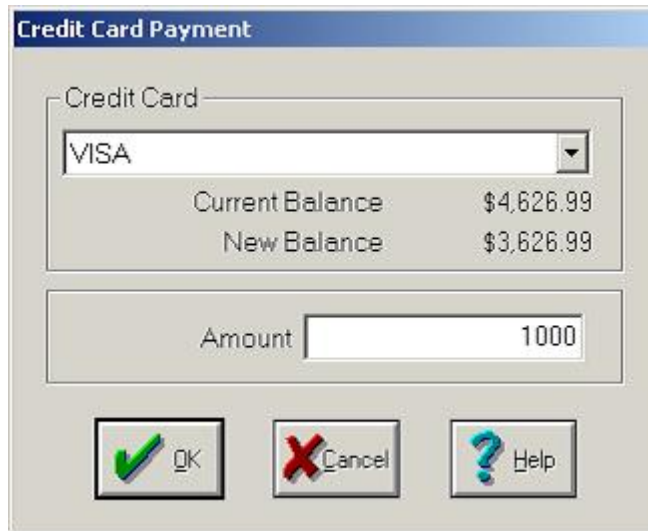
Making Credit Card Payments



Use the Payments and Purchases dialog box to record purchases made with a credit card and the payments of the credit card bills.

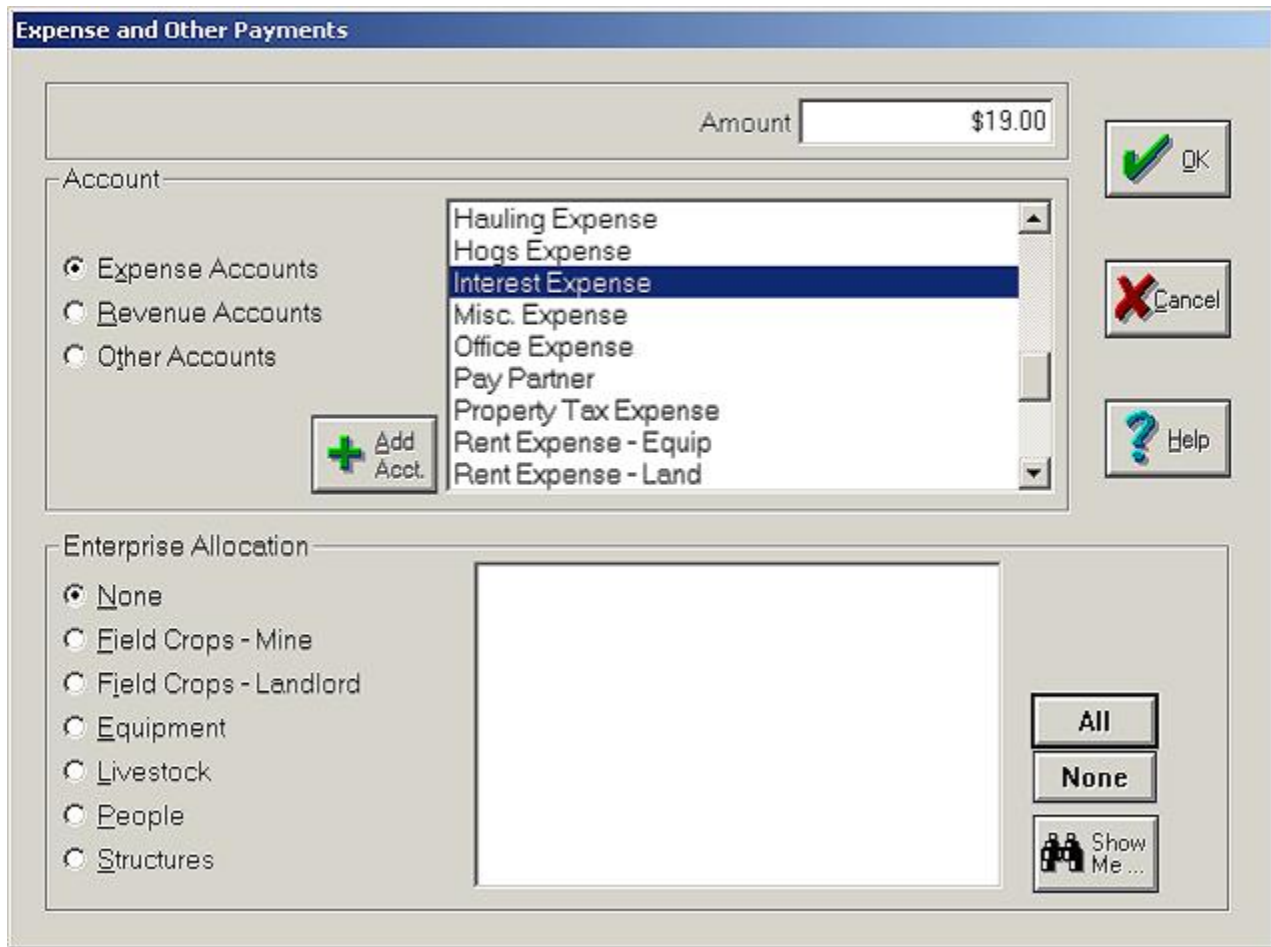
 **Also See ...** For an example of making purchases with credit cards see the previous section of this chapter called "Prepaying for Supplies".



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Credit Card Payment** toolbar button  in the **Items Purchased** area of the dialog box. This brings up the **Credit Card Payment** dialog box.




5. Click the credit card for which you are making a payment, type the amount of the payment in the **Amount** box, and click **OK** to save the information and return to the **Payments and Purchases** dialog box.
6. In the **Items Purchased** toolbar of the **Payments and Purchases** dialog box, you can record interest for this payment by clicking either the **Family Living** toolbar button  or **Other Expenses & Payments** toolbar button .



7. If you opted to record the payment of interest **Expense and Other Payments** dialog box, click the **Expense Accounts** option button and click **Interest Expense** in the list. Type the dollar amount of the interest payment in the **Amount** box and click **OK**.



Tip ... If **Interest Expense** is not in the list, click the **Add Account** button to add it as an expense account. For an explanation of how to add accounts, see the section titled

8. Click the appropriate toolbar button from the **How You Paid** area and complete the necessary information. For example, to record a payment by check, click the **Check** toolbar button  to bring up the **Check Purchase** dialog box.

Check Purchase

Checking Account: Current Balance: \$2,352.52
New Balance: \$1,333.52

Christopher Irwin
PO Box 250
Hamilton, IN 46742-0250
260-488-3492

Date: Check #:

Pay to the Order of:

Memo:

Account #:

- 9. Click the proper checking account in the **Checking Account** list. Change the check number, date, amount, or memo values, if necessary. Click **OK** to save the information and close the dialog box.

Payments and Purchases

Purchase Options Payment Options

Vendor: Farmers Bank & Loan Date: 12/31/2007 Journal Entry #: 364

Description or Invoice #: Farmers Bank Credit Card Payment Add to list of templates

Items Purchased:

	VISA payment	1,000.00	
	Interest Expense	19.00	
Total Purchase		1,019.00	

How you paid:

	Farmers Bank (Checking)	1,019.00	
Total Payment		1,019.00	

Difference: \$0.00

10. The **Payments and Purchases** dialog box displays a summary of your transaction.

Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button to the right of the entry amount.

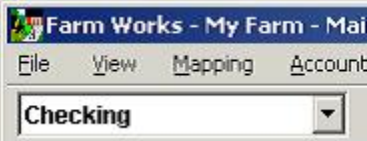
11. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.



Making Loan Payments

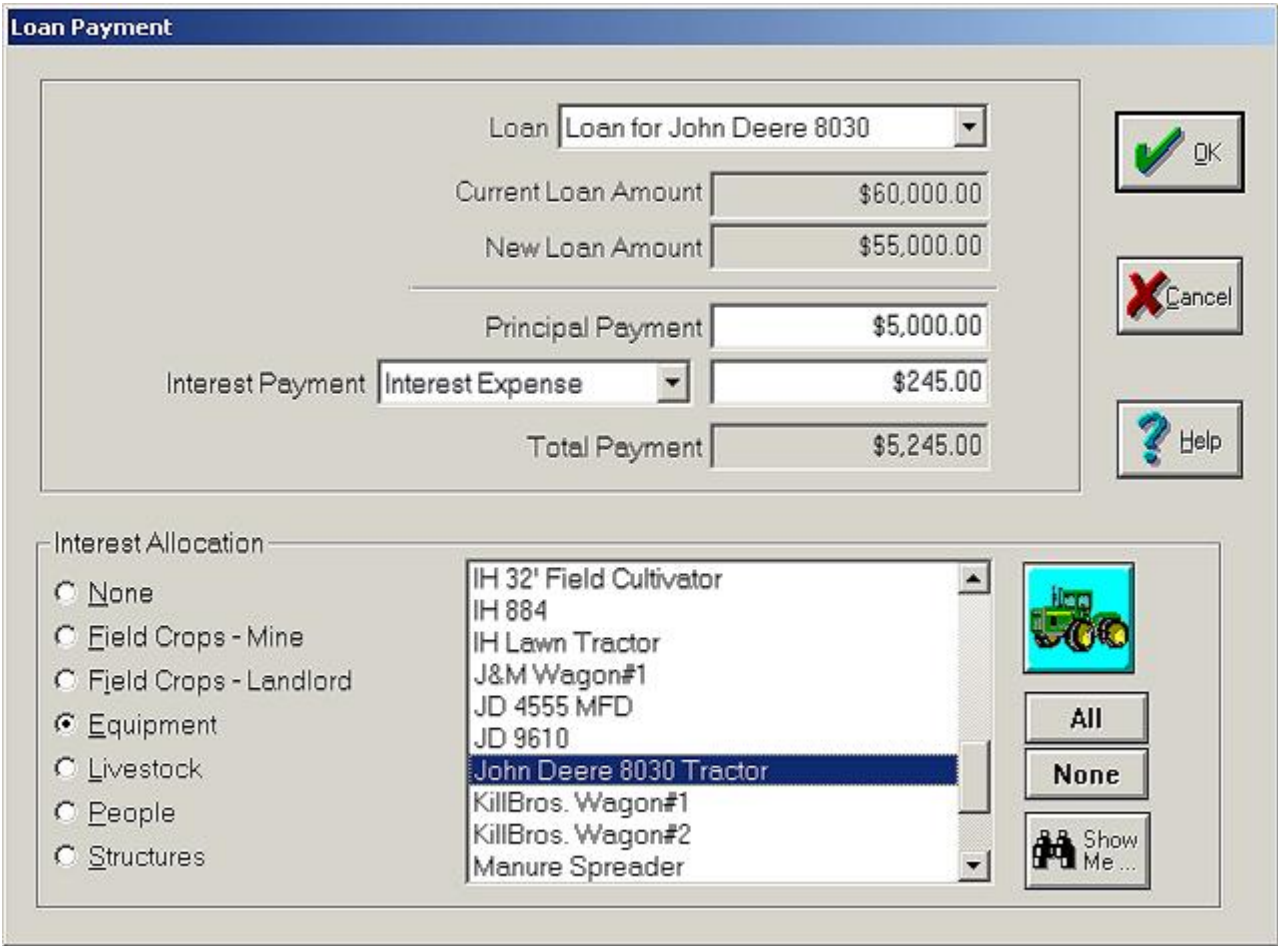
Use the Payments and Purchases dialog box to record borrowings and payments on loans. By entering loan activities, Farm Funds displays the current balance of a loan at any time.

Also See ... For information on borrowing from a loan, see the section titled "Entering Loan Proceeds Received" in the "Income, Sales & Deposits" chapter of this user guide.


To record loan payments:

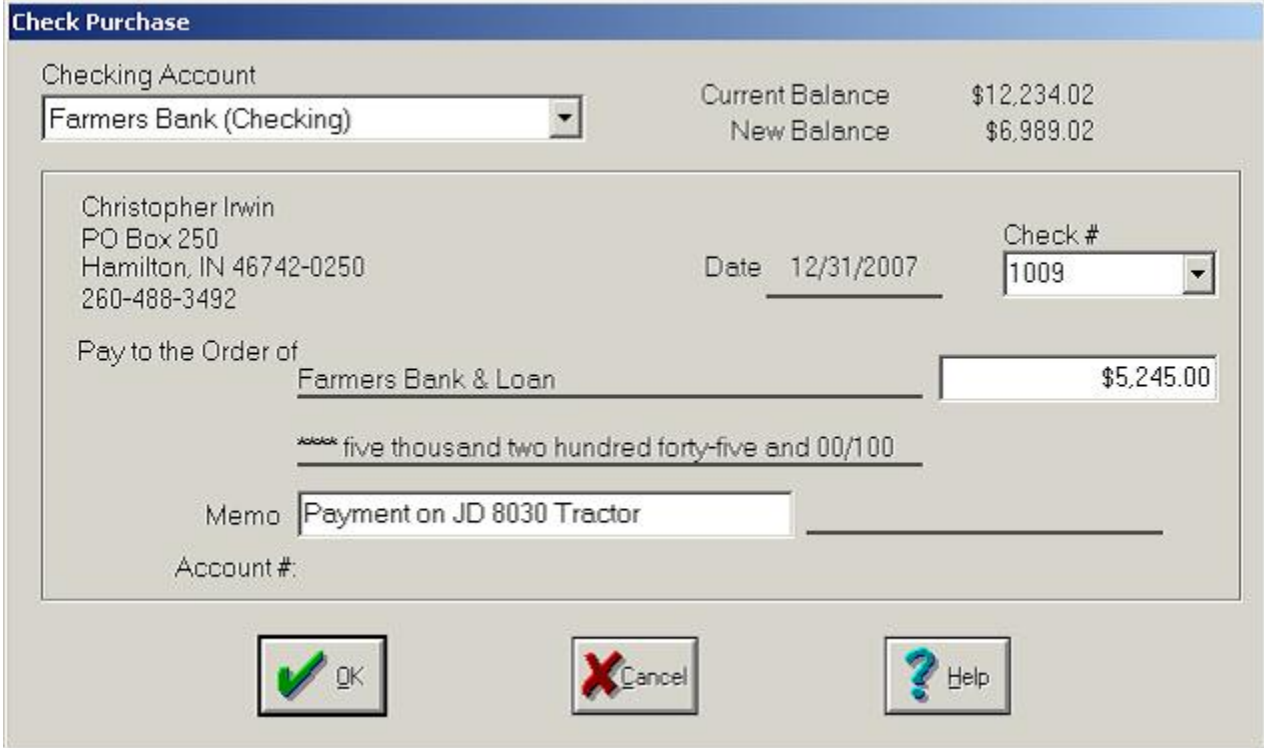


1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Loan Payment** toolbar button  in the **Items Purchased** area. This brings up the **Loan Payment** dialog box.



5. In the **Loan Payment** dialog box, click the loan for which you are making a payment in the **Loan** list.
6. Type the amount of principal and interest you are paying on the loan in the **Principal Payment** and **Interest Payment** boxes. The dialog box displays what the balance of the loan is before and after the transaction.
7. If desired, you can allocate the interest portion of the loan payment to your expenses in the **Interest Allocation** area.

8. Click **OK** to save the information and return to the **Payments and Purchases** dialog box.
9. In the **Payments and Purchases** dialog box, click the appropriate toolbar button in the **How You Paid** area, and complete the necessary information. To pay by check, click on the **Check** toolbar button  to bring up the **Check Purchase** dialog box.

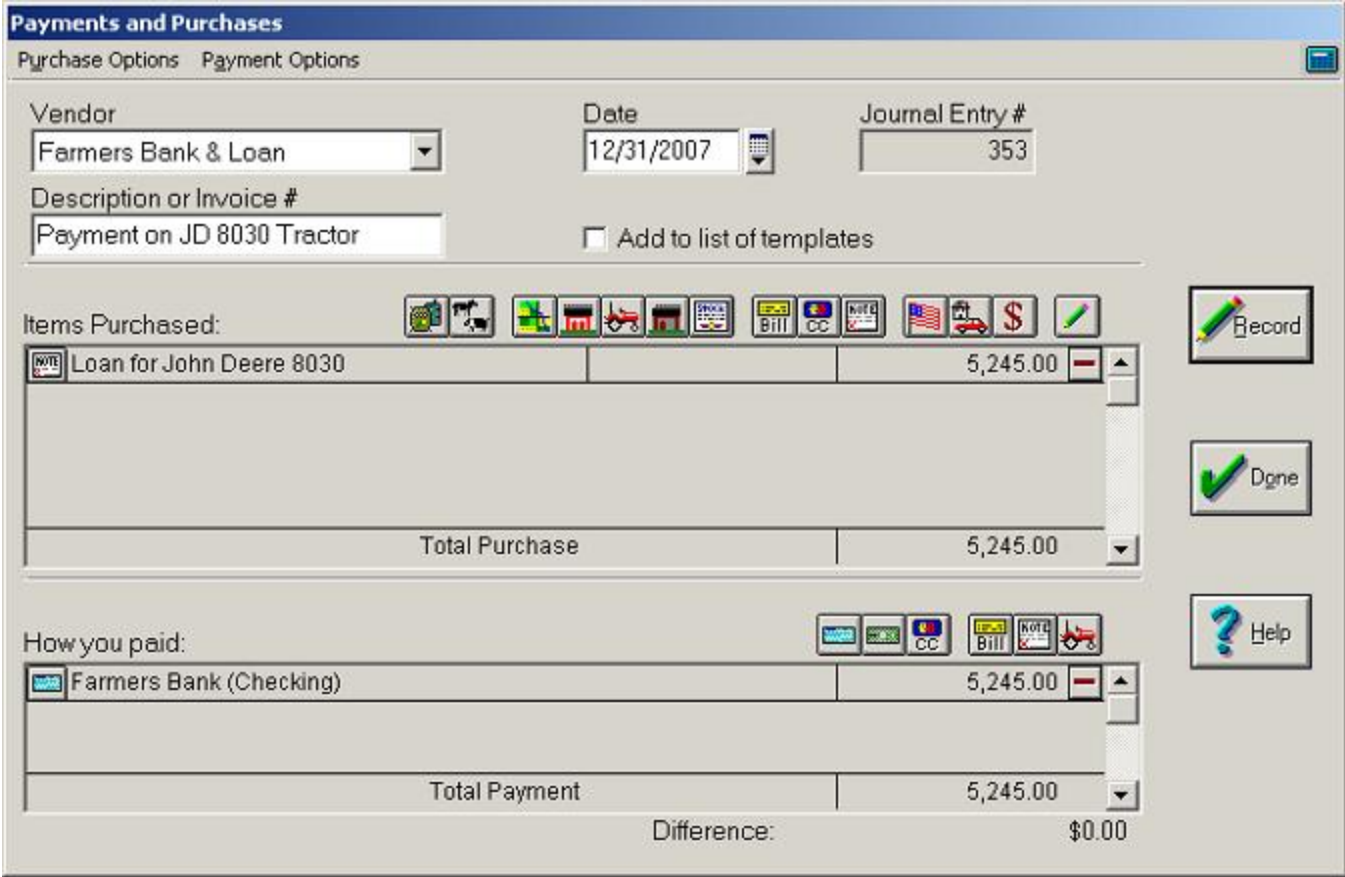


The image shows a 'Check Purchase' dialog box with the following fields and values:



- Checking Account:** Farmers Bank (Checking)
- Current Balance:** \$12,234.02
- New Balance:** \$6,989.02
- Payee Address:** Christopher Irwin, PO Box 250, Hamilton, IN 46742-0250, 260-488-3492
- Date:** 12/31/2007
- Check #:** 1009
- Pay to the Order of:** Farmers Bank & Loan
- Amount:** \$5,245.00
- Amount in Words:** five thousand two hundred forty-five and 00/100
- Memo:** Payment on JD 8030 Tractor
- Account #:** (empty)

At the bottom of the dialog box are three buttons: **OK** (with a green checkmark), **Cancel** (with a red X), and **Help** (with a blue question mark).

10. Click the proper checking account in the **Checking Account** list. Change the check number, date, amount, or memo if necessary, and click **OK** to save the payment and return to the **Payments and Purchases** dialog box.



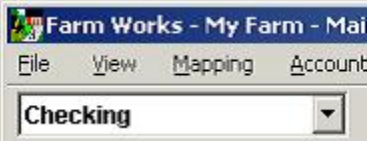
11. The **Payments and Purchases** dialog box displays a summary of your transaction.

 **Tip ...** You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

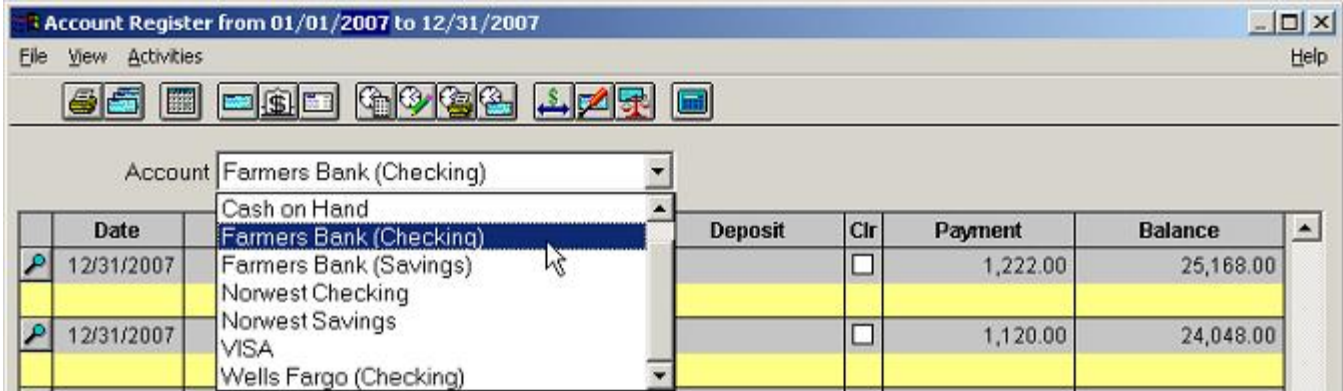
12. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Making Payments on Loans with Unknown Principals & Interests

There can be times when you need to record a check for a loan payment, when you will not know the breakdown in the principal and interest until later. To record a loan payment where you do not know the principal and interest breakdown:



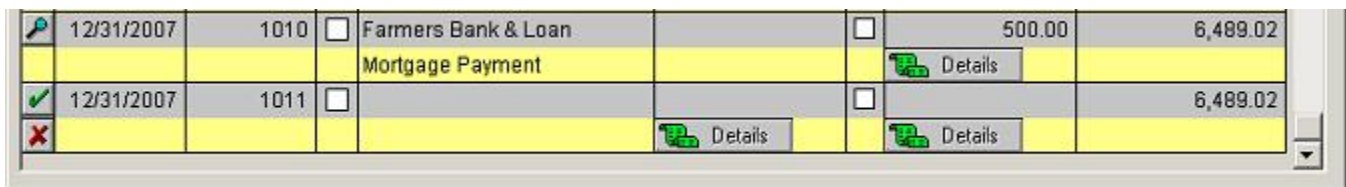
1. Click **Checking** in the list of the toolbar and click the **General Ledger** toolbar button  in toolbar.




2. In the **Account Register** dialog box that opens, click the account you will use to make the payment from the **Account** list.
3. Click the blank entry at the bottom of the page to enter a new transaction. If the date displayed in the first column is not correct, enter the correct date.
4. In the second column of the same row, verify that the check number is that of the check you are writing, and change the number if necessary.



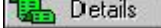
5. In the next column, enter a vendor for this transaction. In this case, it is the bank holding the loan.
6. You can type a brief description to summarize the transaction in the box under the vendor in the same column.
7. Enter the total amount paid in the **Payment** column.

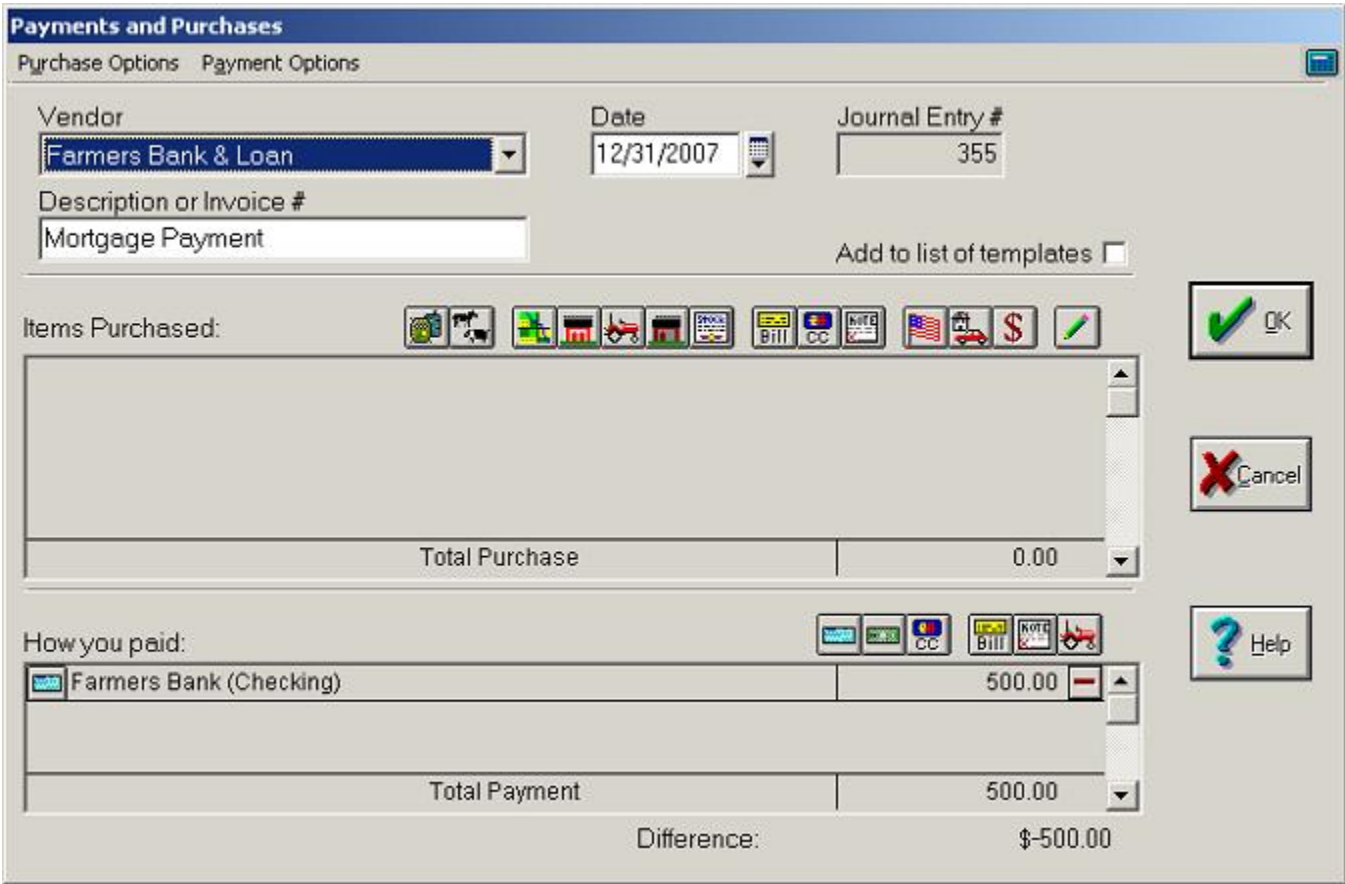



8. Click the **Save Transaction** button  to record the transaction.

Documenting Details of Loan Payments



In the Account Register, a Details button appears under the payment amount for any transaction that has missing information. Clicking the button allows you to enter the information, for example, the principal and interest amounts of loans. In this case, you normally you add the principal and interest when you receive a statement from the lender showing the break down of each amount. You can enter these missing details at any time, as long as you do so before you close the year-end financial record and before you print any reports for the year-end tax preparation. To enter this detailed information for a loan:

1. Click the **Details** button  to open the **Payments and Purchases** dialog box, where you previously entered some of the information for the transaction.



2. Click on the **Loan Payment** toolbar button  in the **Items Purchased** toolbar. This brings up the **Loan Payment** dialog box.
3. In the **Loan Payment** dialog box, click the loan from the **Loan** list. Farm Funds displays the current balance.

1. Enter the amount of principal and interest in the **Principal Payment** and **Interest Payment** boxes. Farm Funds calculates and displays the total payment amount. Verify that it is equal to the amount of your check in the **Account Register** dialog box, and change the amount if needed.
2. In the Interest **Allocation** area, you can enter information to charge your interest to your enterprises, by clicking the option button for the enterprise (**Equipment**, for example) and clicking the item in the list.
3. Click **OK** to save the transaction.

 **Tip ...** To display fewer items in the **Interest Allocation** list, click the **Show Me** button.  **Show Me ...** Enter the items in the **Show Me** dialog box to restrict the enterprises, and click **OK** to return to the Loan Payment dialog box. Farm Funds displays only the items that meet the criteria you selected.

Payments and Purchases
Purchase Options Payment Options

Vendor: Farmers Bank & Loan
Date: 12/31/2007
Journal Entry #: 355
Description or Invoice #: Mortgage Payment
Add to list of templates

Items Purchased:

NOTE Farm Mortgage	524.50	-
Total Purchase		524.50



How you paid:

NOTE Farmers Bank (Checking)	500.00	-
Total Payment		500.00

Difference: \$24.50

Buttons: OK, Cancel, Help

1. The **Payments and Purchases** dialog box displays a summary of your transaction.

 **Tip ...** You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

2. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Check Purchase

Checking Account
Farmers Bank (Checking)

Current Balance \$6,989.02
New Balance \$6,464.52

Christopher Irwin
PO Box 250
Hamilton, IN 46742-0250
260-488-3492

Date 12/31/2007 Check # 1011

Pay to the Order of Farmers Bank & Loan 524.50

five hundred twenty-four and 50/100


Memo Mortgage Payment

Account #:

OK Cancel Help

3. In the **Checking Account** dialog box, adjust the amount of the check to add the interest and Click **OK** to record the transaction.
4. After you make all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.
5. The **Payments and Purchases** dialog box displays a summary of your transaction.



Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

6. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.


Date	Chk #	Bch	Description	Deposit	Clr	Payment	Balance
12/31/2007	1003	<input type="checkbox"/>	Dr. David Doolittle Annual Vaccinations		<input type="checkbox"/>	1,222.00	25,168.00
12/31/2007	1004	<input type="checkbox"/>	Dr. David Doolittle Annual Vaccinations		<input type="checkbox"/>	1,120.00	24,048.00
12/31/2007	1005	<input type="checkbox"/>	Haynes, Phil Hauling Revenue Paid to Partn		<input type="checkbox"/>	1,000.00	23,048.00
12/31/2007	1006	<input type="checkbox"/>	Geiger, Jeff Parts & Labor		<input type="checkbox"/>	1,350.00	21,698.00
12/31/2007	1007	<input type="checkbox"/>	Farmers Cooperative Credit for Returned Chemicals		<input type="checkbox"/>	2,300.00	19,398.00
12/31/2007	1008	<input type="checkbox"/>	Psumy, Mike New Tractor Purchase		<input type="checkbox"/>	7,163.98	12,234.02
12/31/2007	1009	<input type="checkbox"/>	Farmers Bank & Loan Payment on JD 8030 Tractor		<input type="checkbox"/>	5,245.00	6,989.02
12/31/2007	1010	<input type="checkbox"/>	Farmers Bank & Loan Mortgage Payment		<input type="checkbox"/>	524.50	6,464.52
12/31/2007	1011	<input type="checkbox"/>			<input type="checkbox"/>		6,464.52

7. Back in the **Account Register**, Farm Funds displays the check without a **Details** button, since you have now added the transaction details for the interest and principal payments.

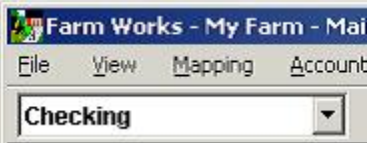
Making Payments for Family Living Expenses


You can use the Payments and Purchases dialog box to record personal or family living items as well as farm expenditures.


To record a payment made with petty cash:



Also See ... For more information on setting up a cash account, see the section "Setting Up Bank & Cash Accounts" in the chapter "Getting Started with Farm Funds".



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).


2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Family Living** toolbar button  in the **Items Purchased** area. This opens the **Family Living** dialog box. If your farm is not incorporated, click the proprietor who made the purchase in the **Owner** box.
5. In the **Family Living** dialog box, click the type of drawing for this transaction from the **Drawing Category** list, or click **<Add/Edit>** in the list to add a new drawing category.

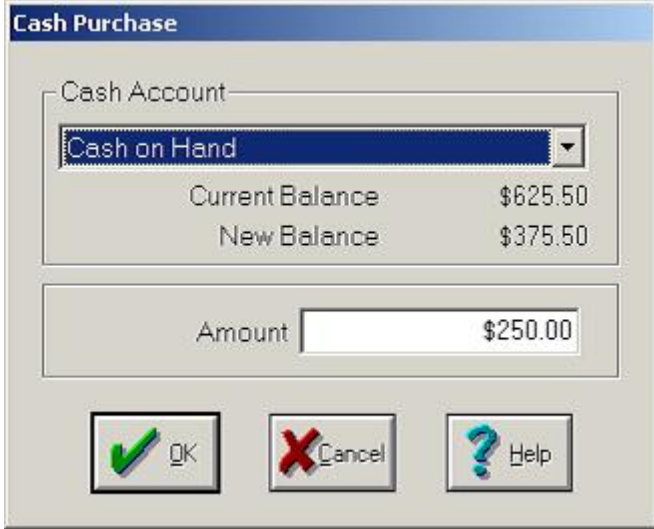


Tip ... If you do *not* wish to track this type of information, simply classify *all* personal expenditures with the miscellaneous drawing category.

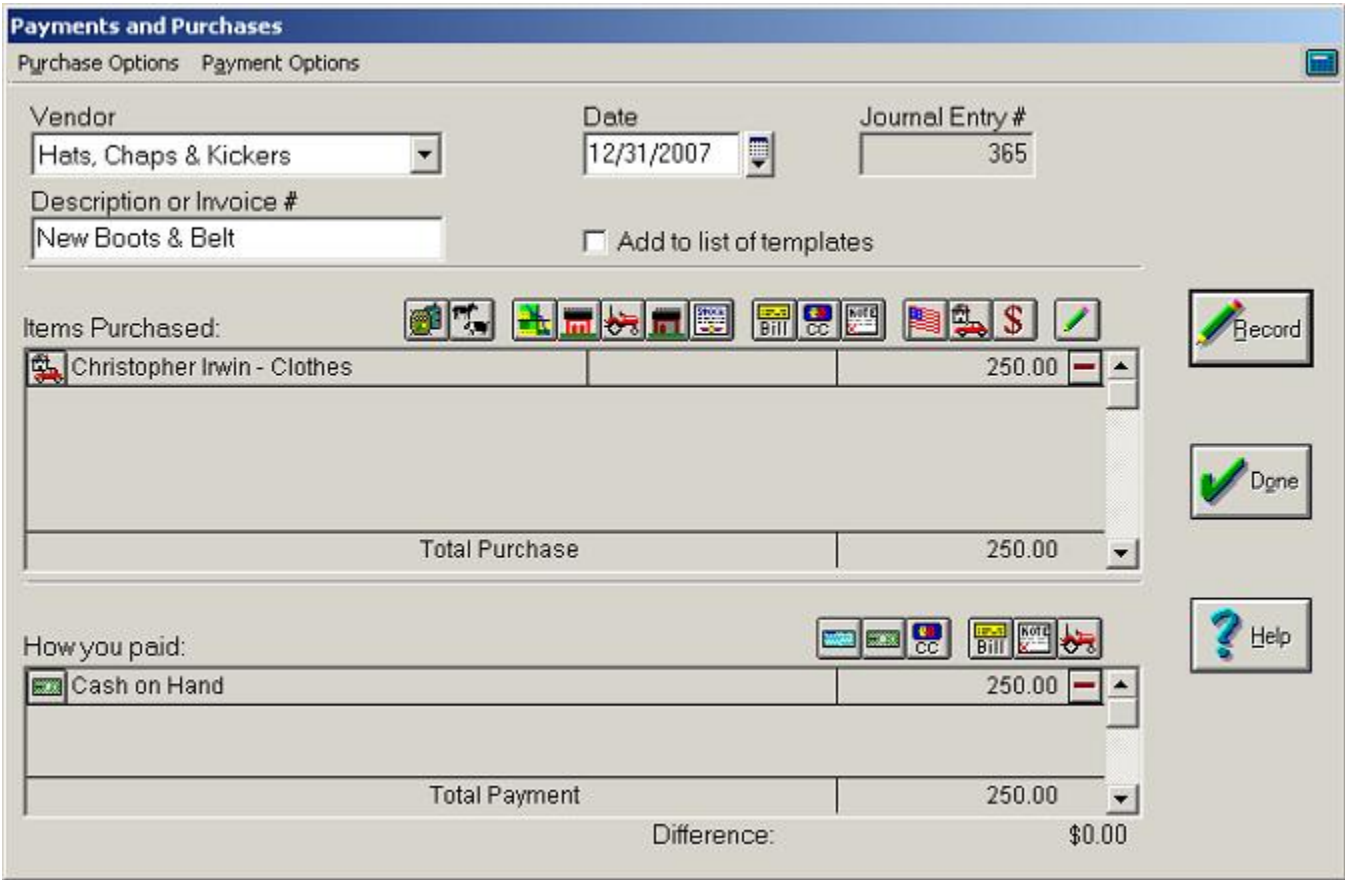


The screenshot shows a dialog box titled "Family Living". It contains three main input areas: "Owner" with a dropdown menu showing "Christopher Irwin", "Drawing Category" with a dropdown menu showing "Clothes", and "Amount" with a text box containing "\$250.00". At the bottom of the dialog box are three buttons: "OK" with a green checkmark icon, "Cancel" with a red X icon, and "Help" with a blue question mark icon.



6. Enter the amount of the transaction in the **Amount** box and click **OK** to save the information and close the dialog box.
7. Back in the **Payments and Purchases** dialog box, click the appropriate toolbar button from the **How You Paid** area. To pay by cash, click on the **Cash** toolbar button  to open the **Cash Purchase** dialog box.



8. Farm Funds displays the amount of the purchased in the **Cash Purchase** dialog box. Verify the amount, click the correct cash account in the list, and click **OK** to proceed.



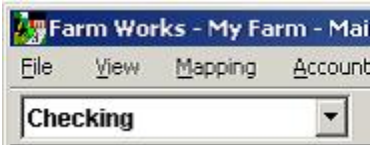
9. The **Payments and Purchases** dialog box displays a summary of your transaction.



 **Tip ...** You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

10. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Splitting Utility Bills between Farm & Home

The Payments and Purchases area is used to record family living (or personal) expenses as well as farm (or agricultural business) expenditures. In this example, you will split a utility bill between the farm and the home.

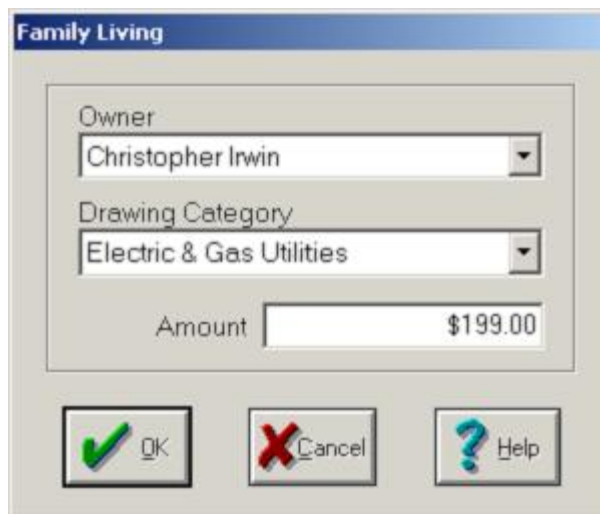


1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Family Living** toolbar button  to record a non-farm purchase. This brings up the **Family Living** dialog box.
5. If your farm is a corporation, click the applicable owner in the **Family Living** dialog box. Then, click the kind of payment in the **Drawing Category** list (**Home Utilities**, for example).




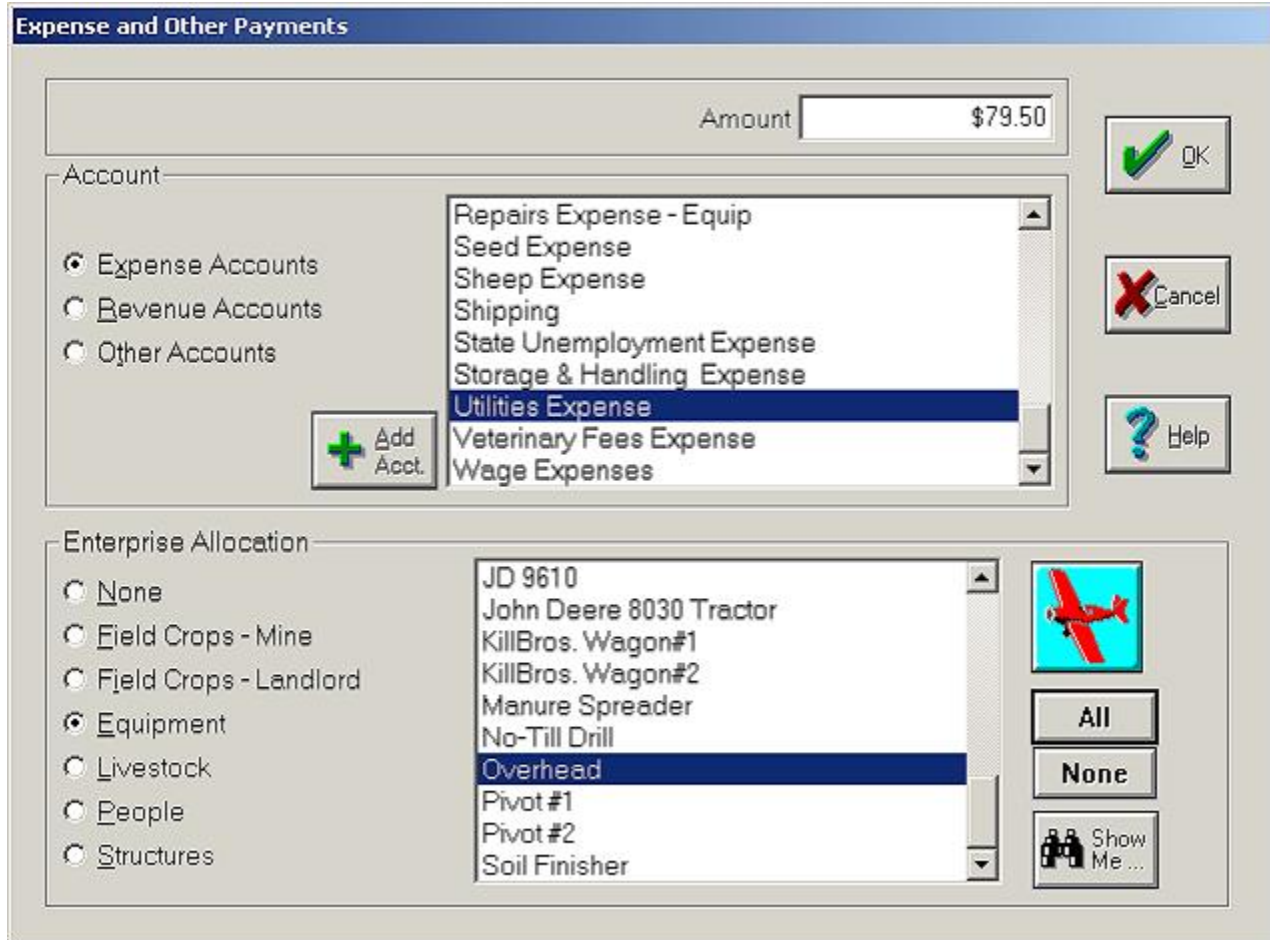
FAQ ... Q. "What if I don't want to keep track of all that?"

A. You do *not* have to document detailed family living purchases if you do not want to do so. You can simply classify *all* personal expenditures as miscellaneous expenses.




6. Enter the amount of the personal portion of the payment in the **Amount** box, and click **OK** to save the information and return to the **Payments and Purchases** dialog box.

- In the **Payments and Purchases** dialog box, you can also record farm-related expenses in the same transaction by clicking on one of the other toolbar buttons in the **Items Purchased** area. In this case, click the **Other Expenses & Payments** toolbar button.  This brings up the **Expense and Other Payments** dialog box.
- In the **Expense and Other Payments** dialog box, type the amount of farm-related expenses in the **Amount** box.
- Click the **Expense Accounts** option button and click the applicable account in the list (**Utilities Expense**, for instance).



- To apply this expense, click the appropriate option button in the **Enterprise Allocation** area. Since this is overhead, click the **Equipment** option button and click **Overhead** in the list.

 **On the CD ...** For more details on setting up an **Overhead** account, see the Farm Trac tutorial on your Farm Works Software CD.

- Click **OK** to save this information and return to the **Payments and Purchases** dialog box.

Check Purchase

Checking Account
Farmers Bank (Checking)

Current Balance \$1,333.52
New Balance \$1,055.02

Christopher Irwin
PO Box 250
Hamilton, IN 46742-0250
260-488-3492

Date 12/31/2007 Check # 1015

Pay to the Order of NFL Utilities \$278.50

two hundred seventy-eight and 50/100

Memo Utility Bill For Farm & Home

Account #

OK Cancel Help

12. Click the appropriate toolbar button from the **How You Paid** area (in this case, click the **Check** toolbar button .



Tip ... If you will be paying this utility bill every month, you might set up a template for this entry to save time in the future. To configure a template, select the **Add to List of Templates** check box in the **Payments and Purchases** dialog box.



Also See ... For more information on templates see the section "Creating & Using Templates" in this chapter.

Payments and Purchases

Purchase Options Payment Options

Vendor: Northern Feul & Light Date: 12/31/2007 Journal Entry #: 366

Description or Invoice #: Utility Bill For Farm & Home Add to list of templates

Items Purchased:

	Christopher Irwin - Electric & Gas Utilities	199.00	-
	Utilities Expense (Overhead)	79.50	-
Total Purchase		278.50	

How you paid:

	Farmers Bank (Checking)	278.50	-
Total Payment		278.50	

Difference: \$0.00

Buttons: Record, Done, Help

13. The **Payments and Purchases** dialog box displays a summary of your transaction.







Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

14. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Other Expenses and Payments

With Farm Funds, you can make payments for assets not covered by the other categories. This section covers:

-  Making Partial Payments on Commodity Credit Corporation (i.e., CCC) Loans
-  Paying Rent for Land
-  Paying Veterinary Bills
-  Setting Up and Using Hedging Accounts (i.e., Margin Calls)

Making Partial Payments on CCC Loans

The following explains how to enter the payment of a Commodity Credit Corporation (i.e., CCC) loan where you pay only part of the balance and leave the remaining balance unpaid. In this situation, Farm Funds records the amount of the loan that you will not repay as income in your financial books.

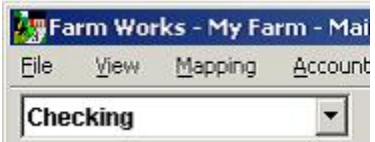




Also See ... You must add a CCC loan account before making payments on it. If you took out your CCC loan before the current year, you can set up a CCC loan in the initial setup (for instructions on how to do this, see the section "Setting Up Other Liabilities" in the chapter "Getting Started With Farm Funds").



On the Web ... If you took out the CCC loan after the year of your initial setup, you should add your CCC loan using the general ledger (to read an explanation of how to do this, see the FAQ on working with CCC loans at this link: www.farmworks.com/support/CCC_loans/ccc_loans.html)

To record a partial payment of a CCC loan:



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Other Expenses & Payments** toolbar button  in the **Items Purchased** area.
5. In the **Expense and Other Payments** dialog box that appears, click the **Other Account** option button and click your CCC loan account in the list.



Tip ... If you find no CCC Loan in the **Other Accounts** list, do not use the **Add Accounts** button to add it. Instead, follow the instructions at this link: www.farmworks.com/support/CCC_loans/ccc_loans.html

Expense and Other Payments

Amount: \$5,000.00

Account:

- Expense Accounts
- Revenue Accounts
- Other Accounts

+ Add Acct.

- 2005 Operating Loan – Long Term
- 2005 Operating Loan – Short Term
- 401 K
- 7890 JD Tractor Loan – Long Term
- 7890 JD Tractor Loan – Short Term
- Cash on Hand
- CCC Loan**
- CD @ Northwest Bank
- Child Support

OK

Cancel

Help

Enterprise Allocation:

- None
- Field Crops - Mine
- Field Crops - Landlord
- Equipment
- Livestock
- People
- Structures

All


None

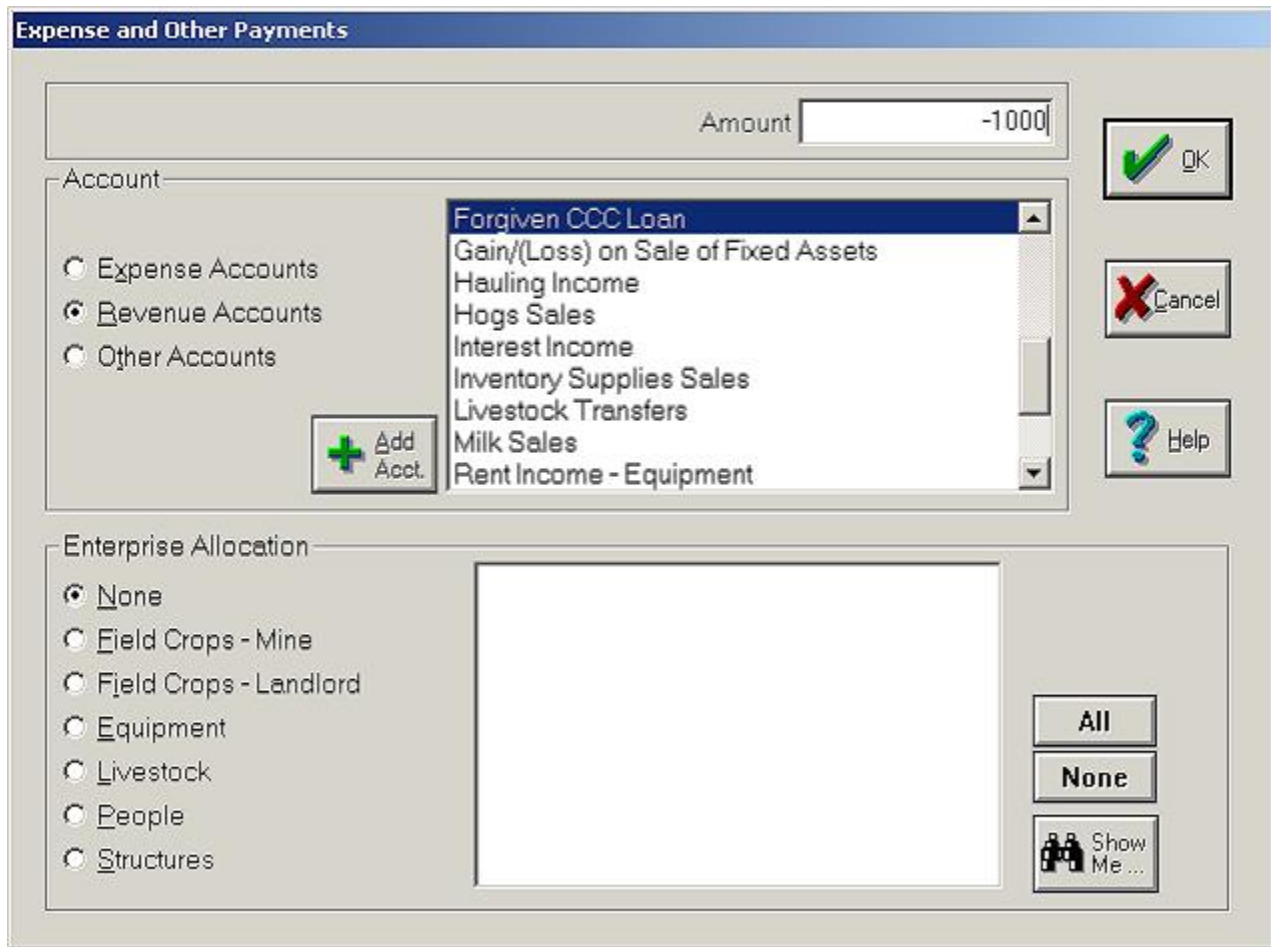
Show Me...

- In the **Amount** box, type the *full* amount of the CCC loan (*not* the amount that is the difference between the loan and the amount forgiven by the Commodity Credit Corporation). Then, click **OK**.







Tip ... For instance, if you have a \$5,000.00 CCC loan with \$1,000.00 forgiven, and you write a check for \$4,000.00, you should add another expense of \$5,000.00 for the loan to the Items Purchased area of the dialog box. After this, you should add a second other expense as a negative \$1,000.00 for the amount forgiven by the Commodity Credit Corporation. (See the steps for entering this in the steps that follow.)

- Add the portion of the loan that the Commodity Credit Corporation forgave: Click the **Other Expenses & Payments** toolbar button  to open the **Expenses and Other Payments** dialog box.



8. Type the amount of the loan that the Commodity Credit Corporation forgave, which you will not repay in the future (this amount is the difference between the total amount of the CCC loan and the check you will use to make the payment, and should be entered as a negative number).
9. Click the **Revenue Accounts** option button and click the CCC revenue account in the list that you created previously.

 **Tip ...** If you have not yet added the CCC revenue account, you can do so by clicking the **Add Account** button  in the **Expense and Other Payments** dialog box. In the **Chart of Accounts** dialog box that opens, click the **Revenue** option button type the name of your CCC revenue account (such as "CCC Loan Income" or "CCC Loan Forgiven") in the **Account** box, and click the **Add** button.  Then, click **Record** and **Done** to save the information.

10. Finally, record the payment of the amount of the CCC loan that the Commodity Credit Corporation did *not* forgive in the **How You Paid** area of the **Expenses and Other Payments** dialog box, by clicking the **Check** toolbar button  for example.

Check Purchase

Checking Account: **Farmers Bank (Checking)** Current Balance: \$6,352.52
New Balance: \$2,352.52

Christopher Irwin
PO Box 250
Hamilton, IN 46742-0250
260-488-3492

Date: 12/31/2007 Check #: **1013**

Pay to the Order of: CCC \$4,000.00

~~four thousand and 00/100~~

Memo: CCC for Corn

Account #:

11. After confirming that the dialog displays the checking account, check number, and amount you want, click **OK** to continue.

Payments and Purchases

Purchase Options Payment Options

Vendor: **CCC** Date: **12/31/2007** Journal Entry #: **359**

Description or Invoice #: **CCC for Corn** Add to list of templates

Items Purchased:

\$ CCC Loan	5,000.00	-
\$ Forgiven CCC Loan	-1,000.00	-
Total Purchase	4,000.00	


How you paid:

Farmers Bank (Checking)	4,000.00	-
Total Payment	4,000.00	

Difference: \$0.00

12. The **Payments and Purchases** dialog box displays a summary of your transaction.



Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

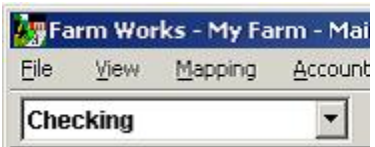
13. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.





On the Web ... For information on Commodity Credit Corporation loans, as well as links to tax forms you can print for your CCC loans, check out these links:
www.irs.gov/businesses/small/industries/article/0,,id=99000,00.html
www.fsa.usda.gov/dafp/psd/reports.htm

Paying Rent for Land

To document a payment for rented land:




1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
2. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
3. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
4. Click the **Other Expenses & Payments** toolbar button  in the **Items Purchased** area. This brings up the **Expense and Other Payment** dialog box.
5. In the dialog box, type the amount of the transaction in the **Amount** box.
6. Click the **Expense Accounts** option button, and click the proper account from the **Account** list (for instance, **Rent Expense-Land**).

Expense and Other Payments




Amount

Account

Expense Accounts
 Revenue Accounts
 Other Accounts



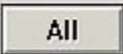


- Rent Expense - Land
- Repairs Expense - Bldg
- Repairs Expense - Equip
- Seed Expense
- State Unemployment Expense
- Storage & Handling Expense
- Utilities Expense
- Veterinary Fees Expense
- Wage Expenses

Enterprise Allocation


None
 Field Crops - Mine
 Field Crops - Landlord
 Equipment
 Livestock
 People
 Structures

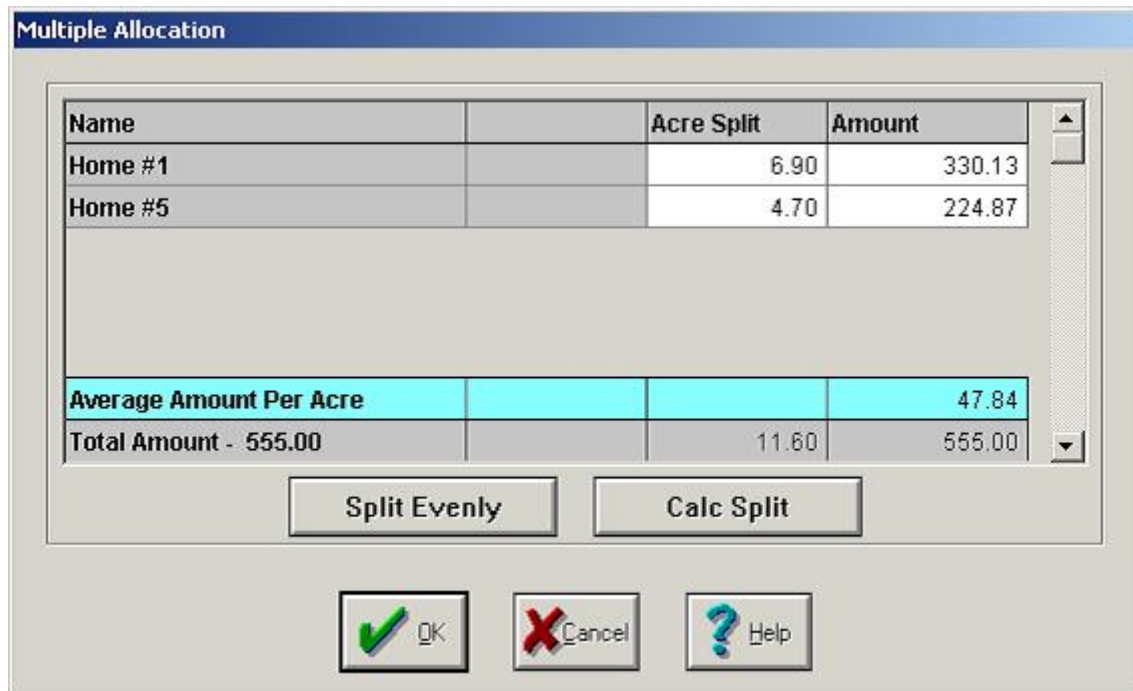
- Field Prep - Amstutz
- Field Prep - Eddy #1
- Field Prep - Haughey
- Field Prep - Home #1
- Field Prep - Home #5
- Field Prep - McCool #1
- Field Prep - McCool #2
- Field Prep - McCool #6
- Field Prep - Parker #2
- Field Prep - Presley #2






7. To allocate the cost to specific fields of your farm in the **Enterprise Allocation** area, click the **Field Crops-Mine** option button and click the fields in the **Enterprise Allocation** list (or click the **All** button to allocate the payment to all fields in the list).



Tip ... Click the **Show Me** button  if you find too many fields displayed in the list and want to limit the number of fields from which to choose. In the **Show Me** dialog box that opens, click the crop year, commodity, and farm or ranch in the lists. You can also click only opened or only closed fields, or click just one field in the list. Then, click **OK** to continue. Back in the **Expense and Other Payments** dialog box, Farm Funds displays only the fields that meet the criteria you chose.



8. If you choose more than one field, the **Multiple Allocation** dialog box displays how Farm Funds will split the costs among the fields (Farm Funds uses the default allocation based on size).
9. Click **OK** to accept this allocation, or click **Split Evenly** to allocate the same amount to each field, regardless of its size. Then, click **OK** to save the information and return to the **Payments and Purchases** dialog box.
10. Back in the **Payments and Purchases** dialog box, click the appropriate toolbar button from the **How You Paid** area to record the payment (for example, click the **Check** toolbar button  to record a payment by check).
11. If you opted to pay by check, click the proper checking account from in the **Check Purchase** dialog box, verify the check number, date and payment amount are correct, and click **OK**.

Payments and Purchases

Purchase Options Payment Options

Vendor: Hurraw Estates & Enterprises Date: 12/31/2007 Journal Entry #: 335

Description or Invoice #: Land Rent Payment Add to list of templates

Items Purchased:

\$ Rent Expense - Land (Multi-Details)	555.00	
Total Purchase		555.00

How you paid:

Farmers Bank (Checking)	555.00	
Total Payment		555.00

Difference: \$0.00

Record Done Help

12. The **Payments and Purchases** dialog box displays a summary of your transaction.

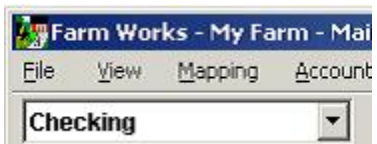


Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button to the right of the entry amount.


13. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Paying Veterinary Bills





Besides purchasing livestock, feed, dairy equipment, you can use the Payments and Purchases dialog box to pay veterinary fees:



1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).

6. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
7. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
8. Click the **Other Expenses & Payments** toolbar button  in the **Items Purchased** area. This brings up the **Expense and Other Payment** dialog box.
9. In the **Expense and Other Payment** dialog box, enter the sum you paid in the **Amount** box.

10. Click the **Expense Accounts** option button, and click the proper account in the **Account** list (for example, click **Veterinary Fees Expense**).

 **Tip ...** To document other acquisitions for your livestock enterprise, use one of the other buttons in **Payments and Purchases** dialog box. For example, click the **Inventory Supplies** toolbar button  to record the procurement of feed, the **Livestock** toolbar button  to add the purchase of new animals, or the **Equipment** toolbar button  to enter the acquiring of new feeding or milking equipment. See other sections of this chapter for instructions on how keep records of these types of transactions.


- To allocate this cost to your livestock enterprises, click the **Livestock** option button and click all of the appropriate animal groups in the **Enterprise Allocation** list (for instance, you might click **Dairy Bulls**, **Dairy Calves** and **Dairy Cows** to record vaccinations for all your dairy animals). Click **OK** to continue.



FYI ... If you have installed Farm Stock together with Farm Funds, the program conveniently displays each of the animal groups you previously added to Farm Stock in the **Enterprise Allocation** list. To allocate the transaction to all of your livestock animal groups, simply click the **All** button before you click **OK**.

Multiple Allocation

Name	Unit Split	Amount
Dairy Cows	25.00	595.74
Dairy Bulls	6.00	142.98
Dairy Calves	16.00	381.28
Average Amount Per Unit		23.83
Total Amount - 1120.00		47.00 1,120.00

- If you chose more than one animal group, the **Multiple Allocation** dialog box displays how Farm Funds will split the costs among your livestock enterprises (the default allocation is based on the number of animals in each group). To split the allocation evenly among the displayed enterprises, click **Split Evenly**. Click **OK** to save the information.
- Back in the **Payments and Purchases** dialog box, click the appropriate toolbar button from the **How You Paid** toolbar. (For example, click on the **Check** toolbar button  to open the **Check Purchase** dialog box, which you can use to record a check written for the purchase. Then, enter the proper checking account, check number, date, amount and memo, and click **OK**).

Payments and Purchases

Purchase Options Payment Options

Vendor: Doolittle Veterinary Hospital Date: 12/31/2007 Journal Entry #: 337

Description or Invoice #: Annual Vaccinations Add to list of templates

Items Purchased:

\$ Veterinary Fees Expense (Mult-Details)	1,120.00	
Total Purchase		1,120.00

How you paid:

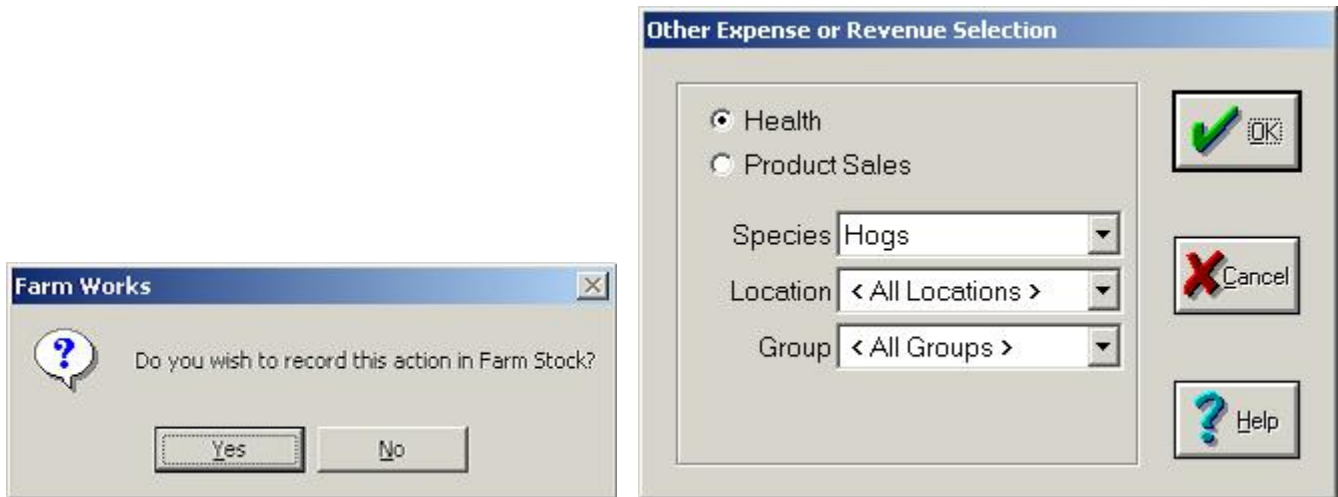
Farmers Bank (Checking)	1,120.00	
Total Payment		1,120.00

Difference: \$0.00

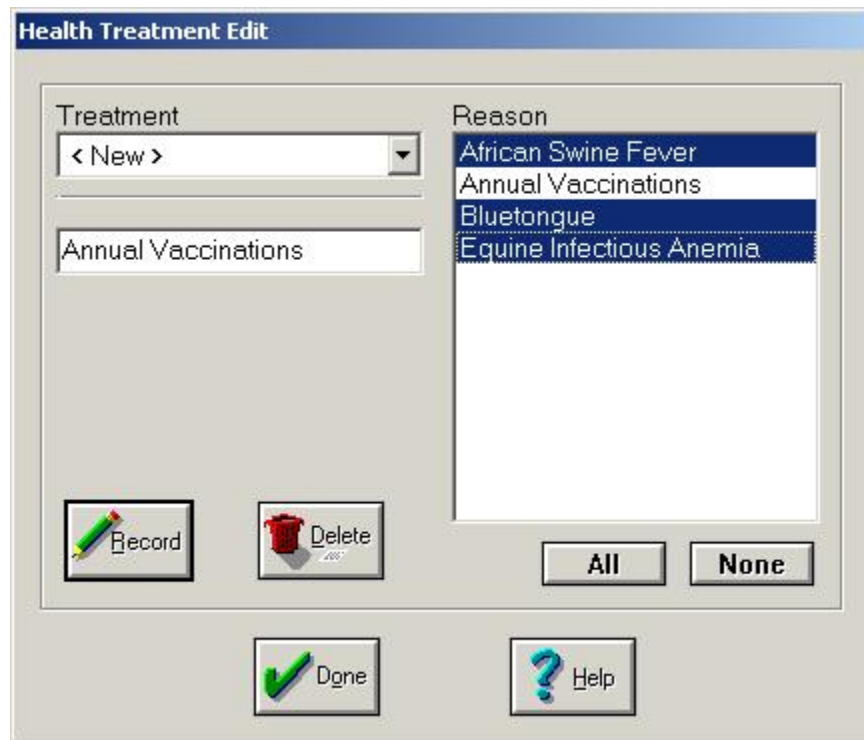
14. The **Payments and Purchases** dialog box displays a summary of your transaction.

Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button to the right of the entry amount.

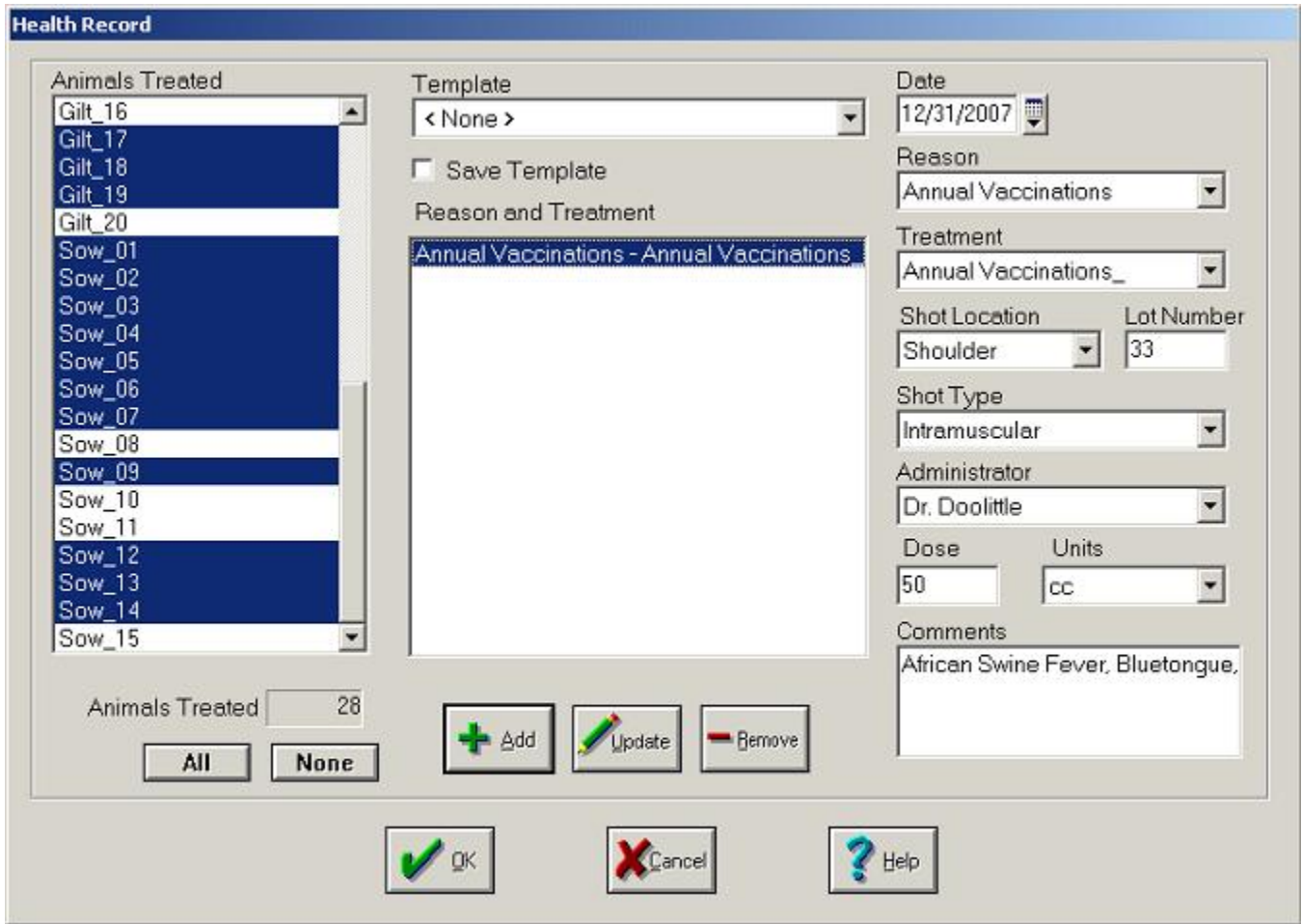
15. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.




16. If you have Farm Stock installed with Farm Funds, a message box asks if you want record the information in Farm Stock, too. You should click **Yes**. In the **Other Expense or Revenue Selection** dialog box that appears, click the appropriate option button (for example, click **Health**) and click the correct Farm Stock species (that is, animal type), location and group.



17. If the **Health Treatment Edit** dialog box that opens, click the correct treatment in the list (or click **<New>** to add a new treatment and type a brief description of the treatment).
18. Click all the treatments that apply in the **Reason** list, and click **Record** and **Done**.




19. If the **Health Record** dialog box appears, click each of the animals treated (or click **All**), then enter the correct date, reason, treatment, shot location, lot number, shot type, administrator, dose, units and comment. Click **OK** to save the information in Farm Stock and close the dialog box.

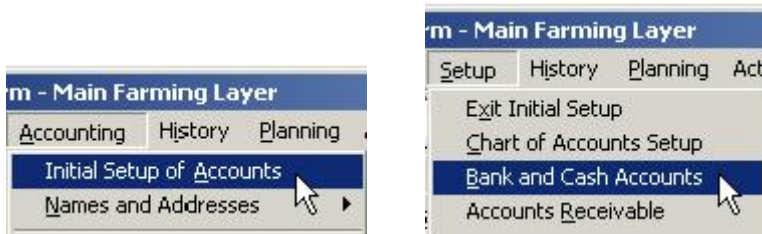
 **Also See ...** For more information on documenting health treatments for groups of animals in Farm Stock, see chapter "Working with Groups" in the *Farm Stock – Step by Step* user guide. You can purchase a printed copy of this detailed Farm Stock software manual by calling (800) 225-2848 and asking to speak to one of the helpful Farm Works Software sales representatives.

Setting Up Hedging Accounts

For margin calls, you can set up your hedging accounts just like checking accounts. When set up this way, you can record checks (that is, withdrawals) for hedging losses as well as for payments that the vendor makes to you from the account. You can record gains and margin calls that increase the balance of the account as deposits to the account.

 **CAUTION ...** If you desire, you can choose an expense account, rather than a revenue account, for hedging or margin calls. However, make sure you use the same revenue account or expense account to record both deposits and expenses. Otherwise, Farm Funds will not automatically calculate the net hedging amount when you prepare your tax returns. If you expect to make a profit from the hedging account, we recommend you make it a revenue account.

To set up a hedging account:



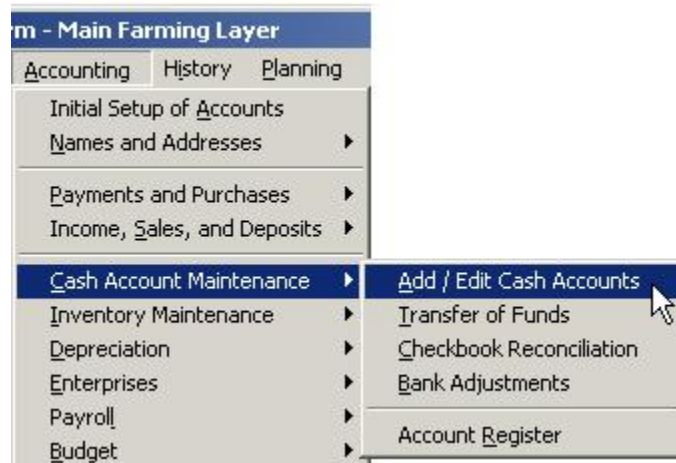
1. If you have just started using Farm Funds, or have not yet closed your first year-end financial record, you can set up a hedging account in initial setup:
 - Click the **Accounting** menu on the Farm Funds menu bar, and then click **Initial Setup of Accounts**. Click **OK** to the message box that asks you to confirm you want to return to Initial Setup.
 - Farm Funds replaces the **Accounting** menu with the **Setup** menu. Click **Bank and Cash Accounts** on the **Setup** menu to open the **Initial Setup of Bank and Cash Accounts** dialog box.



- In the Initial Setup of Bank and Cash Accounts dialog box, click <New> in the Current Account list and type a name for the new account in the Account Description box.

The Complete Guide to Farm Funds

- Click the Checking option button, enter a balance for the hedging account (if necessary), and click Record and Done.
- To leave the Initial Setup and begin using the new account, click Exit Initial Setup on the Setup menu.



20. If you have already closed your first year-end project, add the hedging account by way of the **Add/Edit Bank Accounts** dialog box:

- Point to Cash Account Maintenance on the Accounting menu, and then click Add/Edit Cash Accounts. This brings up the Add/Edit Bank Accounts dialog box.



- In the Add/Edit Bank Accounts dialog box, click <New>, enter a description for your new hedging account, click the Checking option button, and click Record and Done.



Tip ... Type a specific description if you plan to have several hedging accounts (for example, instead of "Hedging Account" type something like "Hedging for 2007 Corn").

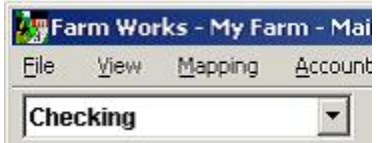
Documenting Hedging Losses



Since hedging losses decrease the balance in your brokerage account, Farm Funds records them like a check that will reduce the balance of your hedging checking account.



Also See ... For information on recording hedging gains (that is, margin calls) see "Entering Income from Hedging Gains" in the chapter "Income, Sales and Deposits".

To enter a hedging loss:




1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the **Payments and Purchases** dialog box (see the figure that follows).
21. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor from the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
22. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
23. Click the **Other Expenses & Payments** toolbar button  in the **Items Purchased** area to enter the hedging loss.
24. In the **Expense and Other Payments** dialog box, enter the amount of the loss as a *positive* number
25. Click the option button for your hedging account (**Revenue Accounts**, for example), and click the hedging account from the **Account** list (for instance, the **Hedging Gains/Losses** account).

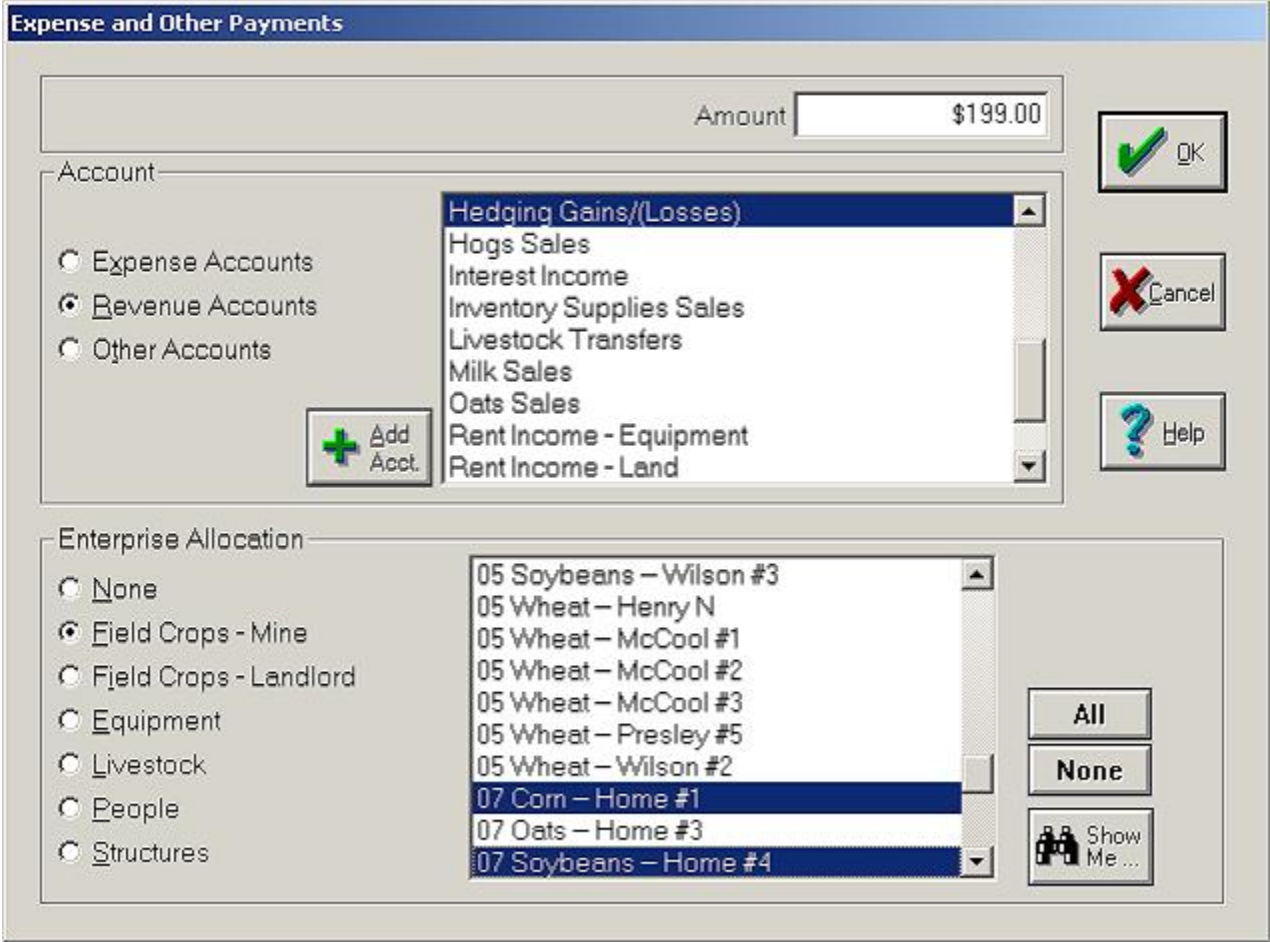


26. If the dialog box does *not* display the hedging account, click the **Add Account** button. 



27. In the **Chart of Accounts Setup** dialog box that opens, click the **Revenue** option button, click **Hedging Gains/Losses** in the list, and click **Record** and **Done**.

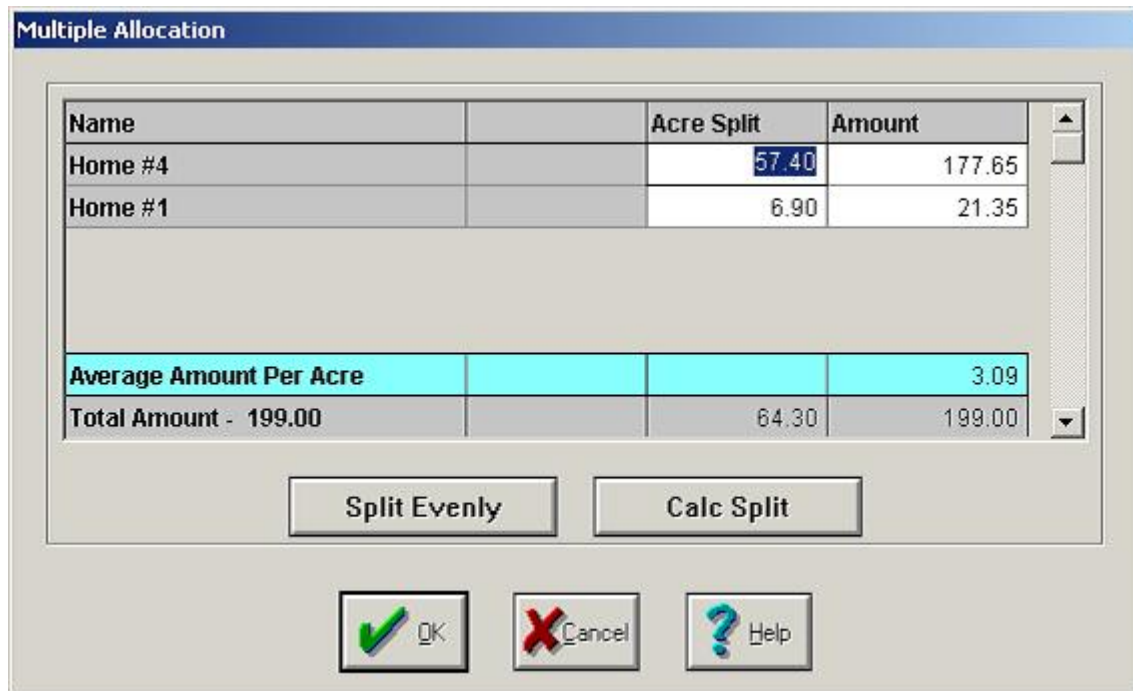
 **Tip ...** Even though this is a hedging loss, we recommend you enter the loss in the same hedging account where you enter gains. This way, Farm Funds displays the net hedging amount when you prepare your taxes returns. For more information on setting up hedging accounts, see the section immediately preceding this one.


28. In the Expense and Other Payments dialog box, click Hedging Gains/(Losses) in the list.



29. To allocate the loss to a group of fields, click **Field Crops-Mine** in the **Enterprise Allocation** area. Click the fields you wish to use for the allocation in the list, or click the **All** button to allocate the loss among all the fields displayed in the list. Click **OK** to continue.

 **Tip ...** Click the **Show Me** button  if you find too many fields displayed in the list and want to limit the number of fields from which to click. In the **Show Me** dialog box that opens, click the crop year, commodity, and farm or ranch in the lists. You can also click only opened or only closed fields, or click just one field in the lists. Then, click **OK** to continue. Back in the **Expense and Other Payments** dialog box, Farm Funds displays only the fields that meet the criteria you chose.



30. If you chose more than one field, Farm Funds displays the **Multiple Allocation** dialog box and splits the loss amount among the fields based on their respective sizes. To split the amount evenly among the fields, click **Split Evenly**.
31. Click **OK** to return to the **Payments and Purchases** dialog box.
32. In the in the **How You Paid** area of the **Payments and Purchases** dialog box, record the reduction of your brokerage account balance by clicking the **Check** toolbar button. 

Check Purchase

Checking Account: Cline Feed & Grain

Current Balance: \$777.77
New Balance: \$578.77

Christopher Irwin
Box 250
Hamilton, IN 46742
219-488-3492

Date: 12/31/2007
Check #: 123107


Pay to the Order of: Cline Feed & Grain \$199.00
one hundred ninety-nine and 00/100

Memo: 07 Hedging Loss


Account #:

OK Cancel Help

33. In the **Check Purchase** dialog box, click the correct brokerage account in the **Checking Account** list.

 **Tip ...** For the check number, you can use the date or the brokerage transaction number for you check number (123102, for example).

34. Click **OK** to continue.

 **FYI ...** Farm Funds will notify you if you have a negative balance in the hedging account after the reduction. Simply click **Yes** to the message to proceed.

Payments and Purchases

Purchase Options Payment Options

Vendor: Cline Feed & Grain Date: 12/31/2007 Journal Entry #: 342

Description or Invoice #: 07 Hedging Loss Add to list of templates

Items Purchased:

\$ Hedging Gains/(Losses) (Mult-Details)	199.00	-
Total Purchase		199.00


How you paid:


Cline Feed & Grain	199.00	-
Total Payment		199.00

Difference: \$0.00

Buttons: Record, Done, Help

35. The **Payments and Purchases** dialog box displays a summary of your transaction.



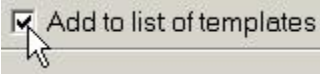
Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

36. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

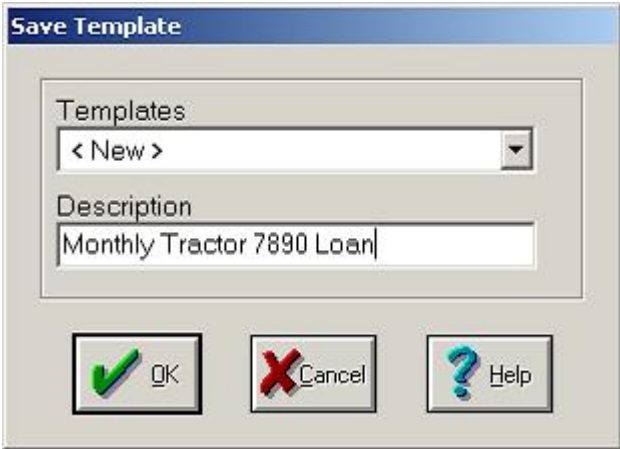
Creating & Using Templates

One convenient timesaver of Farm Funds is its ability to save templates for transaction you frequently enter. You can opt to have the program create new templates whenever you enter payments or purchases. This considerably reduces the time it takes to enter similar transactions in the future, because all you have to do is to click the saved template, make any changes (if necessary), and click Record. To create a new template for payments and purchases:


1. Enter a transaction in the **Payments and Purchases** dialog box, so the difference between the **Items Purchased** total and **How You Paid** total is zero dollars.




37. Select the **Add to List of Templates** check box, which is located immediately under the **Date** box (you must select the check box *before* recording the transaction). When you click **Record**, the **Save Template** dialog box appears.

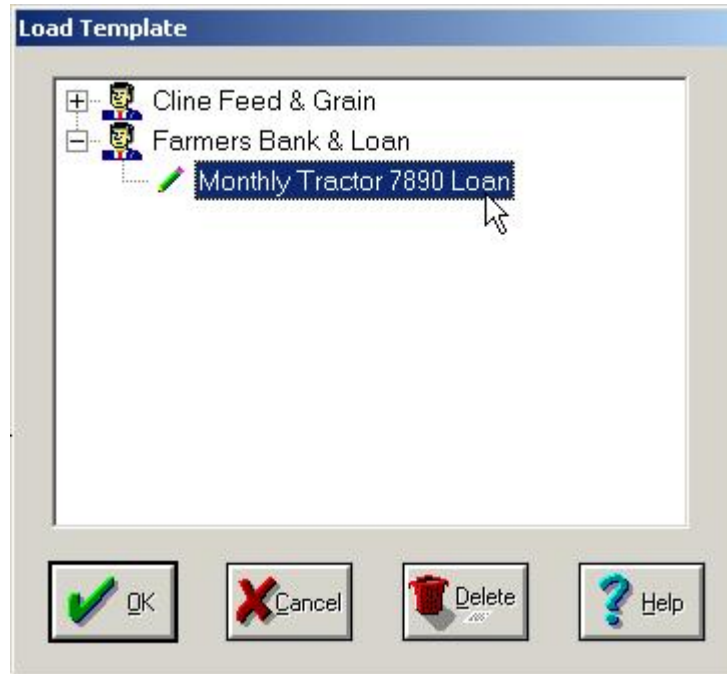


38. In the **Save Template** dialog box, type a description for the new template in the Description box, and click **OK**. Farm Funds saves the template.


 **Tip ...** You can change the information for a previously saved template when recording a transaction by clicking the name of the template in the **Templates** list of the **Save Template** dialog box and clicking **OK**. Farm Funds saves the new information to the template.

To use a previously saved template:

1. In the **Payments and Purchases** dialog box, click the **Load Template** toolbar button. 



39. The **Load Template** dialog box appears, which displays a list of all templates you have saved in a tree view, which resembles Windows Explorer.
40. To view the templates for a vendor, click the plus sign (+) next to the vendor's name to expand the tree. Click the template you want to use to highlight it, and click **OK** to load the template into the **Payments and Purchases** dialog box.

 **FAQ ... Q.** "How do I change the name of my template in the box?"

A. You have to load a saved template before you can change the name: In the **Load Template** dialog box, highlight the template for which you want to change the name and click **OK**. In the **Payments and Purchased** dialog box, select the **Add to List of Templates** check box. When you click **Record**, the **Save Template** dialog box appears with the template selected in the **Templates** list. Type a new name for the template in the **Description** box and click **OK**. Farm Funds changes the name for the template, which it will display in the **Load Template** dialog box the next time you load the template.

41. In the **Payments and Purchases** dialog box, you can change the entries in the **Items Purchased** and **How You Paid** areas, if you want. (For instance, the amount of the payment by clicking the button next to entry, changing the amount in the dialog box that opens, and clicking **OK**.)

Payments and Purchases

Purchase Options Payment Options

Vendor: Farmers Bank & Loan Date: 12/31/2007 Journal Entry #: 344

Description or Invoice #: Monthly JD Tractor Loan Add to list of templates

Items Purchased:

NOTE 7890 JD Tractor Loan	420.00	-
Total Purchase		420.00

How you paid:

Teegardin Bank & Trust (Checking)	420.00	-
Total Payment		420.00

Difference: \$0.00

Buttons: Record, Done, Help

42. The **Payments and Purchases** dialog box displays a summary of your transaction.







Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

43. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Making Corrections to Payments & Purchases

At times, you might need to change the balance of an accounts payable or accounts receivable entry in Farm Funds. The reasons for making these changes can be to correct mistakes you have made, or to enter credits vendors make for returns or adjustments on account balances. This section explains how to:

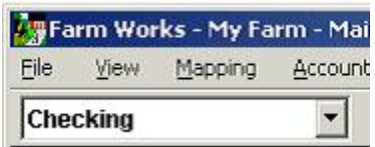
-  Change the dates of purchases
-  Delete the balances of payments that vendors reduced
-  Remove payments that should not be on the books
-  Fix errors without voiding purchases and payments




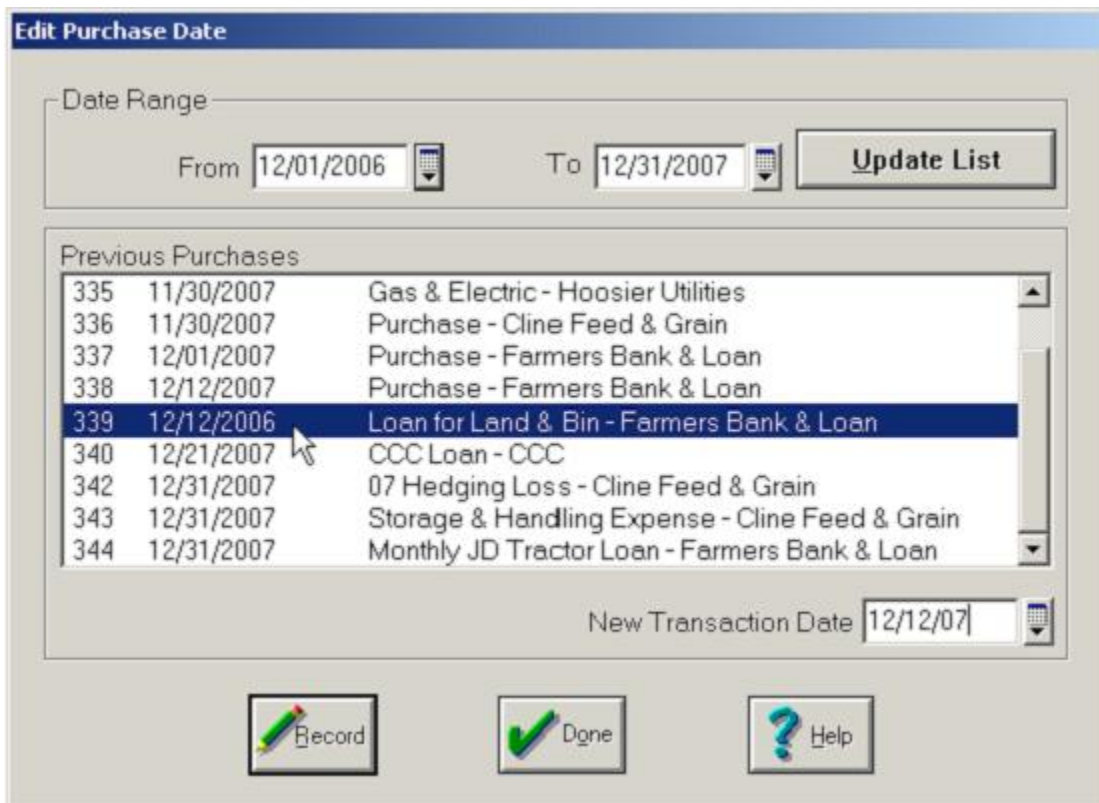
Void purchases and payments

Changing Dates of Purchases

If you discover you entered the wrong date for purchases, you have no need to worry. You can change the purchase dates this way:





1. Click **Checking** in the list of the toolbar and click the **Edit Purchases** toolbar button  on the toolbar to open the **Edit Purchase Date** dialog box.
44. In the **Edit Purchase Date** dialog box, narrow the date range of purchases by entering appropriate dates in the **From** and **To** boxes and clicking **Update List**. Farm Funds then displays only purchases that fall between those dates.



45. Click on the purchase for which you wish to modify the date from the **Previous Purchases** list, and type the correct date in the **New Transaction Date** box.
46. Click **Record**, and Farm Funds displays the corrected date for the purchase.
47. Repeat the process for each purchase for which you want to change the date.

- Click **Done** to close the dialog box. Farm Funds automatically adds the correct dates to your financial books, check register, and enterprises if applicable.

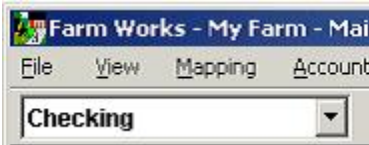



Tip ... You can also change dates in the **Account Register** this way: Click the **Account Register** toolbar button  on the **Checking** toolbar, click the account in the list, find the transaction with the incorrect date, change the date in the **Date** column, and close the **Account Register** dialog box.

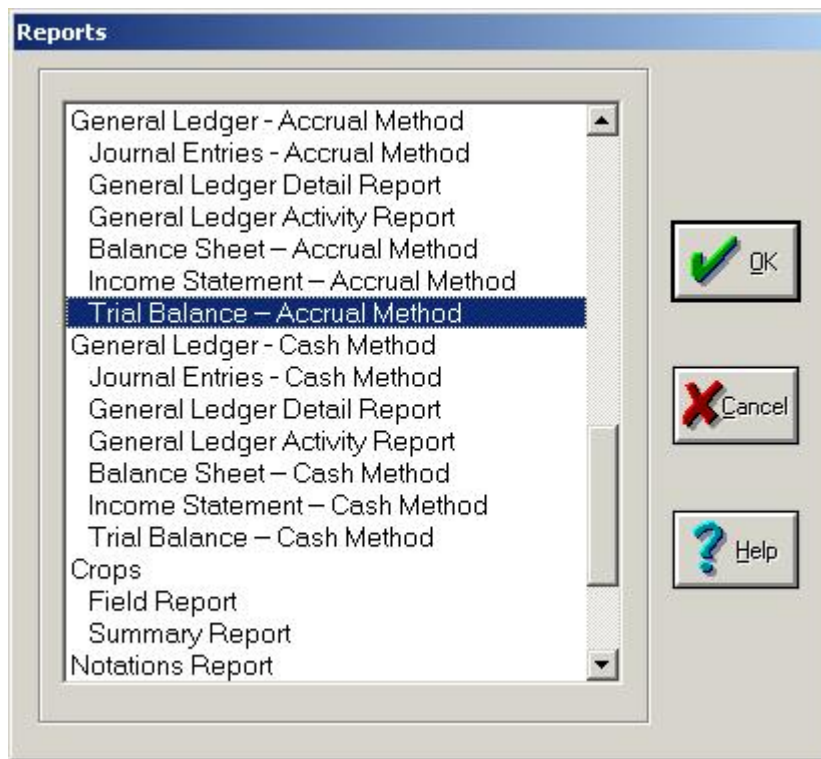
Removing Balances of Reduced Payments

Occasionally, a payable balance can remain after you have applied all payments. This is usually because you have not properly recorded discounts when you created the payable account, or because the vendors made adjustments to the amounts owed. You cannot void these balances, as you have already posted payments to them. However, you can delete the balances of the reduced payments.

To determine if an account to determine if you have already posted a payment for it:



- Click **Checking** in the list of the toolbar, and click the **Reports** toolbar button  on the toolbar to open the **Reports** dialog box.



- In the Reports dialog box, scroll down to past General Ledger-Accrual Method, click Trial Balance – Accrual Method, and click OK.

Trial Balance as of 12/31/2007

File View

Account	Debits	Credits
Liabilities		
Current Liabilities		
2007 Operating Loan -- Short Term		10,000.00
7890 JD Tractor Loan -- Short Term		6,200.00
Accounts Payable		500.00
Farm Mortgage -- Short Term		5,000.00
JD 4555 Tractor Loan -- Short Term		10,000.00
Other Current Liabilities		
401 K		175.83
Child Support		175.00
Payroll Taxes Payable		
Federal Withholding Payable		810.29
FICA-Medicare Payable (Employee)		594.35
FICA-Medicare Payable (Employer)		594.35
State Withholding Payable		227.81
City & County Withholding Payable		243.32
Long Term Debt		
7890 JD Tractor Loan -- Long Term		55,180.00
Farm Mortgage -- Long Term		395,000.00
JD 4555 Tractor Loan -- Long Term		89,750.00
Total	2,253,615.98	2,253,615.98

Done

Help

- In the **Trial Balance** dialog box, scroll down past **Current Liabilities** and click the **Report Details** button in row for the **Accounts Payable** report.
- This brings up the **Accounts Payable – Accrual Method** dialog box. In the dialog box, click the **Entry Details** button next to the appropriate vendor to open the **GL Report – Accrual Method** dialog box.

GL Report -- Accrual Method

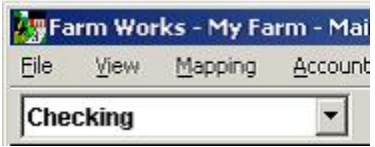
File



Date	Description	Amount	Qty. 1	Qty. 2
01/01/2006	Balance Forward	0.00		
12/30/2006	#312 -- Aatrex Purchase (Aatrex Purchas	1,000.00		
01/01/2007	#313 -- Purchase (Aatrex Purchase)	-500.00		
12/31/2007	Ending Balance	500.00		

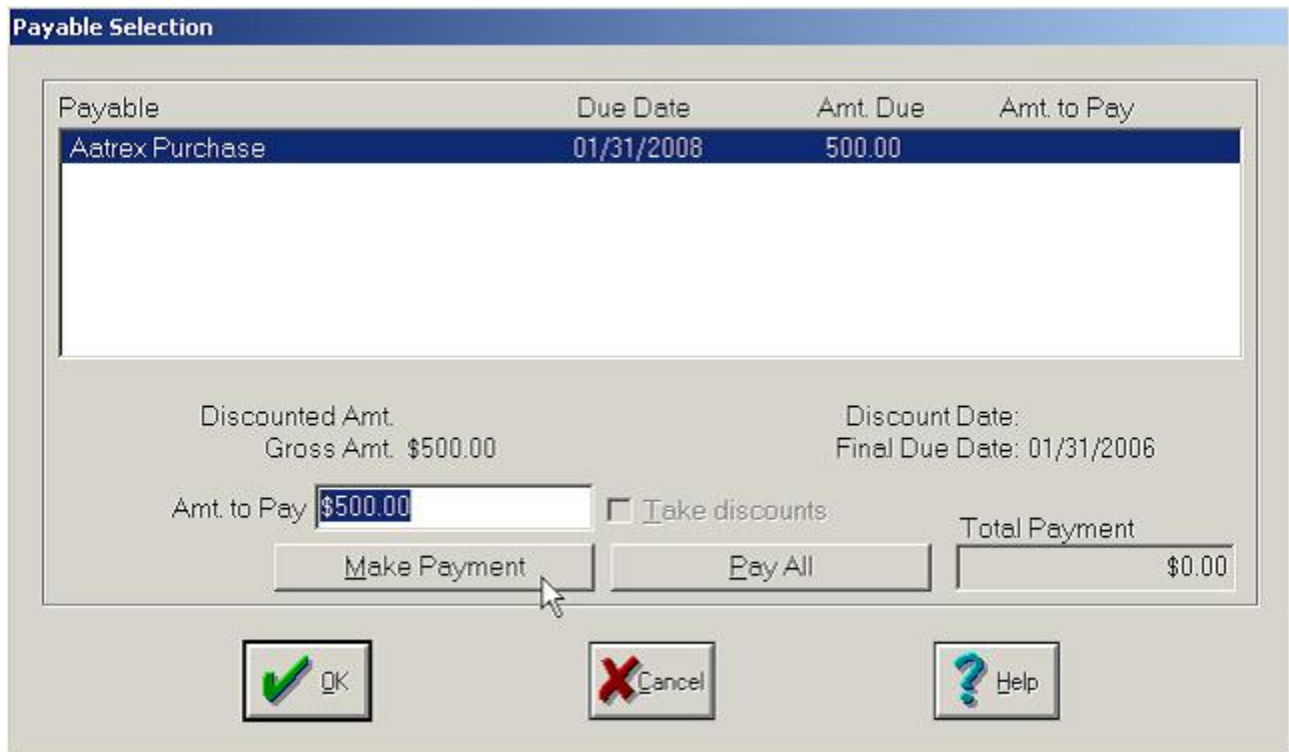
- In the **GL Report – Accrual Method** dialog box, scroll to the transaction you want and verify whether you have posted a payment.

FYI ... A negative amount in the Amount column indicates a payment you made.

Once you determine that you cannot void a transaction because it has a payment posted to it, you can remove the balance of the payment this way:




1. Click **Checking** in the list of the toolbar and click the **Record Payment/Purchase** toolbar button  on the toolbar to opens the **Payments and Purchases** dialog box (see the figure that follows).
53. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor in the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
54. Type an invoice number, or brief description to summarize the transaction, in the **Description or Invoice Number** box.
55. Click the **Payable Payment** toolbar button  on the **Items Purchased** toolbar to open the **Payable Selection** dialog box.
56. In the **Payable Selection** dialog box, highlight the transaction in the **Payable** list. Farm Funds displays the dollar amount in the **Amount to Pay** box.



57. Click **Make Payment**, and the amount appears in the **Total Payment** box. Click **OK** to save the information and close the dialog box.
58. In the **Payments and Purchases** dialog box, offset the amount of the payment to another account:



The Complete Guide to Farm Funds

- To offset the amount to a discount, for example, click the Other Expenses and Payments toolbar button  in the Items Purchased area.
- In the Expense and Other Payments dialog box that opens, enter the amount as a negative number, since it is a payment reduction.
- Then, click the Revenue Accounts option button, click the Discounts Taken revenue account in the list, and click OK.



FYI ... Farm Funds does not have a built-in **Discounts Received** revenue account. To add this account, simply do this:



Click the **Add Account** button  in the **Expenses and Other Payments** dialog box to open the **Chart of Accounts Setup** dialog box. In dialog box, click the **Revenue** option button, type **Discounts Received** in the box, click the **Add Account** button  and click **Record** and **Done**. The program now displays the **Discounts Received** revenue account in the **Expenses and Other Payments** dialog box.

Payments and Purchases

Purchase Options Payment Options

Vendor: Farmers Co-op Date: 12/31/2007 Journal Entry #: 333

Description or Invoice #: Discounts Received Add to list of templates

Items Purchased:

Icon	Description	Amount	Remove
	Payables Paid	500.00	
	Discounts Received	-500.00	
Total Purchase		0.00	

How you paid:

Icon	Description	Amount	Remove
Total Payment		0.00	

Difference: \$0.00

Record Done Help

59. The **Payments and Purchases** dialog box displays a summary of your transaction.

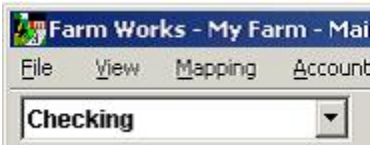



Tip ... You can make modifications by clicking the button to the left of any entry in the **Items Purchased** or the **How You Paid** areas, or delete an entry by clicking the **Remove** button  to the right of the entry amount.

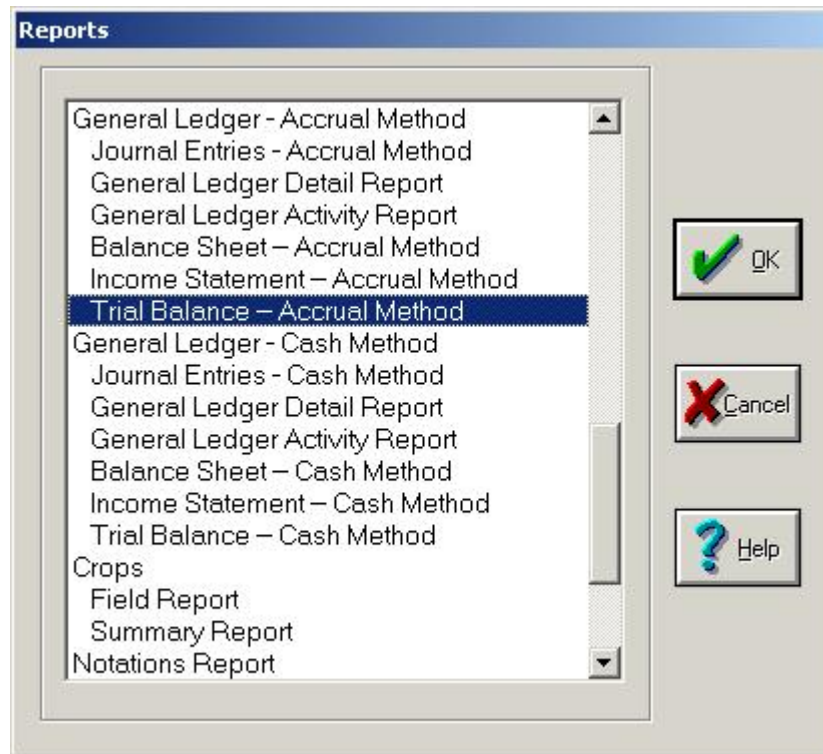
60. After you have made all entries and your transaction is balanced with a difference of zero dollars, click **Record** to post your transaction and **Done** to close the dialog box.

Using the Trial Balance Report to Void Purchases

At times, you can set up a payable account in Farm Funds and forget it. When this happens, it is easy to record a payment to the payable account as a normal purchase by, for example, using a purchase option other than payable payment instead of paying down the payable. This leaves the account balance on your accrual books when it should actually be zero. If you have not made any payments to the payable account, it is easy to void the transaction that created the payable account. To do so:




1. Click **Checking** in the list of the toolbar, and click the **Reports** toolbar button  on the toolbar.




61. In the Reports dialog box, scroll down past General Ledger – Accrual Method and click Trial Balance – Accrual Method. Click OK to open the Trial Balance dialog box.


Account	Debits	Credits
Liabilities		
Current Liabilities		
2007 Operating Loan -- Short Term		10,000.00
7890 JD Tractor Loan -- Short Term		6,200.00
Accounts Payable		500.00
Farm Mortgage -- Short Term		5,000.00

62. In the **Trial Balance** dialog box, scroll down past **Current Liabilities** and click the **Report Details** button  in then row for the **Accounts Payable** report. This brings up the **Accounts Payable – Accrual Method** dialog box.

Date	Description	Amount	Qty. 1	Qty. 2
12/31/2005	Balance Forward	0.00		
12/12/2007	#339 -- Loan for Land & Bin	1,500.00		
12/31/2007	Ending Balance	1,500.00		

63. In the dialog box, click the **Entry Details** button  next to the appropriate vendor to open the **GL Report – Accrual Method** dialog box.


64. If the **GL Report – Accrual Method** dialog box shows no payments (that is, no entries with *negative* amounts), you can safely void the entry:

- Click the Entry Details button  in the row of the record you wish to delete.

Transaction Entry -- Accrual Method	
File	Void
Void Transaction	
12/12/2007 - Accrual JE #339	
Vendor: Farmers Bank & Loan	
Description: Loan for Land & Bin	
Check #1233 Loan for Land & Bin	
Entry made by purchase.	
Account (Detail)	
Land (East Field)	
Buildings & Structures (Bin #4)	
Farmers Bank & Loan (Checking)	
Land Loan -- Short Term	
Land Loan -- Long Term	

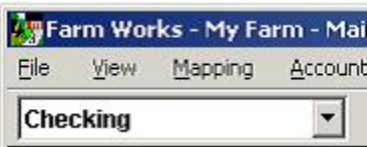
- Farm Funds opens the Transaction Entry dialog box where you can click **Void Transaction** in the Void menu to void the record.


- Answer **Yes** to the message that asks if you are sure you want to void the entry, and then click **Done**.

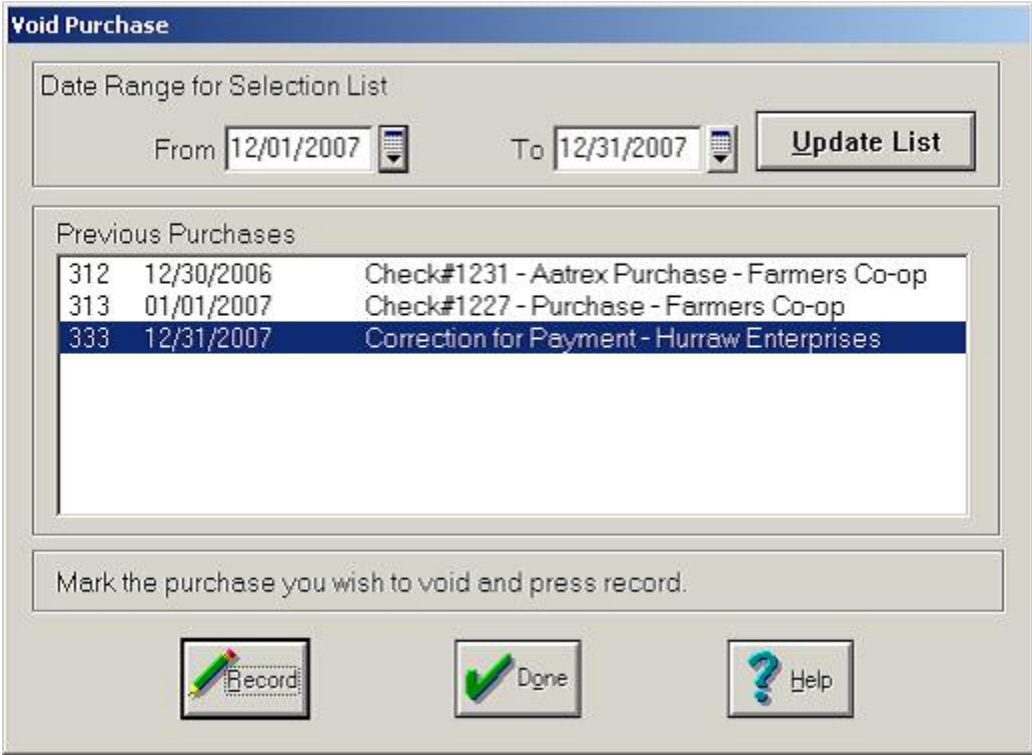
 **FYI ...** Farm Funds calculates and saves the correct balance for the voided entry *after* you close the **Trial Balance** dialog box.

Using the Void Purchase Dialog Box to Void Purchases

Perhaps a more convenient way to cancel purchases for which you have not posted payments is to use the Void Purchase dialog box. To negate a purchase this way:



1. Click **Checking** in the list of the toolbar, and click the **Void Previous Purchases** toolbar button  on toolbar.



Void Purchase

Date Range for Selection List

From 12/01/2007 To 12/31/2007 **Update List**

Previous Purchases

312	12/30/2006	Check#1231 - Aatrex Purchase - Farmers Co-op
313	01/01/2007	Check#1227 - Purchase - Farmers Co-op
333	12/31/2007	Correction for Payment - Hurraw Enterprises

Mark the purchase you wish to void and press record.

Record **Done** **Help**

65. You can limit or increase the number of purchases the **Void Purchase** dialog box displays by changing the dates in the **From** and **To** boxes and clicking **Update List**.

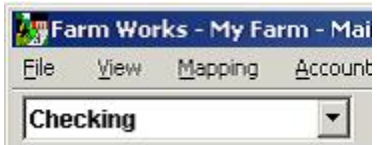
66. Click the transaction you wish to void to highlight it, and click **Record**. Farm Funds now reverses the entry in your financial books, check register and enterprises if applicable.



 **Tip ...** You can also delete checks using the **Account Register** dialog box: Click the **Account Register** toolbar button  on the **Checking** toolbar, click the account in the list, find the transaction you want to delete, and click the **Entry Details** button.  In the **Transaction Entry** dialog box that opens, click **Void Transaction** in the **Void** menu.



Fixing Errors without Voiding Purchases

A common mistake when entering purchases is to post an entry to an incorrect account (rent instead of repairs, for example), or to enter amounts incorrectly (such as overpaying one account and underpaying another account). One way to fix such mistakes is to void the entries, and then reenter them correctly. However, some entries are quite detailed, and you can want to avoid reentering them. Instead, you can these detailed entries this way:




1. Click **Checking** in the list of the toolbar, and click the **Record Payment/Purchase** toolbar button  on the toolbar. This opens the Payments and Purchases dialog box (see the figure that follows).
67. In the **Payments and Purchases** dialog box, click the date in the **Date** box and the vendor in the **Vendor** list (or click **<Add/Edit>** to add a new vendor).
68. Type the invoice number, or a brief description to summarize the transaction, in the **Description or Invoice Number** box.
69. In the **Items Purchased** area, click the same toolbar button that you previously used to enter the transaction, which you have since found to be in error. (For instance, click the **Other Expenses & Payments** toolbar button  if you mistakenly chose this toolbar button to enter a rent payment.)
70. In the **Expense and Other Payments** dialog box that opens, click the **Expense** option button and click the *incorrect* expense account to which you erroneously recorded the entry (for example, the **Rent Expense – Land** account).

Expense and Other Payments

Amount


Account

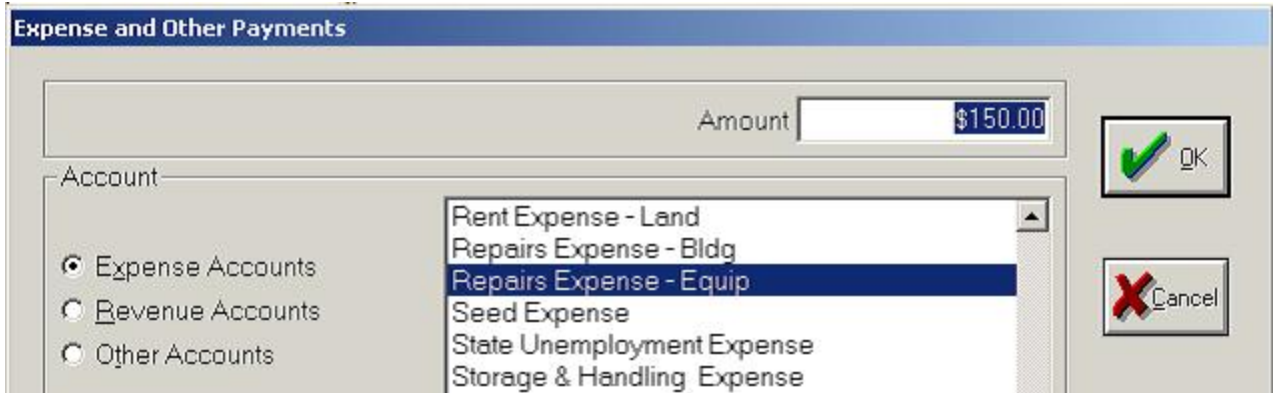
Expense Accounts
 Revenue Accounts
 Other Accounts



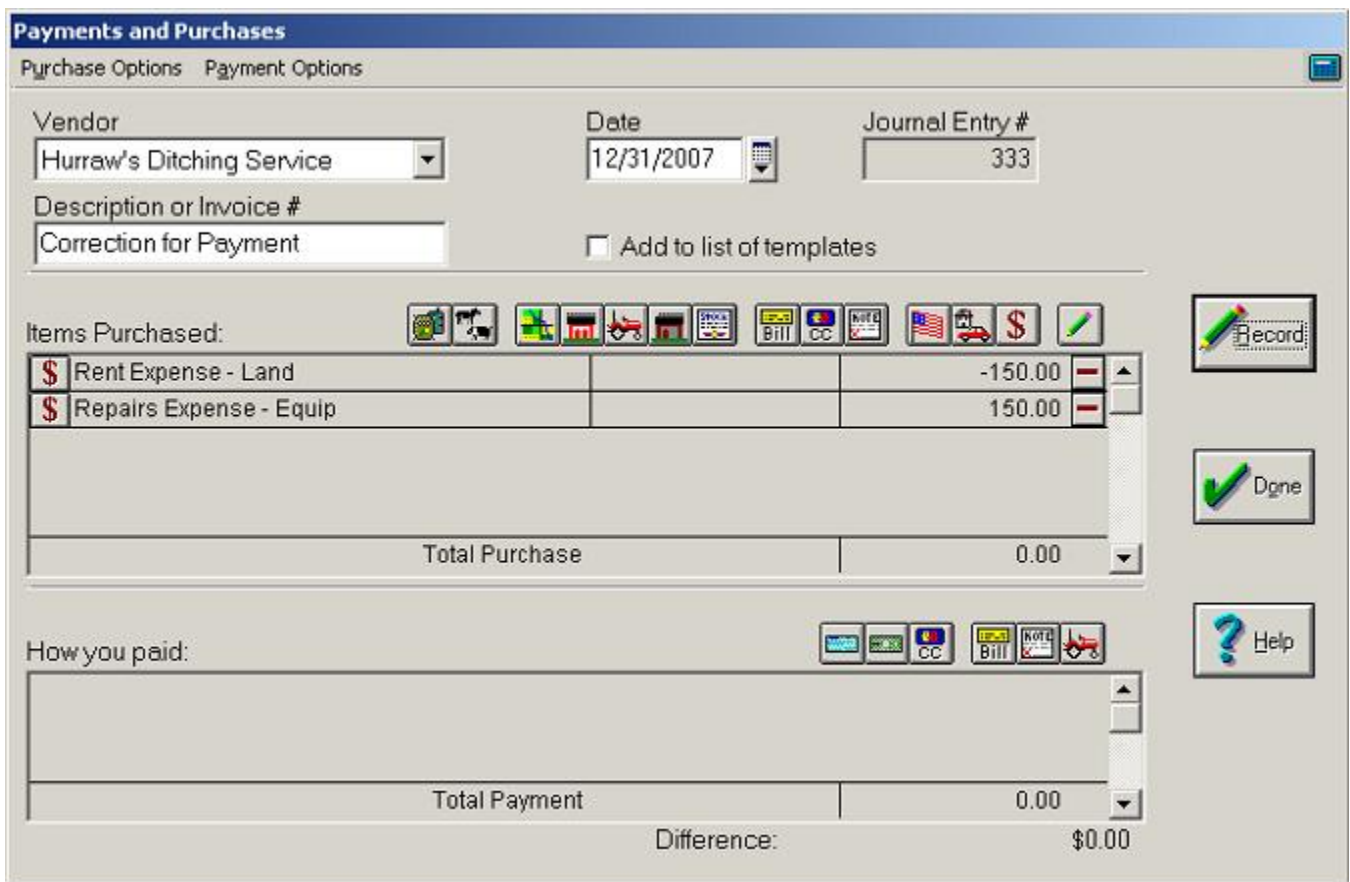
Fuel & Oil Expense
 Hauling Expense
 Hogs Expense
 Interest Expense
 Misc. Expense
 Office Expense
 Property Tax Expense
 Rent Expense - Equip
 Rent Expense - Land

None
 Field Crops - Mine
 Field Crops - Landlord
 Equipment
 Livestock
 People
 Structures


71. Because you previously recorded the amount to the account as a *positive* number, enter a *negative* amount now. This way, Farm Funds removes the previous amount from the account.
72. Then, click **OK** to record the information and return to the **Payments and Purchases** dialog box.
73. In the **Payments and Purchases** dialog box, click the toolbar button that relates to the correct account (for instance, you might click the **Other Expenses & Payments** toolbar button  to enter a payment for repairs).
74. Click the **Expense Accounts** option button, and then click the correct expense account in the list (that is, the one you should have used) such as the **Repairs Expense – Equip** account.



75. Type the amount of the payment in the box as a *positive* number and click **OK** to save the information.



76. Both adjusted amounts now appear in the **Items Purchased** area of the **Payments and Purchases** dialog box.

 **Tip ...** If you entered the correction accurately, the transaction is now balanced. That is, the difference between the two entries in the **Items Purchased** area is zero dollars.

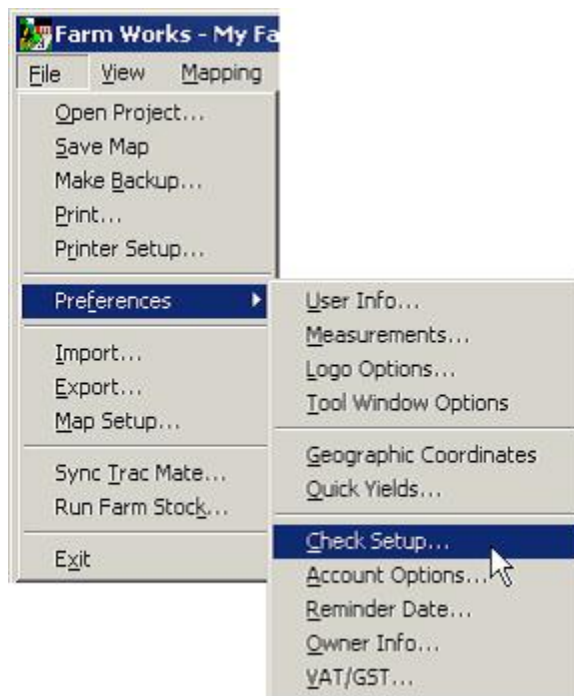
77. Click **Record** to post your entry and **Done** to close the dialog box.

Printing Checks, Reports & Forms

With Farm Funds, you can print checks one at a time or in batches. You can also print purchase reports, accounts payable reports, and 1099s and other forms.

Selecting Check Styles

Farm Works supports many commonly used check forms. When you enter a check in Payments and Purchases, the Check Print dialog box appears. However, before you can print the checks, you must let Farm Funds know what check style you want the program to use when it prints the checks.



1. To set up your check style, point to **Preferences** on the **File** menu, and then click **Setup Check**.
78. In the **Check Setup** dialog box that opens, click the printer you use to print checks in the **Check Printer** list, and click the type of checks you use from the **Check Style** list (Deluxe is the most commonly used type).

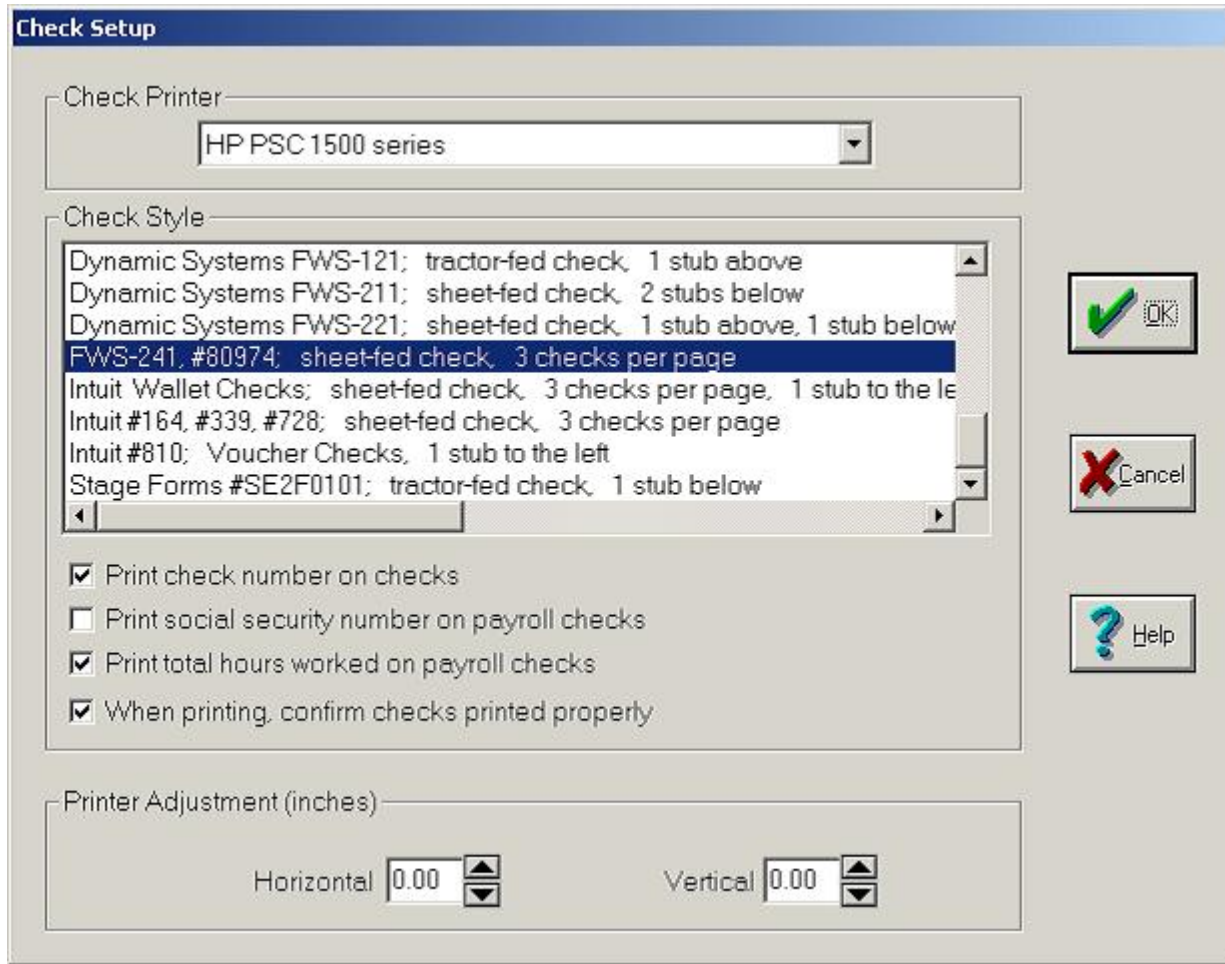


On the Web ... There are many web sites where you can order checks to use for your farming business. One site we recommend is the one for Dynamic Systems. You can check it out at <http://farmworks.dsourcing.com/dsourcing/Default.asp>.


79. If you intend to write all checks by hand, click **None (All Checks are Handwritten)** in the list.



FYI ... When you click **None (All Checks are Handwritten)** Farm Funds does not display the **Check Print** dialog box when you record payments with checks. If you later wish to start printing checks, you can enable the check printing option by following the instructions in this section.




80. Select any of the check boxes for the options you want to enable, and click **Ok** to save the settings.

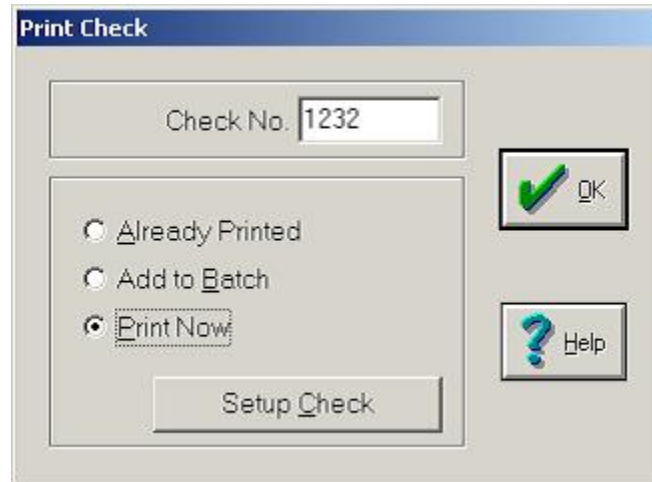
 **Tip ...** The first time you record a payment by check, you should make some test prints on blank paper until you configure the spacing of the printing the way you want. See the following selection for instructions on adjusting the horizontal and vertical spacing.

Printing Individual Checks

Once you have configured the check style in the Check Setup dialog box, you can print checks from Payments and Purchases dialog box this way:

1. If you have opted to have Farm Funds print checks (see the instructions in the previous section), the **Check Print** dialog box appears each time you record a payment by check in the **How You Paid** area of the **Payments and Purchases** dialog box.

 **Tip ...** To have Farm Funds stop displaying the message box that asks if the checks printed properly, select the **Do Not Show This Warning Again** check box. You can then still return to the **Check Setup** dialog box by clicking **File**, pointing to **Preferences**, and clicking **Check Setup**. Alternately, you can open the **Account Register** dialog box and click **File** and **Check Setup** in the dialog box.



81. The **Print Check** dialog box opens, with the check number you chose displayed (you can change this if necessary).
82. Click the option button you want: To have Farm Funds *not* print a check, click **Already Printed**. To have Farm Funds add the check to a batch of checks that you can print later, click **Add to Batch**. To have the program print a check, click **Print Now**.
83. If you opted to have Farm Funds print a check, verify you have fed the proper paper into your printer and that the printer is on. Then, click **OK** to close the dialog box.
84. A message asks if the check printed correctly. Click **Yes** if the check did print the way you want or **No** if it did not.
85. If you clicked **No**, Farm Funds returns to the **Check Print** dialog box.
86. Click the **Setup Check** button to open the **Check Setup** dialog box.



87. In the **Check Setup** dialog box, in the **Printer Adjustment** area, use the **Horizontal** and **Vertical** spinner buttons to adjust the spacing of the checks (the adjustment values are in inches, so 0.25 is an adjustment of $\frac{1}{4}$ of an inch). Then, click **OK** to return to the **Print Check** dialog box.
88. Continue using the **Print Check** dialog box to print test checks by clicking **OK**, or to return to the **Check Setup** dialog box by clicking the **Setup Check** button.
89. When the checks print correctly, click **Yes** to the message that asks whether they properly printed. Farm Funds saves the check printing adjustment settings, and prints the checks the same way from now on, or until you adjust the check printing settings once more.



FAQ ... Q. "Is there any way I can get another copy of a check?"

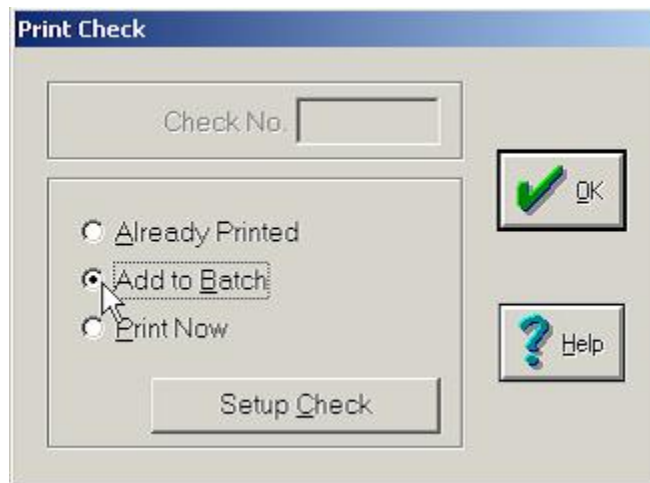
A. Sure! You can reprint any check from the **Account Register** dialog box by right-clicking on the transaction and clicking the **Print Check** on the shortcut menu. To configure the printing adjustment in the **Account Register** dialog box, click **Check Setup** in the **File** menu of the dialog box.

Printing Batches of Checks

Farm Funds makes it easy to print several checks in one batch, which makes printing payroll and other checks a breeze. The program supports many commonly used check forms, such as Deluxe.

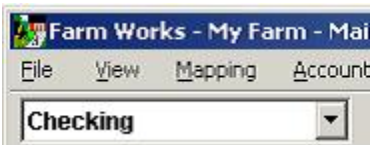



Also See ... The first time you print checks, you must configure your check style. See the sections of this chapter immediately preceding this section for instructions on how to do this.



To print a batch of checks:

1. Add the checks to a batch print job one at a time: When you record a payment by check in the **Payments and Purchases** dialog box, the **Print Check** dialog box appears. Click the **Add to Batch** option button and click **OK**. Farm Funds adds the purchase to the list it displays when you later open the **Batch Print Checks** dialog box.



90. Print the checks using the **Batch Print Checks** dialog box: To open the dialog box, Click **Checking** in the list of the toolbar, and click the **Batch Print Checks** toolbar button. 
91. In the **Batch Print Checks** dialog box, click the correct checking account from the **Account** list, and click each transaction that you wish to add to the batch print job from the other list (or click **All** to quickly highlight all the transactions).



Tip ... You can also permanently remove items from the batch print list by clicking the item to remove and choosing the Remove from Batch button. If you want the transaction to remain in the list, simply deselect it.

Batch Print Checks

Account
Teegardin Bank & Trust (Checking)

Check #	To Whom	Amount
1247	Cline Feed & Grain	100.00
1248	Cline Feed & Grain	100.00
1249	Cline Feed & Grain	100.00

Print

Done

Remove From Batch

Help

All None

No. on first check 1301 **Check Setup**

Number of checks on first sheet 1

92. Type a number for the first check of the batch in the **Number on First Check** box and click **Print**.



FYI ... Farm Funds displays the check number that it would have given to the checks in the **Check Number** column of the dialog box. The number you enter in the **Number On First Check** box can be higher, but should *not* be lower than the lowest number displayed in the dialog box. Otherwise, you might have duplicate check numbers for the checking account in the **Account Register**.

93. A message asks if the checks printed correctly. If they did, click **Yes**. If they did not, then click **No** and then click the **Check Setup** button in the **Batch Print Checks** dialog box to open the **Check Setup** dialog box.



Tip ... If you click **No**, the checks remain in the **Batch Print Checks** dialog box so you can easily reprint them.

94. When you are finished printing checks, click **Done** to close the dialog box.

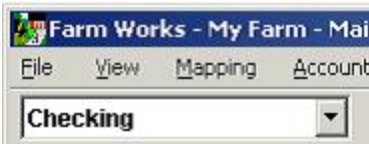



Tip ... You can also add checks to a batch using the **Account Register** dialog box: In the **Account Register** dialog box, click the correct checking account in the **Account** list, select the **Btc** check box next to each transaction you wish to add to the batch (a printer icon appears in place of each check box). Then, click **Print Batch** in the **File** menu of the dialog box.

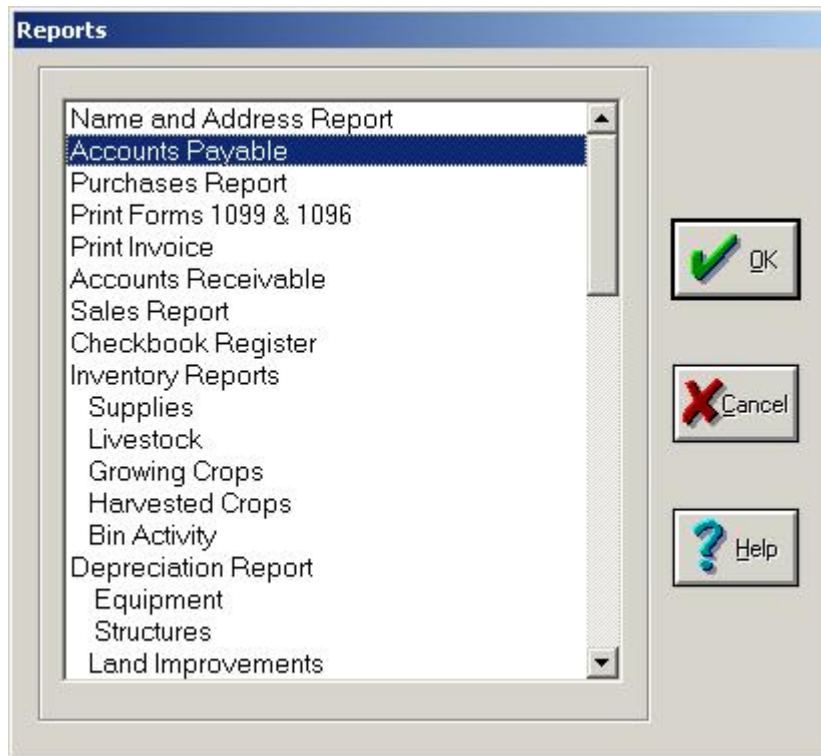
	Date	Chk #	Bch	Description
	01/01/2006	1247		Cline Feed & Grain

Printing Accounts Payable Reports

To view an Accounts Payable report:



1. Click **Checking** in the list of the toolbar and click the **Reports** toolbar button  on the toolbar to open the **Reports** dialog box.

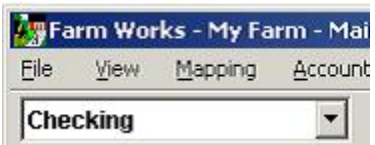



95. In the **Reports** dialog box, click **Accounts Payable** in the list.

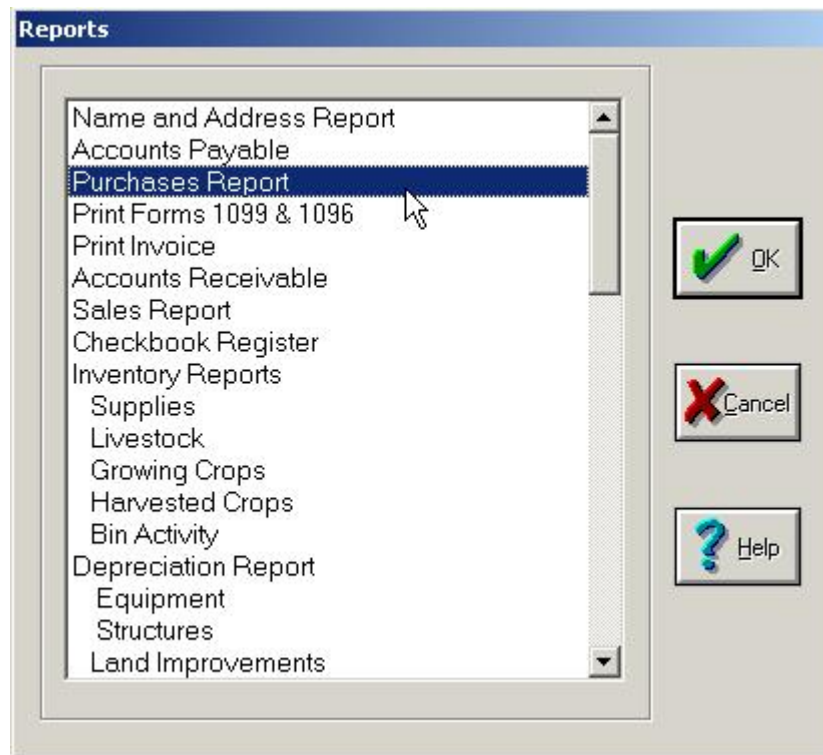
96. The print preview window of the Accounts Payable Report displays a list of all unpaid bills as of the working date. The program summarizes items for each vendor, and displays the days until due on the report.
97. Click the **Print** button to print your report.

Printing Purchase Reports

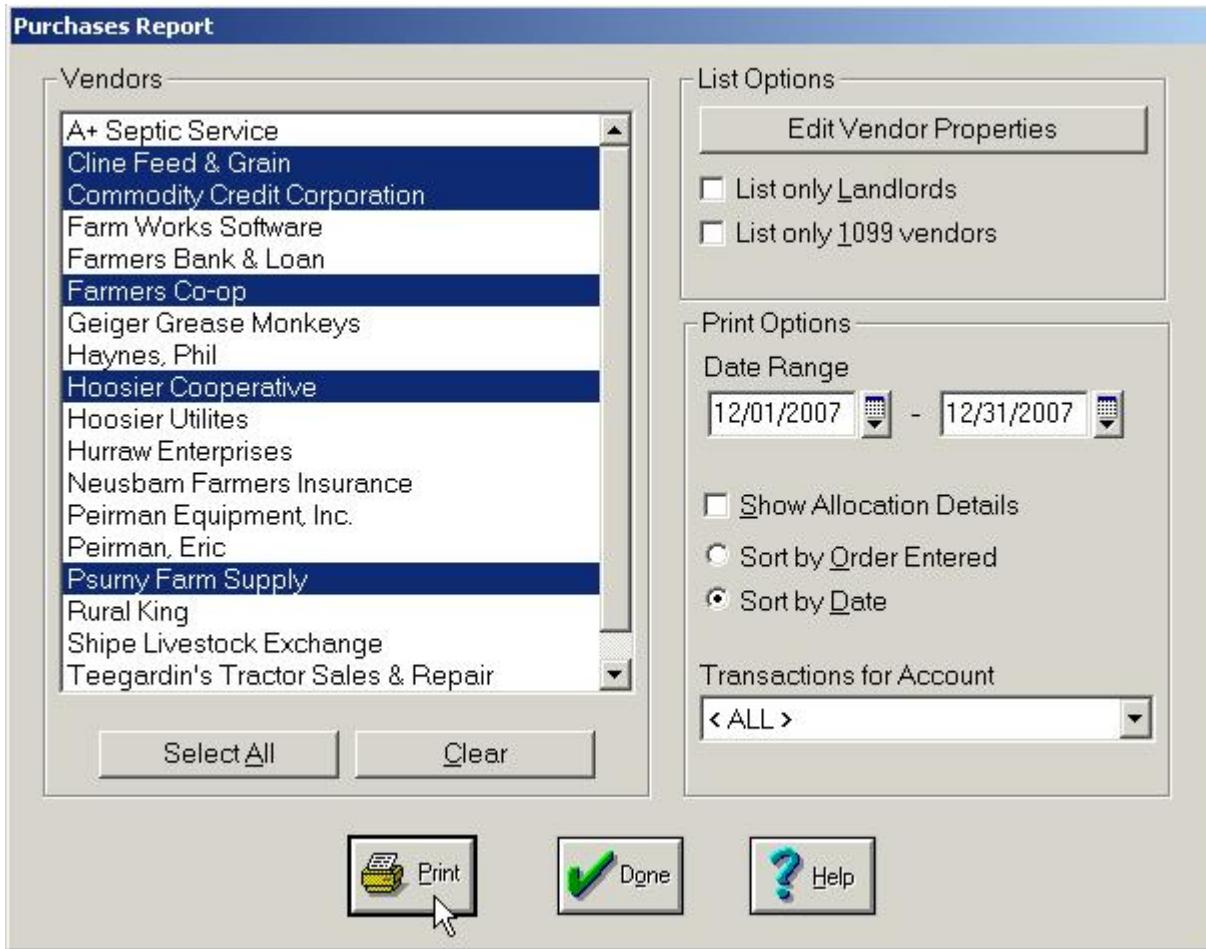
The Purchases Report contains all transactions within a specific time for particular vendors. This information is particularly useful when preparing 1099s for tax purposes. To print a purchase report:




1. Click **Checking** in the list of the toolbar, and click the Reports toolbar button  on the toolbar to open the **Reports** dialog box.




98. In the **Reports** dialog box, click **Purchase Report** in the list to open the **Purchases Report** dialog box.




99. In the **List Options** area of the **Purchases Report** dialog box, select one, both, or none of the check boxes. Selecting the **List Only Landlords** check box causes the dialog box to display only vendors who are landlords. Selecting the **List Only 1099 Vendors** check box causes it to display only 1099 vendors.

 **FYI ...** Farm Funds gives you the freedom of changing the names and addresses of vendors on the fly: In the **Purchase Report** dialog box, click the **Edit Vendor Properties** button, change the information in the **Names and Addresses** dialog box, and click **OK**. The program now displays the changed name for the vendor in the **Purchases Report** dialog box and in the **Purchases Report**.

100. In the **Print Options** area of the dialog box, enter the dates in the **From** and **To** boxes.
101. Click either the **Sort by Order Entered** or the **Sort by Date** option button.
102. If desired, select the optional **Show Allocation Details**.
103. To limit the reports to only one account (such as **Bank Charges**) click that account in the **Transactions for Account** list.

 **Tip ...** Selecting **Show Allocation Details** might make the report extremely long. You can cancel the print job if the print preview window indicates the report will have more page numbers than you care to print.

104. In the **Vendors** list, click the vendors to add to the report, or click **All** to include all vendors in the report.

 **Tip ...** If the vendor is *not* listed, try clearing the **List Options** check boxes, broadening the date range, or clicking **<All>** in the **Transactions for Account** list.

Preview: Page 2 of 2


File Page

Purchases Report

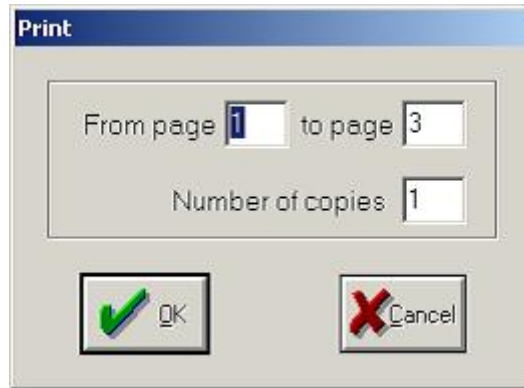
December 01, 2005 - December 31, 2007
Christopher Irwin

Description	Qty	Price/Unit	Purchased	Paid	Payable
12/21/07 JE # 340 - CCC Loan					
CCC Loan Forgiven			\$4,000.00		
Check #1234 - Farmers Bank & Loan (Checking)				\$4,000.00	
Purchase Total					\$4,000.00
Total: Commodity Credit Corporation 12/01/2005-12/31/2007:			\$4,000.00	\$4,000.00	\$0.00
Psurmy Farm Supply					
12/31/07 JE # 317 - Prepaid Seed					
Prepaid Seed			4,000.00		
Check #1231 - Teegardin Bank & Trust (Checking)				4,000.00	
Purchase Total					4,000.00
12/31/07 JE # 318 - Taking delivery of seed					
Prepaid Seed			(2,400.00)		
Seed Expense	20,000 bags	\$120.00	2,400.00		
Purchase Total	0.00				0.00
Total: Psurny Farm Supply 12/01/2005-12/31/2007:			4,000.00	4,000.00	0.00
Total: All Vendors 12/01/2005-12/31/2007:			\$76,899.00	\$76,899.00	\$0.00

105. Click the **Print** button in the dialog box to display the print preview of the report (the print preview includes each purchase for the vendors you chose during the date range you clicked, as well as the total payable balance and the breakdown of the total purchases for each vendor).

 **Tip ...** To change the owner's name that appears under the dates at the top of a report, point to **Preferences** on the **File** menu of the program's menu bar, and then click **User Info**.

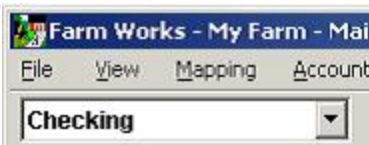
106. To print the report, click the **Print** button  located near the top, right-hand corner of the print preview window.




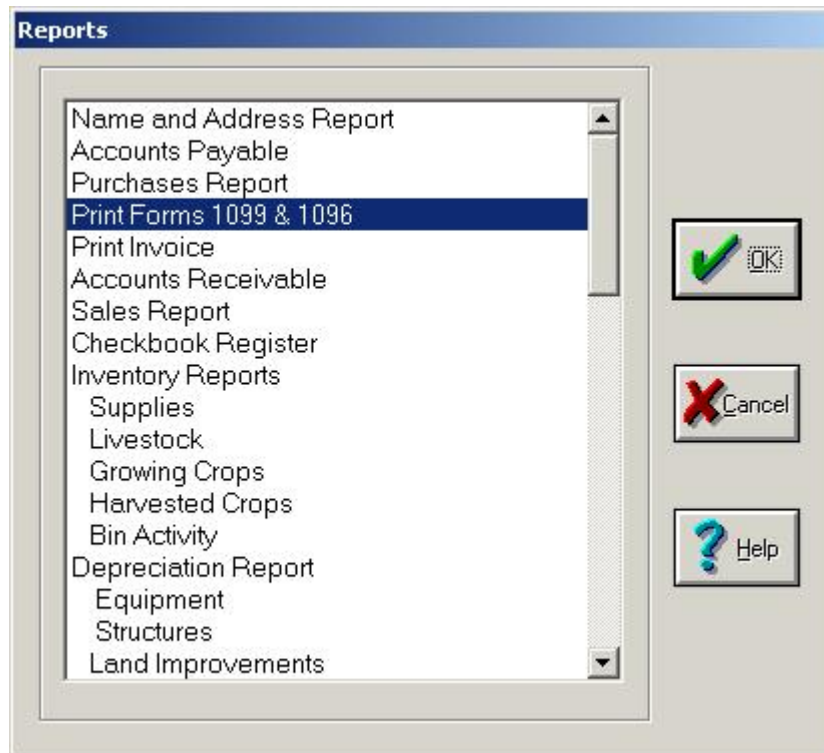
107. Farm Funds displays the **Print** dialog box where you can click the page numbers and the number of copies to print. Make sure your printer is on and has enough paper, then click **OK** to print the report.

Printing 1099s

You can print form 1099 for landlords and other vendors as required by the Internal Revenue Service, which you can purchase from an office supply store, or order them directly from the IRS. Because tax regulations and forms change often, make sure you are using the latest version of Farm Funds when printing 1099s.



1. Click **Checking** in the list on the toolbar, and click the **Reports** toolbar button  on the toolbar.

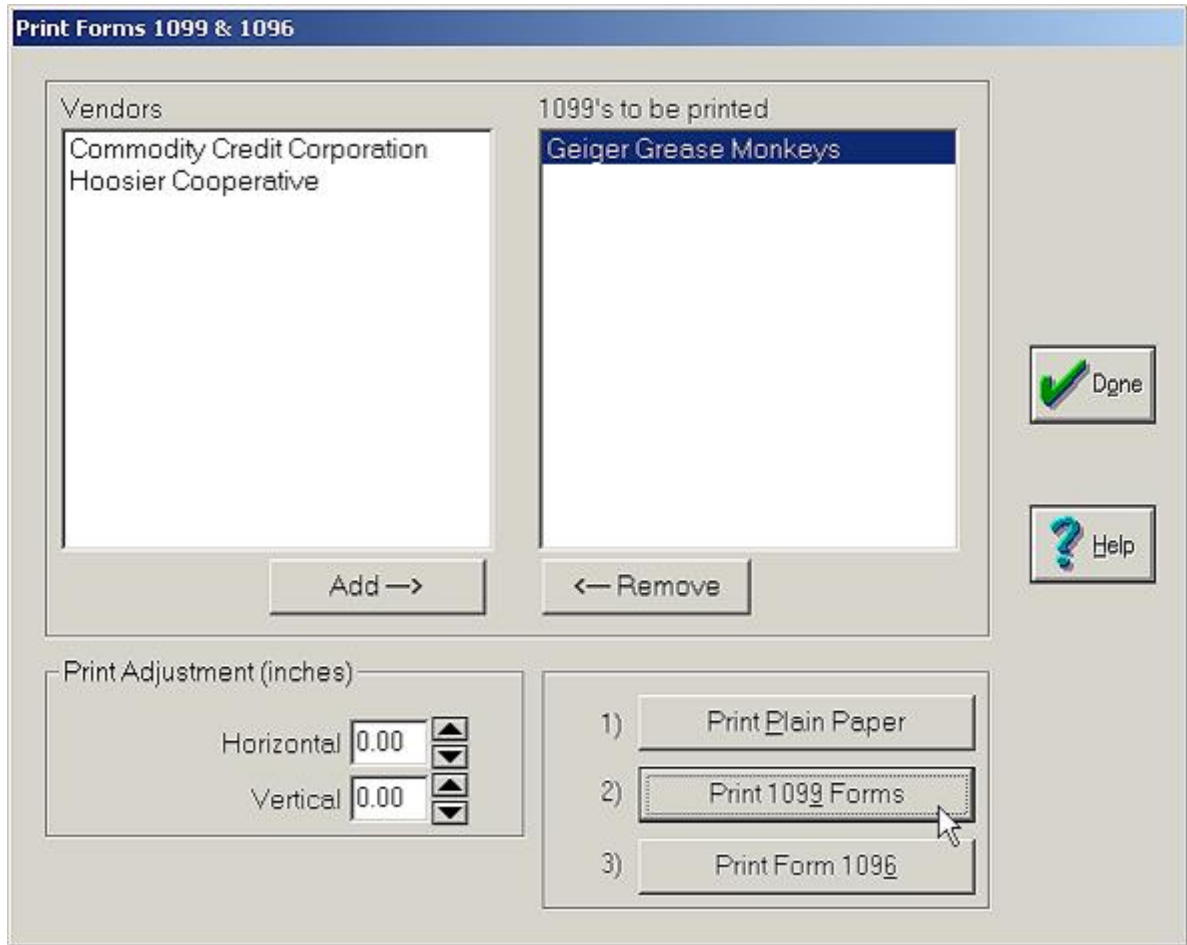


2. In the **Reports** dialog box, click **Print Forms 1099 & 1096** and click **OK**.



On the Web ... To order Form 1099, Form 1096, and other forms directly from the IRS, visit their website at www.irs.gov/businesses/page/0,,id=23108,00.html or order the forms by calling the IRS at (800) TAX-FORM or (800) 829-3676.

108. In the **Print Forms 1099 & 1096** dialog box, pick the vendors for whom you want to print form 1099 in the **Vendors** list and click **Add**.



109. When you have added all of the vendors that you want in the **1099s to be Printed** list, click the **Print 1099 Forms** button.

1099 -- Miscellaneous Income			
PAYER'S name, address, city, state, ZIP, and phone no. Christopher Irwin Box 250 Hamilton, IN 46742 260-488-3492		1 Rents \$0.00	
		2 Royalties \$0.00	
		3 Other income \$0.00	4 Federal income tax withheld \$0.00
PAYER'S Federal ID number 1234567	RECIPIENT'S ID number	5 Fishing boat proceeds \$0.00	6 Health care payments \$0.00
RECIPIENT'S name Geiger Grease Monkeys		7 Nonemployee compensation \$0.00	8 Substitute payments in lieu of dividends \$0.00 or interest
Street address (including apt. no.)		9 Payer made direct sales of \$5,000 or more of consumer products to buyer (recipient) for resale > <input type="checkbox"/>	10 Crop insurance proceeds \$0.00
City, state, and ZIP code		11	12
Account number (optional)	2nd TIN Not. <input type="checkbox"/>	13 Excess gold parachute payments \$0.00	14 Gross proceeds paid to attorney \$0.00
15a Sect. 409A deferrals \$0.00	15b Sect. 409A income \$0.00	16 State tax withheld \$0.00	17 State/Payer's state no.
			18 State income \$0.00
Note Any changes made on this form will only affect the printed form and will not update any accounting records.			

110. Farm Funds displays the **1099 – Miscellaneous Income** dialog box where you can modify the information or enter dollar amounts in each of the boxes. Click **OK** to have the Form 1099 print with the information you have entered.

FYI ... Farm Funds does *not* add any information you enter in the 1099 – Miscellaneous Income dialog box to your financial records. The dialog box is only for entering information to print on the Form 1099.

111. When you are ready to print your 1099s, load the forms in your printer and click **Print Form**. Farm Funds prompts you to verify the numbers and alignment on plain paper first. Click **No** to go back and print a test page on plain paper. Click **Yes** to print the 1099.

See Also ... The first time you print the 1099, you should make some test prints on blank paper until you configure the spacing of the printing the way you want. Click the Print Plain Paper button to do so. You can adjust the print spacing the same way you do when printing checks—by using the Horizontal and Vertical spin buttons. See the previous section of this chapter called "Printing Individual Checks" for instructions on adjusting the horizontal and vertical spacing.

112. Click **Done** when you are finished printing 1099s.

Tip ... If you are using a laser, inkjet, or bubble jet printer, you might need to print each copy of the 1099 separately, as the print heads of these printers likely will not exert enough pressure to make copies with carbonless forms.

Chapter 8 - Income, Sales & Deposits




You can use the Income, Sales and Deposits dialog box of Farm Funds to record all sources of revenue from income and sales for both your farming enterprise and your sources of family or personal income. To open the Income, Sales and Deposits dialog box:



On the **Accounting** menu, point to **Income, Sales and Deposits** and click **Record Income or Sales**.

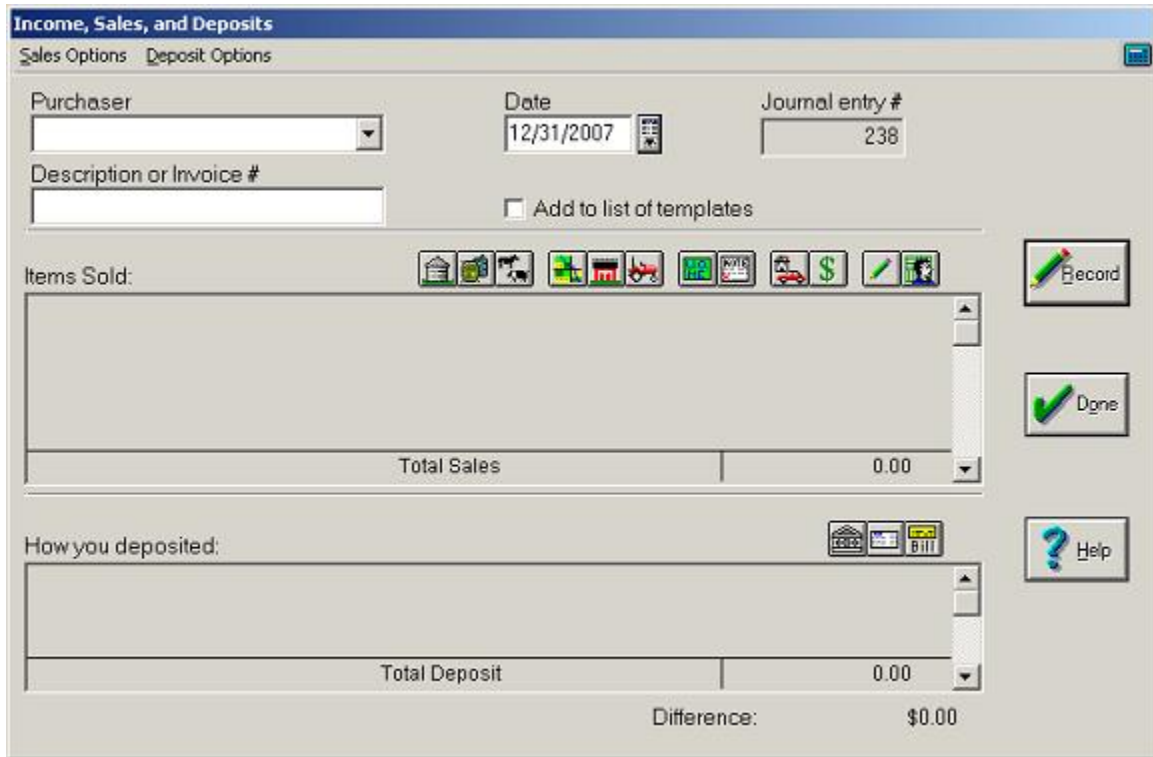
- or -



Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button. 







Tip ... The remainder of this chapter suggests that you use the latter method to open the **Income, Sales and Deposits** dialog box, but you may use either method you like best.



The Income, Sales and Deposits dialog box appears where you can enter income and sales transactions, as described in the sections that follow.

The Income, Sales & Deposits Dialog Box

The Income, Sales and Deposits dialog box has four areas:




-  **The Menu Bar** – With the Sales Options and Deposit Options menus.
-  **The Purchaser Area** – Where you can choose the buyer and invoice description and date of the transaction.
-  **The Items Sold Area** – Where you enter items sold by clicking the appropriate toolbar buttons.
-  **The How You Paid Area** – Where you record how you received and deposited the proceeds for the sale or income by clicking the appropriate toolbar buttons.

The Menu Bar

The menu bar, which is located near the top of the dialog box, has two menus you can use to record income and sales—the Deposit Options menu and the Sales Options menu.



The Deposit Options menu offers you the same choices as the How You Deposited area of the dialog box. You can use this menu to enter:








-  Deposits Made Immediately
-  Proceeds Held for Deposit in the Future
-  Invoices







Tip ... You can pick more than one deposit option to complete a transaction. For example, you can deposit a down payment made by a customer immediately, and complete an invoice for the amount the customer owes after the down payment.



The Sales Options menu gives you the same options as the toolbar buttons of the Items Sold area of the dialog box. You can use this menu to record income and sales from:

-  Harvested Crops
-  Inventory Supplies
-  Livestock
-  Land
-  Structures
-  Equipment
-  Income Received on Account

-  Loans Received
-  Billing Landlords
-  Family and Personal Income
-  Other Sales and Expense Reductions



See Also ... The following sections of this chapter cover the purchase options in the same order they appear in the Sales Options menu. Information on correcting mistakes and printing reports are at the end of this chapter.

The Purchaser Area



The Purchaser area of the dialog box has several boxes to enter information. For each payment, or purchase, you make: Click the purchaser to whom the sales are made in the **Purchaser** box, type a description of the transaction in the **Description Or Invoice #** box, and enter the date the transaction you made in the **Date** box. You can also select the **Add To List Of Templates** check box to have Farm Funds create a template you can use in the future for the same type of transaction. The **Journal Entry #** box displays the number Farm Funds automatically assigns to the transaction.

The Items Sold Area



Like the Sales Options menu, the Items Sold area of the dialog box lets you select the types of purchases you made. Instead of menu items, the Items Sold area has different toolbar buttons you can click to record different types of purchases made. The toolbar buttons correspond to the same menu items of the Sales Options menu. These are the Harvested Crops, Inventory Supplies, Livestock, Land, Structures, Equipment, Received on Account, Loan Received, Family or Personal Income, Other Sales & Expense Reductions, Load Template and Bill Landlords toolbar buttons. The dialog box displays the sales you choose and the total amount of the transaction in the list under the toolbar.



See Also ... Explanations of these purchase options in the sections that follow this one appear in the same order they appear in the toolbar.

The How You Paid Area



Like the Deposit Options menu, the How You Deposited area of the dialog box lets you choose the types of payments you make. Rather than menu items, the How You Deposited area has different toolbar buttons you can click to enter different kinds of deposits made. The toolbar buttons correspond to the same menu items of the Deposit Options menu. These are the Deposit Now, For Deposit and Invoice toolbar buttons.



Tip ... In the examples of deposits that follow, the chapter explains how to enter one or more of the deposit options. You can substitute any of the other deposit options you wish to use.


The Buttons



Use the buttons to the right of the dialog box to save the transaction, access the Farm Funds help file, or close the dialog box. Click **Done** to either close the dialog box without saving the information. Click **Record** and then **Done** to save the information entered in the dialog box before closing the dialog box. Click the **Help** button to open the Farm Funds help file to obtain assistance with the dialog box.



See Also ... You will find the information in this user guide more complete than the information in the help file on many subjects. If you cannot find a topic for which you need assistance, try browsing the Index near the end of this user guide.







Another button you might find convenient is the Calculator button  in the upper, right-hand corner of the dialog box. Click this button to open the Calculator program included with every Microsoft Windows operating system.



Tip ... You might find it easier to use the number keypad on the right side of every standard computer keyboard to enter information in the Windows calculator. Use the number keys of the number keypad to enter numbers, the backslash key (/) to divide, the asterisk key (*) to multiply, the minus sign key (-) to subtract, the plus sign key (+) to add, and the Enter key to display the sum, difference, product, or quotient. You must press the NUM LOCK key of the keyboard to turn on the keypad.

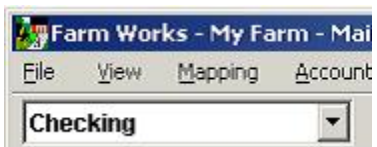
Income



You may use Income, Sales and Deposits to record income received from various sources. The sections that follow explain how to enter transactions for:

-  Loan Proceeds
-  Personal or Family (that is, Off-Farm) Earnings
-  Custom-Hire Work
-  Custom-Hire Work & Revenue from the Sale of Supplies
-  Patronage Dividends
-  Hedging Gains (that is, Margin Calls)

Entering Income from Loan Proceeds

Farm Funds gives you the capability of recording borrowings and payments on all types of loans. When you enter transactions for loans, the program keeps a running balance on the loan. This can include financing for operating expenses and lines of credit. To record a borrowing in Farm Funds, follow these steps:



1. Click **Checking** in the list of the toolbar click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. In the **Items Sold** area, click the **Loan Received** toolbar button.  This opens the **Loan Purchase** dialog box.
4. In the **Loan Purchase** dialog box, click the loan in the **Loan** list, or click **<New>** and enter a description for a new loan in the **Loan Description** box. Farm Funds displays the current loan balance in the **Current Loan Amount** box, or the program displays \$0.00 in the box if it is a new loan.
5. Type the loan amount in the **Additional Loan Amount** box, where the amount is the full quantity you are borrowing.

Loan Purchase

Loan:



Loan Description:

	Current	Additional	Total
Loan Amount	\$0.00	\$25,000.00	\$25,000.00
Principal due this year	\$0.00	\$12,500.00	\$12,500.00
Principal due at year end	\$0.00	\$12,500.00	\$12,500.00

6. Type the principal due within 12 months in the **Additional Principal Due This Year** box. You can type the full amount in this box if it is a short-term loan or a partial amount in this box if it is a long-term loan. Alternately, you can leave the principal due this year at \$0.00 if it is a long-term loan with nothing due until after t 12 months. Click **OK** to continue.

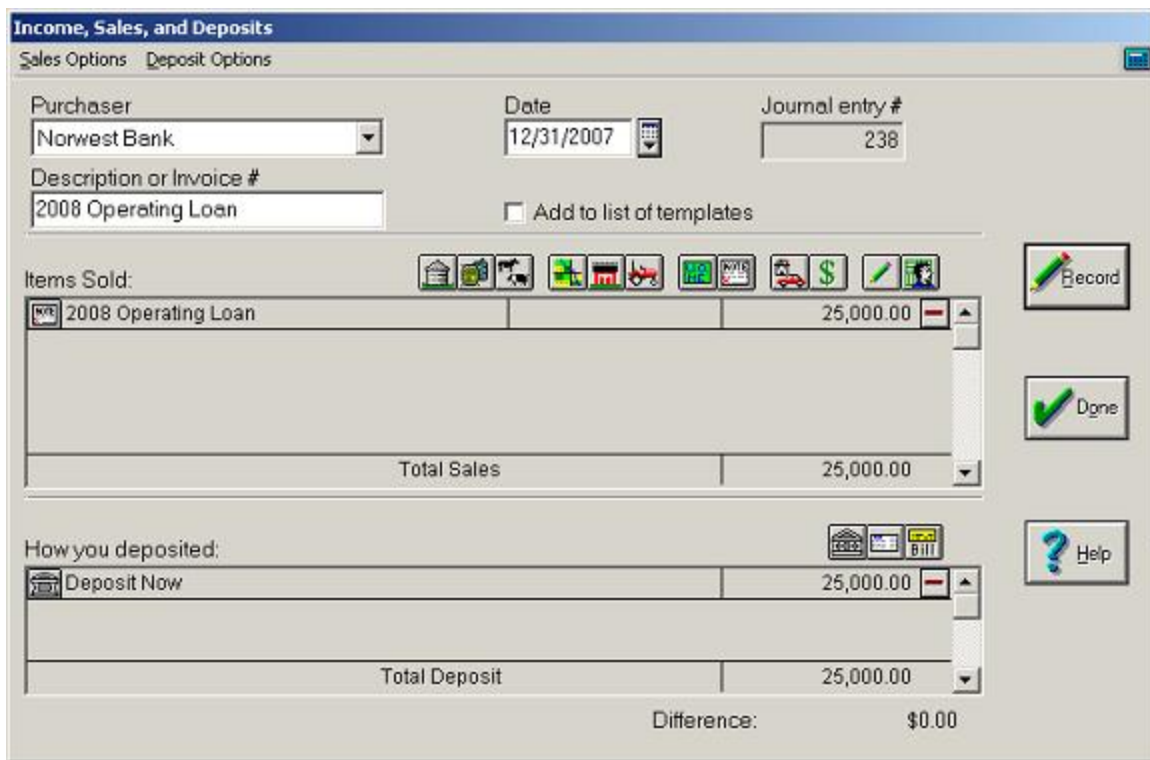


Tip ... The principal due this year is a *short-term* loan. In other words, it is the amount due within the next 12 months, which is *not necessarily* the amount due by the end of the current calendar year. (An example is a loan received in December 2007 that is not due until December 2008.) In contrast, the principal due at the year-end represents a *long-term* loan, that is, a loan for which you may take more than one year to pay. The principal due this year need not be exact; you may estimate it by dividing the amount of the loan by its life in years. Hence, when recording a line of credit, the entire loan should be short-term, and you should enter the whole loan amount in the Additional Principle Due This Year box.




7. Back in the **Income, Sales and Deposits** dialog box, the total sales amount displayed should be the total amount you received for the loan. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you deposited the proceeds now, or are holding the proceeds for deposit later. If you hold the proceeds for later, click the **For Deposit** toolbar button.  Otherwise, click the **Deposit Now** toolbar button.  This opens the **Deposit Now** dialog box.
8. Farm Funds displays the amount of the loan in the **Deposit Now** dialog box that opens.




- In the dialog box, click the bank account into which you deposited the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number. Then, click **OK** to continue.



- Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the Difference must be \$0.00) before you click Record to save the transaction.

 **Tip ...** You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount. Alternately, you may change individual lines by clicking the button to the left of the item description (the **Loan Received** button  for example).

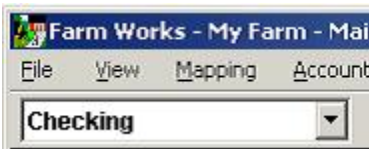
- Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.




See Also ... For instructions on printing an income report for the transaction see the section "Printing Income & Sales Reports" of this chapter.

Entering Family & Personal Income

Farm Funds gives you the freedom to keep track of family and personal earnings. You can document wages, director's fees, or other types of off-farm revenue separately from profits from your farming enterprises. To record family and personal income:



- Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
- In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.

Name and Address Information

Current Index: Show all names

Name:

Index:

Address:


Phone No. 1:

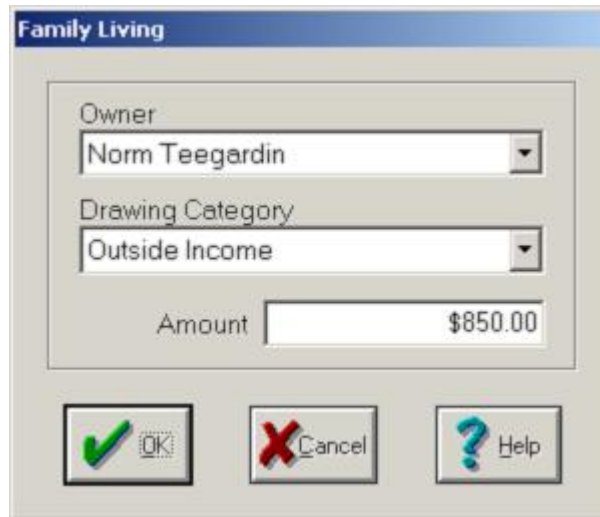
Phone No. 2:

Phone No. 3:

SS#/FID:

Sell To
 Buy from / Pay to
 Employee
 1099 Required
 Landlord
 Other

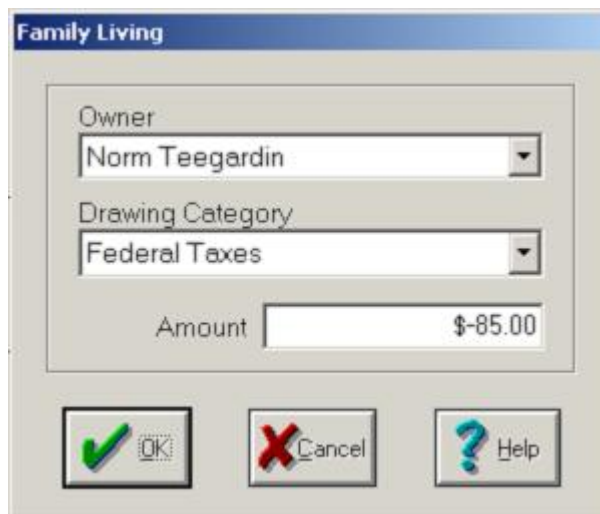
3. If you opted to add a new customer, Farm Funds opens the **Name and Address** dialog box. In the dialog box, click **<New>** in the **Current Index** list, then type the appropriate information in the **Name**, **Index**, **Address**, and other boxes. Select the appropriate check boxes, and click **Record** to save the information and **Done** to return to the **Income, Sales and Deposits** dialog box.
4. Back in the **Income, Sales and Deposits** dialog box, enter the date of the transaction in the **Date** box and type a brief summary of the transaction in the **Description** box.
5. In the **Items Sold** area, click the **Family or Personal Living** toolbar button.  This brings up the **Family Living** dialog box.
6. If your farm is *not* a corporation, click the proprietor who received the income from the **Owner** list. Then, click a category for the income in the **Drawing Category** list, or click **<Add/Edit>** to add a new category.



7. Type the amount paid in the **Amount** box, and click **OK** to close the **Family Living** dialog box.





Tip ... If you do *not* want to keep track of different categories for family living, you may apply *all* amounts to the Family Living category. If you would like to keep track of withholding amounts from payroll checks, enter the gross amount of the check. You may enter deductions separately.



8. Repeat the above steps as needed to enter withholdings and payroll deductions.






Tip ... It is important to enter withholdings and payroll deductions as *negative* numbers since they will reduce the gross wages. To do this, type a minus sign (-) preceding the amount.


9. After you enter your gross wages and any applicable withholdings and deductions in the **Items Sold** area, the total sales amount should equal the net amount of your paycheck.
10. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you will deposit the proceeds now, or hold the proceeds for deposit later. If you will hold the proceeds for later, click the **For Deposit** toolbar button.  For example, click the **Deposit Now** toolbar button. 


11. In the **Deposit Now** dialog box, click the bank account into which you deposited the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number. Then, click **OK** to continue.

12. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference must be \$0.00) before you can record the transaction.

 **Tip ...** You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the Remove transaction button  to the right of the amount. You can change transaction details by clicking on the button to the left of a transaction description (the **Family Living** button  for example).

13. Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.

 **FYI ...** Deposits made using Family Living will not affect the taxable income of the farm and Farm Funds will not show these deposits on your Income Statement. Instead, Farm Funds includes these amounts in the applicable drawing account or in the dividends for a corporation, of the equity section of your general ledger.



 **See Also ...** For instructions on printing an income report for the transaction see the section "Printing Income & Sales Reports" of this chapter.

Entering Custom-Hire Income

If you perform custom-hire work for others, Farm Funds enables you to also keep records of this income on the program's financial books. It gives you the option to print an invoice you can give to your customers, and enables you to keep track of how much your cost and profit is for each job.

Before you can record income from custom-hire jobs, you must create a field or fields on the Main Farming Layer of your Farm Funds project to which you allocate the custom-hire income. You may create one field for all the work you do off your farm, which you might name Custom Hire Work, or you can create one field for each off-farm job. To set up a field for custom-hire work on the Main Farming Layer:

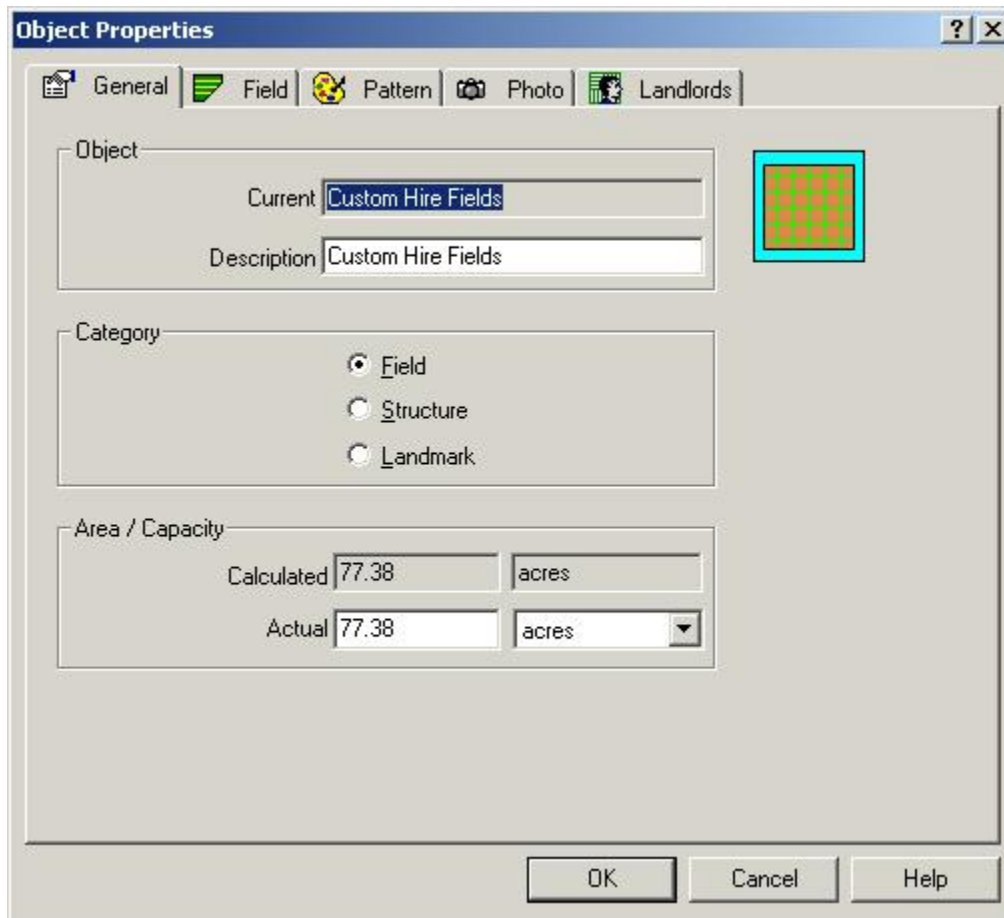


1. Click **Mapping Tools** in the toolbar list and click the **Zoom** toolbar button.  Then click on a corner of the Main Farming Layer map to zoom in to that corner.
2. Use the **Rectangle** toolbar button  to draw a field to represent your off-farm, custom-hire work.

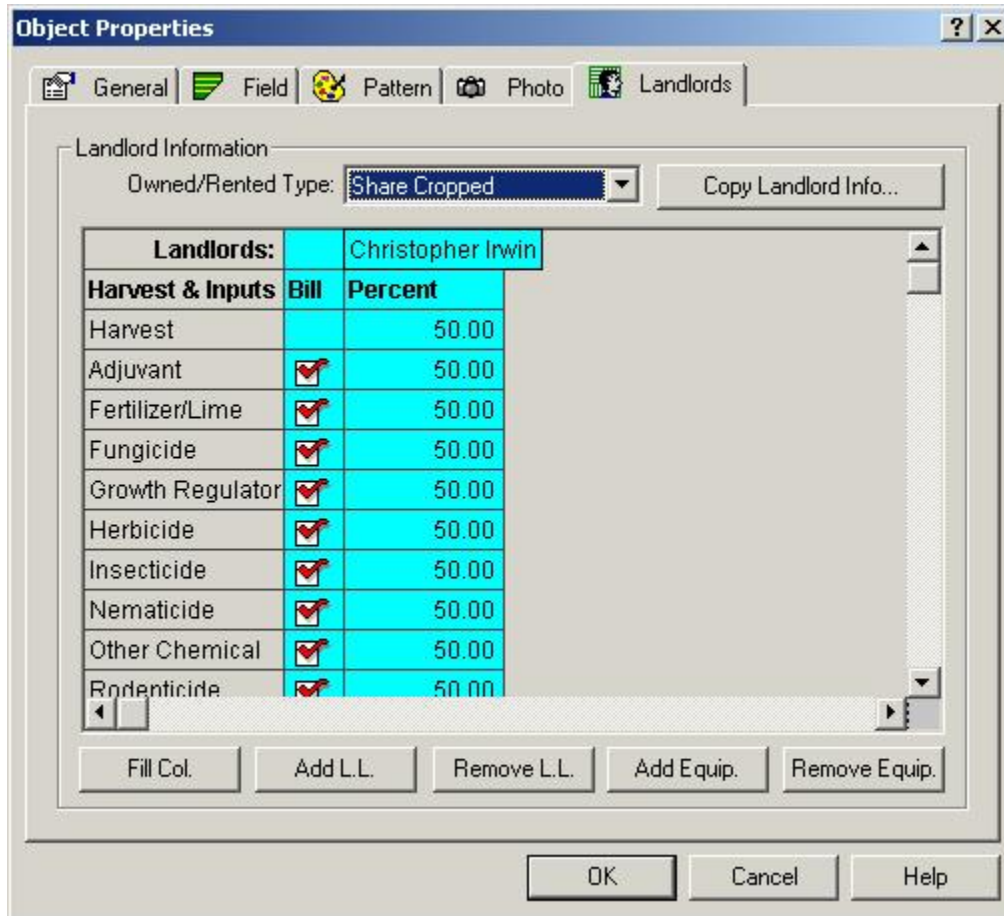


Tip ... The rectangle you draw does not have to resemble an actual field. The rectangle is simply a placeholder for a field (or fields) that is not (or are not) located on your farm. It does not have to be drawn within the correct Global Positioning System (GPS) coordinates of your map, and can be as large, or as small, as you want to make it. If you decide to keep track of the total costs of *all* custom work, just draw one rectangle. If, on the other hand, you determine to keep track of the costs associated with each custom-hire job, then draw a separate rectangle for each job.

3. Click the **Define Object** toolbar button  and click inside each rectangle.



4. In the **Object Properties** dialog box for each rectangle, click the **General** tab and define the rectangle by typing its name in the **Description** box (for example, type names such as "Custom Fields" or "Custom Field – Farmer Brown", where Farmer Brown is the name of a customer who owns the field). Then, enter the applicable values in the **Actual** box and list (for example, click **Acres** in the **Actual** list and type the total number of acres you farmed for the customer in the **Actual** box).



- Now, click the **Landlords** tab. Then, click **Share Crop** in the **Owned/Rented Type** list, and select the **Bill** check box next to the name of each of the landlords for whom you did the custom-hire work.

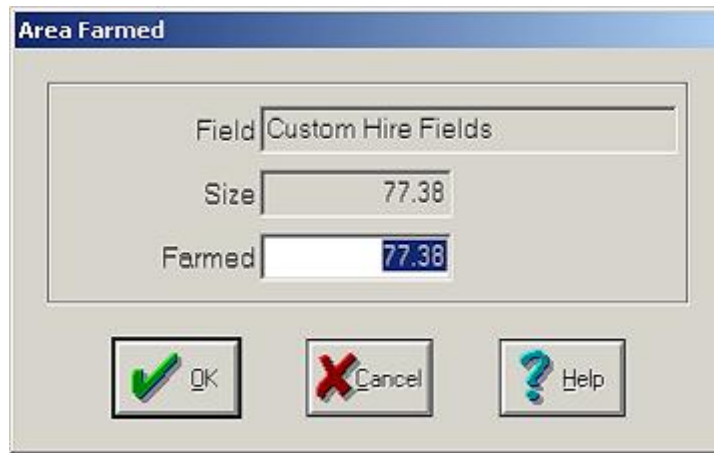


FYI ... If you click **Share Cropped** in the **Owner/Rented Type** list, but do not select the **Bill** check box next to a landlord's name, Farm Funds displays an error message when you click **OK** to close the **Object Properties** dialog box. You must also enter a percentage in the **Percent** box in the row for the landlord before you may save the custom work data.











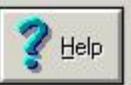




6. Record farming actions, such as harvests, product applications and other fieldwork, in the same manner as any other farming action—by applying a working group. To do so, click **Layer Tools** in the toolbar list and click the **Farming** tab. Click the workers, supplies, and equipment used for the custom-hire work. Then, click the **Start Farming** button, and click on the rectangle representing your custom hire field or fields.



7. Farm Funds displays the **Area Farmed** dialog box with the total size of the field or fields. Type in the area you farmed in the **Farmed** box and click **OK**.

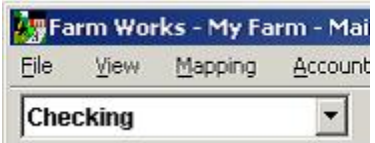
Farming	
File Add  	
	Custom Hire Field
Area Farmed	77.38
Date	10/01/2007 
Start Time	
End Time	
Crop Enterprise	Field Prep.
End Enterprise	No
Operation Type	
Notation Category	Farming
Note/Instruction	 Job Notes
Field Pattern	
Sharecrop Information	 Landlords
Charge Units	
4WD Tractor (tach. hours)	0.00
Kevin Days (hours)	0.00
565 Square Baler (square bales)	0.00
Harvest Information	
Yield/Acre	0.00
Qty. Harvested	0.00
Landlord's quantity	0.00
Harvest Calculator	Harvest Calc. 
Scale Tickets	Scale Tickets 
Destination	Custom Hire Field
  	



8. Now right-click on the rectangle representing your custom-hire field or fields and the program displays the **Farming** dialog box for the field or fields. Enter the correct information in the dialog box. If you are recording a harvest, you may enter the total yield so that you have a record of the quantity.



CAUTION ... Be careful to keep Farm Funds from adding harvested crop data for custom-hire work into your own crop inventory. To accomplish this, enter 100% for the landlord's share of the harvest. In addition, if you are applying products and the customer will purchase the input separately, you should also use 100% for the landlord's share. Doing this gives you a record of how much of the supply you used without taking the supply from your own farm's inventory.

After you set up the field on the Main Farming Layer, you can record the custom-hire income for the field this way:



1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. In the **Items Sold** area, click the **Other Sales & Expense Reductions** toolbar button.  This opens the **Other Sales & Expense Reductions** dialog box.
4. In the **Other Sales & Expense Reductions** dialog box, type the amount charged for the custom-hire work in the **Amount** box.



5. Under **Account** click **Revenue Accounts**, and click the applicable revenue account in the list (Custom Hire Income, for example). If Farm Funds does not list the account, you may add it by clicking the **Add Acct** button.






6. Under **Enterprise Allocation**, click **Field Crops - Mine**, and click the custom field or fields to which that the income relates. Click **OK** to continue.

Multiple Allocation

Name	Acre Split	Amount
Champion	49.10	1,153.15
Haughey	22.50	528.43
Average Amount Per Acre		23.49
Total Amount - 1681.58		71.60 1,681.58




Split Evenly Calc Split

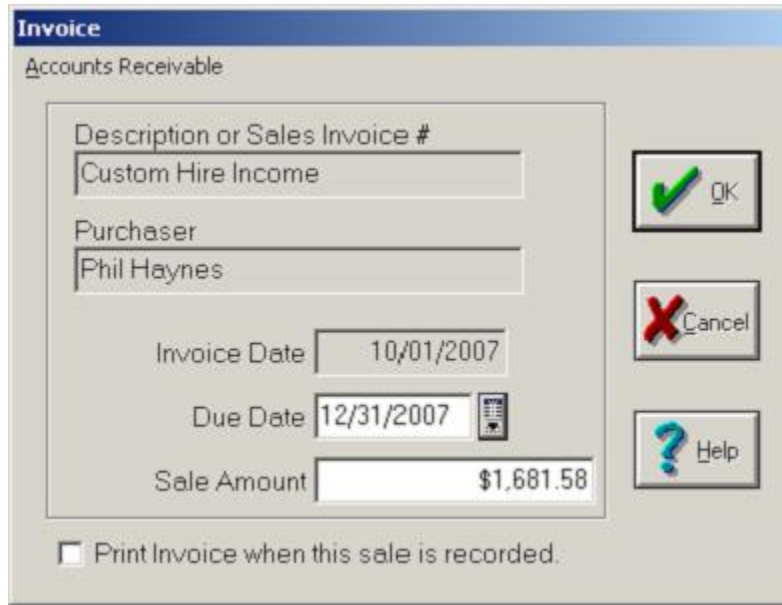




7. If you chose more than one field, the **Multiple Allocation** dialog box appears. This dialog box shows that the program will split the revenue between the fields, based on the acreage of each field. Click **OK** to continue.



Tip ... To split the amount evenly between all of the fields in the **Multiple Allocation** dialog box, click **Split Evenly**. If you change your mind and want to split the allocation based on the field sizes once more, click **Calc Split**.

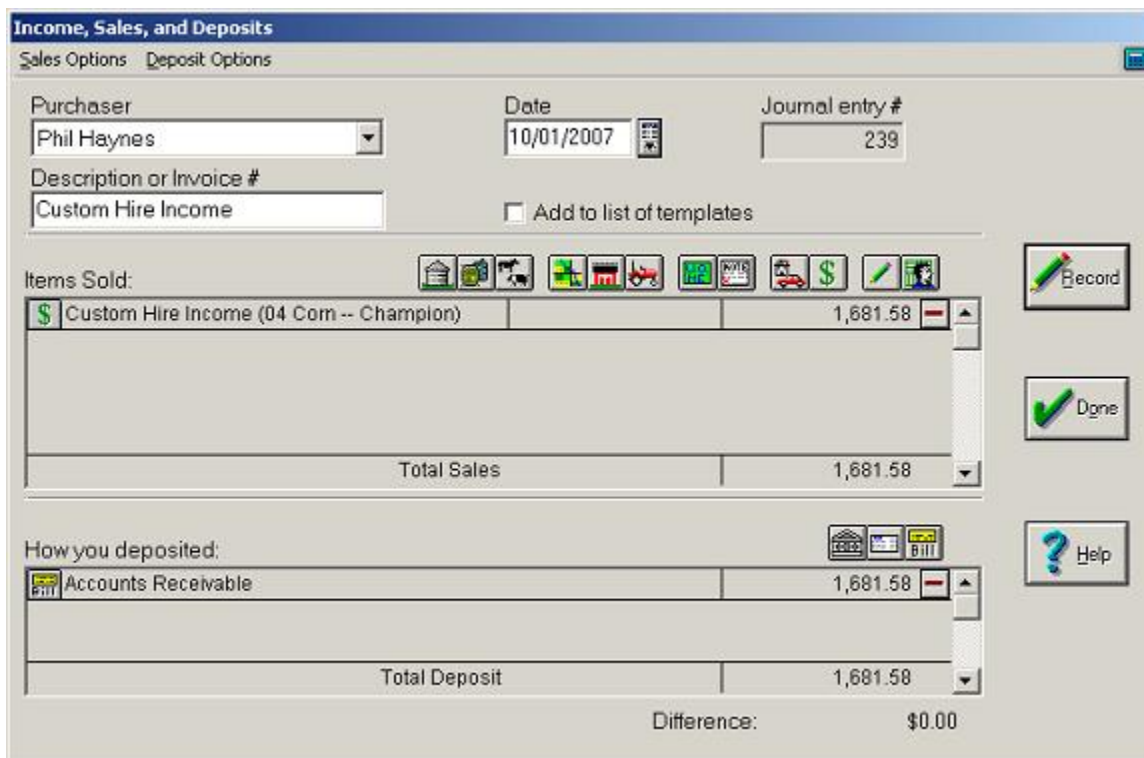
8. The Total Sales amount displayed in the **Income, Sales and Deposits** dialog box should now reflect the amount that you are charging for your custom-hire work. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you are depositing the proceeds now, holding the proceeds to deposit later, or will receive the payment later. If you make the deposit immediately, click the **Deposit Now** toolbar button.  If you hold the proceeds for later, click the **For Deposit** toolbar button.  If the customer will pay you later, click the **Invoice** toolbar button. 



- In the **Invoice** dialog box, enter the date the payment to you is due in the **Due Date** box, verify the amount in the **Sale Amount** box is correct, and click **OK** to continue.



FYI ... Farm Funds prints an invoice for you if you select the **Print Invoice** check box. Alternately, you can print the invoice yourself after you record the transaction by following the steps in the section of this chapter "Printing Invoice Statements".





Items Sold:	
\$ Custom Hire Income (04 Corn -- Champion)	1,681.58
Total Sales	
	1,681.58

How you deposited:	
Accounts Receivable	1,681.58
Total Deposit	
	1,681.58

Difference: \$0.00

10. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference must be \$0.00) before you click Record to save the transaction.



Tip ... You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the Remove transaction button  to the right of the amount. You can change transaction details by clicking on the button to the left of a transaction description (the **Other Sales & Expense Reductions** button  for instance).

11. Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.



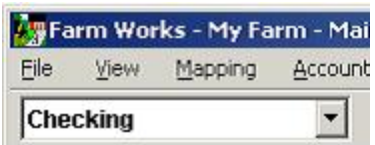
See Also ... For instructions on printing an income report for the transaction see the section "Printing Income & Sales Reports" of this chapter.



Entering Custom-Hire Income & Revenue from Supply Sales

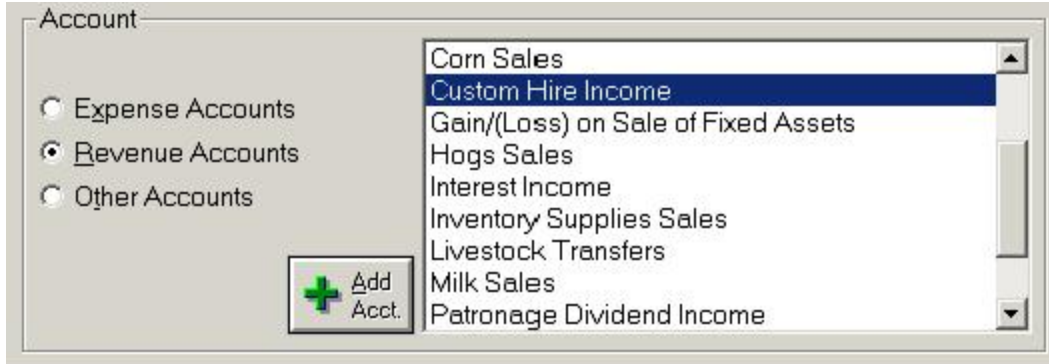
If you perform subcontracting work where your customer also purchases supplies from you to apply, you should enter the transaction differently than a subcontracting job for which the customer provides her own supplies. To record a transaction for a custom-hire job and a sale of supplies for which you bill the customer:



Tip ... Before you record a transaction for custom-hire work and sales of supplies, you should first draw a custom hire field on the Main Farming Layer to which you will allocate the revenue for the transaction. For instructions on creating a custom-hire field, see the section "Entering Custom Hire Income" in this chapter.




1. Click Checking in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. To enter the custom application amount, in the **Items Sold** toolbar, click the **Other Sales & Expense Reductions** toolbar button.  The **Other Sales & Expense Reductions** dialog box appears.
4. In the **Other Sales & Expense Reductions** dialog box, enter the Amount charged for the custom work. This should be the amount excluding the cost of the supply used.



5. Click **Revenue Accounts** in the **Account** area and click the applicable income account (**Custom Hire Income**, for example). If Farm Funds does not list the account, you may add it by clicking the **Add Acct** button.



6. In the **Enterprise Allocation** area, click **Field Crops - Mine**, and highlight the custom field or fields to which the income relates by clicking on them one at a time. Click **OK** to continue.
7. If you clicked more than one field, the **Multiple Allocation** dialog box appears. This box shows the revenue as split between the highlighted fields, and based on the acreage of each field. Click **OK** to continue.
8. Back at the **Income, Sales and Deposits** dialog box, in the **Items Sold** area, enter the sale of supplies by clicking the **Inventory Supplies** toolbar button.  This causes the **Inventory Supplies Sale** dialog box to appear.

Inventory Supplies Sale

Supply: Roundup Ultra

Qty. on Hand: 478.819 gallons

Unit Cost: \$80.54

Qty. Sold: 100 gallons

Unit Price: \$80.54




Total Sale: \$8,054.00

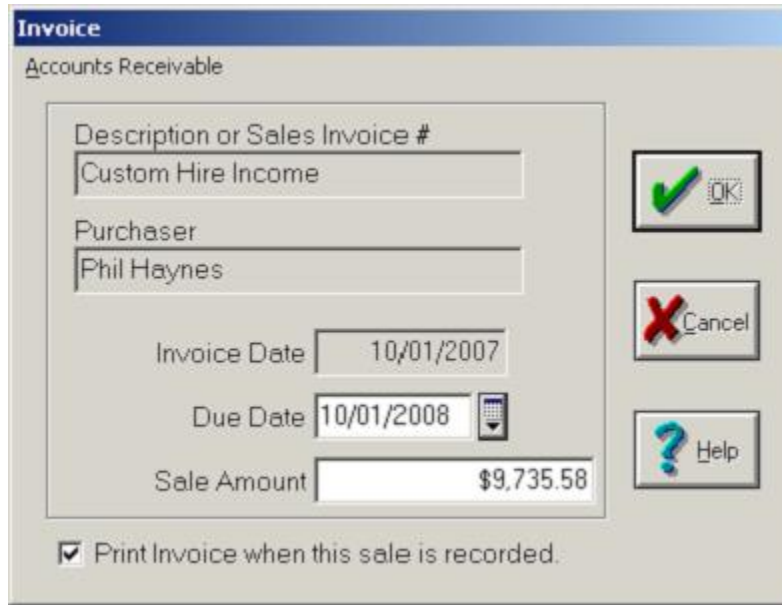
Buttons: OK, Cancel, Help

9. Click the supply in the **Supply** list. Farm Funds displays the quantity currently on hand and the average unit cost for that supply.
10. **Enter the amount used in the Quantity Sold** box.
11. Either type the cost per unit in the **Unit Price** box, or the total cost for the supplies you used in the **Total Sale** box, and click **OK** to continue.

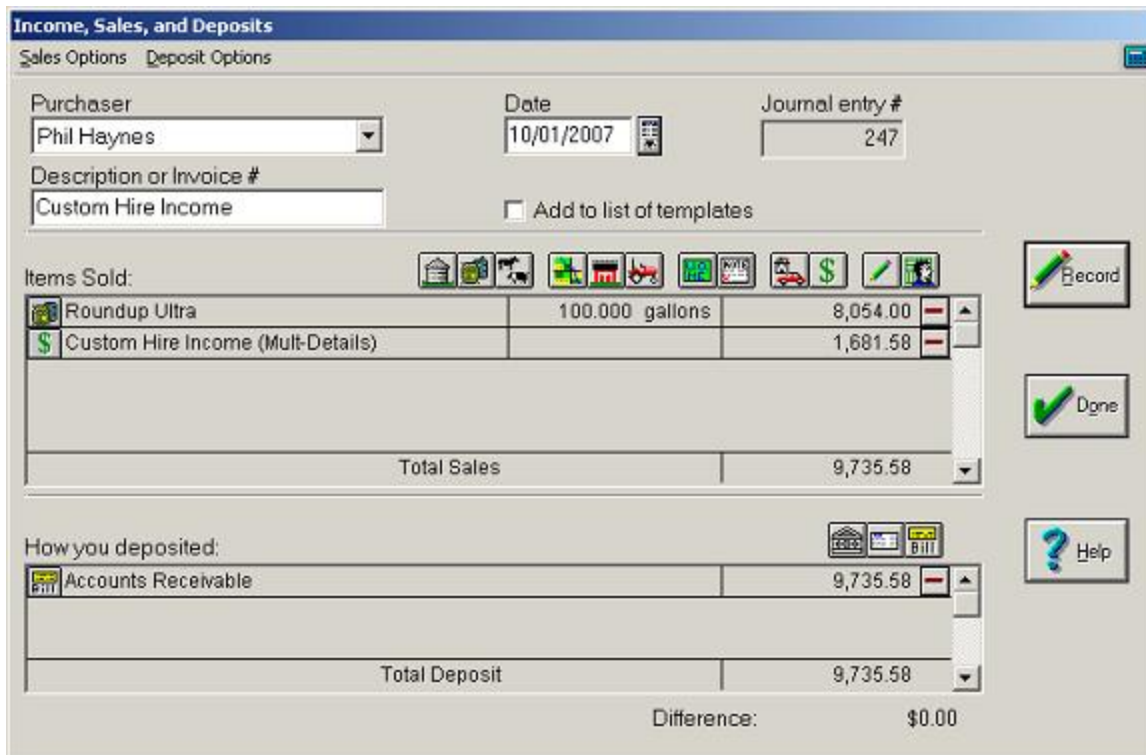


FYI... When you enter either the total sale price, or the unit price, Farm Funds conveniently calculates the other price for you.




12. To record additional sales of supplies, repeat the above steps. You may also use other sale items as needed to complete the transaction.
13. The Total Sales amount displayed in the **Income, Sales, and Deposits** box should now reflect the amount that you are charging for the custom work. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether the proceeds are being deposited now, are being held for deposit later, or are to be paid at a later date. If you make the deposit immediately, click the **Deposit Now** toolbar button.  If you hold the proceeds for later, click the **For Deposit** toolbar button.  If the customer will pay you later, click the **Invoice** toolbar button. 




14. If you opted to click the **Invoice** toolbar button, the **Invoice** dialog box, enter the date that payment will be due to you. Click **OK** to continue.



15. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click Record to save the transaction.

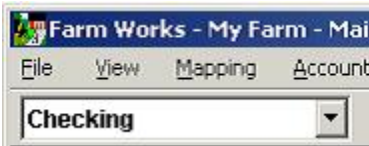
 **Tip ...** You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount. You can change individual lines by clicking on the button to the left of the item description (the **Inventory Supplies** button  for example).



16. Click **Record** to post the transaction and **Done** to close the dialog box.

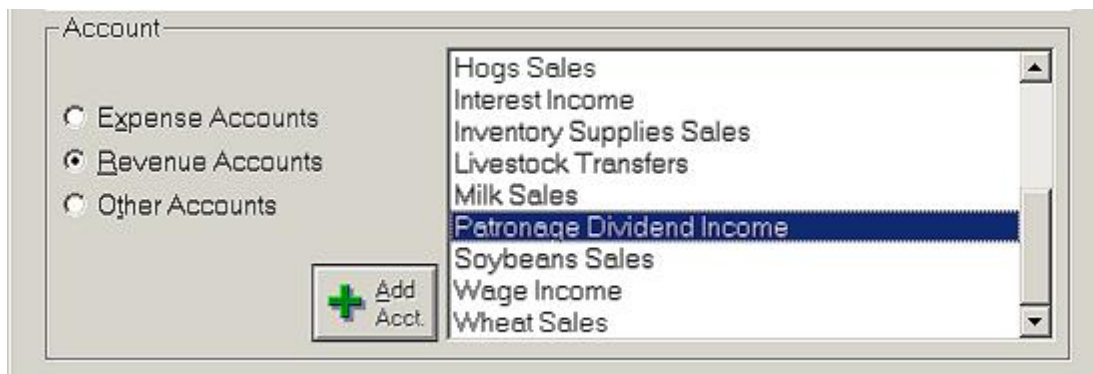
 **See Also ...** For instructions on printing an invoice for the transaction see the section "Printing Invoice Statements" of this chapter.

Entering Income from Patronage Dividends

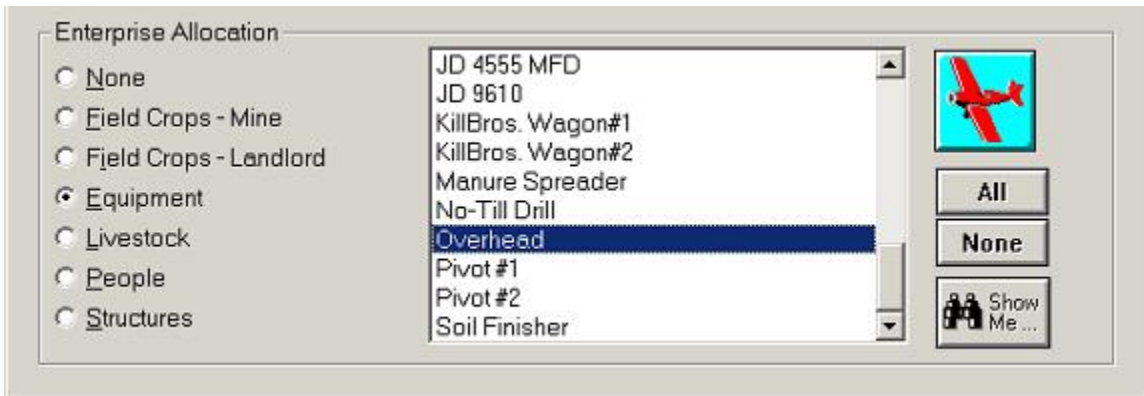
Cooperatives, grain elevators, and other crop-storage businesses sometimes issue patronage dividends (that is, payments for overhead). These dividends are sometimes in cash and sometimes in equity, but are frequently a combination of both. To record a patronage dividend of both cash and equity:




1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. To enter the taxable dividend, click the **Other Sales & Expense Reductions** toolbar button.  This brings up the **Other Sales & Expense Reductions** dialog box.
4. Enter the gross Amount of the patronage dividend in the **Amount** box (this is the amount reported on Form 1099-PATR, *not* the actual amount received). Click **OK** to continue.




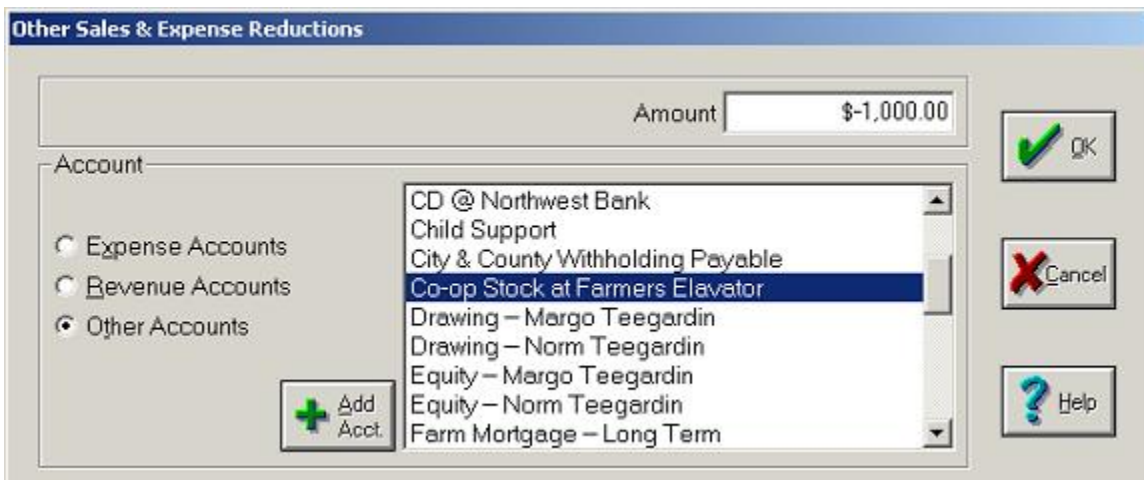
5. Click the **Revenue Accounts** option and click the **Patronage Dividend Income** account.





- In the **Enterprise** area, click **Equipment** and click the **Overhead** enterprise. Click **OK** to continue.

 **See Also ...** For further information on Overhead enterprises, see the "Overhead Costs" section in the chapter "Farming & Enterprises".

- Click the **Other Sales & Expense Reductions** toolbar button  again to enter the amount of stock or equity that you received. It is important that this entry is a negative number since it will reduce the gross patronage dividend. The amount should be the difference between the dividend reported on Form 1099-PATR and the check you received from the co-op.



- Click the **Other Accounts** option button and click the **Co-op Stock** or similar account. Click **OK** to continue.
- After you have entered these items, the total sales amount in the **Invoice, Sales and Deposits** dialog box should equal the amount the co-op will pay you.
- In the **How You Deposited** area of the dialog box, click the appropriate toolbar button to reflect whether you deposit the proceeds now, or hold them for deposit later. If you will hold the proceeds for later, click the **For Deposit** toolbar button.  If you deposit the proceeds immediately, click the **Deposit Now** toolbar button. 



Deposit Now

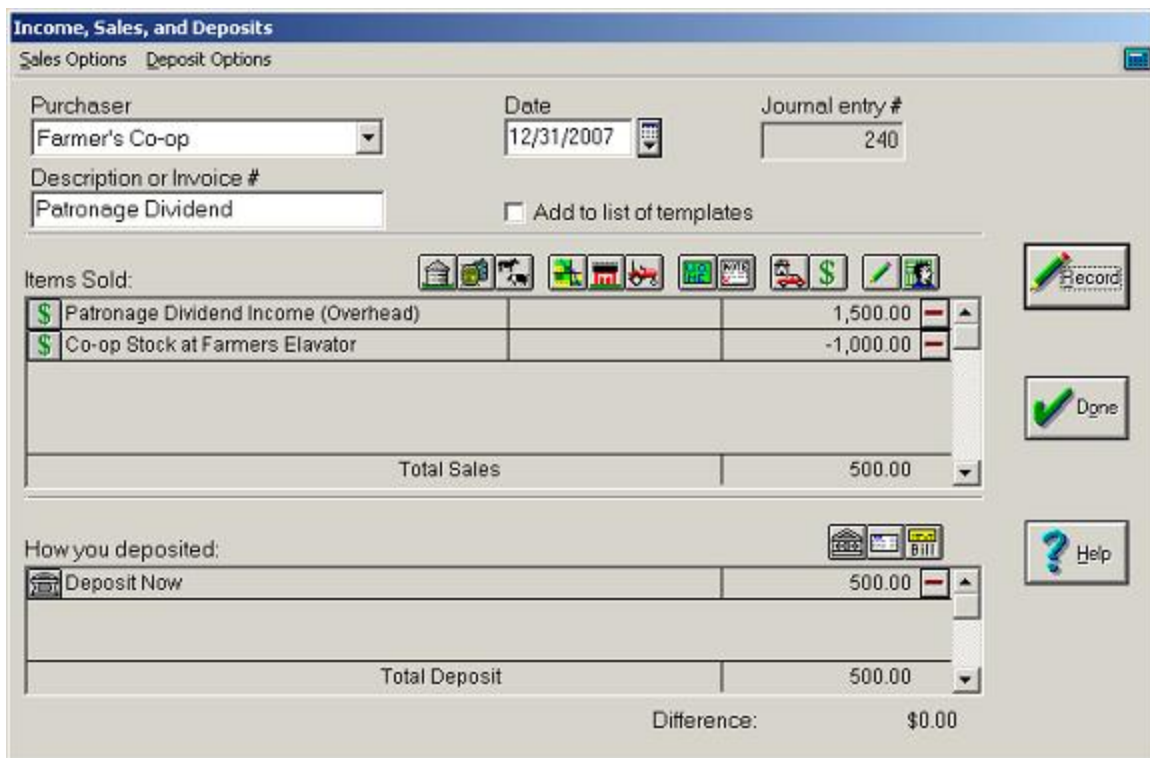
Deposit in Account
Farmers Bank & Loan (Checking)

Amount \$500.00

Deposit ID # Deposit

OK Cancel

11. In the **Deposit Now** dialog box, click the bank account into which you deposit the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number. Then, click **OK** to continue.



Income, Sales, and Deposits

Sales Options Deposit Options

Purchaser: Farmer's Co-op Date: 12/31/2007 Journal entry #: 240

Description or Invoice #: Patronage Dividend Add to list of templates

Items Sold:

Description	Amount	Buttons
Patronage Dividend Income (Overhead)	1,500.00	[-] [▲]
Co-op Stock at Farmers Elevator	-1,000.00	[-] [▼]
Total Sales	500.00	[▼]

How you deposited:



Description	Amount	Buttons
Deposit Now	500.00	[-] [▲]
Total Deposit	500.00	[▼]

Difference: \$0.00

Record Done Help

12. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click Record to save the transaction.



Tip ... You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount, and you may change individual lines by clicking on the button to the left of the item description (the **Other Sales & Expense Reductions** button  for example).

13. Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.



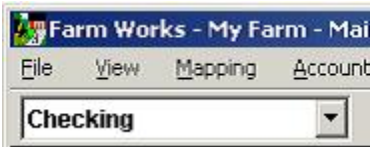
FYI... By following these steps, Farm Funds shows the taxable income including both cash and equity on your general ledger. The program also maintains an asset account that reflects your equity balance at the co-op. This balance is important, because it can offset future revenues if the company starts repaying equity in the future



Entering Income from Hedging Gains

You can record hedging gains in Farm Funds in much the same way you record deposits to a checking account, because the hedging gains increase the balance in your brokerage account just as a deposit to increases the balance in a checking account. After you set up a hedging account, you can record a hedging gain as follows.



See Also ... For information on setting up hedging accounts (that is, margin calls) and recording hedging losses see the sections "Setting Up Hedging Accounts" and "Documenting Hedging Losses" in the chapter "Payments and Purchases".



1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. In the **Items Sold** area, click the **Other Revenue** toolbar button  to enter the hedging gain.

Other Sales & Expense Reductions

Amount: \$777.77

Account:

- Expense Accounts
- Revenue Accounts
- Other Accounts

Account List:

- Corn Sales
- Cows Sales
- Custom Hire Income
- Gain/(Loss) on Sale of Fixed Assets
- Hedging Gains/(Losses)**
- Hogs Sales
- Interest Income
- Inventory Supplies Sales
- Livestock Transfers

Enterprise Allocation:

- None
- Field Crops - Mine
- Field Crops - Landlord
- Equipment
- Livestock
- People
- Structures

Enterprise Allocation List:

- 07 Corn - Home #1
- 07 Oats - Home #3
- 07 Soybeans - Home #4**
- 07 Wheat - Home #2

Buttons: Add Acct., OK, Cancel, Help, All, None, Show Me...


- In the **Other Sales & Expense Reductions** dialog box that opens, enter the amount of the hedging gain as a *positive* number, click the **Revenue Accounts** option button, and click the hedging account in the in the **Account** list (for example, click the **Hedging Gains/Losses** account).



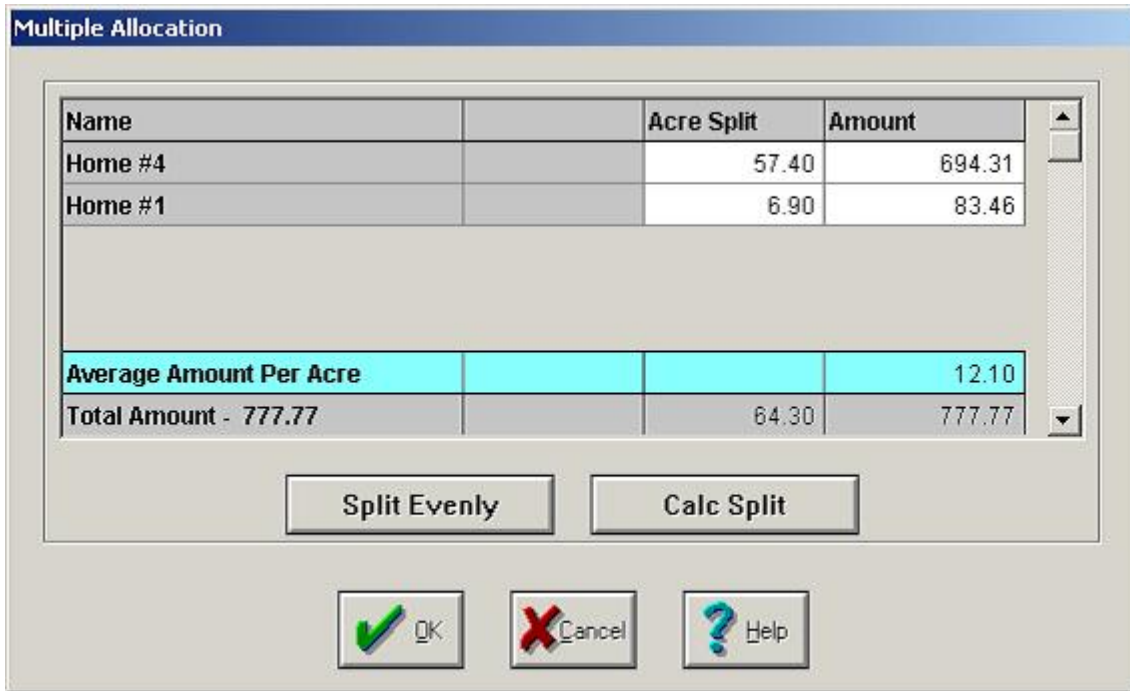
CAUTION ... Make sure you use the same revenue account or expense account to record *both* deposits and expenses. Otherwise, Farm Funds will not automatically calculate the net hedging amount when you prepare your tax returns. For information on setting up your hedging accounts, see the section "Setting Up Hedging Accounts" in the chapter "Payments & Purchases".


- Click the **Field Crops-Mine** option button and click all the fields for which you are setting up the hedging account in the **Enterprise Allocation** list, or click **All** to select every field in the list.



Tip ... If your farm is particularly large and there are too many fields listed then click the **Show Me** button  to limit the number of fields in the list. In the **Show Me** dialog box, click the crop year, commodity, and farm or ranch. You may also click only those fields that are opened or closed, or click just one field. Click **OK** to continue. Back in the **Other Sales & Expense Reductions** dialog box, Farm Funds displays only the fields that meet the criteria you chose.

- Click **OK** to save the changes and close the **Other Sales & Expense Reductions** dialog box.



- If you chose more than one field, Farm Funds displays the **Multiple Allocation** dialog box and splits the hedging gain among the fields, based on their size. To split the gains evenly among the fields, click **Split Evenly**. Click **OK** to save the information and close the dialog box.
- In the **How You Deposited** toolbar of the **Income, Sales and Deposits** dialog box, click the **Deposit Now** toolbar button  to increase your brokerage account balance. This brings up the **Deposit Now** dialog box with the amount of the hedging gain displayed for you.



- In the **Deposit Now** dialog box, click the correct brokerage account in the **Deposit in Account** list. Use the date or brokerage transaction number for you deposit number (123107, for instance). Click **OK** to save the information and close the dialog box.

Income, Sales, and Deposits

Sales Options Deposit Options

Purchaser: Cline Feed & Grain
 Date: 12/31/2007
 Journal entry #: 341

Description or Invoice #: 07 Hedging Gains
 Add to list of templates

Items Sold:

\$ Hedging Gains/(Losses) (Mult-Details)	777.77
Total Sales	777.77

How you deposited:

Deposit Now	777.77
Total Deposit	777.77








Difference: \$0.00

Buttons: Record, Done, Help

10. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click Record to save the transaction.

Sales

You can use the Income, Sales and Deposits dialog box to record proceeds from the sale of various items. The sections that follow explain how to record revenue acquired from the sale of:

-  Harvested Crops Sold at Net Value
-  Harvested Crops Sold with Discounts
-  Livestock
-  Land & Structures
-  Equipment
-  Supplies
-  Items Sold on Account



See Also ... For instructions on selling supplies that you apply while providing subcontracting work, see the section "Entering Custom-Hire Income & Revenue from the Sale of Supplies" in this chapter.

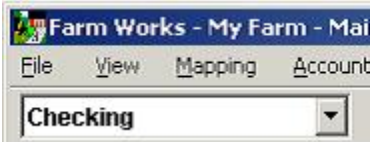
Selling Harvested Crops at Net Values



Farm Funds gives you the ability to keep track of crops you harvest from each field. The program keeps an inventory of harvested crops you have not sold, and automatically applies the sale of crops back to the field or fields from where you harvested those crops. When selling harvests, Farm Funds gives you the freedom either to keep track of costs deducted from the sale (such as discounts, drying and storage charges), or to not keep track of these costs. If you opt to not keep track of deducted costs, you can record the sale of harvests at the net value (that is, at the value equal to the gross worth of the harvest minus the deducted costs).



See Also ... If you want keep track of deducted costs for discounts, drying and storage, when you record a sale, follow the instructions in the section immediately following this one.

To record a sale of harvested crops for which you do *not* want to keep track of deducted costs:



1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. In the **Items Sold** area, click the **Harvested Crops** toolbar button.  The **Harvested Crop Sale** dialog box appears (see the figure below).
4. In the **Harvested Crop Sale** dialog box, click the commodity you are selling.



FYI ... Once you click a commodity, Farm Funds displays all locations that have unsold quantities of that commodity in the **Location** list. Clicking a location causes the program to display the quantity on hand at that location.

5. Click a location where you store the commodity in the **Location** list.



Tip ... For a location, you can click **Off Farm** if the harvested crop is stored at a co-op, or at a structure outside your farm. Alternately, you may add a structure on your farm (such as a bin) as a location. You should add this structure to your Main Farming Layer in the program.

6. Type a the amount sold for the location in the **Quantity Sold** box.





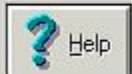
FYI ... Farm Funds lets you sell more than the quantity you actually store at a location. Entering a number greater than the quantity on hand for that location increases the yields on the enterprise statements. However, field notations still reflect the originally entered yields.

7. If you do not wish to keep track of discounts, drying costs, or storage costs, enter the net amount received in the **Total Sale** box. Farm Funds automatically calculates the unit price for you.
8. In the **Allocate Sale** area, click **Based on Quantity on Hand** to have Farm Funds disperse the sale among all fields from which you harvested the commodity, based on the remaining unsold quantity for each field. Click **Specified Fields Only** if you want to select the field, or fields, to which the program allocates the sale.



Tip ... We recommended you click the **Based on Quantity on Hand** option button, as using this option causes Farm Funds to apply an average sales price to all of the fields.



Harvested Crop Sale

Commodity	Soybeans	▼	
Location	Bin #3	▼	
Quantity on Hand	7500.000	bushels	
Quantity Sold	3000	bushels	  
Unit Price	\$5.00		
Total Sale	\$15,000.00		
Allocate Sale			
	<input checked="" type="radio"/> Based on qty. on hand <input type="radio"/> Specified fields only		
Storage Revenue			
Amount	\$200.00		
<small>* This amount does not affect the sale. It is only used to allocate revenue to storage enterprises.</small>			

9. You may enter an amount for storage revenue in the **Storage Revenue Amount** box.



FYI... If you enter an amount in the **Storage Revenue** box, Farm Funds allocates storage revenue to the storage location and allocates storage expenses to your crop enterprises. This amount has no effect on your sale; the program only uses it to track the amount you *would* pay for off-farm storage. You may find these amounts useful when making future storage decisions. Farm Funds does not reflect them in the cash general ledger.

10. Click **OK** to continue. If you chose the **Specified Fields Only** option button, Farm Funds prompts you to apply the sale to the desired field, or fields.
11. Repeat the above steps, as needed, to record additional crop sales for each commodity sold and each location. You might also record other sales made as part of this transaction.
12. The total sales amount Farm Funds displays in the **Income, Sales and Deposits** dialog box should now reflect the net amount you received. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you deposit the proceeds now, or hold them for deposit later. If you hold the proceeds for deposit later, click the **For Deposit** toolbar button.  If you deposit the proceeds immediately, click the **Deposit Now** toolbar button. 



The screenshot shows a dialog box titled "Deposit Now". It has a light gray background and a blue title bar. Inside the dialog, there are three input fields: "Deposit in Account" with a dropdown menu showing "Farmers Bank & Loan (Checking)", "Amount" with a text box containing "\$15,000.00", and "Deposit ID #" with a dropdown menu showing "1236". At the bottom of the dialog, there are two buttons: "OK" with a green checkmark icon and "Cancel" with a red X icon.

13. If you open the **Deposit Now** dialog box, click the bank account into which you deposit the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number. Then, click **OK** to continue.

Income, Sales, and Deposits

Sales Options Deposit Options

Purchaser: Farmer's Co-op Date: 12/31/2007 Journal entry #: 248

Description or Invoice #: Soybeans Add to list of templates

Items Sold:

Soybeans from Bin #3	3,000.000 bushels	15,000.00
Total Sales		15,000.00

How you deposited:

Deposit Now	15,000.00	
Total Deposit		15,000.00

Difference: \$0.00

Record Done Help

14. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click Record to save the transaction.

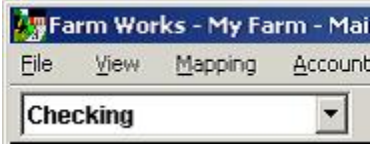




Tip ... Farm Funds allows you to sell more than the quantity you actually store at a location. When you enter a number greater than the quantity on hand in the location, Farm Funds increases the yields in your enterprise statements. However, field notations still reflect the originally entered yields.

15. Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.

Selling Harvested Crops & Tracking Discounts

The previous section of this chapter explains how to record sales of crops at net values, without keeping track of costs deducted for discounts, drying and storage. If you are a producer who wants to keep track of these individual costs that co-ops and grain elevators deduct from crop sales, you should follow these instructions, instead:



1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. In the **Items Sold** area, click the **Harvested Crops** toolbar button. 
4. In the **Harvested Crop Sale** dialog box (see the figure below), click the commodity you are selling in the **Commodity** list.



FYI... Once you click a commodity, Farm Funds displays all locations that have unsold quantities of that commodity in the **Location** list. Clicking a different location displays the quantity on hand at that location.

5. Click a location in the **Location** list.

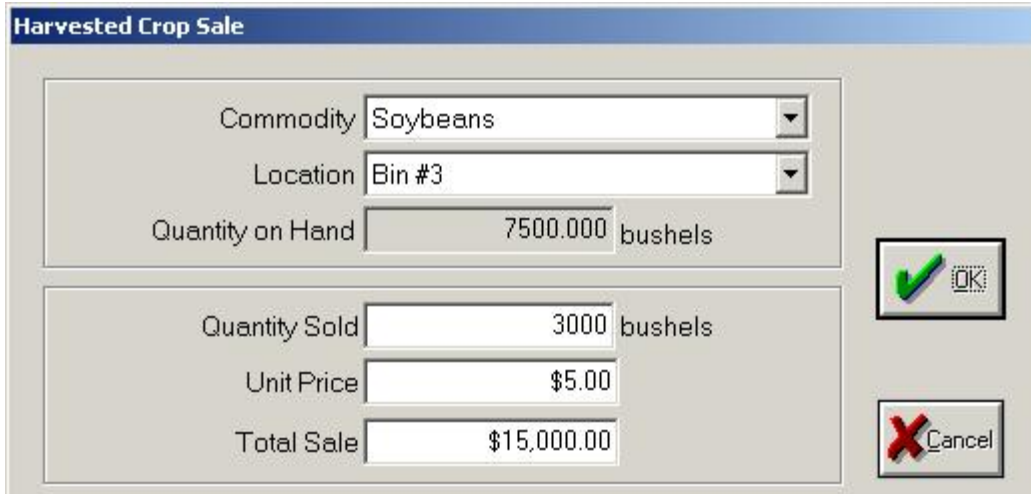


Tip ... In the **Location** list, you can click **Off Farm** if the harvested crop is not stored in a bin or other object on your farm, or you may add a structure on your farm (such as a bin) to designate as the location. You should add this structure to Main Farming Layer of the program. If you chose **Off Farm** as the location, Farm Funds disables the **Storage Revenue** box, and you will not be able to enter an amount in it.

6. Type a the amount sold for the location in the **Quantity Sold** box.



FYI... Farm Funds allows you to sell more than the quantity you actually store at a location. Entering a number greater than the quantity on hand for the location increases the yields on your enterprise statements. However, field notations still reflect the originally entered yields.



The dialog box titled "Harvested Crop Sale" contains the following fields and controls:

- Commodity: Soybeans (dropdown menu)
- Location: Bin #3 (dropdown menu)
- Quantity on Hand: 7500.000 bushels (text input)
- Quantity Sold: 3000 bushels (text input)
- Unit Price: \$5.00 (text input)
- Total Sale: \$15,000.00 (text input)
- OK button (green checkmark icon)
- Cancel button (red X icon)


7. Type the gross amount in the **Unit Price** box. Farm Funds automatically calculates the total sale amount and displays it in the **Total Sale** box for you.

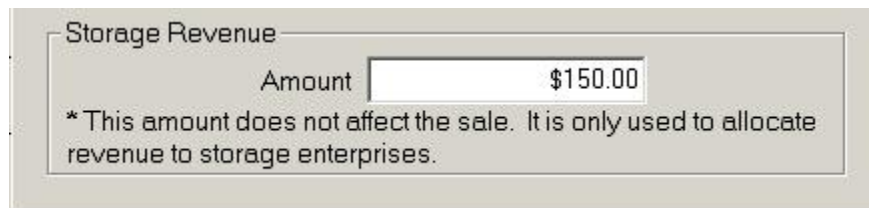


The "Allocate Sale" dialog box contains two radio button options:

- Based on qty. on hand
- Specified fields only

8. In the **Allocate Sale** area, click the **Based on Quantity on Hand** to have Farm Funds allocate the sale among all field or fields from which you harvest the commodity, based on the remaining unsold quantity for each field. Click **Specified Fields Only** if you want to choose the fields to which you allocate the sale.


 **Tip ...** We recommended you click the **Based on Quantity on Hand** option button, as using this option causes Farm Funds to apply an average sales price to all the fields.



The "Storage Revenue" dialog box contains the following fields and text:

- Amount: \$150.00 (text input)
- * This amount does not affect the sale. It is only used to allocate revenue to storage enterprises.


9. Under **Storage Revenue**, you can enter an amount for storage revenue in the **Amount** box, and then click **OK** to continue.

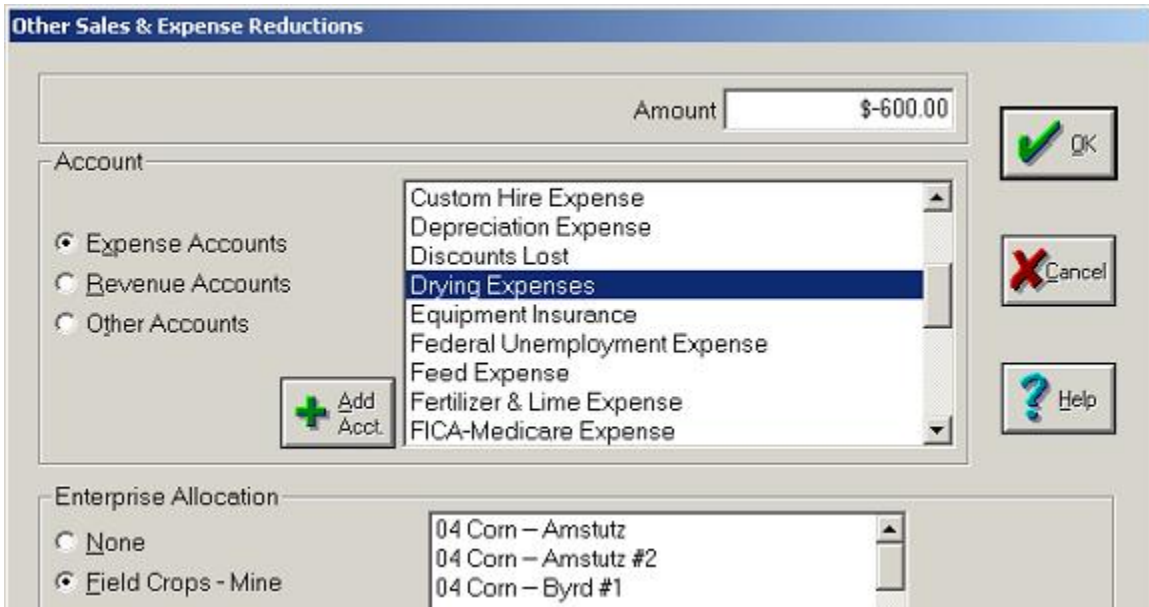
 **FYI...** If you enter an amount in the **Storage Revenue** area, Farm Funds allocates storage revenue to your storage location and storage expenses to your crop enterprises. Farm Funds does not reflect the amount in your cash general ledger, so this amount has no effect on your sale. The program only uses the amount to track the amount you would pay for off-farm storage, which can be useful when you make future storage decisions.

Allocate Sale of Harvested Crops

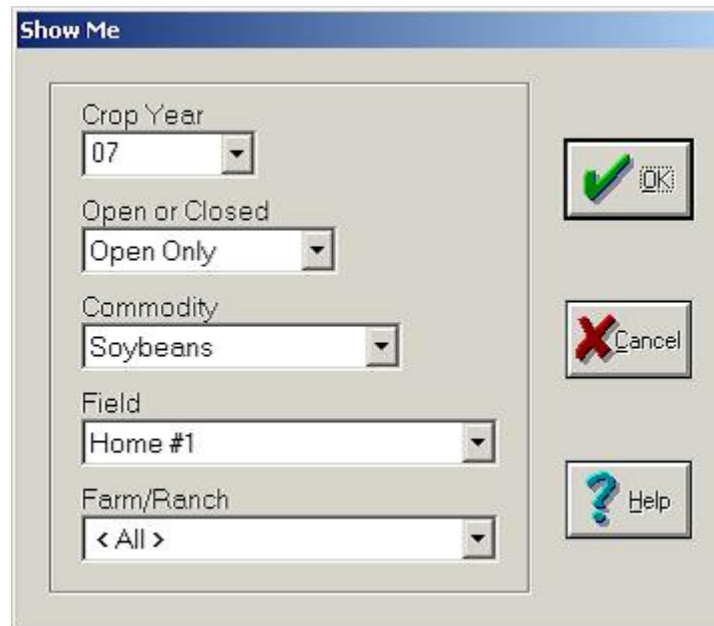
Field Name	OnHand	Alloc	Adjust
04 Soybeans - Home #1	289.145	52.792	
04 Soybeans - Parker #2	1,181.712	215.756	
04 Soybeans - McCool #1	410.665	74.979	
04 Soybeans - McCool #2	498.663	91.046	
04 Soybeans - Helgen Field	3,467.183	633.036	
04 Soybeans - Eddy #1	440.000	80.335	
04 Soybeans - McCool #6	381.329	69.623	
Total		3,000.000	
Left to Allocate			

Add Row

10. If you clicked **Specified Fields Only**, Farm Funds prompts you to apply the sale to the desired fields in the **Allocate Sale of Harvested Crops** dialog box. Click **OK** to continue.
11. Repeat the above steps as needed to record additional crop sales for each commodity sold and from each location.
12. To record costs, such as those for discounts, drying, storage, or other deductions from your crop sales, click the **Other Sales & Expense Reductions** toolbar button  in the **Items Sold** area.
13. In the **Other Sales & Expense Reductions** dialog box, enter a *negative* amount in the **Amount** box.
14. Set your **Account** option to **Expense Accounts**, and click the applicable expense in the list, such as **Drying Expense**.



15. To allocate this cost to your field or fields, click **Field Crops – Mine** in the **Enterprise Allocation** area.





16. To display only the field or fields that contained the crop you are selling in the **Enterprise Allocation** list,



click the **Show Me** button. In the **Show Me** dialog box, click the appropriate values in the Crop Year, Open or Closed, Commodity, Field, or Farm/Ranch lists to limit the number of fields. Click **OK** to return to the Other Sales & Expense Reductions dialog box where the program displays only the fields that meet the criteria you chose.

17. Back in the **Other Sales & Expense Reductions** dialog box, click specific field or fields in the **Enterprise Allocation** list, or click the **All** button to highlight all the fields in the list. Click **OK** to continue.

18. If you chose more than one field, the **Multiple Allocation** dialog box opens and allocates the cost across the fields based on their size. Click **OK** to continue.

19. Repeat the above steps as needed to record additional expenses associated with the crop sale.
20. The Total Sales amount Farm Funds displays in the **Income, Sales and Deposits** dialog box should reflect the net amount you received (see the figure below). Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you deposit the proceeds now, or hold them for deposit later. If you hold the proceeds for deposit later, click the **For Deposit** toolbar button.  In this example, click the **Deposit Now** toolbar button. 



21. If you chose to deposit the proceeds now, the **Deposit Now** dialog box opens. Click the bank account into which you deposit the proceeds in the **Deposit in Account** list. Verify that the amount in the Amount box is correct, and click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** to enter a bank reference number from your bank statement. Then, click **OK** to continue.






Income, Sales, and Deposits

Sales Options Deposit Options




Purchaser: Farmer's Co-op Date: 12/31/2007 Journal entry #: 248

Description or Invoice #: Soybeans Add to list of templates



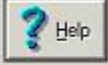
Items Sold:

 Soybeans from Bin #3	3,000.000 bushels	15,000.00	
 Drying Expenses (04 Soybeans -- Home #1)		-600.00	
Total Sales		14,400.00	




How you deposited:

 Deposit Now		14,400.00	
Total Deposit		14,400.00	

Difference: \$0.00


22. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference must be \$0.00) before you click Record to save the transaction.

 **Tip ...** You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount. You can change transaction details by clicking on the button to the left of the item description (the **Harvested Crops** button  for example).

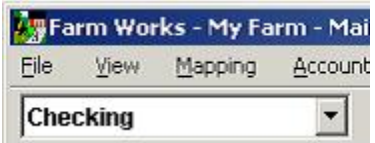
23. Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.



Selling Livestock

Farm Funds enables you to keep profits from the sale of livestock, and conveniently adds this information to Farm Stock, if you have also installed this livestock management program.

 **On the Web ...** To find out more about Farm Stock and other programs offered by Farm Works Software, visit us on the Web at www.farmworks.com/products/.

To record a sale of a group of animals:



1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. Click the **Livestock** toolbar button  in the **Items Sold** area. This opens the **Livestock Sale** dialog box.
4. In the **Livestock Sale** dialog box, click the animal group from which you are selling the animals in the **Group** list. Enter the number of animals you sell and the average weight of each animal in the **No. Sold** and **Avg. Wt.** boxes, respectively.
5. Type in the total weight of all of the animals, the price per pound, and the total sale price in the **Total Lbs**, **Price/Lb**, and **Total Sale** boxes, respectively.



Tip ... You can select the **Calculate Price Per Lb** check box to have Farm Funds display the price per pound, or clear the check box to have the program display the price per hundredweight.

Livestock Sale

Group:


Category:


No. Sold: Total lbs:


Avg. Wt.: Price/lb \$:

Calculate price per lb. Total Sale:

	Before Sale	Sale	After Sale
No. of Head	180	50	130
Avg. Pur. Cost	67.50	67.50	67.50
Total Pur. Cost	12,150.00	3,375.00	8,775.00
Avg. Acc. Depr.	0.00	0.00	0.00
Total Acc. Depr.	0.00	0.00	0.00

OK 


Cancel 

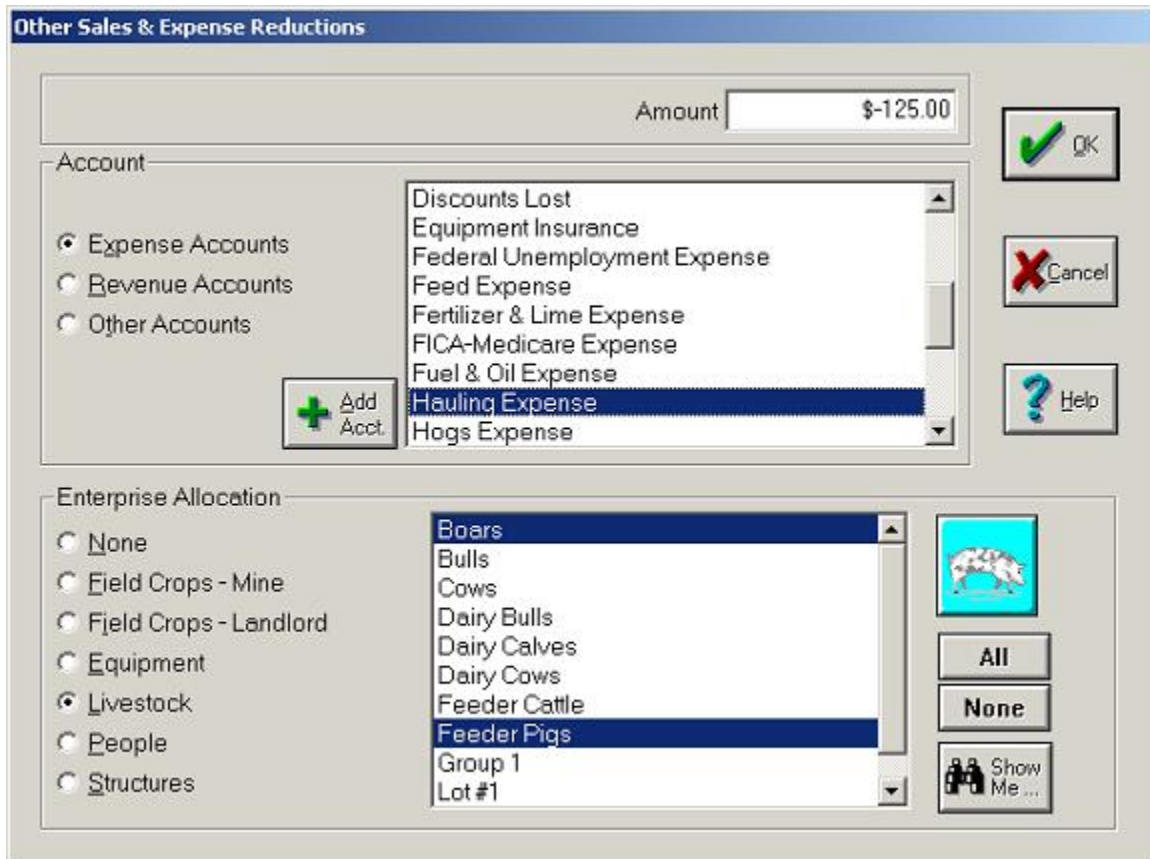
Help 

6. In the **Sale** column, you can change the values in the **Avg. Pur. Cost**, the **Total Pur. Cost**, the **Avg. Acc. Depr.** and the **Total Acc. Depr.** boxes, if necessary.

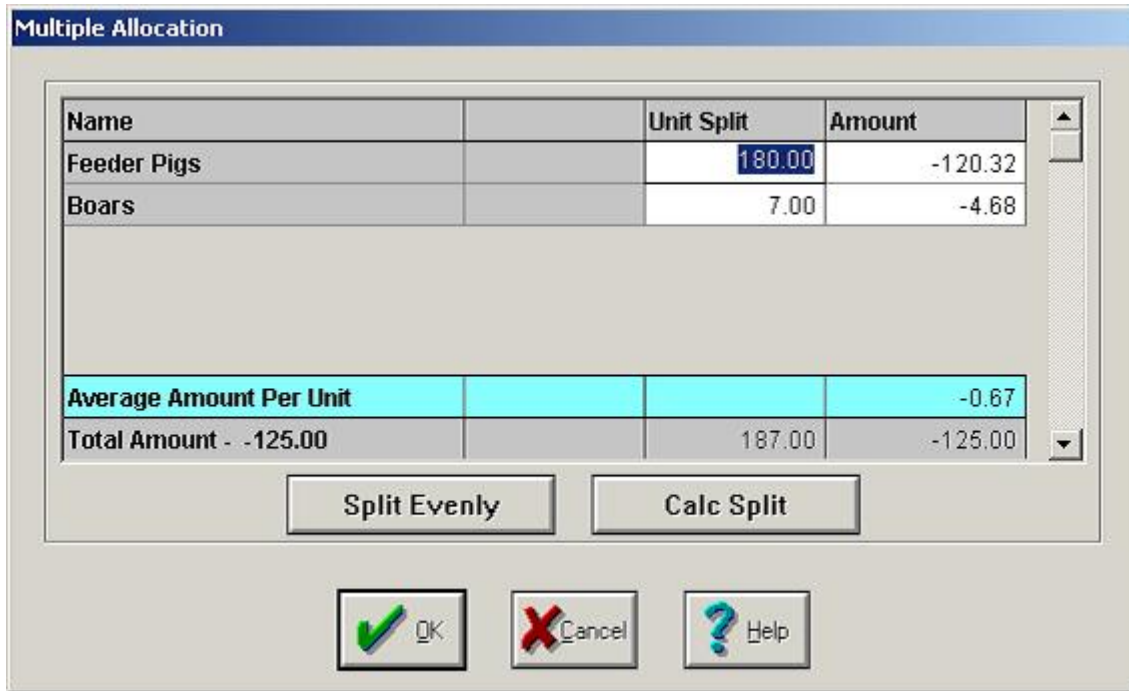


FYI ... Farm Funds displays the average amount per head for the animal group you selected in these boxes.


7. Click **OK** to return to the **Income, Sales and Deposits** dialog box, where you can repeat the above steps as needed to document sales from other livestock groups included in the same sale transaction.
8. Now, you can record amounts deducted from the sale, such as the cost of trucking, by clicking the **Other Sales & Expense Reductions** toolbar button  in the **Items Sold** area.
9. In the **Other Sales & Expense Reductions** dialog box that opens, enter an amount for the reduction in the **Amount** box (this number must be a *negative* amount, because it will reduce the sale proceeds, so type an en dash (-) to the left of the amount).
10. In the **Account** area of the dialog box, click the **Expense Accounts** option button, and click the applicable account in the list (**Trucking Expense**, for example).






11. To allocate this expense to your livestock enterprise, click the **Livestock** option button in the **Enterprise Allocations** area. Then, click all of the animal groups in the list that you included in the sale. Click **OK**.



12. If you choose more than one animal group, Farm Funds displays the **Multiple Allocation** dialog box, and displays how it will divide the sale among the animal groups. Click **OK** to continue.

 **FYI ...** Farm Funds allocates the cost based on the number of animals in each group. You can have the program allocate the costs evenly by clicking **Split Evenly**.

13. The total sales amount displayed in the **Income, Sales, and Deposits** dialog box reflects the amount of the sale. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you are depositing the proceeds now, are holding them for deposit later, or are receiving the payment on account. If you hold the proceeds for later, click the **For Deposit** toolbar button . If the customer will pay you later, click the **Invoice** toolbar button . If the customer pays you immediately, click the **Deposit Now** toolbar button. 



14. If you clicked **Deposit Now**, the **Deposit Now** dialog box opens and displays the full amount of the sale. Click the bank account into which you deposit the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** to enter a bank reference number. Then, click **OK**.

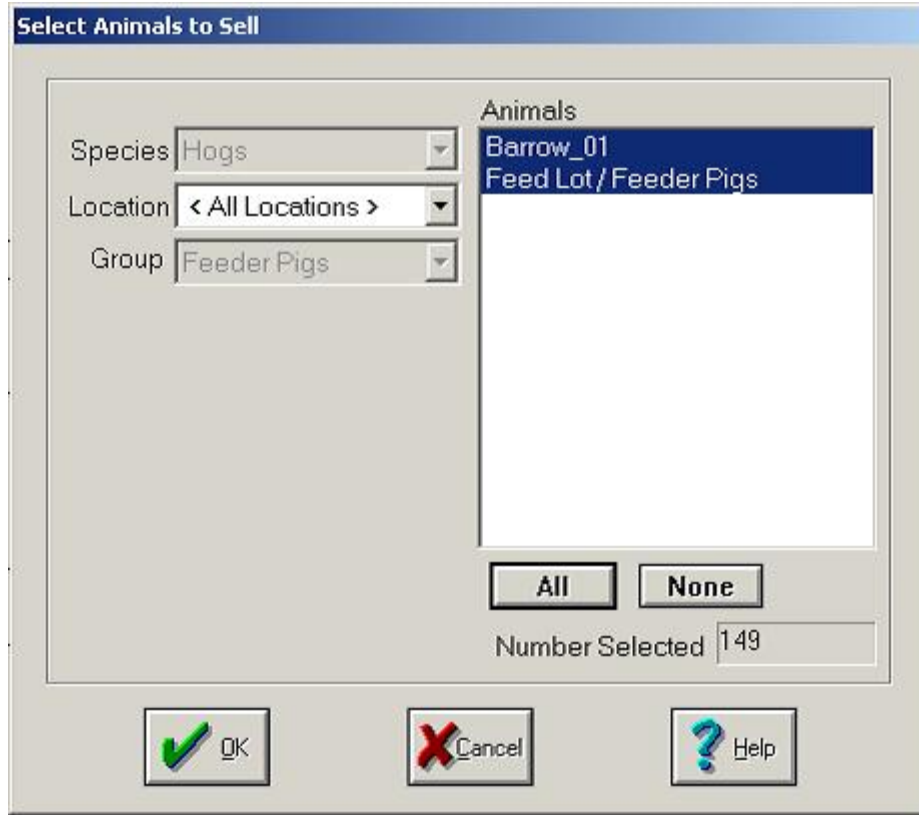
Income, Sales, and Deposits		
Sales Options Deposit Options		
Purchaser	Date	Journal entry #
Christopher Irwin	12/31/2006	242
Description or Invoice #	<input type="checkbox"/> Add to list of templates	
Livestock Resale		
Items Sold:		
Feeder Pigs	50.000 head	6,240.00
Hauling Expense (Mult-Details)		-125.00
Total Sales		6,115.00
How you deposited:		
Deposit Now		6,115.00
Total Deposit		6,115.00
Difference:		\$0.00

15. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click **Record** to save the transaction.

Tip ... You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button to the right of the amount, and you may change individual lines by clicking on the button to the left of the item description (the **Livestock** button for instance).

16. If you have installed Farm Stock, Farm Funds asks if you want to record the livestock sale in Farm Stock, too. Click **Yes** if you do.

CAUTION ... If you click **No** to the message, Farm Funds will not mark any of the animals as sold in Farm Stock, and you will have to enter this information yourself later in the Farm Stock program.



17. If you clicked **Yes** to the message, the **Click Animals to Sell** dialog box opens where you can select the animals you sold. In the **Location** list, click the location where the animals you are selling are located, or keep the default selection **<All Locations>**. Click the animals you sold in the **Animals** list, or click **All** to highlight all of the listed animals.
18. Click **OK** to close the **Click Animals to Sell** dialog box and open the **Group Sale of Animals** dialog box.



19. The **Group Sale of Animals** dialog box shows the information that Farm Funds will enter into the Farm Stock program. Verify the information is correct and click **OK**.



20. The **Other Expense or Revenue Selection** dialog box opens, where you can record additional expenses or revenues for the sale. Click the **Health** option button to record health treatments for the animals sold (such as vaccinations), or click the **Product Sales** option button to record sales of byproducts of the animals sold (such as wool). Click **OK** to enter these additional expenses or revenues, or **Cancel** if you do not have any health treatments or product sales to record for the sale.

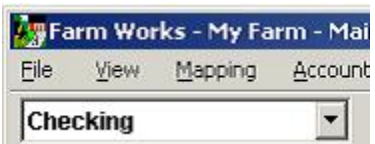



FYI ... If you click the **Health** option button, the program opens the **Farm Stock Health Record** dialog box, where you can enter the expenses or revenue for health treatments for the animals sold in Farm Stock. If you click the **Product Sales** option button, the program opens a dialog box where you can record additional revenue for the sale of byproducts in Farm Stock.

21. Farm Funds returns to the **Income, Sales and Deposits** dialog box. Click **Done** to close the dialog box.

Selling Equipment

Farm Funds keeps a list of equipment that includes the cost, accumulated depreciation and book value of each item of equipment you own. When you sell a tractor, combine, sprayer, or other item of equipment, the program records the transaction, including the profit or loss for the sale. To enter a sale of equipment:






1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.

3. Click the **Equipment** toolbar button  in the **Items Sold** area to enter the sale of the equipment.



The **Equipment Sale** dialog box features a blue title bar. Below it is a 'Machine' dropdown menu with '4WD Tractor' selected. To the right of the dropdown is a small tractor icon. Below the dropdown are two input fields: 'Book Value' with '\$11,000.00' and 'Sale Price' with '\$12,500.00'. At the bottom are three buttons: 'OK' with a green checkmark, 'Cancel' with a red X, and 'Help' with a blue question mark.




4. In the **Equipment Sale** dialog box, click the equipment you sold in the **Machine** list. Farm Funds displays the current book value for the equipment. Enter the sale price in the **Sale Price** box, and click **OK** to continue.
5. If you sold more than one item of equipment, you can repeat the above steps for each item you sold.
6. The Total Sales amount displayed in the **Income, Sales and Deposits** dialog box should reflect the price of the equipment. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you deposited the proceeds immediately, held them for deposit later, or will be paid at a latter date. If you held the proceeds for later, click the **For Deposit** toolbar button.  If the customer will pay you later, click the **Invoice** toolbar button.  If the customer paid you immediately, click the **Deposit Now** toolbar button. 
7. If you click **Deposit Now**, Farm Funds displays the **Deposit Now** dialog box, and displays the total amount of the sale in the **Amount** box.



The **Deposit Now** dialog box has a blue title bar. It contains a 'Deposit in Account' dropdown menu with 'Teegardin Bank & Trust (Checking)' selected. Below this are two input fields: 'Amount' with '\$12,500.00' and 'Deposit ID #' with '1251'. At the bottom are two buttons: 'OK' with a green checkmark and 'Cancel' with a red X.

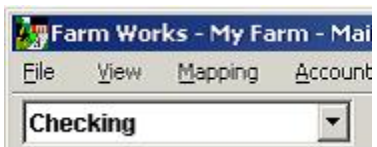
8. Click the bank account into which you deposit the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number. Then, click **OK** to continue.


9. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click **Record** to save the transaction.

 **Tip ...** You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount, and you may change individual lines by clicking on the button to the left of the item description (the **Equipment** button  for example).

Selling Land & Structures

When selling a field, you might sell both land and structures on located on that land, such barns, bins and silos. Farm Funds gives you the option of conveniently recording the sale of the land and structures in one easy transaction. To record a sale of a field and a structure:



1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.

3. Click the **Land** toolbar button  in the **Items Sold** area to enter the part of the sale that relates to land. Farm Funds displays the **Land Sale** dialog box.



Ask Your Accountant ... If you have not previously recorded the book value of the land, you may obtain this information from your accountant or the person who prepares your tax returns. Farm Funds displays the original acres and cost for the land in the **Book Value** area *only* if you enter this information before recording the sale of the land.

4. In the **Sale** area of the **Land Sale** dialog box, enter the number of acres sold in the **Area Sold** box.



FYI ... Farm Funds automatically calculates the total cost value for the number of acres sold based on the original cost of the land and displays this amount in the **Total Cost Sold** box in the **Book Value** area. Comparing this value to the value in the **Total Sale** box helps you see whether you sold the land at a profit.

5. Either type the total sale price per acre in the **Sale Price** box, or type the total price for the land in the **Total Cost Sold** box (Farm Funds automatically calculates and displays the value).

Land Sale

Farm Active Farms Only

Sale



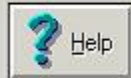
Area Sold acres
 Sale Price per acre
 Total Sale


Book Value

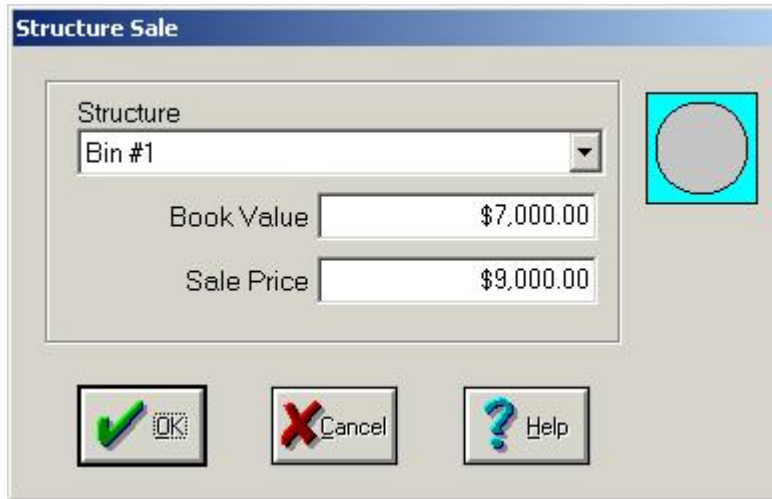
Original Area acres
 Original Cost per acre
 Total Cost Sold

Improvements Included	Book Value
2500 ft of field tile	2350.00

Percent of Improvement Sold %


- In the **Improvements Included** area, click any land improvements (such as field tiling) in the list, and type a percentage in the Percent of Improvements Sold box.
- Click **OK** to return the **Income, Sales and Deposits** dialog box, where you may also record any structures such as barns, houses, or bins you sell along with the land.
- In the **Items Sold** area of the **Income, Sales and Deposits** dialog box click the **Structures** toolbar button.  The **Structure Sale** dialog box opens.
- In the **Structure Sale** dialog box, click the structure you sold in the **Structure** list. Farm Funds displays the current book value for that structure.



10. Type the price the buyer paid for the structure in the **Sale Price** box and click **OK**.



Ask Your Accountant ... Farm Funds displays the book value for the structure *only* if you have entered this information previously in the program. If you have not previously entered the book value, you might obtain this information from your accountant, or the person who prepares your tax returns.




11. Repeat the above steps as needed to enter additional structures that you included in the sale.
12. Click the **Other Sales & Expense Reductions** toolbar button  in the **Items Sold** area to document any amounts that government entities or realtors deducted from the sale for property taxes, filing fees and other costs.



Tip ... You should enter these deductions as *negative* numbers (that is, with a en dash (-) preceding them) and apply them to the appropriate expense account.

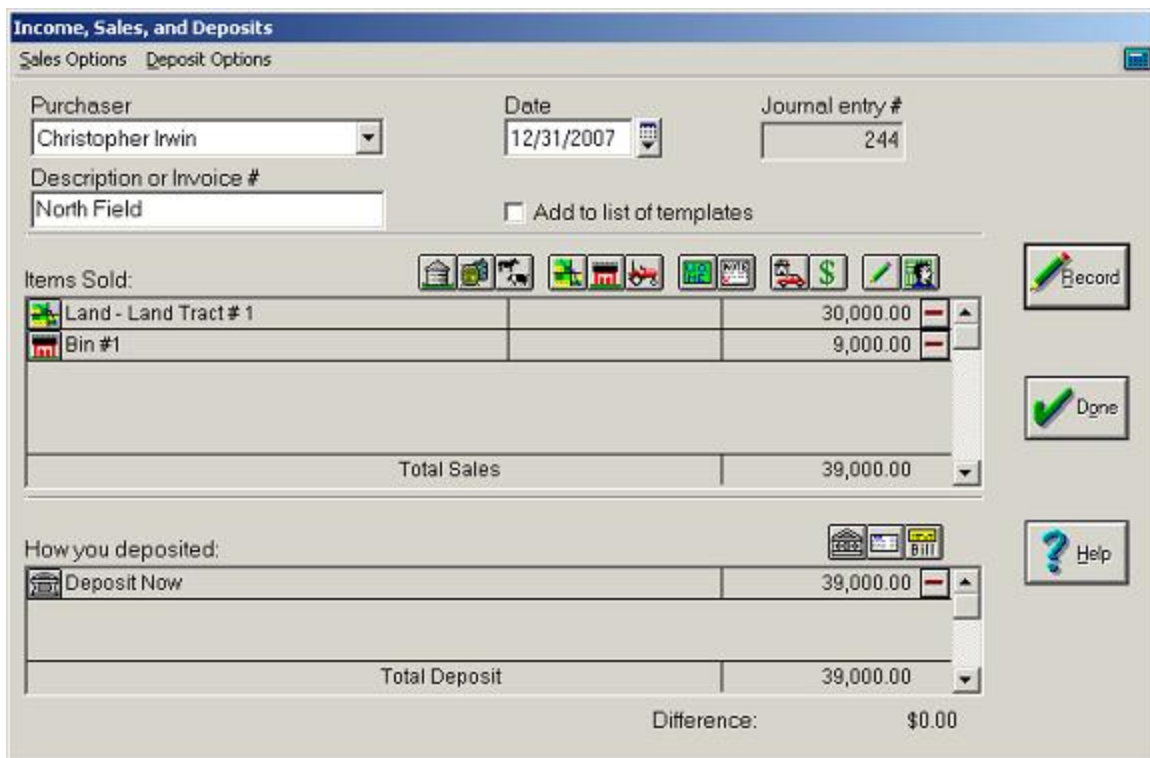


See Also ... For an example of entering information in the Other Sales & Expense Reductions dialog box, see the section "Entering Custom-Hire Income" of this chapter.




13. The total sales amount in the **Income, Sales, and Deposits** dialog box should reflect the amount the buyer paid for the land and structure. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you deposited the proceeds immediately, held the proceeds for deposit later, or will bill the buyer. If you hold the proceeds for later, click the **For Deposit** toolbar button.  If you will bill the buyer, click the **Invoice** toolbar button.  If you deposited the proceeds immediately, click the **Deposit Now** toolbar button. 



- In the **Deposit Now** dialog box, click the bank account into which you deposit the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number. Then, click **OK** to continue.

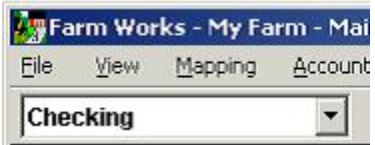




- Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference must be \$0.00) before you click **Record** to save the transaction.

 **Tip ...** You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount. You can change the transaction detail lines by clicking on the button to the left of the item description (the **Land** button  for example).

Entering Sales on Account

There might be times when you want to record a sale before you are paid (that is, when you will bill a debtor who will make payments on account). Farm Funds enables you to create receivable accounts for these sales. Later, when you record payments made, the program reduces the amount of the receivable accounts. To enter a payment by a customer on a previously-recorded accounts receivable sale:




1. Click **Checking** in the toolbar list and click the **Record Income or Sales** toolbar button.  This brings up the **Income, Sales and Deposits** dialog box (see the steps that follow).
2. In the **Income, Sales and Deposits** dialog box, click the name of the buyer in the **Purchaser** list, or click **<Add/Edit>** to add a new customer. Enter the date of the transaction in the **Date** box, and type a brief description to summarize your transaction in the **Description or Invoice Number** box.
3. In the **Items Sold** area, click the **Received on Account** toolbar button  to apply the amount you receive to the appropriate invoice.
4. Farm Funds displays the amounts owed by the debtor in the **Receive on Account** dialog box. Click the receivable account for which the purchaser is making a payment in the **Receivable** list.
5. Enter the amount of the payment in the **Amount Received** box and click **Receive on Account** to add the amount to the **Total** box.

Receivable	Due Date	Amt. Due	Amt. Received
Soybean Seed	07/01/2004	2062.50	2062.50
Custom No-Till Soybeans 50 Acres	10/01/2004	765.00	765.00
Custom Hire Income	12/31/2007	1681.58	

Amt. Received:

Total:



6. Repeat the above steps for each invoice for which the purchaser is making a payment. Farm Funds displays the amount received for each in the **Amt. Received** column, and calculates and displays the total in the **Total** box. Click **OK** after you click all invoices that the debtor pays.
7. If the debtor is paying you for sales you have not yet recorded, you can use the appropriate toolbar button in the **Items Sold** area (such as **Harvested Crops**, **Livestock**, or **Supplies**) to include the amounts for this transaction.

8. The total sales amount in the **Income, Sales and Deposits** dialog box should reflect the amount you bill the customer. Click the appropriate toolbar button in the **How You Deposited** area to reflect whether you deposited the proceeds immediately, or held them for deposit later. If you held the proceeds for deposit later, click the **For Deposit** button.  If you deposited the proceeds right away, click the **Deposit Now** toolbar button.



9. If you clicked **Deposit Now**, the **Deposit Now** dialog box opens. Click the bank account in which you deposited the proceeds in the **Deposit in Account** list. Click **Deposit** in the **Deposit ID #** list, or click **<Add/Edit>** in the list to enter a bank reference number, and then click **OK**.
10. Farm Funds summarizes your sales transaction in the **Income, Sales and Deposits** dialog box. You must balance these amounts (that is, the difference should be \$0.00) before you click **Record** to save the transaction.



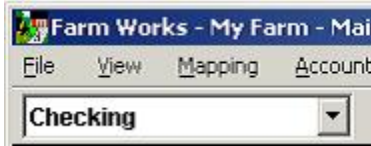
Tip ... You can delete line items in the **Income, Sales and Deposits** dialog box by clicking the **Remove** button  to the right of the amount, and you may change individual lines by clicking on the button to the left of the item description (the **Received on Account** button  for example).



See Also ... For instructions on printing an accounts receivable report for the transaction see the section "Printing Accounts Receivable Reports" of this chapter.

Creating Deposit Tickets

Besides recording deposits of revenue from income and sales, you can use Farm Funds to create deposit tickets. After recording the sales and exiting Income Sales and Deposits, the Deposit Ticket dialog box opens. Farm Funds displays all checks you do not immediately deposit when you record the sale or receipt. If you are not in the Income, Sales & Deposits dialog box you may access the Deposit Ticket dialog box by doing one of the following:



Click **Checking** in the toolbar list and click the **For Deposit** toolbar button.




- or -

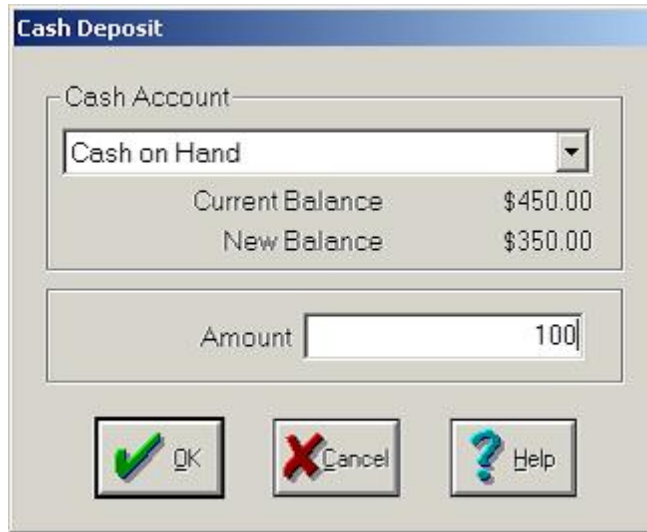


Point to **Income, Sales and Deposits** in the **Accounting** menu and click **Create Deposit Ticket**.

In the Deposit Ticket dialog box, enter the information this way:


1. In the dialog box (see the figure below), click the bank account in which you made the deposit in the **Deposit in Account** list. Farm Funds displays this bank account in the register.
2. Enter the date of the transaction in the **Date** box, and a deposit identifier in the **Deposit ID #** box (this may be the bank's deposit number).

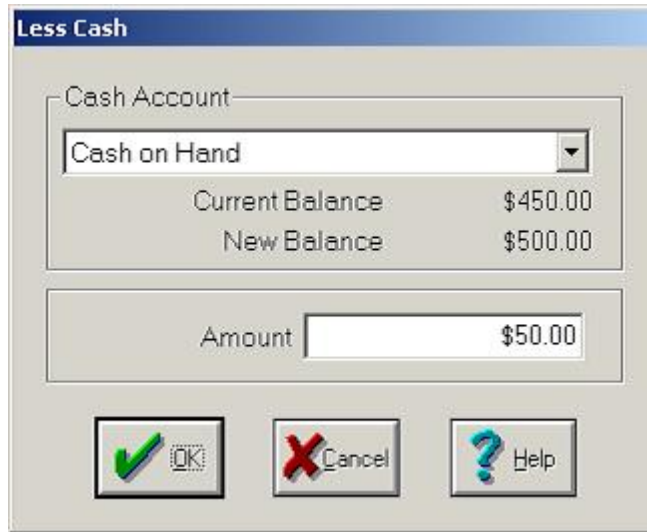
3. Click the **Cash Deposit** button  if the deposit includes any amounts from petty cash.




4. In the **Cash Deposit** dialog box, click your petty cash account in the **Cash Account** list, and then enter the amount withdrawn from petty cash in the **Amount** box. Farm Funds automatically displays the balance of the account before and after this transaction. Click **OK** to continue.



5. Click the **Family Living** button  if you withdrew money from the deposit for personal use. Click the owner who made the sale in the **Owner** list and click the drawing category in the **Drawing Category** list. Enter the amount in the **Amount** box and click **OK** to continue.





6. Click the **Less Cash** button  if you withdrew money from the deposit for petty cash. Click correct account in the **Cash Account** list and enter the amount in the **Amount** box. Farm Funds displays the balance before and after this transaction. Click **OK** to continue.



FYI ... Farm Funds displays negative deposits in the **Deposit Ticket** dialog box in a red font to make them easier to identify. The program displays positive deposits in a black colored font.



Tip ... To view details for the listed transactions before you record the deposit ticket, click **Done** (*not Record*) to close the **Deposit Ticket** dialog box. Then, in the **Accounting** menu, point to **General Ledger**, then point to **Cash Reports** and click **Trial Balance** to open the **Trial Balance** dialog box. You can view the details of accounts by clicking on the **Transaction Details** button  to the left of each account. In the dialog box that opens, you may click the **Additional Details** button  beside each transaction to see further details.

Deposit Ticket

Deposit in Account: Norwest Checking

Date: 12/31/2007

Deposit ID #: Deposit



Undeposited Cash Receipts

Total Undeposited: 0.00

Deposit	
+	Cash on Hand 100.00
-	Less: Cash on Hand 50.00
-	Less: Margo Teegardin - H 177.50
Total Deposit -127.50	

Buttons: Record, Done, Help

7. After you have entered all applicable information, the total deposit amount should be the amount you actually deposited.

 **Tip ...** You can delete line items in the **Deposit** area of the dialog box by clicking the **Remove** button  to the left of a deposit. You may change individual lines by clicking on the button to the left of the item description.


8. Click **Record** to post the transaction and **Done** to close the **Income, Sales and Deposits** dialog box.

Changing Dates & Voiding Sales

A common mistake when recording sales is to enter an incorrect date. Farm Funds makes gives you the ability to change these dates easily. Occasionally, you make an error in recording a sale and need to void the transaction, and Farm Funds allows you to do so as long as you have not recorded any payments for these transactions.


To change the date of a previously recorded sale, you must open the Edit Sale Date dialog box this way:



Click **Checking** in the toolbar list and click the **Edit Purchase Dates** toolbar button. 

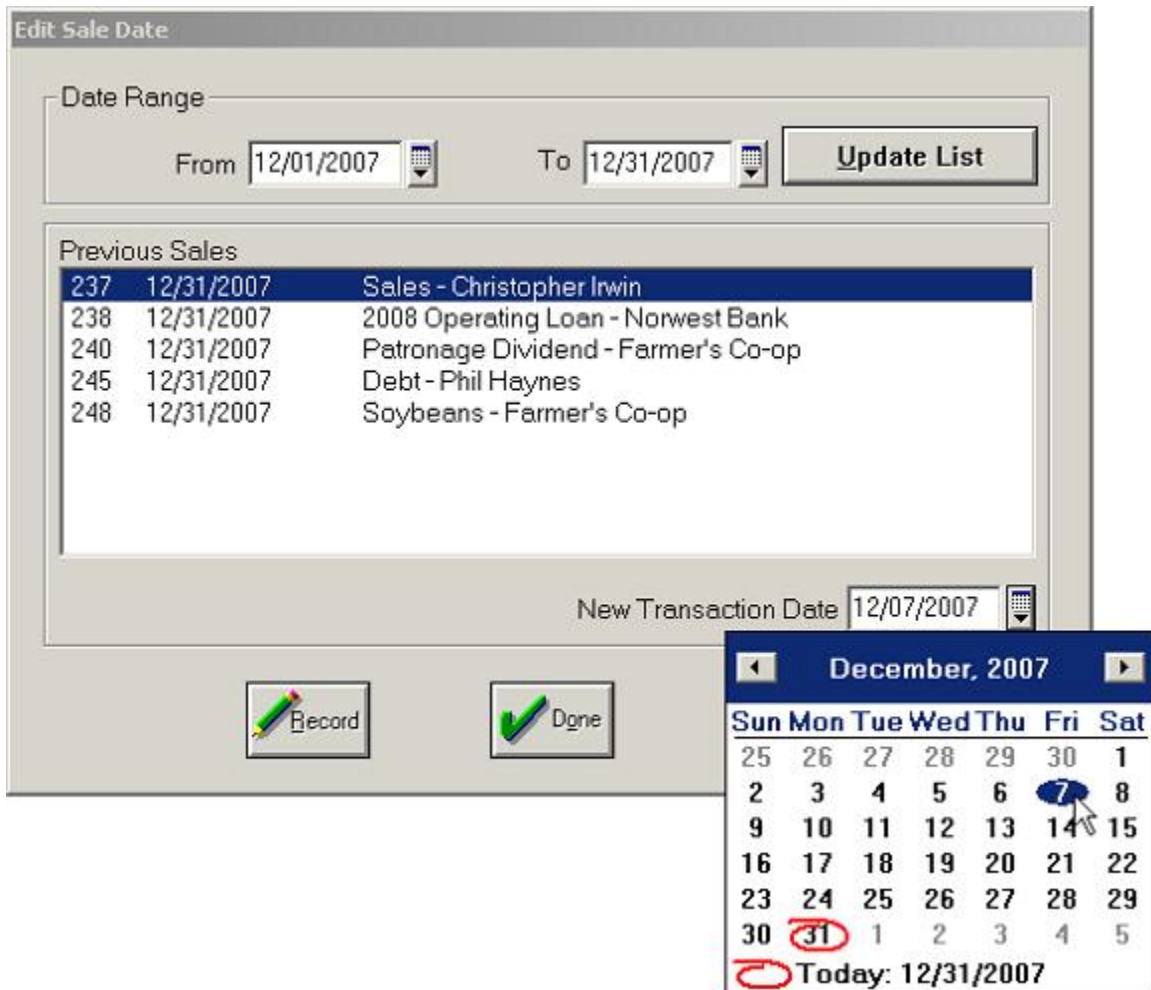
- or -




 Point to **Income, Sales and Deposits** in the **Accounting** menu and click **Edit Sale Dates**.



To edit the sale date:

1. In the **Edit Sale Date** dialog box, enter the correct dates in the **From** and **To** boxes to limit the transactions that the dialog box displays and click the **Update List** button.

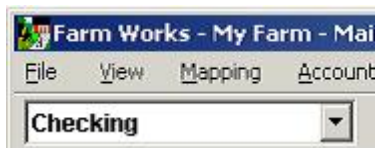



2. Click the transaction for which you wish to change the date and enter the adjusted date in the **New Transaction Date** box.
3. Click **Record** to post the transaction and **Done** to close the **Edit Sale Date** dialog box.

 **Tip ...** You may also modify transactions in the **Account Register** dialog box by clicking the date you wish to change and entering the correct date.

	12/31/2007			Cole Livestock Exchange	6,190.00
				Sale of Livestock	
	01/01/2007	1026	<input type="checkbox"/>	Farmer's Co-op	

To void (or reverse) a sale so that you can be reenter it correctly, open the **Void Sale** dialog:




 Click **Checking** in the list of the toolbar, and click the **Void Previous Purchases** toolbar button.



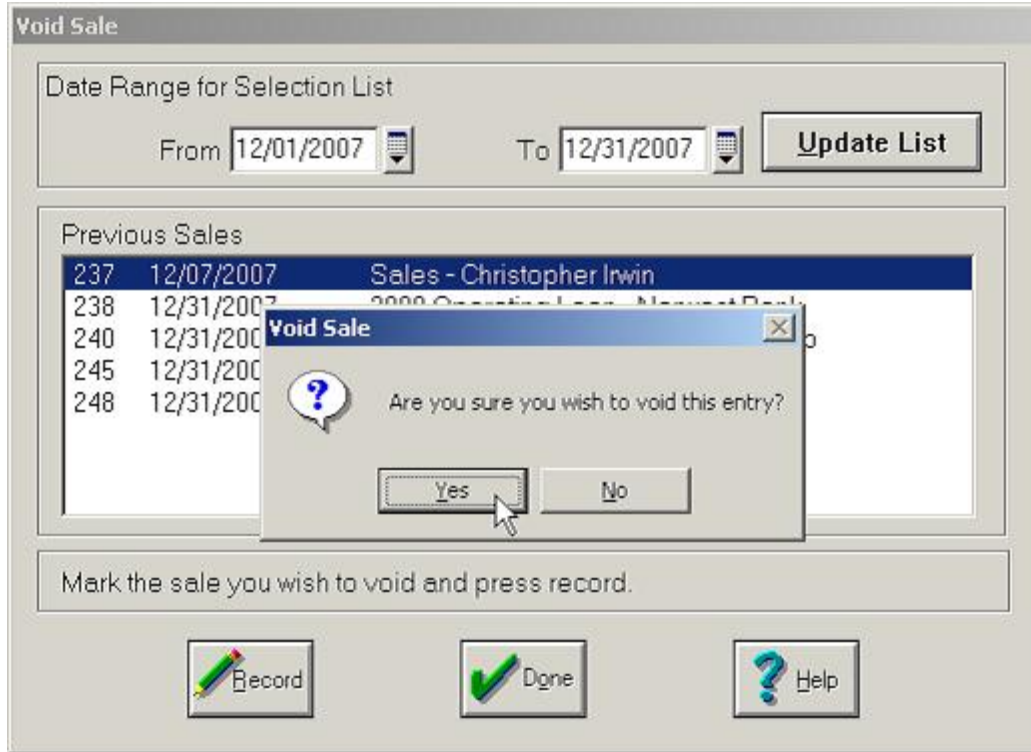
- or -




 Point to **Income, Sales and Deposits** on the **Accounting** menu and clicking **Void Previous Sales**.

To void the Sale:

1. In the **Date Range for Selected List** area, enter the correct dates in the **From** and **To** boxes to limit the transactions that the dialog box displays by entering the dates you want, and click **Update List**.







2. In the Previous Sales list, click the sales transaction that you wish to void and click **Record** to void the entry. Click **Yes** to the message that asks you to confirm the voiding of the entry. Farm Funds reverses the original entry in your cash and accrual general ledgers, account register, and enterprises. Click **Done** to close the **Void Sale** dialog box.

 **CAUTION ...** When you void a *deposit now* deposit, Farm Funds also voids the applicable sale. When you void a *for deposit* transaction, Farm Funds does not void the sale and voids only the deposit.

Printing Reports for Invoices, Receivables & Sales

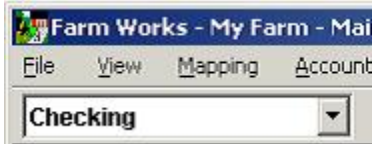
You may use Income, Sales and Deposits to print:


-  Invoices
-  Accounts Receivable Reports
-  Sales Reports

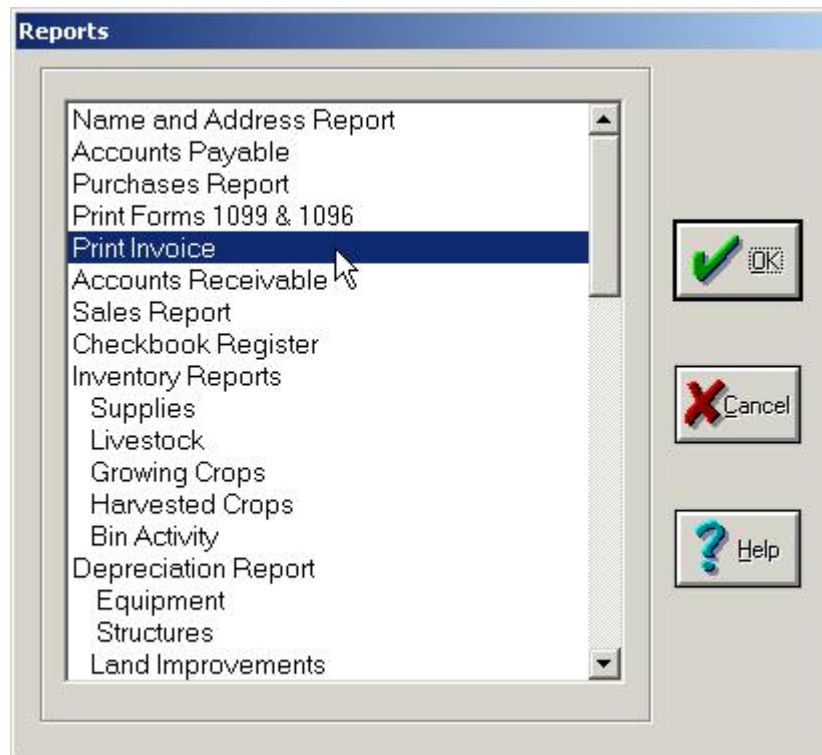
 **See Also ...** You may read instructions on printing other reports in the sections at the end of several of the chapters in this user guide.

Printing Invoices

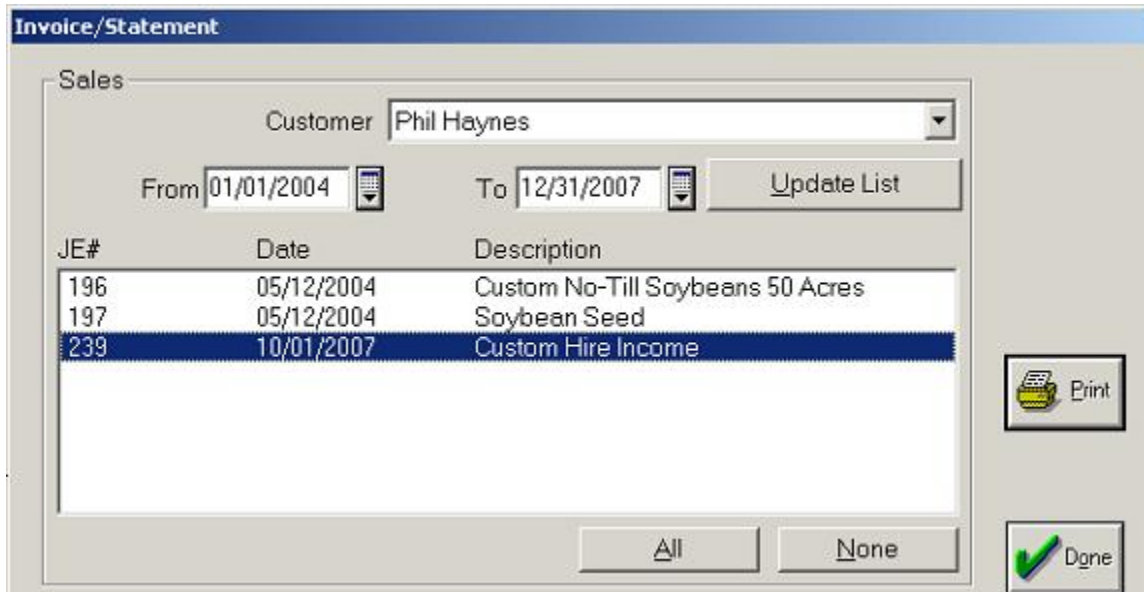
You can print invoices or statements that display your farm's name and address along with the name and address of the customer or purchaser. The printed invoice lists the details of any number of transactions that you want. To print an invoice or statement:



1. To print an invoice for the custom-hire work, click **Checking** in the toolbar list, and then click the **Reports** toolbar button.  This opens the **Reports** dialog box.



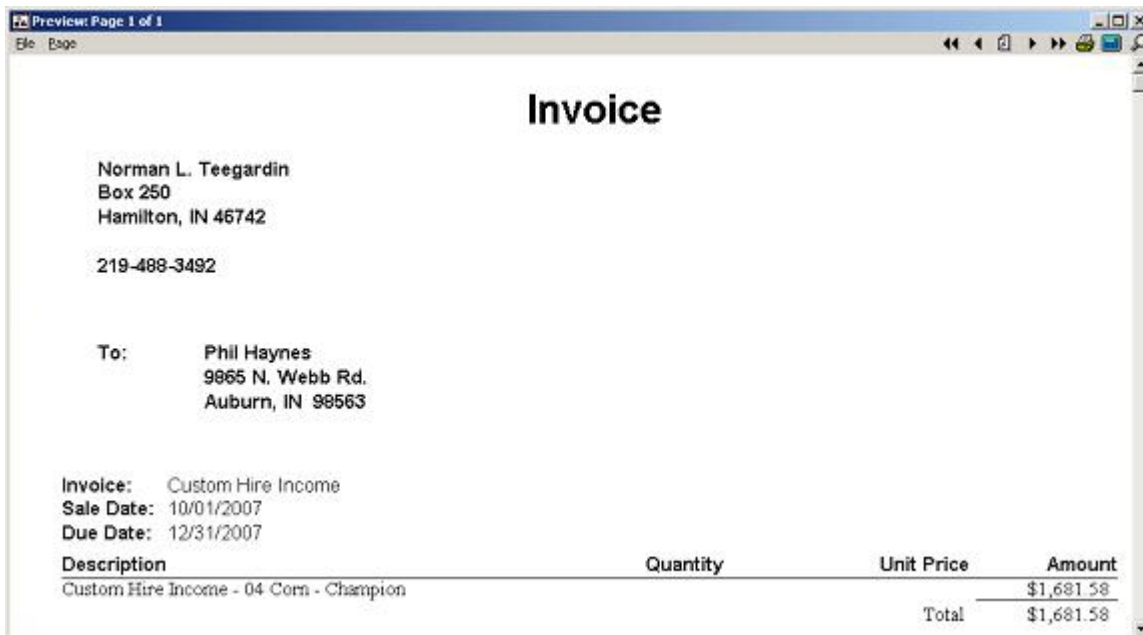
2. In the **Reports** dialog box, click **Print Invoice** and click **OK** to open the **Invoice/Statement** dialog box.




3. In the dialog box, click the customer in the **Customer** list. Enter the date range that covers the custom farming work in the **From** and **To** boxes and click the **Update List** button. In the list in the **Sales** area, Farm Funds displays all transactions for the dates you chose.
4. Click the desired transaction or transactions and click **Print** to view the preview window of the invoice before printing it out.




Tip ... To print an invoice report for more than one transaction, simply click the transactions you want, one at a time in the list in the **Sales** area. Then, click the **Print** button. Farm Funds will print an invoice for all of the items highlighted.



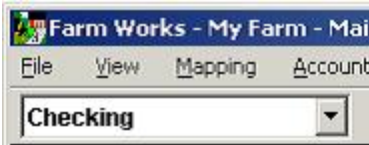
5. Farm Funds displays the Preview window of the invoice. To print the invoice, click the **Print** button  in the upper, right-hand corner of the window. The **Print** dialog box opens.

- In the **Print** dialog box, enter the page numbers and number of copies to print and click **OK** to print the invoice and return to the Preview window. You can close the window by clicking **Exit** in the **File** menu in the upper left hand corner of the window.
- Click **Done** to close the **Income, Sales and Deposits** dialog box.

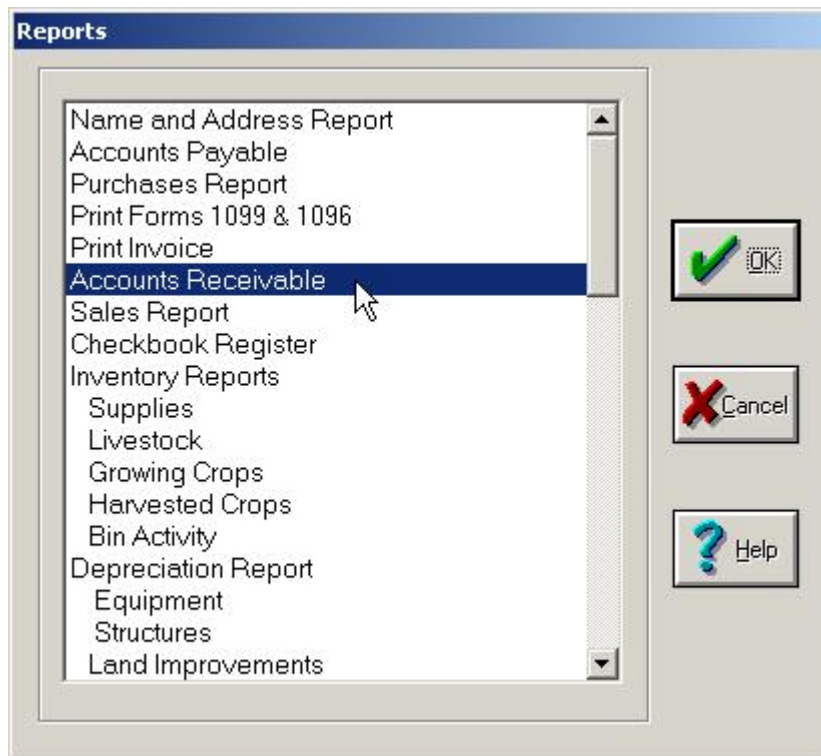
 **Tip ...** You can change the address of your farm that Farm Funds prints in the invoice statement by clicking **File**, pointing to **Preferences**, and clicking **User Info**, and then modifying the information in the **User Info** dialog box.

Printing Accounts Receivable Reports


Farm Funds includes the ability to track amounts owed to you as receivable accounts. To print an accounts receivable report:




- Click **Checking** in the toolbar list and click **Reports**  to open the **Reports** dialog box.



- In the **Reports** dialog box, click **Accounts Receivable** and click **OK**.

 **FYI ...** Farm Funds groups receivables by purchaser and includes a summary of each transaction.

Date	Description	Due Date	Amount	Due within days
Christopher Irwin				
12/31/07	Accounts Receivable	12/31/08	\$3,363.16	366
			<u>\$3,363.16</u>	
Phil Haynes				
05/12/04	Soybean Seed	07/01/04	\$2,062.50	-1278
05/12/04	Custom No-Till Soybeans 50 Acres	10/01/04	765.00	-1186
			<u>\$2,827.50</u>	
Grand Total			<u>\$6,190.66</u>	

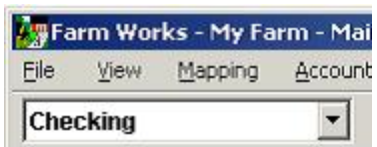
3. Farm Funds displays a print preview window of the report. Click the **Print** button  in the upper, right-hand corner of the window to print the report. After printing the report, click **Exit** in the **File** menu to close the print preview window.



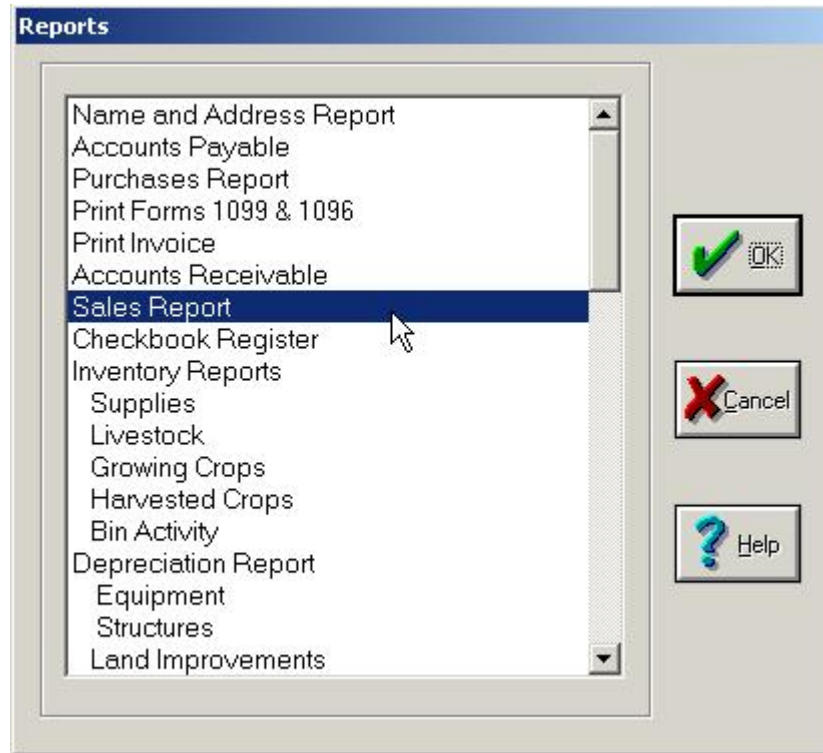
Tip ... If the transaction you recently entered in Farm Funds does not appear in the report, try closing Farm Funds, reopening the program, and opening the print preview window once more. The transaction should then appear in the report.

Printing Sales Reports

You may use the sales report to print a list of all sales to clicked purchasers for any period. This report may be limited to a specific period if desired. To print a sales report:



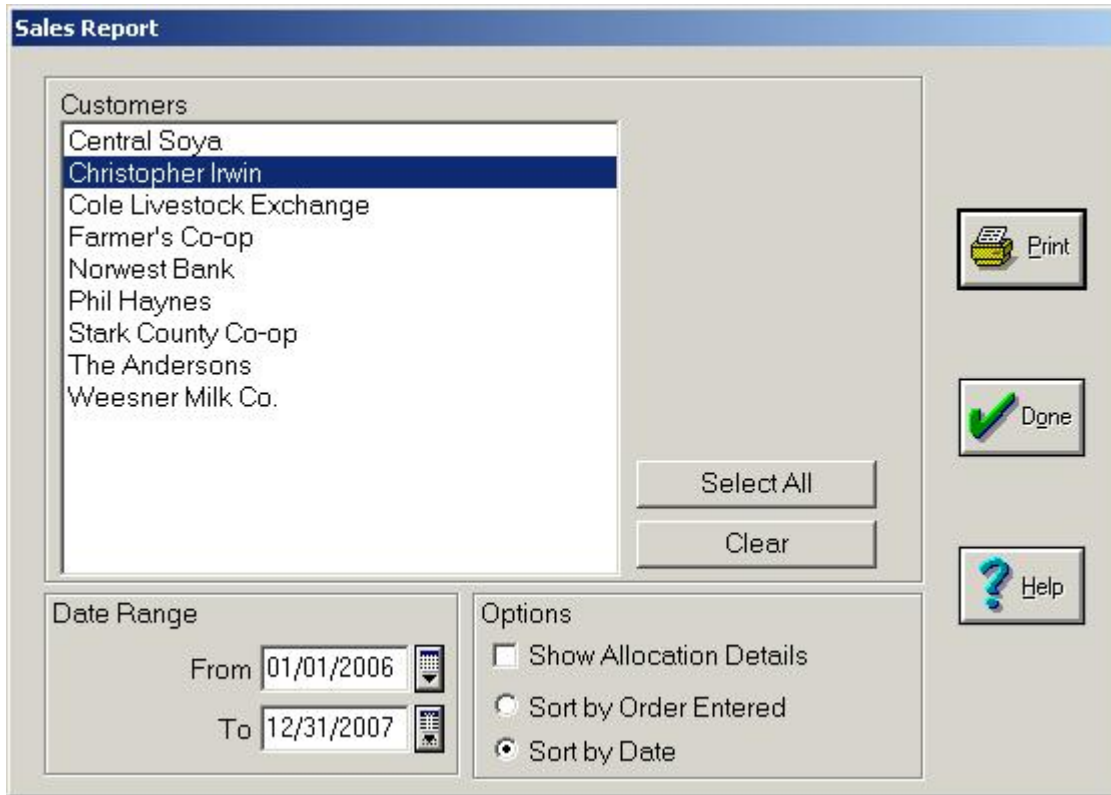
1. Click **Checking** in the toolbar list and click **Reports**  to open the **Reports** dialog box.



2. In the **Reports** dialog box, click **Sales Report** in the list, and click **OK** to open the **Sales Report** dialog box.
3. In the **Sales Report** dialog box, click the purchaser or purchasers in the **Customers** list, or click the **Select All** button to print a report of all the purchasers.
4. In the Date Range area, enter the dates to which to limit the transactions in the **From** and **To** boxes.
5. Select the **Show Allocation Details** check box if you want the report to contain the amounts allocated to your enterprises, and then either click the **Sort by Order Entered** or the **Sort by Date** option buttons.




CAUTION ... If you click the **Show Allocation Details** option button, as the report might be extremely long.



6. Click **Print** to display a print preview window of the sales report. The window sorts the purchasers and includes a summary of each transaction, along with any receivable account balances.


Description	Qty	Price/Unit	Amt. Sold	Cash Recv.	Receivable
Christopher Irwin					
12/31/07 JE # 237 - Sales					
Inventory Supplies Sales	52.500 gallons	\$32.03	\$1,681.58		
Custom Hire Income			1,681.58		
Accounts Receivable					\$3,363.16
Sale Total			\$3,363.16		
Total: Christopher Irwin 01/01/2006-12/31/2007:			\$3,363.16	\$0.00	\$3,363.16
Total: All Customers 01/01/2006-12/31/2007:			\$3,363.16	\$0.00	\$3,363.16

7. Click the **Print** button  in the upper, right-hand corner of the window to print the report. Then, click **Exit** in the **File** menu to close the window.

Chapter 9 - Cash Account Maintenance

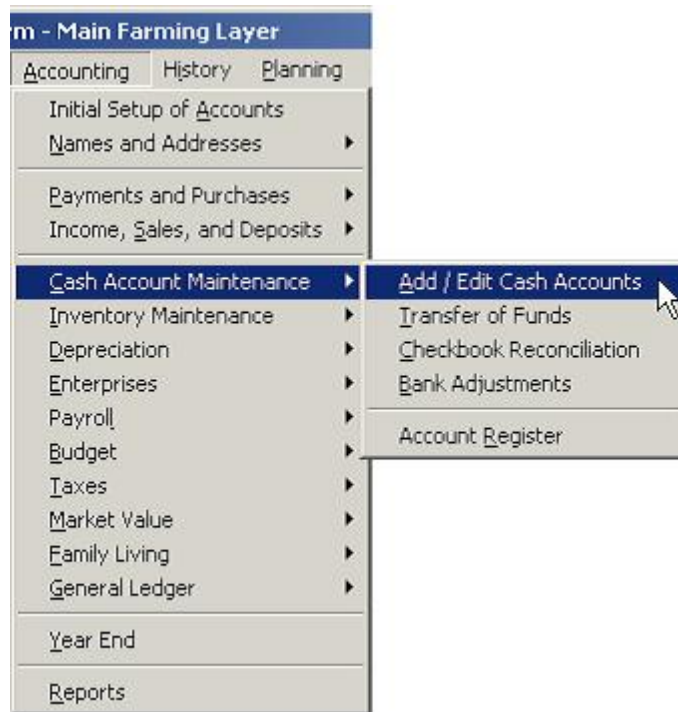


The Cash Account Maintenance dialog box of Farm Funds includes bank account reconciliation, as well as the ability to record bank adjustments and transfers. Cash Account Maintenance also includes an interactive Account Register dialog box where you may enter, void, edit, and display information on checks and deposits.



 **FYI ...** The sections of this chapter follow the commands on the Cash Account Maintenance menu: (1) Add/Edit Cash Accounts, (2) Transfer of Funds, (3) Checkbook Reconciliation, (4) Bank Adjustments, and (5) Account Register.

Adding & Editing Bank Accounts

You can use the Add/Edit Bank Accounts dialog box to set up new checking, savings, petty cash and credit card accounts. Using this dialog box sets up an account, but does not establish a balance for it. To add a balance to an account, enter the Initial Setup if the account existed at the start of the year, or record a deposit or transfer of funds if you deposited the money in the account during the current year. To set up new a bank or a cash account:



1. On the **Accounting** menu, point to **Cash Account Maintenance**, and then click **Add/Edit Cash Funds**.

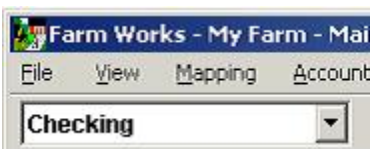
 **Tip ...** You must use the **Cash Account Maintenance** submenu to open the **Add/Edit Bank Accounts** dialog box, as there is no toolbar button for this in the **Checking** toolbar. The other commands in the submenu do have corresponding toolbar buttons in the **Checking** toolbar.  The remaining sections of this chapter instruct you to use the toolbar buttons, but you may use the menu commands instead of the toolbar buttons if you wish.




2. To change the name of an existing account, click its name in the **Current Account** list, then type a new name for the account in the **Account Desc** box.
3. To set up a new account, select **<New>** in the **Current Account** list and type the name of the new account in the **Account Description** box.
4. Click the type of account in the **Account Type** area, and then click **Record** and **Done**.

Transferring Funds

Use the Transfer of Funds dialog box to record transfers between bank and cash accounts, such as a transfer of funds from savings to checking. You can also use this dialog box to record transfers from an operating loan to a credit card, checking, or other bank or cash account. To record a transfer of funds:



1. In the toolbar list, select **Checking**, and then choose the **Transfer of Funds** toolbar button. 

2. In the **Transfer of Funds** dialog box, enter the date of the transfer in the **Date** box and the amount transferred in the **Amount Transferred** box.

Transfer of Funds

Date: 12/31/2007

Amount Transferred: \$500.00

From Account: Farmers Bank & Loan (Checking) | Prev: \$95,295.68 | New: \$94,795.68

To Account: Cash on Hand | Prev: \$1,000.00 | New: \$1,500.00

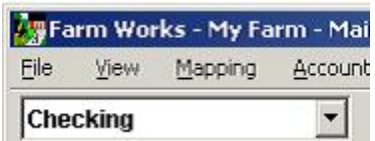
Memo:



Record Done Help

3. Select the account from which you transferred the funds in the **From Account** list, and select the account to which you transferred the funds in the **To Account** list. Farm Funds automatically displays the previous and new balances for each account for you.
4. You may enter an optional, brief memorandum for the transaction, such as the reason why you made the transfer, in the **Memo** box. Then, select **Record** and **Done**.

Reconciling Checking Accounts

Farm Funds makes reconciling a checking account easy. To determine if you need to reconcile a checking account, first check the Account Register:



1. In the toolbar list, click **Checking**, and then click the **Account Register** toolbar button. 
2. Click the checking account you wish to reconcile in the **Account** list of the **Account Register** dialog box.
3. To limit the range of dates displayed, click the **Date Range** button.  In the **Date Range** dialog box that opens, enter the desired dates in the **Begin** and **End** boxes, and then click **OK**.

- On the **View** menu, click either **Sort by Date** or **Sort by Number** to have Farm Funds sort all checks and deposits in chronological or numerical order.

	Date	Chk #	Bch	Description	Deposit	Clr	Payment	Balance
	12/15/2007	1229	<input type="checkbox"/>	Shipe Livestock Exchange		<input checked="" type="checkbox"/>	2,100.00	65,608.68
				Sheep Purchase				
	12/16/2007	1230		Peirman Equipment, Inc.		<input type="checkbox"/>	1,500.00	64,108.68
				Oil & Parts				
	12/17/2007	1231	<input type="checkbox"/>	Rural King		<input checked="" type="checkbox"/>	2,038.00	62,070.68
				Purchase				
	12/18/2007	1232		Farmers Co-op		<input checked="" type="checkbox"/>	1,000.00	61,070.68
				Roundup Purchase				
	12/20/2007	1233		Cline Feed & Grain	42,800.00	<input checked="" type="checkbox"/>		103,870.68
				Soybean Sales				
	12/21/2007	1234	<input type="checkbox"/>	CCC		<input checked="" type="checkbox"/>	4,000.00	99,870.68
				CCC Loan				
	12/25/2007	1235		Hoosier Utilities		<input type="checkbox"/>	75.00	99,795.68
				Gas & Electric				
	12/30/2007	1236	<input type="checkbox"/>	Geiger Grease Monkeys		<input type="checkbox"/>	1,295.00	98,500.68
				Repair & Parts				
	12/31/2007	1237	<input type="checkbox"/>			<input type="checkbox"/>		98,500.68

- Select the **Clr** check box in the row for each transaction that has cleared the bank.



FYI ... Farm Funds displays an upper case, boldfaced **X** in a **Clr** check box for transactions that you reconciled previously, and a lowercase **x** in a **Clr** check box you currently select to reconcile. This helps you differentiate between the two. You may clear a check box by clicking or double-clicking it.

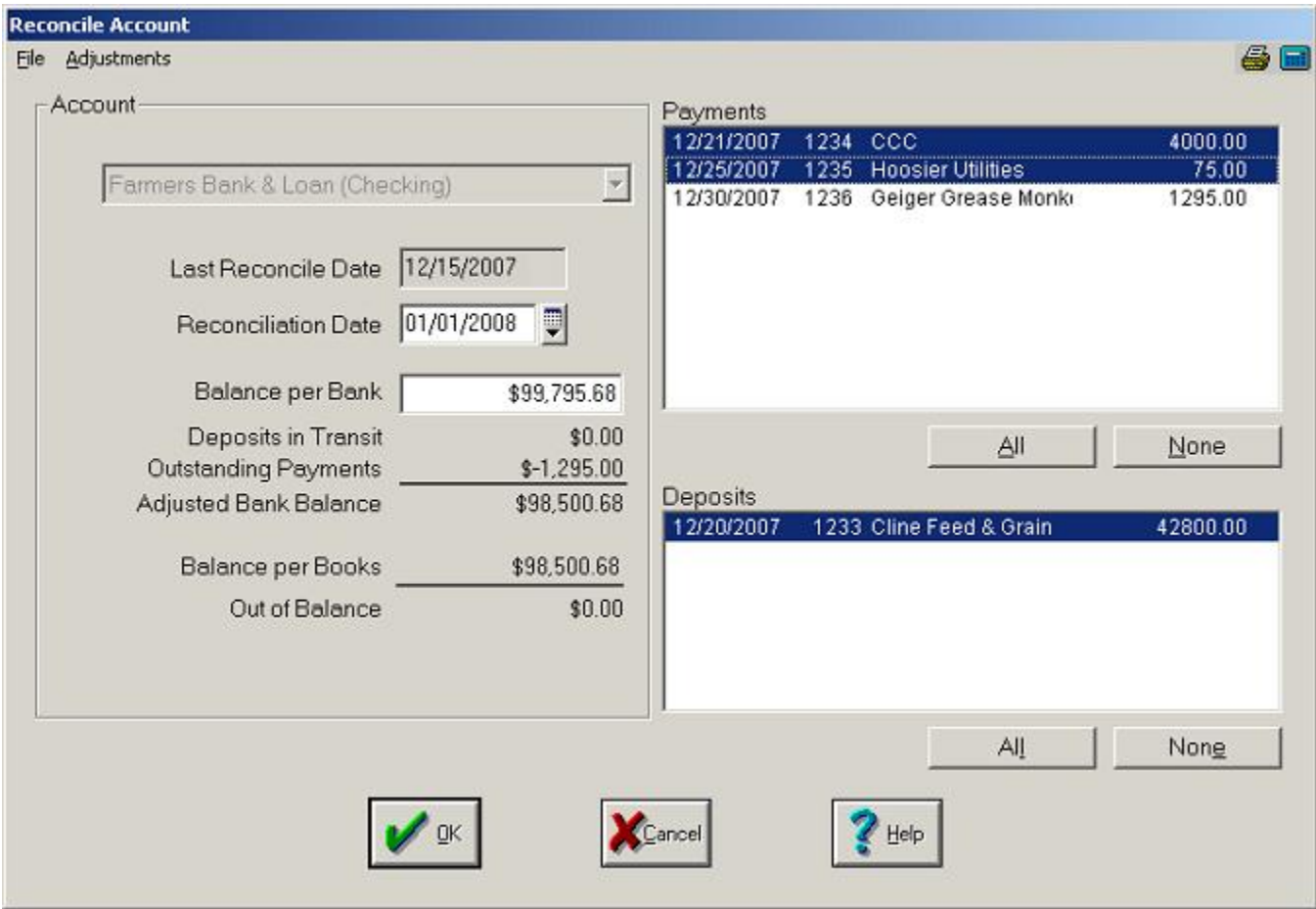
- Record bank adjustments, debit memos, and other adjustments from your bank statement in the **Account Register** dialog box by clicking the **Adjustments** toolbar button.




See Also ... For more information on recording adjustments, see the section "Making Bank Adjustments" in this chapter.

- Once you have made all entries and adjustments, click the **Checkbook Reconciliation** toolbar button. The **Reconcile Account** dialog box opens.
- In the **Reconcile Account** dialog box, enter a date in the **Reconciliation Date** box and the ending balance from your bank statement in the **Balance Per Bank** box. The **Payments** and the **Deposits** lists

display all checks and deposits you have not yet reconciled, and highlights the checks and deposits you selected.



- 9. The **Account** area displays the adjusted bank balance and the amount of balance per books. The difference between these two amounts, which is the amount out of balance, must equal zero dollars before you will reconcile the checking account. If it equals zero, click **OK**. Otherwise, click **Cancel**. Farm Funds returns you to the **Account Register** dialog box.

 **FYI ...** If you exit the **Reconcile Account** dialog box before the account is balanced, Farm Funds gives asks if you want to save all information, including the balance per bank. Select **Yes** if you do.


- 10. If you the adjusted bank balance and balance per books is still out of balance, compare the bank statement to the Account Register, and make sure that you selected the **Clr** check box for every transactions your bank cleared. If you have selected all check boxes that you should have selected, then verify the dollar amounts of every transaction in the **Account Register** dialog box are the same as those in the bank statement. You should void any transactions in the account register with incorrect amounts, and then reenter them correctly.



Tip ... If you have old checks from before you began using Farm Funds that have not yet cleared the bank, you may enter them by clicking Unrecorded Outstanding Checks on the File menu of the **Reconcile Account** dialog box. Click the vendor in the **Vendor** list and type the values in the **Check Number**, the **Date** and the **Amount** boxes. Click **Record** to save this information. Be aware that Farm Funds will *not* post items entered this way to your financial books, and this option is available only to reconcile your first few bank statements with outstanding checks of the prior year.

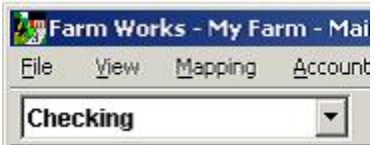
11. When **Out Of Balance** is zero dollars, click **OK** to complete the reconciliation of the checking account.




Tip ... If you have reconciled the account, Farm Funds asks if you want to view the reconciliation report. You cannot view, save, or print this report later, so click **Yes** unless you are sure you will not need the report. In the print preview window of the Reconciliation Report, select the **Print** button.  Once printed, you may save the report with your bank statement or canceled checks.

Making Bank Adjustments

Use the **Bank Adjustments** dialog box to record service charges, interest earned, debit memos and credit memos. To enter bank adjustments into Farm Funds:



1. In the toolbar list, click **Checking**, and then click the **Bank Adjustments** toolbar button. 
2. In the **Bank Adjustments** dialog box, select the bank account in the **Account/Balance** list.
3. Under **Additions/Reductions**, choose the option that represents the type of bank adjustment you made.



Tip ... The **Credit Memos** option is typically for automatic deposits made to your accounts. The **Debit Memos** option button is typically for automatic withdrawals.

4. Enter the transaction date, adjustment amount, and memo in the appropriate boxes. You should make the memo specific, yet brief.

Bank Adjustments

Account/Balance: Farmers Bank & Loan (Checkin) Prev: \$98,500.68 New: \$98,450.68

Additions:

- Interest Earned
- Credit Memo

Reductions:

- Service Charge
- Interest Expense
- Debit Memo
- NSF Check Deposit

Date: 12/31/2007 Amt: \$50.00 Memo: Broadband Bill (Automatic Withdrawal)

Offsetting Account:

- Milk Sales
- Misc. Expense
- Oats Sales
- Office Expense
- Pre-paid Fertilizer
- Prepaid Seed
- Property Tax Expense

Buttons: Record, Done, Help

- If you clicked **Debit Memo** or **Credit Memo** or **NSF Check**, you should select the appropriate account from the **Offsetting Account** list. Select **Record** and **Done**.

	12/31/2007	Debit	Debit Memo		<input type="checkbox"/>	50.00
			Broadband Bill (Automatic Witt			


- The **Account Register** dialog box shows the bank adjustment.

Using the Account Register

Farm Funds provides an interactive Account Register. The Account Register is a place where you can quickly view your checking account with details and a running balance. It also gives a number of features such as the ability to enter a check, or a deposit with or without details. To use the Account Register:





- In the toolbar list, click **Checking**, and then click the **Account Register** toolbar button. The **Account Register** dialog box opens.

2. In the **Account Register** dialog box, click the checking account you wish to reconcile in the **Account** list.
3. To limit the range of dates displayed, select the **Date Range** button.  In the **Date Range** dialog box that opens, enter the desired dates in the **Begin** and **End** boxes, and then click **OK**.
4. Click the **View** menu, and click either **Sort by Date** or **Sort by Number** to have Farm Funds sort all checks and deposits in chronological or numerical order.


Changing Entries in the Account Register

You can select any transaction listed in the **Account Register** dialog box by clicking on its row. Once you select a transaction row, you can modify the transaction, void, or enter details this way:


1. In the **Account Register** dialog box you can change the date of the transaction, check number, vendor, or memo by selecting the box and entering the new information.
2. You can select the **Bch** check boxes in any rows to add the checks to a batch of checks you may print together. The dialog box replaces the check box with the **Printer** button.  Clearing a **Bch** check box removes the button and removes the transaction from the batch.


 **See Also ...** For more information on printing a batch of checks see the section "Printing Batches of Checks" in the chapter "Payments & Purchases".


3. For reconciliation purposes, you can identify checks and deposits as having cleared the bank by selecting the **Clr** check box.


 **See Also ...** For more information on clearing transactions, see the section "Reconciling Checking Accounts" in this chapter.



4. To view details for a transaction, select the Show Details button  in the row of that transaction, or right-click on the row and click **Inspect Transaction**. The **Transaction Entry** dialog box opens, and displays the details of the transaction.


 **Tip ...** You cannot use the dialog box to change either the account used or the amount of a transaction. To change the account or amount, you must void the entry and then reenter the information as a new transaction. See the steps below for instructions on how to void an entry.

 **See Also ...** For more information on voiding transactions, see the section "Reconciling Checking Accounts" in this chapter.

- For each transaction you recorded without entering details, the **Account Register** dialog box displays the Details button  under the amount. You may add details to the transaction at any time by clicking this button and entering the information in the dialog box that opens.



- To reverse the transaction and mark it as void, right-click on a transaction row and click **Delete Entry**.


 **FYI ...** Farm Funds hides voided transactions, but allows you to view them when you click **Show Voids** on the **File** menu of the **Account Register** dialog box.

- When right-clicking on a transaction for which you recorded a payment by check, you have the option to print another check by clicking **Print Check**. This reprints a check without rerecording it in the financial books as another payment. You can also click **Edit JE Description** to edit the journal entry description (or memo) for the transaction.

Adding Entries to the Account Register



You can enter transactions such as sales, purchases, payroll checks, and bank adjustments by using the applicable toolbar buttons on the Account Register toolbar, or by clicking the **Activities** menu and clicking the command you want. Additionally, you may enter checks and deposits directly into the **Account Register** dialog box by clicking the blank row at the bottom of the dialog box and entering information there, as described below.

- Select the last line of the **Account Register** dialog box. If needed, change the date or check number for the transaction by clicking inside the **Date** or **Chk #** box and entering the correct information.
- In the Description list, click the vendor or click <Add/Edit> to add a new vendor. You may also type an optional journal entry in the box directly under the one where you enter the vendor. This journal entry can help you identify the transaction later.

 **Tip ...** Do not confuse journal entry details with transaction details. Journal entry details are optional memos, but transaction details are facts that Farm Funds requires you to enter before you can close the year-end financial record. The steps below explain how to add transaction details.

- In either the Deposit or Payment column, enter the amount Enter the amount in the appropriate column (Deposit or Payment).

	12/31/2007	1237	<input type="checkbox"/>	Shipe Livestock Exchange	<input type="checkbox"/>	1,500.00	96,950.68
				Sheep Service			

4. If you do not want to enter the details of the check or deposit, click on the Add Transaction button  to the left of the transaction. To clear the information without recording the transaction, click on the Delete Transaction button. 



FYI ... Farm Funds adds entries that need details to the Unexplained Transactions expense account of the program. You must add details to all transactions before the program will let you close the year-end financial record.

5. When you are ready to enter the information for the check or deposit, click Details. The Income, Sales and Deposits or the Payments and Purchases dialog box opens where you can enter the details of the deposit or payment.



Tip ... To group together transactions without details at the top of the **Account Register** dialog box, click the **View** menu of the dialog box and click **Sort by Details**.



See Also ... For information on entering details in the **Income, Sales and Deposits** or the **Payments and Purchases** dialog box, see the chapter "Income, Sales & Deposits" or the chapter "Payments & Purchases".

Chapter 10 - Inventory Maintenance



Farm Funds keeps both cash and accrual books for your farm. The accrual books include the ability to keep inventories of supplies, harvested crops and livestock. The program keeps inventories for you based on the transactions that you record in the purchases, sales and farming areas of the program. The Inventory Maintenance area of Farm Funds is used to adjust or move inventory, change properties of supplies and print inventory reports.

Moving Harvested Crops to Storage

Farm Funds allows you to keep an inventory of your harvested crops based on their storage location, whether on the farm or at an elevator or co-op. Typically when you record a harvest farming action you will leave the crop in the field. The Move Harvested Crops box is used for moving the crop from the field to the storage location. It can also be used for moving crops between different storage locations. To record a movement of harvested crops:

A screenshot of the "Move Harvested Crops" dialog box. The dialog has a title bar "Move Harvested Crops" and a light blue background. It contains several input fields: "Commodity" with a dropdown menu showing "Corn"; "From Location" with a dropdown menu showing "Bin #1"; "To Location" with a dropdown menu showing "Off Farm"; "Date" with a text field showing "05/20/2002"; "Qty. On Hand" with a text field showing "9048.920" and the unit "bushels"; and "Qty. Moved" with a text field showing "5000" and the unit "bushels". At the bottom of the dialog are three buttons: "Record" with a pencil icon, "Done" with a green checkmark icon, and "Help" with a question mark icon.

1. Select Inventory Maintenance from the Accounting menu then select Move Harvested Crops.



See Also ... To record the charges incurred for any people or equipment involved in the move, see the section "Allocating Inputs" in the "Farming & Enterprises" chapter of this user guide.

2. Select the Commodity you will be moving from the drop-down list.
3. The From Location drop-down list will display all locations that have an inventory of the selected commodity. Select the location that you are moving the crop from.

- Next, select the location that the crop is being move to from the To Location drop-down list. This list will include all fields and structures that have been drawn and defined on your map.



Tip ... To record the storage of commodities that are not kept on your farm, you may either choose the Off Farm option, or you may draw and define a structure for each elevator or cooperative to keep more detailed records.

- Once your From Location has been selected, the total quantity stored at that location will be displayed and will be entered as the default for the Quantity Moved. If necessary, change this to the actual Quantity Moved.

Adding Harvested Crops to Supply Inventories

At times you may want to use harvested crops on your farm as opposed to selling them. Examples of this include using crops for feed for livestock or for seed for the next crop year. Farm Funds allows you to assign a value to the crops and transfer them to a supply so they can be used for feeding or planting. When a crop is transferred to a supply, the program will record a sale back to the fields that the crop was harvested from while applying the cost to the livestock or next year's crop enterprises for the same amount. This allows you to use your enterprise statements to identify how much profit each area of your farm is generating. This is done while having no effect on your cash books for tax purposes. To transfer a harvested crop to a supply:

Transfer Crop to Supply

Harvested Crop to Transfer

Commodity

Location

Date

Qty. on Hand bushels

Qty. Removed bushels

Unit Cost

Total

Allocate Transfer Income

Based on qty. on hand

Specified fields only


Supply Inventory to Increase


Supply


Description

Account

Qty. to Add Units

 Record

 Done

 Help

- Select Inventory Maintenance from the Accounting menu then select Transfer Crop to Supply.
- Select the Commodity being used from the drop-down list.

3. The Location drop-down list will display all locations that have an inventory of the selected commodity. Select the location that you are taking the crop from. The Quantity on Hand at that location will be displayed.
4. Enter the Quantity Removed where indicated.
5. Enter the Unit Cost or Total cost of the transferred crop. This will default to the last cost that you used for a transfer.



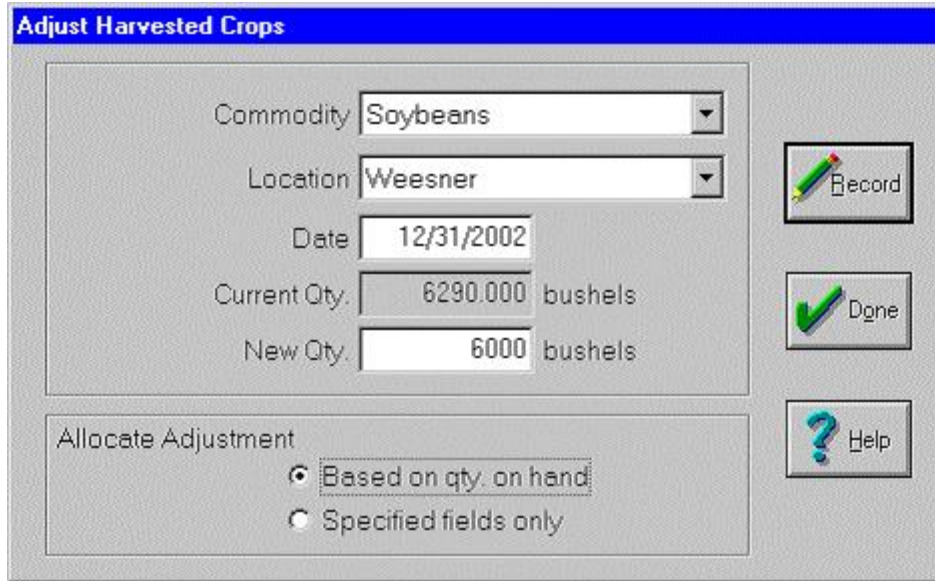
Tip ... For accurate enterprising, this amount should normally reflect the current market price of the commodity (what you would have gotten if you had sold the crop). This transfer will have no effect on your cash general ledger. It will post a sale of your crops and a purchase of supplies (through the same account) at the value that you enter.

6. If the Allocate Transfer Income option: Based on quantity on hand is selected, the sale will be dispersed among all fields from which that commodity was harvested based on the remaining unsold quantity for each field. This is the recommended option. If this option is used for all transfers and crop sales, an average sales price will be applied back to all of your fields. If the Allocate Transfer Income option: Specified fields only is selected, you will be able to choose the fields to which you would like to allocate the sale after you press the Record button.
7. Select the Supply that the crop is being transferred to: *Feed Corn*, for example. Select <New> to set up a new supply item if needed. If you have previously recorded a transfer of this crop, the supply and quantity will be filled in for you.
8. Enter the Quantity to Add to the supply. If your crop and your supply item have different units of measure, this may be a different number than the amount that was moved in. Once you enter this for the first transfer, the program will remember the unit of measure conversion and use it for all future transfers.
9. If the supply is a new supply enter the appropriate information. When you record the transfer, the program will ask for the properties of the new supply. For more information on Supply Properties, see the chapter entitled "Supplies" in the Initial Setup section of Farm Funds.

Adjusting Harvested Crop Inventories

Farm Funds will keep an ongoing inventory of your harvested crops. This inventory will be based on the harvests that you enter and the sales that are recorded. Since harvest yields are often an estimate, and since final sales often do not match up to the exact quantity harvested, it will sometimes be necessary to adjust harvested crops. The Adjust Harvested Crops box can be used to make these changes. Adjustments made in this area will adjust the yield on the field enterprise statements so that total yields will ultimately match the quantity sold. Typically you won't want to adjust a harvested crop unless the entire crop has been sold and there is a quantity remaining. Note that if you sell more of a crop than you have on hand, Farm Funds will automatically adjust the crop up for you so the yields match the quantity sold. As such, the only time you should need to use the Adjust Harvested Crops box is when you sell less than the quantity that was harvested.

To record an adjustment of harvested crops:



1. Select Inventory Maintenance from the Accounting menu then select Adjust Harvested Crops.
2. Select the Commodity being adjusted from the drop-down list.
3. The Location drop-down list will display all locations that have an inventory of the selected commodity. Select the location that you are adjusting. The Current Quantity at that location will be displayed.
4. Enter the Date of the adjustment.
5. Enter the New Quantity, which is the actual amount that should be in inventory.
6. If the Allocate Adjustment option: Based on quantity on hand is selected, the adjustment will be spread among all fields from which that commodity was harvested based on the remaining unsold quantity for each field. This is the recommended option. If the Allocate Adjustment option: Specified fields only is selected, you will be able to choose the fields to which you would like to allocate the adjustment after you press the Record button.

Adjusting Supply Inventories

The Adjust Supplies box can be used to make minor adjustments to the cost and/or quantity of different supply inventories. This option will not change the supply inputs that have already been applied to your fields or livestock (on enterprise statements). It also will not change the original accounting entries (when the supply was purchased or used on a field or group of livestock). Supply adjustments will only change inventory balances on your accrual books.



See Also ... To allocate or de-allocate supplies to a field or livestock group, see the section "Allocating Inputs" in the chapter "Farming & Enterprises" of this user guide.

To adjust the cost of quantity of a supply:

Adjust Supplies			
Supply	Adj. Date		
Corn for Feed	10/16/2002		
	10/16/2002	New	
Qty. on Hand	35200.000	35200	lbs
Unit Cost	\$0.04	\$0.04	
Total Cost	\$1,313.72	\$1,313.72	
Calc On Hand	Current Values	As of Adj. Date	
<div style="display: flex; justify-content: space-around;"> Record Done Help </div>			

1. Select Inventory Maintenance from the Accounting menu then select Adjust Supplies.
2. Select the Supply to adjust from the drop-down list. The current Quantity on Hand and Cost will be displayed.
3. Enter the Adjustment Date where indicated. Adjustments may be made for any year that has not yet been closed.
4. Select the As of Adjustment Date button to display the quantity and cost as of the date that was entered. Select Current Values to display the current Quantity on Hand and Cost taking into account all activity for the supply.
5. Enter the new values where indicated.

Adjusting Livestock Inventories

Farm Funds uses the number and weight of animals to generate information such as weight gained, feed conversions, cost per pound gained and profit per pound sold. The option to adjust livestock will allow you to change the current weights or purchase costs of your livestock. To adjust livestock costs and/or weights:

Adjust Livestock

Adjustment Date

Show values as of

Show only non-zero groups

	Animal Name	Qty. (head)	Ave. Wt.	Total Wt.
	Boars	4	360.00	1,440.00
	Bulls	6	1,200.00	7,200.00
	Cows	14	1,100.00	15,400.00
	Dairy Bulls	6	1,350.00	8,100.00
	Dairy Calves	16	68.00	1,088.00
	Dairy Cows	25	1,100.00	27,500.00
	Ewes	25	85.00	2,125.00
	Feeder Cattle	90	366.67	33,000.00
	Feeder Pigs	130	120.15	15,620.00
	Feeder Pigs 10-A	50	50.00	2,500.00

1. Select Inventory Maintenance from the Accounting menu then select Adjust Livestock.
2. Enter the Adjustment Date where indicated.
3. Select the Adjustment Date button to display the weights for each livestock group as of the date that was entered. Select Current Totals to display the current weights taking into account all activity for each livestock group.
4. The Show only non-zero groups option can be used to determine which livestock groups will be listed.
5. Enter the new values for Average Weight or Total Weight for each livestock group.

Livestock Details

Animal Group

Adjustment Date

Purchase Cost

No. Head

Cost per Head

Total Purchase Cost

OK

Cancel

Help

	No. Head	Avg. lbs	Total lbs
Purchased	4	350.000	1,400.00
Born	0	0.000	0.00
Transfer In	0	0.000	0.00
Sold	0	0.000	0.00
Died	0	0.000	0.00
Transfer Out	0	0.000	0.00
Wt. Gained	4	10.000	40.00
Ending Wt.	4	360.000	1,440.00

6. Select the View Details button to the left of a group to access the Livestock Details box. New values for the Average Cost or Total Purchase Cost may be entered. Changes in the Average Weight or Total Weight for different livestock activities may also be changed.

Tip ... The cost of an animal does not include feed and other expenses incurred after purchase. Raised animals should have a purchase cost of zero.

Printing Inventory Reports

Farm Funds uses the accrual general ledger to keep an inventory of supplies, crops (harvested and growing) and livestock. Additionally, there are inventory reports that will give you an inventory for these items as of any date. To print an inventory report:



1. Click on the Working Date in the upper right hand corner and change it to the date that you wish to print an inventory report as of.

2. Select Inventory Maintenance from the Accounting menu then select Inventory Reports then select the type of report that you will be printing. The reports you may choose are:
 - **Supplies** – The Supplies Inventory Report will list all supplies on hand including the quantity, unit of measure, average cost and total cost of each supply. Supplies will be grouped by account with totals for each account.
 - **Livestock** – The Livestock Inventory Report will list livestock groups. Each group will include the number of animals in the group, average weights, total weights, average cost and total cost. Livestock groups will be sorted by account with totals for each account. Costs for livestock groups are the total cost to raise the animals (including feed, vet fees, purchase cost, etc...) from the enterprise statements.
 - **Growing Crops** – The Growing Crops Inventory Report will list crops by field. All fields with growing crops will be listed with the commodity and total cost. Crops will be sorted by account with the totals for each account.
 - **Bin Activity** – Gives a listing of all changes in grain bin storage amounts including transfers and sales over a given date range. This report will show from where the crop in the bin came as well as where it goes.
 - **Harvested Crops** – The Harvested Crop Inventory report will list the quantity of each harvested crop by storage location. The report will be sorted by account with totals for each account. The costs are based on the cost to raise and harvest the crop from the enterprise statement.

Chapter 11 - Setting Up & Using Payroll



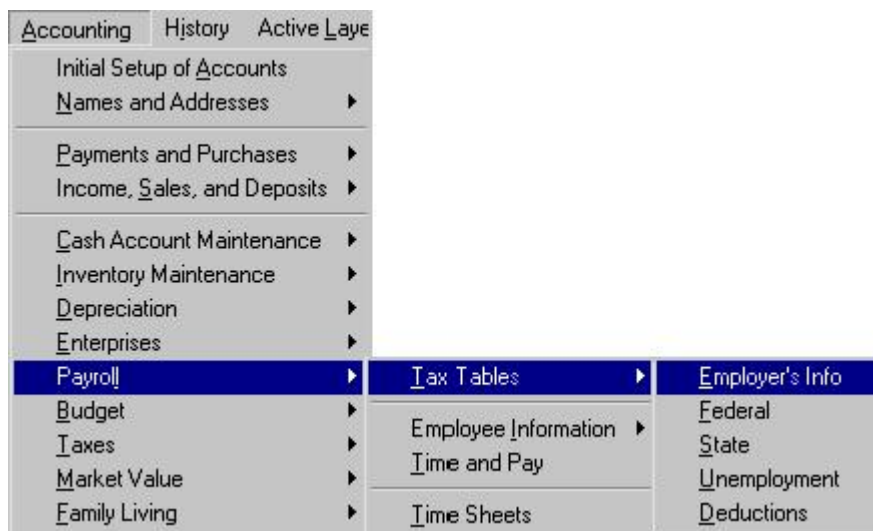
The payroll area of Farm Funds is where you can keep track of your employees' wages and withholdings. You may even print paychecks, W-2s and useful reports. Payroll is integrated with the people icons that are used for farming, so wages will automatically be allocated to your fields based on the hours each employee spends in each field.

Setting Up Payroll

There are several items that you will need to set up before you may record payroll, including tax tables, employer and employee information.

Setting Up Employer Tax Information

To set up employer tax information:



1. Select Payroll from the Accounting menu then select Tax Tables then select Employer's Information.
2. Enter the Employer's Name and Address as they should appear on your checks and reports (including W-2s).
3. Enter your Federal ID Number where indicated. This is the number you use on your federal payroll tax returns. This number will be printed on W-2 forms.
4. Enter your State ID Number where indicated. This is the number you use on your state payroll tax returns. This number will be printed on W-2 forms.

Employer Tax Info

Employer Name: Norman L. Teegardin

Address: Box 250
Hamilton, IN 46742

Fed. ID Number: 2156351

State ID Number: 654646

State Name: IN

Locality Name: Steuben


OK Cancel Help

5. Enter your State and Locality, if applicable. Locality can be used for city or county names.

Setting Up the Federal Tax Table

The latest version of Farm Funds is set up with the current US Federal Tax Tables based on the annual wage rate. Updates are available every year with new tables, or they may be changed manually from tables provided by your tax preparation assistant or the IRS. A patch for the current US tax tables can normally be downloaded from the Farm Works website.

To enter federal tax tables manually:

1. Select Payroll from the Accounting menu then select Tax Tables then select Federal. Alternately, you may switch to the Payroll toolbar and select the Federal button. 
2. Make the necessary changes to update the Federal, FICA and Medicare tax information. Note that the wage brackets and rates should be based on annual pay amounts.



CAUTION ... Do not update your tax tables for New Year's rates until you have entered all payrolls for the prior period. For example, do not update your tax tables on January 2, 2002 if you have not recorded your last payroll for December 2001.

Setting Up State Tax Tables

The State Tax Table may be set up using a flat tax rate, a percentage of federal or a graduated rate. These tables may be obtained from your tax preparation advisor or your state's department of revenue. This section will cover the basic points of entering your information. For detailed explanations of payroll taxes in your particular state, consult your tax advisor. To set up State tax information:

State Tax Table

Method

None

Graduated Rate

Flat Tax Rate

Percent of Federal

Other

Allowances

Per Exemption \$

Subtract from base wage


Subtract from state tax

Single - Annual Wage & Rate

Over	But Not Over	Rate %
0.00	1,060.00	0.40000
1,060.00	2,120.00	0.80000
2,120.00	4,240.00	2.70000
4,240.00	9,540.00	5.40000
9,540.00	15,900.00	7.25000
15,900.00	21,200.00	7.75000

Married - Annual Wage & Rate

Over	But Not Over	Rate %
0.00	1,060.00	0.40000
1,060.00	2,120.00	0.80000
2,120.00	4,240.00	2.70000
4,240.00	9,540.00	5.40000
9,540.00	15,900.00	7.25000
15,900.00	21,200.00	7.75000

113. Select Payroll from the Accounting menu then select Tax Tables then select State. Alternately, you may switch to the Payroll toolbar and select the State button. 

State Tax Table

Method

None

Graduated Rate

Flat Tax Rate

Percent of Federal

Other New York

Allowances

Per Exemption \$ \$1,000.00




Subtract from base wage

Subtract from state tax

Standard Deduction

Single \$6,975.00

Married \$7,475.00

Single - Annual Wage & Rate

Over	But Not Over	Rate %
13,000.00	20,000.00	5.90000
20,000.00	90,000.00	6.85000
90,000.00	100,000.00	7.64000
100,000.00	150,000.00	8.14000
150,000.00	7.35000

Married - Annual Wage & Rate

Over	But Not Over	Rate %
13,000.00	20,000.00	5.90000
20,000.00	90,000.00	6.85000
90,000.00	100,000.00	7.64000
100,000.00	150,000.00	8.14000
150,000.00	7.35000

Add Row Delete Row

114. Select the Method of withholding by clicking in the box beside the option you will be using:

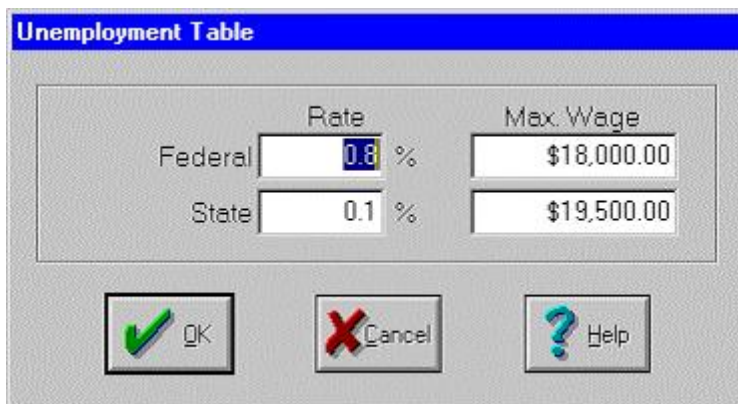
- **None** – Farm Funds will not compute any state tax withholding if this option is selected. An amount for State Withholding may still be entered manually when recording employee wages, if needed.
- **Graduated Rate** – If this option is chosen, you will need to set up two tables: one for Single and one for Married employees. An Exemption amount may be entered. Indicate whether your exemption is Subtracted from your base wage or Subtracted from your state tax total. The Add Row and Delete Row buttons can be used to change the number of rows used in the tax table. Note that the wage brackets and rates should be based on annual pay amounts.
- **Flat Tax Rate** – Enter the applicable Percentage where indicated. If, for example, your state's tax rate is 5%, enter 5 in the box. An Exemption amount may also be entered. Indicate whether your exemption is Subtracted from your base wage or Subtracted from your state tax total.
- **Percent of Federal** – Enter the applicable Percentage where indicated. If, for example, your state's tax rate is 12.5% of Federal, enter 12.5 in the box. An Exemption amount may also be entered. Indicate whether your exemption is Subtracted from your base wage or Subtracted from your state tax total.
- **Other** – Select this option to enter payroll information for any of the listed states: Georgia, Kentucky, Missouri, New York, Oklahoma, Oregon or Washington.



Tip ... If you have questions about setting up your state tax information, consult your tax professional or your state's department of revenue for assistance.


Setting Up Unemployment Insurance Tax Tables

If you are required to pay unemployment tax, you will need to set up the Unemployment Tax Table. Unemployment taxes are not withheld from employee's wages but are instead paid by the employer. When Unemployment Tax rates are set up, Farm Funds will create liabilities for the amount of unemployment taxes owed based on the payroll that is entered into the program. Unemployment rates may be obtained from your tax preparation assistant, the IRS or your state's department of revenue. This section will cover the basic points of entering your information. For detailed explanations of payroll taxes in your particular state, consult your tax advisor. To set up unemployment tax information:




	Rate	Max. Wage
Federal	0.8 %	\$18,000.00
State	0.1 %	\$19,500.00

Buttons: OK, Cancel, Help

1. Select Payroll from the Accounting menu then select Tax Tables then select Unemployment. Alternately, you may switch to the Payroll toolbar and select the Unemployment button. 
2. Enter the Rate for your Federal and/or State unemployment tax where indicated. If your rate is .008 (.8%), enter .8 in the box.
3. Enter the Maximum Wage upon which unemployment tax is calculated, if applicable.

Setting Up Deductions & Reductions

Deductions and reductions are used for amounts that are taken from employees' wages on a regular basis. Reductions are taken out before taxes (and reduce taxable income) as in the example of a 401(k) plan. Deductions are after tax adjustments and are much more common. Some examples of deductions are: insurance, and garnishments for child support. To set up Deductions and/or Reductions:

1. Select Payroll from the Accounting menu then select Tax Tables then select Deductions. Alternately, you may switch to the Payroll toolbar and select the Deductions button. 
2. To change an existing item, select it from the Current drop-down list and make the necessary changes. Select <New> to set up a new deduction or reduction then enter the Description for the item. The description will appear on payroll check stubs as well as on reports.
3. Enter an alternate description in the Alt. Language box, if desired for employees who may speak a different language.

Deductions and Reductions

Current: Child Support

Description: Child Support

Alt. Language:

Account: Child Support

Maximum

No Limits

Max Wages


Max Deduction

Record Done Delete Help

4. Select the Account for the deduction. This should be the same account that will be used when you pay the deduction.
5. If the deduction is subject to a Maximum Wage or Deduction amount, enter the appropriate information. Most deductions are not subject to either restriction.


Setting Up Employee Information

You will need to set up an Employee List, which contains the names, addresses, and social security numbers of your employees. This information will be used for printing paychecks and W-2s. You will also set up icons for each employee (or match them with the employee icons that have already been set up) so that your payroll will be integrated into your enterprises based on the farming actions performed. To set up employee information:


1. Select Payroll from the Accounting menu then select Employee Information then select Employee List. Alternately, you may switch to the Payroll toolbar and select the Employee List button. 
2. To edit an existing employee, select the person from the Employee drop-down list. To add an employee, select <New> and enter the employee's Name where indicated.
3. Select the icon picture Group for the employee. Typically you will want a separate icon picture group for all people on your farm. Select <Add/Edit> to set up a new icon picture group.
4. The Name is how employees will be listed on paychecks and reports. The Index is how employees will be listed when you are selecting the names to enter payroll and print reports. After entering the name of an employee, the Last Name First and Index = Name buttons can be used to create the index.
5. Enter the employee's Address, Phone Number and Social Security Number where indicated. This information will be included on W-2 forms.
6. If you are setting up a new employee for the first time, you will be prompted to select an icon after you select the Record button.

Setting Up Employee Supervisor Information

Employees' wage and withholding information is entered in the Employee Master box. Most of this information is on the employee's W-4 form. To enter this information:

1. Select Payroll from the Accounting menu then select Employee Information then select Employee Master. Alternately, you may switch to the Payroll toolbar and select the Employee Supervisor button. 
2. Select an employee from the Employee drop-down list. Select <Add/Edit> to enter a new employee. (See the previous section for the steps needed to enter a new employee).

Employee Information

Employee Cline, Kathy


Type of Pay Hourly
Pay Periods per Year 52

Birth Date 11/06/1973
Date Hired 01/01/2002
Date Terminated
Married

Federal Exempt
 State Exempt
 FICA Exempt
 Medicare Exempt

	Federal	State
No. of Exemptions	1	1
Extra Withholding	\$0.00	\$0.00


Local Taxes


County	Steuben	Rate %	0.75
City	Hamilton	Rate %	1

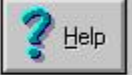
Deductions and Reductions

Description	Action	Type	Amt/Rate
401 K	Deduction	%	12.00

Add Item








3. Select the Type of Pay from the drop-down list: Hourly, Salary or Piece Rate. If an employee is paid by more than one method, choose the method that is used most often.
4. Enter the number of Pay Periods per Year for this employee. An employee who is paid weekly will generally have 52 pay periods per year. Employees paid every two weeks will usually have 26 pay periods. Employees who are paid monthly will usually have 12. This number is very important, since payroll taxes are computed based on a person's projected yearly income.
5. Enter the employee's Birth Date and Date Hired where indicated. This information is used for your personal reference.
6. When a Date Terminated is entered, the employee will not appear in the *Enter Pay* area. However you will still be able to include them in reports including W-2s. If an employee is rehired or works seasonally, removing the termination date will cause the employee's name to reappear in the enter pay area.
7. Select the Married check box if the employee's form W-4 indicates that he would like to use the married rates for withholding.
8. If an employee is exempt from Federal, State, FICA and/or Medicare taxes, check the appropriate box.
9. Enter the Number of Exemptions for Federal and State indicated on the employee's W-4. Extra Withholding amounts may also be entered.
10. If local taxes will also be withheld, enter the name of the County and/or City and the applicable tax rate(s) where indicated. The names entered will appear on the employee's check and W-2.

- The Deductions and Reductions area is used for other adjustments to an employee's paycheck, such as a 401(k) reduction or an insurance deduction. Click on the Description drop-down arrow to select an item or select <Add/Edit> to enter a new deduction.




See Also ... For more information on deductions and reductions, see the section entitled "Deductions & Reductions" earlier in this section of the manual.

- Choose whether the adjustment is a Deduction or a Reduction from the Action drop-down list. A Deduction is an amount that is deducted from wages after-taxes, such as child support payments. Reductions are pre-tax adjustments that reduce taxable income, such as 401(k) plans. If you are not sure which to choose, consult your tax advisor.
- Select the Type of adjustment from the drop-down list and enter the Amount/Rate where indicated. If \$ is selected, enter the Amount of the deduction. If % is selected, enter the Rate used.
- Deductions/Reductions may be added to the table by selecting Add Item. Delete lines by clicking on the red Remove button  beside the row you wish to delete.

Entering Payroll

Farm Funds helps you enter payroll quickly and accurately in a few simple steps. These options may all be accessed from the Time and Pay dialog box. Before you enter pay, the Time and Pay box will need to be configured for the way you pay your employees. To access the Time & Pay box and configure it for your farm:

- Select Payroll from the Accounting menu then select Time and Pay. Alternately, you may switch to the Payroll toolbar and select the Time and Pay button. 
- To set up the Time and Pay box for the way that you pay your employees, select Time Setup from the Options menu.
- If you pay overtime rates, enter the Regular Hours where indicated. For example, if you pay overtime for every hour over 40 per week, enter 40.



4. If your farm uses Time Sheets, select the Use Time Sheet option. When time sheets are not used, you will have a *Payroll Worksheet* button in the Time and Pay box. These worksheets can be used to summarize information before it is entered into the program. When time sheets are used you will have the following options:
 - When the Include Pay Summary option is selected, the Time and Pay box will include an Employee Summary button that can be used to print a report that can be given to employees with each payroll.
 - The Print Signature Lines option is used to include signature lines on the Employee Summary Report.
 - The Start/Stop Periods is the number of time periods that you can have in a payroll. If employees start in the morning, take a lunch break and then work in the afternoon, you would need two start/stop periods.

Entering Payroll Times & Amounts

The Time and Pay box will consist of a series of buttons that are used for entering your payroll. The buttons that are displayed will vary depending on which *Time Setup Options* are selected. The buttons in the Time and Pay box will include:

1. The Payroll Worksheet button will be available when time sheets are not used. The Payroll Worksheet can be printed and used to summarize payroll information before it is entered into the program.
2. When the Time Sheet option is selected (in the Time and Pay Options box), you will have a button for Time Sheets in the Time and Pay box. Time sheets are used to enter employee hours in a time sheet format. To enter time sheets:
 - Select the first Employee that you are paying.
 - Enter the Pay Ending Date for the payroll.
 - Enter the Starting and Stopping Times from the time sheet for each day of the pay period. Times may be entered without using a ":". Also the letters "P" and "A" can be used to switch between AM and PM. Thus you can enter 8:00 AM by typing "800A".
 - As the starting and stopping times are entered, the program will compute and display the total regular and overtime hours.
 - After entering all times, select the Record button to save the time sheet for the employee.



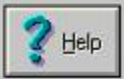
Time Sheet

Employee: Pay End Date:

	10/25/2002	10/26/2002	10/27/2002	10/28/2002	10/29/2002	10/30/2002	10/31/2002
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Starting Time	8:00 AM			8:00 AM	11:00 AM	8:00 AM	8:00 AM
Quiting Time	5:00 PM			5:00 PM	8:00 PM	5:00 PM	5:00 PM
Starting Time							
Quiting Time							
Starting Time							
Quiting Time							
Total Hours	9.00	0.00	0.00	9.00	9.00	9.00	9.00

Hours:

Regular: 40.00
Overtime: 5.00
Total: 45.00

3. The Pay Calculation button is used to enter information about the amount the employee worked. This is where the program will compute and display each employee's withholdings, which can be changed if needed. To enter information into the Pay Calculation box:
- Choose the Employee that you are paying.
 - Enter the starting and stopping dates for the pay period. This will default to the period after the last payroll that was entered.
 - The Wages area will be used for entering information about how much the employee worked. If a time sheet has been entered for the pay period, click on the Update Hours button and the hours (both regular and overtime) from the time sheet will be filled in.
 - If you are paying based on something other than hours worked (such as piece rate), select the Insert Hours Column and you will be able to enter hours worked along with the pieces that the employee is being paid for.
 - The rows in the Wages area are used for different types of pay (such as paying an employee on different piece rates). Types of pay can be selected from the appropriate drop-down list. Select <Add/Edit> from the Type drop-down list to set up new pay types. More rows (for different pay types) can be added to the Wages area by using the Add Row button.
 - Enter the Quantity and Rate or Total pay for each item listed in the Wages area. Farm Funds will default the pay Rate to the last rate used for the selected pay type for the employee.
 - Allocation hours are used to assign payroll to farming actions for the employee. If the employee is on salary or piece-rate, you should enter your best estimate of the hours worked during the pay period. This number does not affect payroll and will be completed for you if the employee is paid on an hourly basis.

- The number of Pay Periods for this check will default to one. If more than one pay period is being combined, enter the number of periods included on this check.
- The Miscellaneous Deduction button can be used to add a one-time deduction to an employee's paycheck. When adding a miscellaneous deduction you will select the account and enter an amount for the deduction.



Tip ... Deductions that will be taken out of an employee's paycheck on a regular basis, should be set up in the Employee Master area.

- When the Calculate Pay button is selected, the program will compute and display all withholdings for the employee. These amounts may be changed, if necessary.
- The Record button is used to save the payroll information for the selected employee.

Pay Calculation

Employee

Pay Period
 -

Wages

Type	Qty.	Hours	Rate	Total
Hours	40.00	40.00	10.50	420.00
Overtime Hours	5.00	5.00	15.75	78.75
Piece Rate	100.00	0.00	0.25	25.00
Gross pay				523.75

Insert Hours Column

*Allocation Hrs.
 Pay Periods

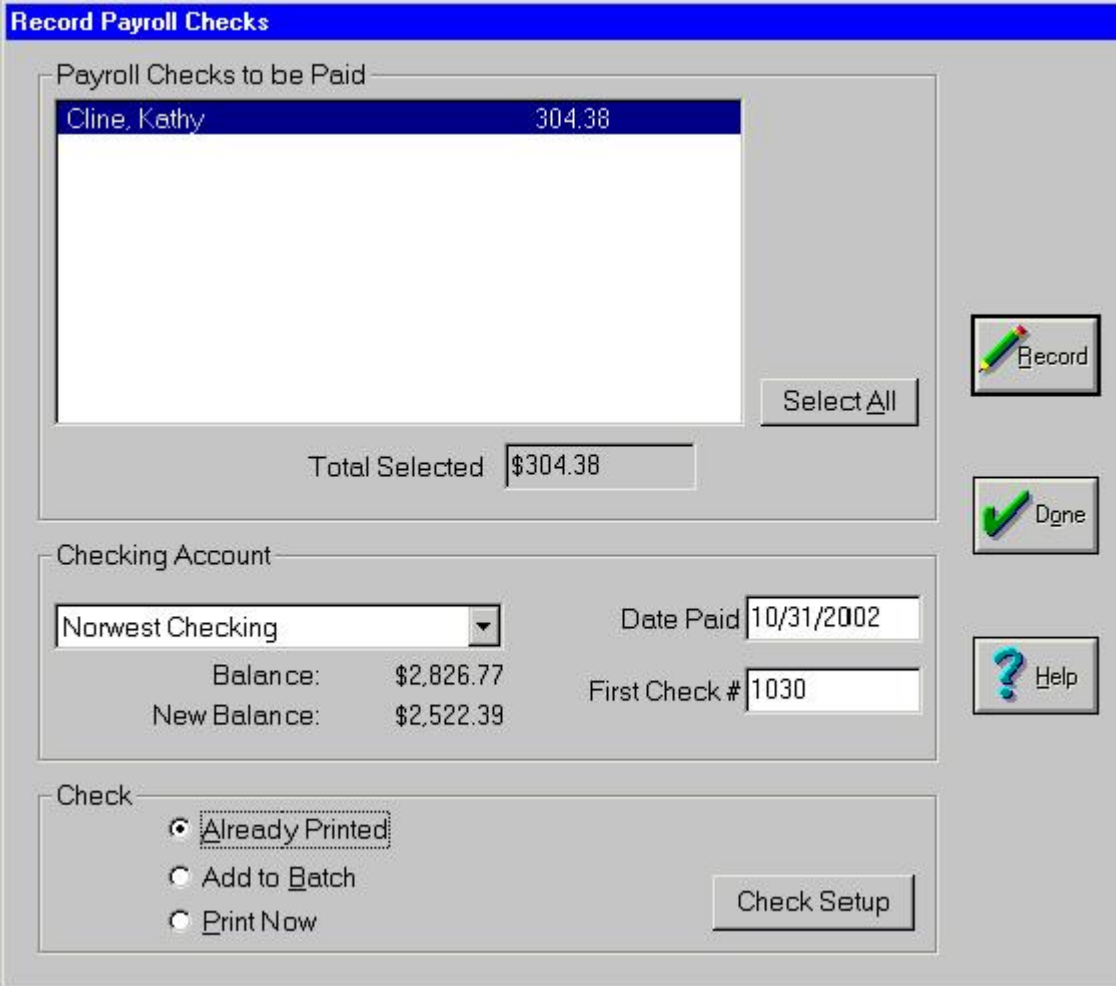
Summary

Gross pay	523.75
Taxable pay	523.75
Federal Tax	51.59
FICA	32.47
Medicare	7.59
State Tax	8.55
City Tax	3.61
County Tax	2.71
401 K	62.85
Net Pay	354.38

*Allocation hours are only for enterprise reports and do not affect pay.

4. The Employee Summary button can be used to print a summary of the payroll that has been entered. This report conforms to H2A regulations and includes time sheet information along with dollars of wages and withholdings. The report can also include lines for the employee and employer to sign (when the appropriate Time and Pay Option has been selected). The report can be printed for any employees and can be printed in English and/or Spanish. The report will include all payrolls that have been put into the Enter Pay box but have not yet been recorded.

5. The Payroll Register button can be used to print a register of the payroll that has been entered. This report should be reviewed closely before you update your payroll. If you find a mistake on this report, you can go back to the Pay Calculation box (or the Time Sheet box) and make the necessary changes.



Record Payroll Checks

Payroll Checks to be Paid

Cline, Kathy	304.38
--------------	--------

Total Selected \$304.38

Checking Account

Norwest Checking

Balance: \$2,826.77

New Balance: \$2,522.39

Date Paid 10/31/2002

First Check # 1030

Check

Already Printed

Add to Batch

Print Now

Check Setup

Record

Done

Help

6. The Record Checks button is used to record the entered payroll on your books. You will also have the option for printing your paychecks during this step of payroll. To record the pay checks:
- Select the individual checks to record from the list of Payroll Checks to be Paid. The Select All button can be used to select all paychecks that have been entered. The Total Selected will be displayed. This is the total net pay amount of all of the selected checks (the total amount being taken out of your checking account).
 - Select the Checking Account that the checks will be written from. The Current Balance and New Balance after the payroll checks will be displayed.
 - Enter the date of the checks in the Date Paid box. This date will default to today's date, but may be changed if necessary.
 - Enter the starting check # where indicated in the First Check # box.
 - Select the appropriate check printing option.
 - Select the Record button to record the checks on your general ledger. This will also update the employee's pay records and will result in the checks being printed if the appropriate option was selected.



Tip ... The printing options: Already Printed—select this option if the checks are being hand written. Add to Batch—select this option if you will be printing these checks at a later time. Print Now—select this option to print the checks now.




See Also ... For more information on printing checks, see the chapter entitled "Print a Check" in the Payment & Purchases section of this manual.

Voiding Paychecks

Once payroll has been recorded, the only way to make changes is to void the check(s) and re-enter the information. To void a check:

Void Payroll Checks		
Date Range		
From	To	Update List
10/24/2002	10/31/2002	
Payroll Checks		
1031	Kathy Cline	304.38
Select payroll checks to void and press Record.		
Record	Done	Help

1. Select Payroll from the Accounting menu then select Void Pay Check. Alternately, you may switch to the Payroll toolbar and select the Void Pay Check button. 
2. Enter the Date Range for the check you wish to void. Select the Update button to list all payroll checks for the date range.
3. Select the check(s) you wish to void. Multiple checks may be selected by holding down the Ctrl key on your keyboard while clicking on each check. A series of checks may be selected by clicking on the first check and then clicking on the last check while holding down the Shift key on your keyboard.

- Select the Record button to void the selected checks. The corresponding payroll and general ledger entries will be completely reversed and the items will no longer appear in the Payroll Checks listing.


Entering Tax Deposits

When the payroll area of Farm Funds is used, the program will keep a record of how much you owe for each category of payroll taxes. The program will keep track of the amount withheld along with the employer portion of FICA taxes. To record payroll tax deposits (when you pay the taxes):

Payroll Deposit

Get balances as of

<input type="checkbox"/>	Account	Balance	Deposit
<input checked="" type="checkbox"/>	Federal Withholding Payable	176.97	176.97
<input checked="" type="checkbox"/>	FICA-Medicare Payable (Employee)	142.62	142.62
<input checked="" type="checkbox"/>	FICA-Medicare Payable (Employer)	142.62	142.62
<input type="checkbox"/>	State Withholding Payable	232.80	
<input type="checkbox"/>	City & County Withholding Payable	121.27	
<input type="checkbox"/>	Federal Unemployment Payable	17.16	
<input type="checkbox"/>	State Unemployment Payable	2.14	
Total Deposit			462.21

- Select Payments and Purchases from the Accounting menu then select Record Payment/Purchase.
- Select the Vendor from the drop-down list. This will generally be the bank where you make your tax deposit.
- A brief Description may be entered to summarize your transaction.
- Enter the Date of the deposit.
- Select the Payroll Deposits button  in the Items Purchased area.
- Enter the "as of" date for the payroll tax deposit. For example, if this deposit is for the quarter ending September 30, 2002, enter 09/30/2002.
- Select the Update Balances button to display the amounts owed.
- Select the tax items that will be paid with this deposit. A checkmark will appear in the box and the Account's Balance will appear in the Deposit column. The Deposit amounts may be changed, if necessary. The Total Deposit will be displayed.
- Click OK to continue.
- Select your method of payment from the How you paid menu bar. This will typically be the Checking button.
- Record the purchase. This will reduce the amount owed for each type of payroll tax.

Entering Commodity Wages

Farm Funds allows you to enter commodity wages so that a sale is recorded for the commodity, which goes back to the fields that the crop came from. Additionally, the program will update the pay records of the employee that received the crop. To record Commodity Wages:

Entering Sales of Commodities

To record sales of commodities:

Harvested Crop Sale

Commodity:

Location:

Quantity on Hand: bushels

Quantity Sold: bushels

Unit Price:

Total Sale:

Allocate Sale:

Based on qty. on hand

Specified fields only

Storage Revenue:


Amount:


* This amount does not affect the sale. It is only used to allocate revenue to storage enterprises.

OK

Cancel

Help

1. Select Income, Sales and Deposits from the Accounting menu then select Record Income or Sales.
2. Select the employee who received the commodity payment from the Purchaser drop-down list. If necessary, select <Add/Edit> to add the employee to the list.
3. A brief Description may be entered to summarize your transaction.
4. Enter the Date of the commodity payment where indicated.
5. Select the Harvested Crops  button in the Items Sold area.
6. Choose the Commodity from the drop-down list and the storage Location. The Quantity on hand will be displayed.
7. Enter the amount of the crop given to the employee for the Quantity Sold.
8. Enter a Unit Price or the Total Sale amount that represents the amount of the payment. This is usually the fair market value of the commodity.

9. Select the OK button to continue.
10. Select the Other Sales and Expense Reductions button. 
11. Enter the Amount of the commodity payment as a Negative number.



Income, Sales, and Deposits

Sales Options Deposit Options

Purchaser: Phil Haynes Date: 10/24/2002

Description or Invoice #: Commodity Wage Add to list of templates

Items Sold:

 Corn from Off Farm	200.000 bushels	400.00	-	▲
 Wage Expenses		-400.00	-	▼
Total Sales		0.00		▼

12. Choose the Expense Accounts category and select *Wage Expense*. In the Enterprise Allocation section select *People* and select the employee.
13. Select OK to continue.
14. The Items Sold area will show both entries, which will balance each other out as a zero dollar sale.
15. Select the Record button to post this transaction.

Entering Commodity Wages

1. Select Payroll from the Accounting menu then select Pay Calculation.
2. Select the Employee that you are paying.
3. Enter the starting and stopping dates for the pay period. This will default to the period after the last payroll that was entered.
4. The Wages area will be used for entering information about how much the employee worked. Select <Add/Edit> from the Type of pay drop-down list to set up a new pay type for the commodity (such as Corn, Beans, etc). Then select the new commodity Type.
5. Enter the Quantity of the commodity that was given in wages.
6. Enter the market value of the crop for the Rate.
7. Select the Calculate Pay button.
8. Zero out all of the withholdings that are computed.
9. Click on the Misc Deductions button.

Pay Calculation

Employee:

Pay Period: -

Wages

Type	Qty.	Hours	Rate	Total
Hours	0.00	0.00	0.00	0.00
Overtime Hours	0.00	0.00	0.00	0.00
Commodity Wages	200.00	0.00	2.00	400.00
Gross pay				400.00

Insert Hours Column

*Allocation Hrs.
 Pay Periods

*Allocation hours are only for enterprise reports and do not affect pay.

Summary

Gross pay	400.00
Taxable pay	400.00
Federal Tax	43.99
FICA	24.80
Medicare	5.80
State Tax	1.84
City Tax	0.00
County Tax	0.00
Wage Expenses	323.57
Net Pay	0.00

10. Enter the commodity wage amount and select Wage Expense for the offsetting account.
11. Enter the approximate number of hours worked for the Allocation Hours.
12. Click on the Record button to save the information.
13. Go to the Record Payroll Checks box (Accounting – Payroll – Record Checks) and record the commodity paycheck.

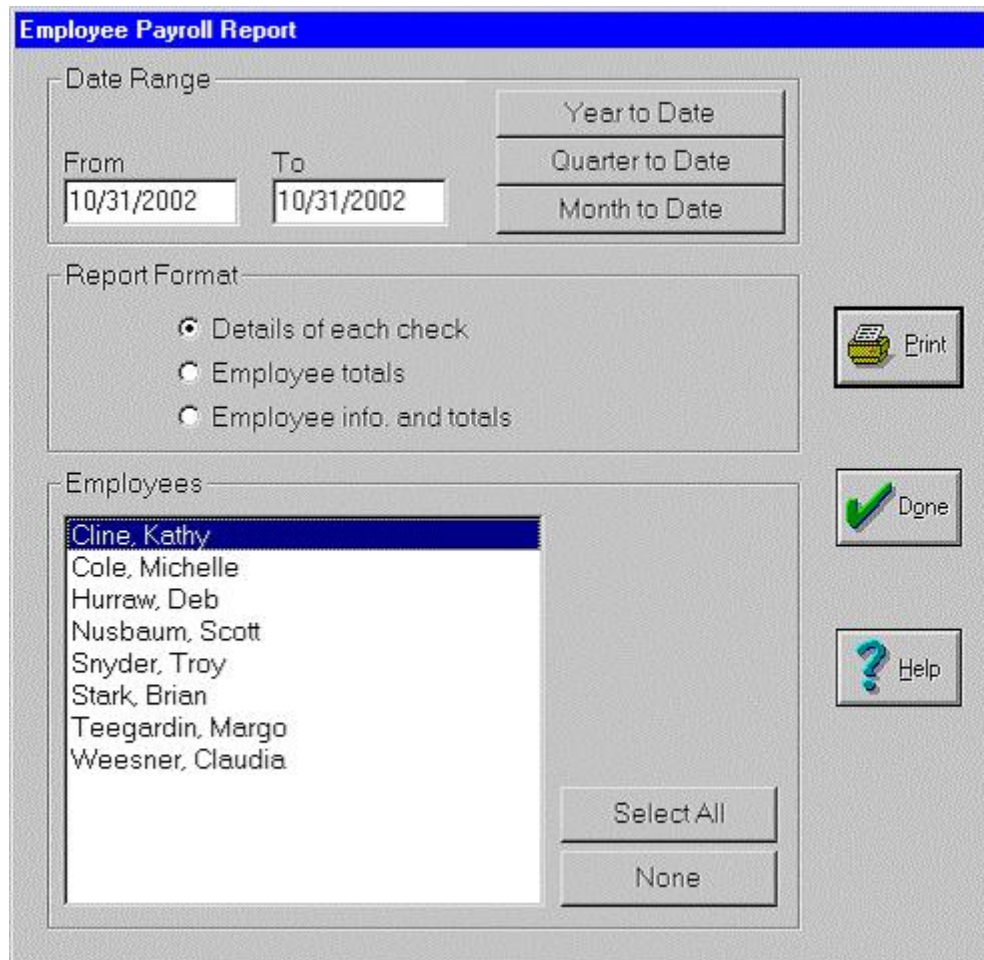
Printing Payroll Reports

Farm Funds gives you the ability to print W-2 forms for your employees at year-end. Other reports, such as the Social Security and Withholding report and the Unemployment report may help you complete unemployment tax returns and Form 941 or 943.

Printing Employee Earnings Reports

The Employee's Earnings report displays pay information for a selected period of time. To print an employee earnings report:

1. Select Payroll from the Accounting menu then select Payroll Reports then select Employee's Earnings.
2. Enter a Date Range for the report. The Year to Date, Quarter to Date and Month to Date buttons can be used to quickly assign a date range.
3. Choose the Report Format from the list of choices:
 - **Details of Each Check** – This option lists each check for the date range along with the total pay figures for each selected employee.
 - **Employee Totals** – This option lists the total pay figures for the date range for each selected employee.
 - **Employee Info and Totals** - This option lists the total pay figures for each selected employee along with the employee's payroll information, such as his address, birth date and W-4 information.



Employee Payroll Report

Date Range

From: 10/31/2002 To: 10/31/2002

Year to Date
Quarter to Date
Month to Date

Report Format

Details of each check
 Employee totals
 Employee info. and totals

Employees

Cline, Kathy
Cole, Michelle
Hurraw, Deb
Nusbaum, Scott
Snyder, Troy
Stark, Brian
Teegardin, Margo
Weesner, Claudia

Select All
None

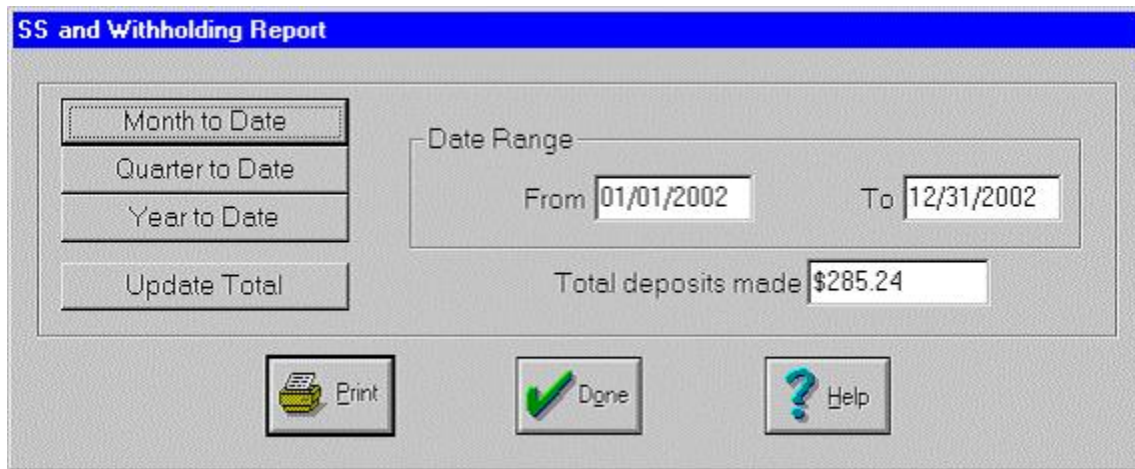
Print
Done
Help

5. Select the Employees that you wish to include on the report.
6. Select the Print button to display the report.

Printing Social Security & Withholding Reports

The Social Security and Federal Withholding Report displays tax information for a selected period of time. This report may be used to complete Federal Form 941 or 943. To print this report:

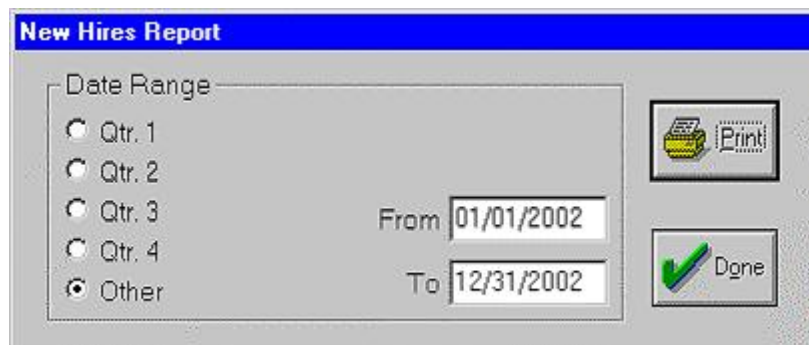
1. Select Payroll from the Accounting menu then select Payroll Reports then select SS& Withholding Report.
2. Enter a Date Range for the report. The Year to Date, Quarter to Date and Month to Date buttons can be used to quickly assign a date range.
3. Select the Update Total button to calculate the Total deposits made. This amount should reflect the total federal taxes paid during the period shown. This will include all deposits made using the Payroll Deposits button in the Payments and Purchases box. If this number is not correct because the wrong account was used when recording deposits, the amount may be corrected.



4. Select the Print button to display the report. This report will give you the information needed for preparing a federal 941 or 943 tax return.

Printing New-Hire Reports

The New Hire Report displays employee information for newly hired employees for a selected period of time. To print the report:



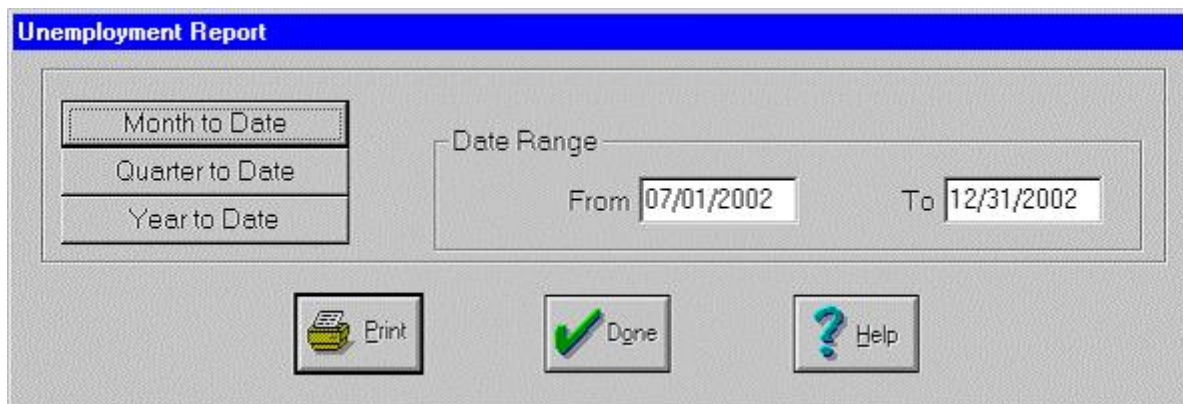
1. Select Payroll from the Accounting menu then select Payroll Reports then select New Hire Report.

2. Select the Quarter for the report or enter a Date Range.
3. Select the Print button to display the report. The employees who were hired within the date range will be listed, along with their addresses and Social Security numbers.

Printing Unemployment Insurance Reports

If your farm is subject to federal or state unemployment tax, the Unemployment Report can be used to complete the required tax returns. To print the report:

1. Select Payroll from the Accounting menu then select Payroll Reports then select Unemployment Report.
2. Enter a Date Range for the report. The Year to Date, Quarter to Date and Month to Date buttons can be used to quickly assign a date range.



3. Select the Print button to view the report. The report displays all the information needed for a standard unemployment tax return.

Printing W-2s

With Farm Funds, you may print W-2s for your employees. You may obtain the necessary W-2 forms for your printer from most office supply stores or you can order them from companies such as Deluxe forms. Because tax forms change often, it is important that you are using the latest version of Farm Funds when printing W-2s. To print W-2 forms:

1. Select Payroll from the Accounting menu then select Payroll Reports then select W-2s.
2. Enter the Calendar Year where indicated. This is the tax year that the forms are being printed for.
3. Select the first Employee and click on the Add button to add the employee to the list of W-2s to be printed. The employee's W-2 will appear on the screen exactly as it will be printed.
4. Review the displayed W-2 carefully. Changes to the W-2 may be made on this screen. If the address or social security number is changed, the program will ask if you wish to save this to the employee's records. Changing the wage or withholding amounts will not change your books or the employee's pay records.
5. Click OK to save the W-2 information.
6. Repeat steps #3-5 to add the remaining employees to the print list.
7. Load plain paper into your printer and select the Output format (either Tractor fed, continuous forms or Sheet fed, two forms per page).

8. Select the Print button to print the W-2s to plain paper as a test print.
9. Check your test print against the W-2 form for proper alignment of the print. If adjustment is needed, the Print Adjustment area of the Print W-2's box will allow you to adjust the placement of the text on the printout.
10. Continue to make adjustments and test prints until you are satisfied with the alignment.
11. Load the first set of forms into your printer and select the Print button.
12. If more than one set of forms is being printed, continue to select the Print button until all of the copies have been printed.

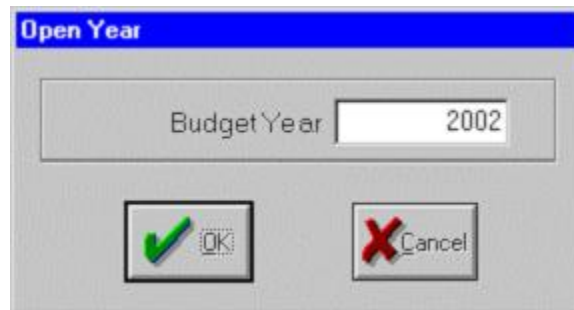
Chapter 12 - Budgets & Market Values




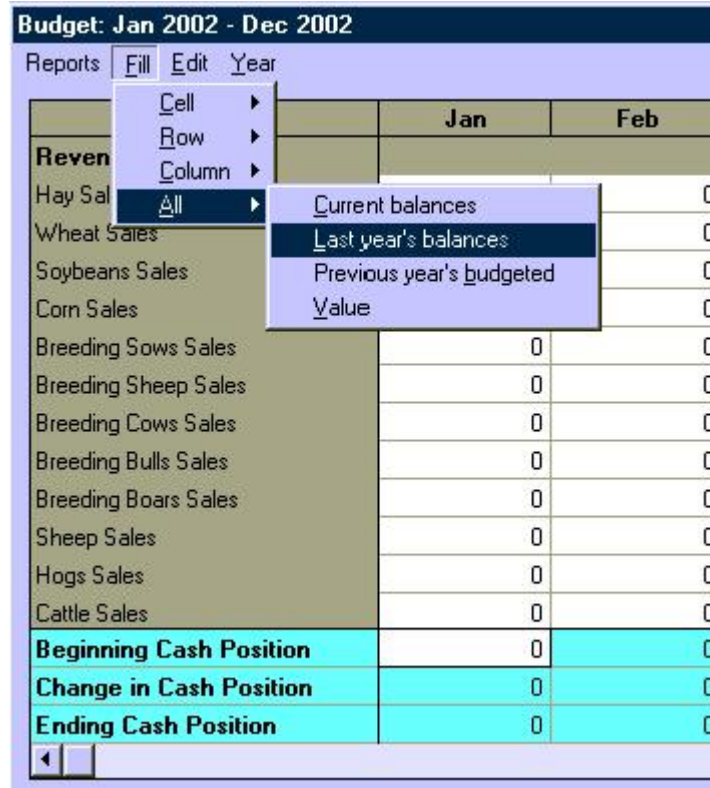
Farm Funds allows you to set up a budget for cash flows of revenues and expenses, organized by month. The totals column provides a year-to-date total for each item. The bottom of the report gives a month-by-month cash position.

Setting Up Budgets


To set up budgets:



1. Select Accounting from the menu bar options and highlight Budget. Click Budget Setup.  Alternately, you may select the Budget Setup button from the General Ledger toolbar. The Budget dialog box will appear.
2. The date at the top of the Budget window may already be set to the current year. To change the year or to set up a new budget, click Year in the menu bar and select Open Year from the drop-down menu. You may be prompted to save changes to the existing budget if you are opening a new year. Click No to continue without saving. Click Yes to save the current budget.
3. Enter the Budget Year in the Open Year dialog box.
4. Click OK to continue. If figures have already been entered for the year opened, those amounts will appear; otherwise, your spreadsheet amounts will be blank.



- If you have been keeping records in Farm Funds, you have the option to fill portions of your spreadsheet automatically. Click on your starting cell and then select Fill from the menu bar. Choose whether you wish to fill a single Cell, a Row, a Column or All of the spreadsheet.
 - Current Balances** – Select this option to use current year expenses and revenues for the budget amounts.
 - Last Year's Balances** – Select this option to use the prior year's expenses and revenues for the budget amounts. This is the most commonly used option.
 - Previous Year's Budget** – Select this option to use the prior year's budget to fill the current year's budget. You will be prompted to enter a date for the prior year.
 - Value** – Select this option to enter a single value, which will be copied to a Row, Column, or All of the table.

 **Tip ...** To enter a value: (1) Click on the cell you wish to use. (2) Click Fill and the option Row, Column or All. (3) Click Value, and the Budget Fill Value box will appear. (4) Enter a Value where indicated. (5) Select OK. The Row, Column or All of the table will be filled with the Value entered.



- You may fill an entire row by following step 5d or you may enter the yearly amount in the Total column. The yearly amount in the Total column will be spread evenly over the twelve months.

7. Enter or edit individual values by clicking on the cell and entering new values.
8. Once the Revenues and Expenses have been budgeted, you may budget additional items, such as asset purchases and/or new loans, by adding rows to your budget.
 - Click Edit. You will have the option to Add, Rename or Delete a Row.
 - Select Add Row to add a new row to the budget. The New Budget Item dialog box will appear.
 - Enter an Item Name that will appear on the budget and select the Category for the item. For example, select the category Asset Purchases and enter the Item Name as *New Tractor*.
 - Click OK to continue. The new budget line will appear.
9. The more accurate your budget, the more useful it will be. Everything that will affect the checking account and/or line of credit should be entered on your budget. This includes asset purchases, loan payments, investments, sales and borrowings. Family living amounts may also be entered, if desired. Repeat step #8 to enter additional items, as needed.
10. Enter your Beginning Cash Position where indicated at the bottom of the page. This is the total of all your cash accounts.



Tip ... If you are budgeting for a line of credit or an operating loan, the balance should be a negative number.

11. Once your budget has been completed, your budgeted Ending Cash Position for each month will be displayed. This is the net cash balance (or loan balance) projected. This information is very useful for planning loans, etc.
12. Click Record to save your budget.
13. To export the schedule as a text file, select Export as Text from the Reports menu. To save this file on your hard drive, enter a File Name with a text file extension: Budget2002.txt, for example.
14. Click Done to exit budget setup.

The screenshot shows a dialog box titled "New Budget Item". It has a blue header bar. Below the header, there is a text input field labeled "Item" containing the text "New Tractor". To the right of this field is a green checkmark icon and the text "OK". Below the "Item" field is a group box labeled "Category" containing a list of radio button options: "Revenues", "Expenses", "Asset Sales (Proceeds)", "Asset Purchases" (which is selected), "Misc. Investments", "Financing – New Debt", "Financing – Debt Reduction", and "Family Living". To the right of the "Category" list are two buttons: a red "X" icon with the text "Cancel" and a blue question mark icon with the text "Help".

Printing Budget Reports

The Budget Report displays the budgeted amounts for each month and a yearly total for each item. You may print Budget Reports from within the Budget Setup area or from the Accounting menu. To print the report:



1. Select Accounting from the menu bar options and highlight Budget. Click on Budget Report. The Budget Report will appear. -OR- From the Budget Setup window, click on Reports from the menu bar and select Budget Report from the menu. The Budget Report will appear.
2. Click the Printer button to print the report. The report will print in landscape format.
3. Click the X in the upper right hand corner or select Exit from the File menu to close the report window.

The Comparative option will display budgeted versus actual revenues and expenses. To print a Comparative report:

1. Select Accounting from the menu bar options and highlight Budget. Click on Comparative. The Budget vs. Actual Report will appear. -OR- From the Budget Setup window, click on Reports from the menu bar and select Comparative from the menu. The Budget vs. Actual Report will appear.
2. Click the Printer button to print the report. The report will print in landscape format.
3. Click the X in the upper right hand corner or select Exit from the File menu to close the report window.

Using Family Living, or Personal, Budgets

The Family Living area allows you to keep track of personal expenses without interfering with your farm's tax books. Family income is recorded through Income, Sales and Deposits. Family expenses are recorded through Payments and Purchases.



See Also ... For information about recording personal family income, see the chapter entitled "Record Personal Income (Off-Farm)" in the Income & Sales section of Farm Funds. For information regarding personal family expenses, see the chapter entitled "Record Personal Expenses with a Credit Card" in the Payments and Purchases section of Farm Funds.



Tip ... The family living windows change if your business is a corporation. When working in a corporation project, you will not have to select the 'owner' when recording family living entries/adjustments.

Categorizing Expenses for Family Living or Personal Budgets

This area is used to transfer amounts from one family living category to another. This option is also used to edit a transaction if a family living category was not assigned when the purchase or sale was recorded. Unassigned amounts are found in the Miscellaneous category.

1. Select Accounting from the menu bar options and highlight Family Living. Click on Categorize Expenses. The Transfer Family Living dialog box will appear.
2. To transfer a family living amount, select an Owner for the transaction from the drop-down list.
3. Enter the Amount of the transfer where indicated.
4. Select the category from which to make the transfer from the From Category drop-down list. If the item was not assigned to a category when the original entry was made, it will be in the *Miscellaneous* category. The balance of the selected category will be shown before and after the transfer.
5. Select the category to which you wish to make the transfer from the To Category drop-down list. The balance of the selected category will be shown before and after the transfer.
6. Click Record to save your changes.
7. Click Done to exit the Transfer Family Living window.

Printing Family Living Budget Reports



Family living reports may be printed for each owner at any time and may be printed for a specific date range. The report will give a detail of individual family living expenses. To print reports:

1. Select Accounting from the menu bar options and highlight Family Living. Click on Family Living Report. The Family Living Summary box will appear.
2. Select the Owner for the report. Multiple owners may be selected by holding down the Ctrl key and clicking on each name.
3. Enter a Date Range for the report where indicated or select the Month to Date or Year to Date button below.
4. Click Print to view the report. Category totals for each selected owner will be displayed along with grand totals for each.
5. Click the Printer button to print the report.
6. Click the X in the upper right hand corner or select Exit from the File menu to close this window.

Using Market Value Balance Sheets
















In addition to your cash and accrual books, Farm Funds provides an area for creating a Market Value Balance Sheet as of the current date. Market values may be assigned to your assets (land, equipment, crops, etc.) to give you a more accurate representation of your farm's net worth. Changing the Market Value of an item has no effect on your books, but can be a very valuable tool for planning purposes or when applying for a loan.



Setting Up Market Value Balance Sheets

1. Select Accounting from the menu bar options and highlight Market Value. Click on Market Setup.  Alternately, you may select the Market Setup button from the General Ledger toolbar. The Market Value dialog box will appear. Assets and liabilities will be displayed along with book and market values. The Market value will default to the Book value for each item.
2. Cash accounts may not be revalued, but may be viewed by clicking on each magnifying glass. To change the market value of an item, click the Details Folder button  beside the account you wish to change. The Market Detail dialog box will appear.

Market Value as of 12/18/2001

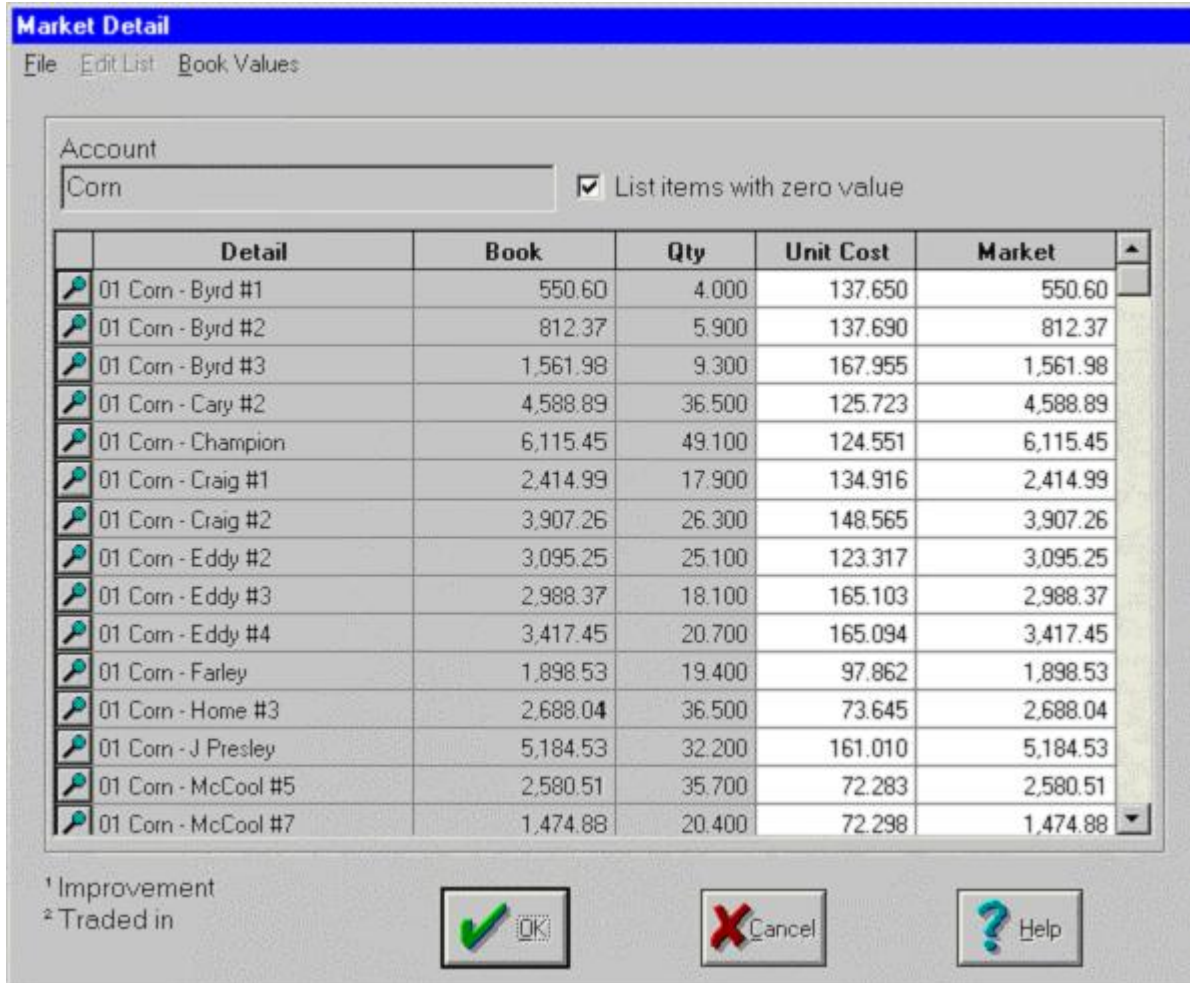
File Book Values

	Account	Book	Market
Assets			
Current Assets			
Cash Accounts			
	Cash on Hand	450.00	450.00
	Norwest Checking	84,205.96	84,205.96
	Norwest Savings	1,200.00	1,200.00
	Sky Bank Checking	41,070.06	41,070.06
	Undeposited Cash Receipts	0.00	0.00
	Accounts Receivable	3,625.00	3,625.00
Inventory			
Growing Crops			
	Corn	52,062.23	52,062.23
	Field Prep	374.26	374.26
	Hay	0.00	0.00
	Soybeans	25,442.67	25,442.67
	Wheat	5,753.02	5,753.02
Harvested Crops			
	Corn	17,943.80	17,943.80
	Hay	0.00	0.00
	Soybeans	24,268.28	24,268.28
	Wheat	20,933.63	20,933.63
Resale Livestock			

3. A listing of the items that make up the account selected will be displayed along with their Book value, Quantity, Unit Cost and Market value. To update the market value of an item, you may change either the Unit Cost or the total Market value.
4. Check the box beside List items with zero value to view and assign values to items such as fully depreciated equipment.
5. To revert an item's value back to its book value, click on the item and select Book Values from the menu bar. Choose Fill Item from the drop-down menu.
6. To revert the entire listing to book value, select Book Values from the menu bar and select Fill All from the drop-down menu.


7. To export the schedule as a text file for use in other programs, select Export as Text from the File menu. To save this file on your hard drive, choose a location, enter a File Name and click Save.
8. Click Cancel to exit without saving your changes. Click OK to save your changes and return to the Market Value box.



9. Some accounts, such as land will have a Detail line description listed as Unexplained. To change this description:
 - Click on one of the white boxes beside the item (Qty, Unit Cost or Market).
 - Click on Edit List in the menu bar and select Rename Item from the drop-down menu. The Add Market Item dialog box will appear.
 - Enter a new Name for the item.
 - Click Cancel to exit the dialog box without saving your changes. Click OK to save your changes and exit the window.

	Detail	Book	Qty	Unit Cost	Market
	Unexplained	120,000.00	1.000	120,000.000	120,000.00

4. Additional items, such as the names of individual tracts of land, may be added to the list by choosing Add Item from the Edit List menu. Enter a Name and click OK to save your changes.

5. To add items to the market value balance sheet that are not listed, such as personal assets:
 - Click on the Details Folder button  beside Other Long Term (or Other Short Term) Assets Not in Books. The Market Detail dialog box will appear.
 - Click Edit List and select Add Item from the menu.
 - Enter the Name of the item being added.
 - Click Cancel to exit the dialog box without saving your changes. Click OK to save your changes and exit the dialog box.

Other Long Term Assets	
	CD at Norwest Bank
	Co-op Stock at Farmer's Elevator
	Other Long Term Assets Not in Books



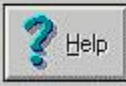
6. To save the information entered on your Market Value schedule, select File from the menu bar and choose Save from the drop-down menu.
7. Click Done to exit Market Value. You may be prompted to save your changes if you have not done so already.

Printing Market Value Balance Sheets

Once the Market Values have been set up, reports may be printed as of the current date. To print reports:

1. Select Accounting from the menu bar options and highlight Market Value. Click on Market Balance Sheet. The Market Value Balance Sheet summary box will appear.
2. You may also access this screen from within the Market Value Setup by selecting Print Report from the File menu.
3. The Market Value Balance Sheet box will display a summary of Book versus Market value for your total Assets and Liabilities. The Net Deferred Gain is the net gain you would realize if your farm were sold for the market values entered.

Market Value Balance Sheet		
	Current	Long Term
Assets:		
Market	\$536,924.27	\$576,582.17
Book	\$81,559.24	\$574,820.99
Deferred Gain	\$455,365.03	\$1,761.18
Liabilities:		
Market	\$75,899.60	\$484,800.00
Book	\$16,852.90	\$484,800.00
Deferred Gain	\$59,046.70	\$0.00
Net Deferred Gain	\$396,318.33	\$1,761.18
x Tax Rate	<input type="text" value="25"/> %	<input type="text" value="25"/> %
Deferred Tax Liability	<input type="text" value="\$99,079.58"/>	<input type="text" value="\$440.30"/>
<input checked="" type="checkbox"/> Print Supporting Schedules		






4. For further analysis of a potential sale, enter your marginal Tax Rate where indicated. Farm Funds will compute your deferred tax liability.
5. Check the option to Print Supporting Schedules to show the individual assets and their market values, if desired.
6. Click Print to view the report. Total market values for each asset and liability account will be displayed. Deferred tax liability will also be included if a rate was entered in step #2.
7. The Total Equity figure represents the amount of money you would receive (or owe) after all liabilities were paid, if the farm were sold for the market values entered. This amount will also be net of tax if a rate was entered in step #2.
8. Click the Printer button to print the report.
9. Click the X in the upper right hand corner or select Exit from the File menu to close this window.

Chapter 13 - The General Ledger

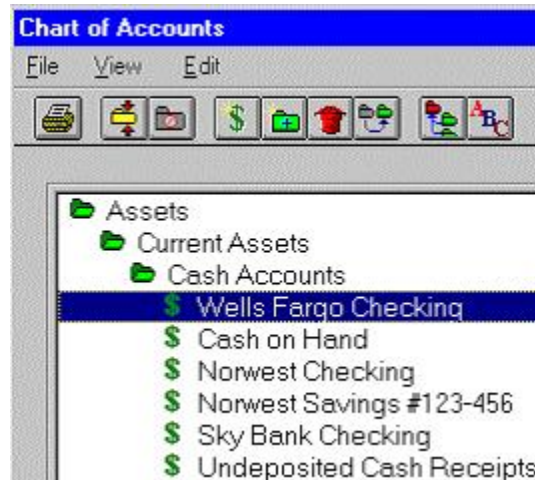



The general ledger area of Farm Funds is used to access your Chart of Accounts and to enter Adjusting Journal Entries from your accountant. Two sets of general ledger reports may be printed, either on a cash or an accrual basis. These reports include the Journal Entry Report, General Ledger Detail Report, Balance Sheet, Income Statement and the Trial Balance.

 **Tip ...** Farm Funds links certain accounts to each other and, therefore, you should take great care in changing the Chart of Accounts. Entering a new supply account for diesel fuel, for example, will automatically create the corresponding diesel fuel expense account. Entering a new inventory account such as breeding llamas will automatically create a new revenue account called breeding llamas sales as well as a breeding llamas expense account. Entering a new revenue or expense account will not, however, create a corresponding supply or inventory account.


Using the Chart of Accounts


The Chart of Accounts area is used to add, edit, delete and reorganize accounts. Farm Funds will automatically list your accounts in alphabetical order, but you may move them to suit your needs. If, for example, you would like to make your Wells Fargo checking account your default cash account, you may do so by clicking on it and dragging it to the top of the list of cash accounts.



1. Select Accounting from the menu bar options and highlight General Ledger. Click on Chart of Accounts. Alternately, you may switch to your General Ledger toolbar and select the Chart of Accounts button.  The Chart of Accounts box will appear. Assets, liabilities and equity accounts will be displayed and will be grouped into categories.








Tip ... Accounts denoted by folders  do not carry balances and are only used to group similar items together. Accounts that are preceded by a dollar sign are the accounts that are used to record transactions.

2. Individual accounts may be moved by clicking on an item and dragging it to the desired location. If, for example, you would like to make your Wells Fargo checking account your default cash account, click on it and drag it to the top of the list of cash accounts.
3. Selecting or deselecting the Condensed button  will open and close the main category folders: Assets, Liabilities, Equity, Revenue and Expenses. Double clicking on any of the closed folders will display the subfolders and/or the accounts within the selected folder.



Tip ... Accounts may only be moved within their main categories. For example, an asset account may not be moved into the liability section.

4. To add commonly used accounts, use the *Add Accounts* option. Other accounts, such as a specific checking account, may be added as follows:
 - Click on the category folder for which you wish to add an account: Cash Accounts, for example.
 - Click on the Add Account  button in the menu bar. The New Account dialog box will appear.
 - Enter an Account Name where indicated: Key Bank, for example
 - Click Cancel to exit this box without saving your information. Click OK to save the new account and exit the dialog box.
5. To add a new heading account:
 - Click on the category folder for which you wish to add a heading account: Revenue, for example.
 - Click on the Add Heading  button in the menu bar. The New Heading Account dialog box will appear.
 - Enter an Account Name where indicated: Crop Sales or Livestock Sales, for example.
 - Click Cancel to exit this box without saving your information. Click OK to save the new account and exit the dialog box.
 - Individual accounts may be dragged to the newly created heading as desired.
6. To delete an account, select the item and click the Remove Account button  from the menu bar. Some accounts, such as Accounts Receivable cannot be deleted but may be disabled. Accounts that have been posted to cannot be removed.
 - If you attempt to delete an unused account such as Accounts Payable or Accounts Receivable, the account will change from green to gray to show that it is disabled. The account will not appear anywhere except within the chart of accounts.
 - If you later decide to restore these accounts to your chart of accounts, select the grayed account and select the Enable Account button. 
7. Selecting the Active Only button  will restrict the display of accounts to those that are not grayed out, as described in steps above. Deselecting this option will revert the display to show all accounts.
8. To change the name of an account or heading, click on the item and choose Edit from the menu bar. Select Edit Account Name from the drop-down menu. The Rename Account dialog box will appear. Enter a new name and click OK to save your changes.



Tip ... You may wish to "hide" an account that has been posted to and cannot be deleted. If, for example, you no longer wish to see the account *Advertising Expense*, you may rename it *Z-DO-NOT-USE Advertising Expense* to list it at the bottom of your expense options. Leave the original name of the account in the new description for future reference.

9. Accounts will be displayed on your financial reports in the order in which they are displayed in the chart of accounts. To summarize a group of accounts on your reports so that the detail lines do not print, click on the heading account and then click on the Summarize/Unsummarize Heading button. The folder will turn red. Selecting the option again will remove the summarization of the folder and turn it green again.
10. To print the chart of accounts, click on the Print button.
11. To alphabetize a group in the chart of accounts, click on the heading for the group and select Alphabetize Heading.
12. To exit the chart of accounts, click Done or select Exit from the File menu.

Adding New Accounts

Many of the commonly used accounts have already been set up in Farm Funds and may easily be activated through the Add Accounts option. This area is identical to the Chart of Accounts Setup found in initial setup. To add a new account:

Chart of Accounts Setup

Please set up accounts in the order given below.

Supplies
 Crops
 Resale Livestock
 Breeding Livestock
 Expenses
 Rev~~ue~~


Select account name, then press record to add accounts to your chart of accounts. Existing accounts will appear gray.


New Accounts

Account

Record
 Done
 Help

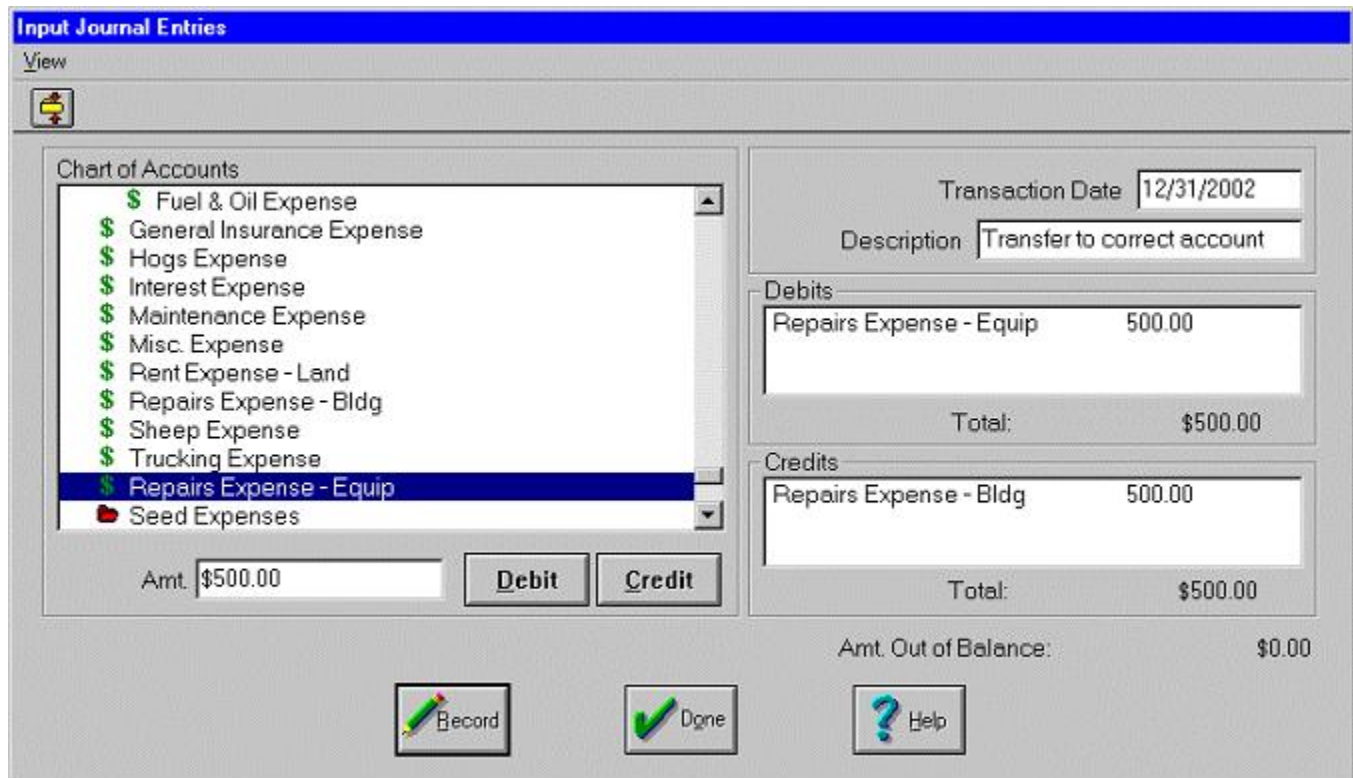
Chemicals
 Feed
 Fertilizer & Lime
 Fuel & Oil
 Hay
 Medicine
 Misc. Parts
 Misc. Supplies
 Seed
 Soft Sport
 Straw

1. Select the Add Accounts button  on the General Ledger toolbar or select General Ledger from the Accounting drop-down list and click on Add Accounts. The Add Accounts box will appear.
2. Add accounts in order starting with the Supplies category and ending with Revenue. Many accounts are linked together and will be selected for you automatically when a corresponding account is chosen. Activating *Chemicals* as a supply account will also activate the *Chemicals Expense* account.
3. Click Done when you have finished adding accounts.

 **See Also ...** For more information about adding accounts from this menu, see the chapter entitled "Chart of Accounts" in the Initial Setup section of Farm Funds.

Making Journal Entries

The Input Journal Entries box is used to enter adjustments to your books and requires an understanding of debits and credits. Journal entries are not for day-to-day use, but are designed to be used to make entries that your accountant gives you, usually at year-end.



Input Journal Entries

View

Chart of Accounts

- \$ Fuel & Oil Expense
- \$ General Insurance Expense
- \$ Hogs Expense
- \$ Interest Expense
- \$ Maintenance Expense
- \$ Misc. Expense
- \$ Rent Expense - Land
- \$ Repairs Expense - Bldg
- \$ Sheep Expense
- \$ Trucking Expense
- \$ Repairs Expense - Equip**
- Seed Expenses

Amt: \$500.00 Debit Credit

Transaction Date: 12/31/2002

Description: Transfer to correct account

Debits


Repairs Expense - Equip	500.00
Total:	\$500.00

Credits


Repairs Expense - Bldg	500.00
Total:	\$500.00

Amt. Out of Balance: \$0.00

Record Done Help

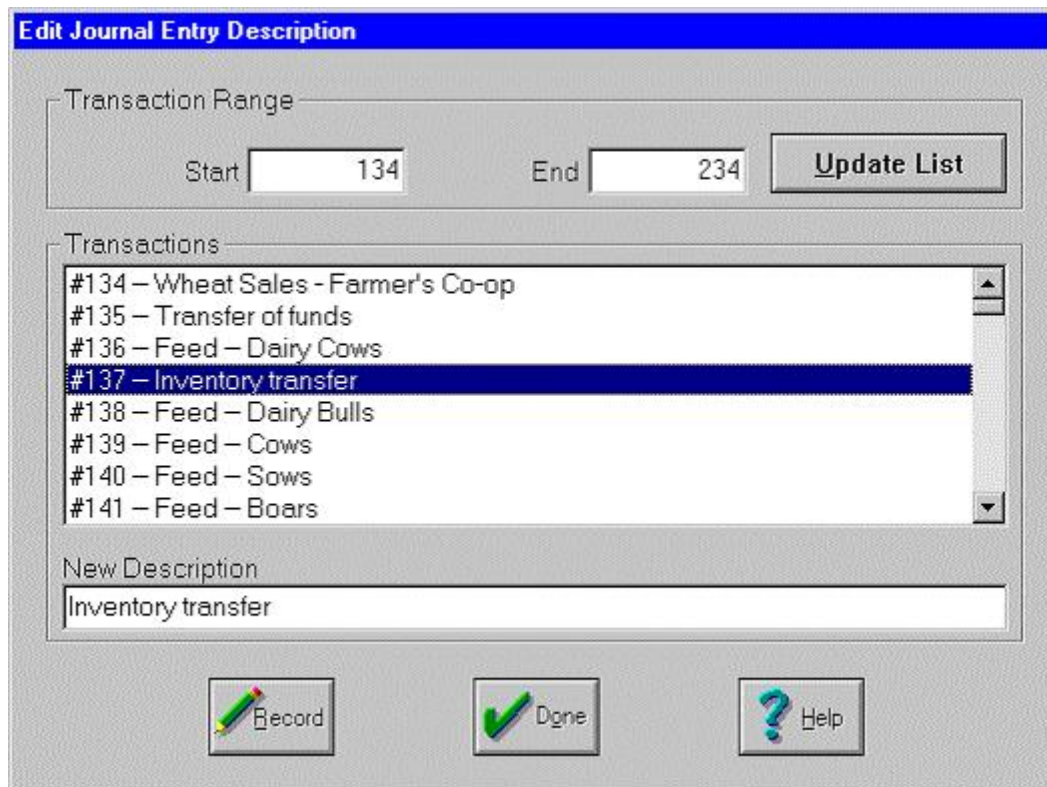
1. Select Accounting from the menu bar options and highlight General Ledger. Click on Input Journal Entries. Alternately, you may select Input Journal Entries  from the General Ledger toolbar. The Input Journal Entries dialog box will appear.
2. The Chart of Accounts will appear at left. Heading folders may not be posted to. Only accounts preceded by a green dollar sign may be posted to. Accounts with a yellow dollar sign, such as Accounts


Receivable cannot be posted to from this area because they are supported by details such as vendor totals that are an integral part of the figures. These accounts must be adjusted through Payments and Purchases or Income and Sales.

3. The Condensed button  may be selected to view the chart of accounts by major category. Double clicking on any of the closed folders will display the subfolders and/or the accounts within the selected folder. Reselecting the Condensed button will reopen all folders.
4. Enter a Transaction Date for your adjusting journal entry where indicated: 12/31/2002, for example.
5. A brief Description may be entered to summarize the adjusting entry.
6. Click on the first account you will be adjusting from the chart of accounts listing and enter the Amount of the adjustment where indicated.
7. Click whether the adjustment amount is a Debit or a Credit. The item and amount will appear in the appropriate section at right.
8. Repeat steps 4 and 5 for each account adjusted in this journal entry. Debit and Credit amounts must balance before the entry may be posted.
9. Once all account adjustments have been entered and the Amount Out of Balance equals zero, click Record to post your entry.
10. Click Done when you have finished entering adjustments.

Editing Journal Entries

The Edit Journal Entry Description box is used to change or add a description to any transaction that you have created. Descriptions may also be changed from within your account register, where applicable.



1. Select Accounting from the menu bar options and highlight General Ledger. Click on Edit Journal Entry Description.  The Edit Journal Entry Description dialog box will appear.

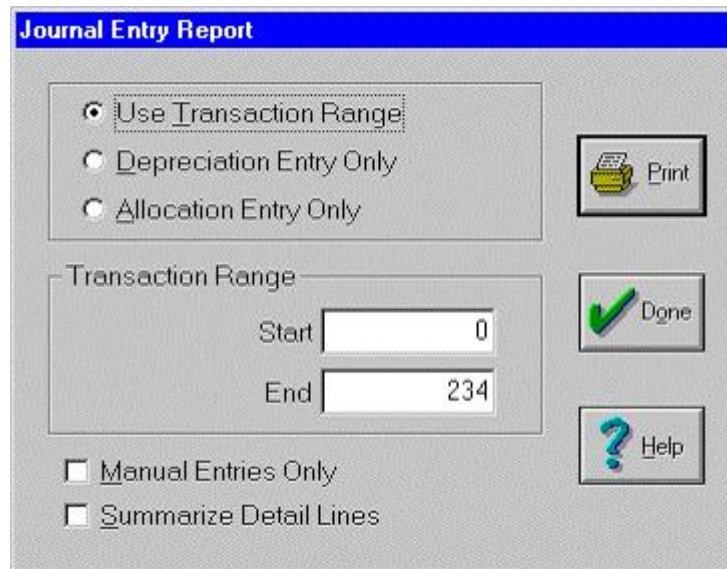
2. Enter a Transaction Range to restrict the journal entries displayed. Click Update List to update the display.
3. Select the transaction to change from the listing. Its current description will be displayed.
4. A New Description may be entered by editing the displayed text.
5. Click Record to post the new description.
6. Click Done when you are finished editing journal entries.

Printing General Ledger Reports

There are two sets of reports that may be printed: one for your accrual books and one for your cash books. Cash books more accurately reflect actual cash flows and are used by most individuals for tax purposes. Accrual books more accurately reflect true profitability and include Accounts Payable, Accounts Receivable and Inventories for your supplies, crops and/or livestock.

Printing Journal Entry Reports

This report lists entries that have been created through purchases, sales, farming or other dialog boxes. Transactions are automatically numbered in the order in which they were recorded and the entries are shown in standard accounting format (debits and credits).



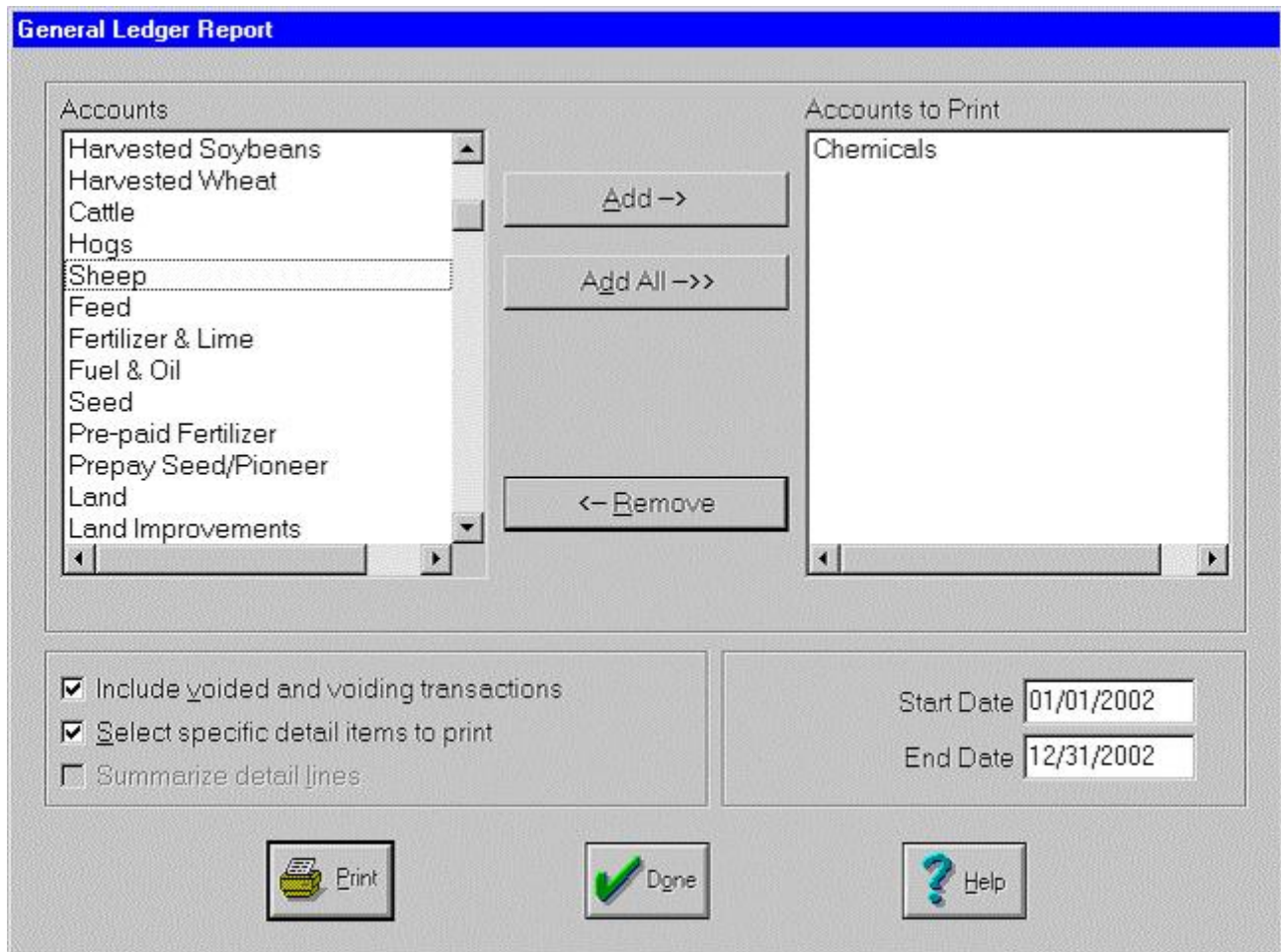
1. Select Accounting from the menu bar options and highlight General Ledger. Highlight either Accrual Reports or Cash Reports and click on Journal Entry Report. The Journal Entry Report dialog box will appear.
2. Click beside the type of entries you wish to view from list of options.
 - **Use Transaction Range** – This option will display journal entries for regular transactions, such as purchases and sales.
 - **Depreciation Entry Only** – This option will display journal entries for depreciation on equipment, structures, improvements and breeding stock.

- **Allocation Entry Only** – This option may be used to show the entry that values the growing crops, harvested crops and livestock inventories. This option is only available in the accrual reports.
3. Select a Transaction Range to limit the report to a specific range of entries. This option is only available for the option above.
 4. Check the box beside Manual Entries Only to restrict the report to only those journal entries that were entered through the General Ledger's Input Journal Entries option. This option is only available for #2a above.
 5. Check the box beside Summarize Detail Lines to condense the report. For example, an entry that paid for repairs on five different items will only show as one Repairs Expense, rather than five separate ones. This option is only available for the steps above.
 6. Click Print to view the report. The date, description, vendor and journal entry will be displayed.
 7. Click the Printer button to print the report.
 8. This report may be exported as a Windows Metafile by selecting Export from the File menu. To save this file on your hard drive, select a location, enter a File Name and click Save.
 9. Click the X in the upper right hand corner or select Exit from the File menu to close this window.
 10. Click Done to exit the Journal Entry Report window.

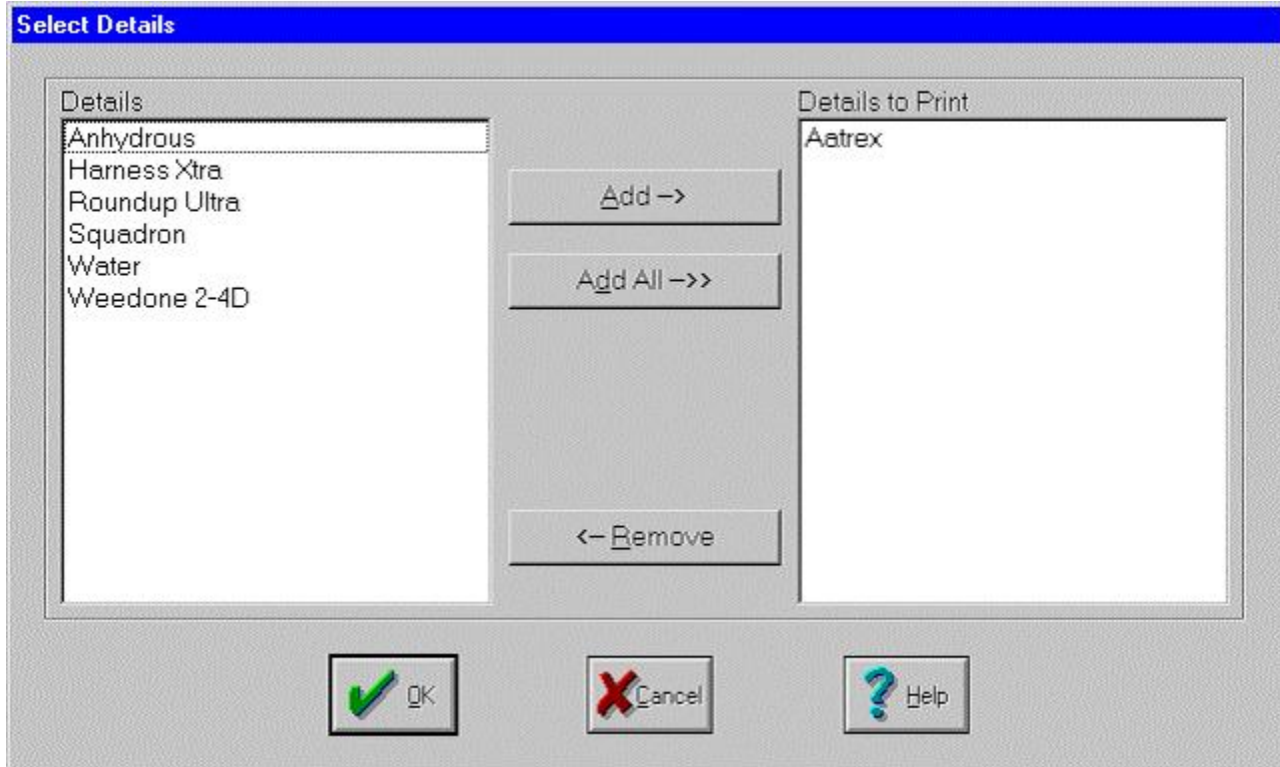
Printing General Ledger Detail Reports

This report provides a list of all transactions affecting a selected account or accounts for a given period of time. This report also gives you the option to print details. For example, you could print a detail of your Roundup™ purchases from within your Chemical Expense report.

1. Select Accounting from the menu bar options and highlight General Ledger. Highlight either Accrual Reports or Cash Reports and click on General Ledger Detail Report. The General Ledger Report dialog box will appear.
2. Accounts will be listed in the order they appear in the Chart of Accounts, beginning with Assets and ending with Expenses. Click on the Account(s) you wish to view from list. The category of the account selected will be displayed below the accounts box.
3. Multiple accounts may be selected by holding down the Ctrl key. A series of accounts may be selected by selecting the first item, holding down the Shift key and then clicking on the last item.
4. Click Add to place the selected Account(s) in the list of Accounts to Print. Accounts may also be added to the list by double clicking on them.
5. Select Add All to print a report for all accounts listed in the chart of accounts.
6. To remove an account from the Accounts to Print listing, select the account and click Remove. Items may also be removed by double clicking on them.
7. Enter a Start Date and an End Date for your report where indicated.



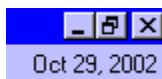
8. Check the box beside Include voided and voiding transactions to display these items, if desired.
9. Check the box beside Select specific detail items to print if you wish to print details of some of your accounts. For example, you may wish to print a detail of your Roundup™ purchases from within your Chemical Expense account.
10. Check the box beside Summarize detail lines to condense the report. For example, a chemical application will only show the total application, rather than the amount applied to each field.
11. Click Print to display the report.



12. If the option to select detail items was chosen in step #8, the Select Details box will appear. Select the detail items to print and click OK to continue. Only the detail items selected will appear on your report.
13. Click the Printer button to print the report.
14. This report may be exported as a Windows Metafile by selecting Export from the File menu. To save this file on your hard drive, select a location, enter a File Name and click Save.
15. Click the X in the upper right hand corner or select Exit from the File menu to close this window.
16. Click Done to exit the General Ledger Detail Report window.

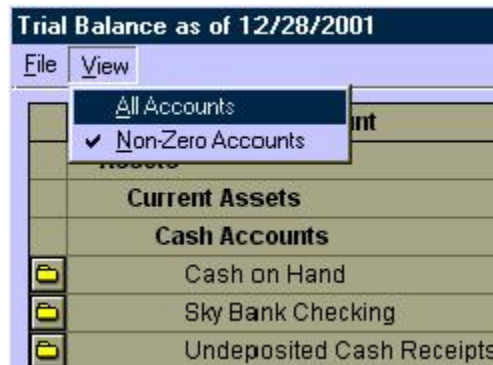
Printing Balance Sheets

This report lists assets and liabilities as well as your farm's equity or net worth as of a given date. The accrual report will include Accounts Receivable, Accounts Payable and Inventory for your supplies, crops and livestock.



1. To set the date for your report, click on the date on the right hand side of your menu bar. The Set Working Date box will appear. Enter the Working Date as the desired date for your report. Click OK to continue.
2. Select Accounting from the menu bar options and highlight General Ledger. Highlight either Accrual Reports or Cash Reports and click on Balance Sheet. The Balance Sheet dialog box will appear.
3. Click the Printer button to print the report.
4. This report may be exported as a Windows Metafile by selecting Export from the File menu. To save this file on your hard drive, select a location, enter a File Name and click Save.
5. Click the X in the upper right hand corner or select Exit from the File menu to close this window.

6. If you are finished printing reports, click on the date in the menu bar and changing the Working Date back to the System Date.



Printing Income Statements

This report lists "year-to-date" revenues and expenses as well as net profit or loss and may be printed as of any date. The cash report will only reflect cash received and spent. The accrual report will include Accounts Receivable, Accounts Payable and Inventory for your supplies, crops and livestock. Because accrual books keep items in inventory until they are actually sold, the accrual income statement will give a more accurate representation of your farm's profitability.

1. To set the date for your report, click on the date on the right hand side of your menu bar. The Set Working Date box will appear. Enter the Working Date as the desired date for your report. Click OK to continue.



FYI ... The report will print totals from the start of the opened year to the working date. For example, if your last closed year is December 31, 2001 and you set your working date to June 30, 2002, the report will display income for January 1, 2002 to June 30, 2002.

2. To print a cash report: Select Accounting from the menu bar options and highlight General Ledger. Highlight Cash Reports and click on Income Statement. The Print Income Statement dialog box will appear. Enter a Date Range for the report and click Print to continue. The Income Statement dialog box will appear.
3. To print an accrual report: Select Accounting from the menu bar options and highlight General Ledger. Highlight Accrual Reports and click on Income Statement. The Income Statement dialog box will appear.
4. Click the Printer button to print the report. The report will display year-to-date revenues and expenses along with the percentage of sales for each account.
5. This report may be exported as a Windows Metafile by selecting Export from the File menu. To save this file on your hard drive, select a location, enter a File Name and click Save.
6. Click the X in the upper right hand corner or select Exit from the File menu to close this window.
7. If you are finished printing reports, click on the date in the menu bar and change the Working Date back to the System Date.

Printing Trial Balance Reports

The Trial Balance is one of the most powerful features of Farm Funds. This report gives you the ability to view every account along with its details. You may research the transactions that have been posted to each account and view the details of those transactions.

Transaction Entry -- Accrual Method

File Void

Void Transaction

11/30/2002 - Accrual JE #166

Vendor: Phil Haynes

Description: Purchase Haynes Farm



Check #1208 Purchase Haynes Farm

Entry made by purchase.

Account (Detail)	Debits	Credits	Qty. 1	Qty. 2
Land	50,000.00			
Buildings & Structures (Grain Bin 15,000 bu)	7,500.00			
Buildings & Structures (Grain Bin 10,000 bu)	5,750.00			
Buildings & Structures (Barn)	7,000.00			
Sky Bank Checking		10,000.00		
Mortgage on Haynes farm -- Short Term		6,000.00		
Mortgage on Haynes farm -- Long Term		54,250.00		
	70,250.00	70,250.00		

11/30/2002 - Accrual JE #166

Done Help

1. To set the date for your report, click on the date on the right hand side of your menu bar. The Set Working Date box will appear. Enter the Working Date as the desired date for your report. Click OK to continue.
2. Select Accounting from the menu bar options and highlight General Ledger. Highlight either Accrual Reports or Cash Reports and click on Trial Balance. The Trial Balance dialog box will appear. To work with Inventories, Accounts Payable or Accounts Receivable, the Accrual Reports option must be chosen.
3. The Trial Balance will display all accounts with balances. To view accounts with zero balances as well, select View from the menu bar and choose All Accounts from the drop-down menu. To restrict the view again, select Non-Zero Accounts from the View menu.
4. The active window may be printed at any time by clicking on the Printer button  in the upper right hand corner of the screen.
5. A Folder Details button  will precede each account listed. To view the details of an account, click the folder button to open it. To close a detailed view, click Done.
6. Some accounts will give you the option to Change the Balance Forward Date from the File menu. This will change the date range viewed for the selected account.

7. Some accounts, such as *Inventory* or *Maintenance* will summarize information into groups. Your Seed Supplies account, for example may list varieties of corn, beans and/or wheat seed on hand; while your Maintenance Expense account may list each structure and/or piece of equipment that was repaired.
8. To display more information for any transaction listed, click on the magnifying glass that precedes it. All information about an entry including the date, description, vendor, and posting accounts may be viewed.
9. You may void a displayed Transaction Entry by selecting Void from the menu bar and choosing Void Transaction from the drop-down menu. You will be prompted to confirm the void. Click Yes to void the transaction. Click No to close the window without voiding the transaction.
10. The Trial Balance information may be exported as text by selecting Export as Text from the File menu. To save this file on your hard drive, select a location, enter a File Name and click Save.
11. Click Done or select Exit from the File menu to close this window.
12. If you are finished printing reports, click on the date in the menu bar and change the Working Date back to the System Date.

Chapter 14 - Farming & Enterprises



One of the advantages of Farm Funds is its ability to keep detailed enterprise profit and loss information on each field, group of livestock, and piece of equipment. By entering information on each check written and deposit made, and by recording your farming activities, you have the ability to get an accurate analysis of any enterprise. The most important step in getting this information is recording farming actions. Note that your Farm Trac+ manual covers farming in more detail; this section is designed to give you a quick overview of farming along with explanations of areas that are different in Farm Funds. Be sure to refer to your program helps for more detail.



See Also ... For more information about recording farming actions, see the section entitled "Farming Operations" in *Farm Trac+ User Guide*. For more information on livestock, see *Farm Stock Step by Step*. You may purchase printed forms of these software manuals by calling the Farm Works Software sales team at (800) 225-2848.

Entering Farming Activities

You can record farming actions by adding the desired people, equipment and supplies to the Working Group area and then selecting the field(s) you wish to farm. Hold down the *Shift* or *Ctrl* key on your keyboard to select multiple fields. Once you have selected the fields, right click and select Apply Working Group from the menu. At this point, the Farming dialog box appears. This box will have a column for each field as well as a column of totals. Note that if you enter information in the *total* column, it will be distributed to the individual fields. If you have individual information for each field, you can enter that as well, and the total will be updated automatically. Partial farming operations may be entered by changing the number of acres farmed. Each Supply item used may be applied to the entire field or just a portion of the field by changing the area farmed for that supply. This is useful when planting multiple varieties.

You can also enter information for each person and piece of equipment regarding the time spent completing the farming action. Enter the quantity of each supply used or accept the default, based on the rate entered and the acreage of the fields farmed. If the field is share-cropped, you will be able to enter the total quantity used on the field as well as the percent or quantity supplied by the landlord. When recording harvests you will need to enter the yield, either as a total or per acre, for the field or fields being harvested. You will have two buttons that can be used to calculate these amounts:



Harvest Calculator – This can be used to calculate the yields when you know the number of loads harvested as well as the size of each load.



Scale Tickets – This can be used to enter scale tickets for use in computing the total yield. To use scale tickets, you will need to set up moisture, shrink, and pounds per bushel for each commodity so that yields can be computed.

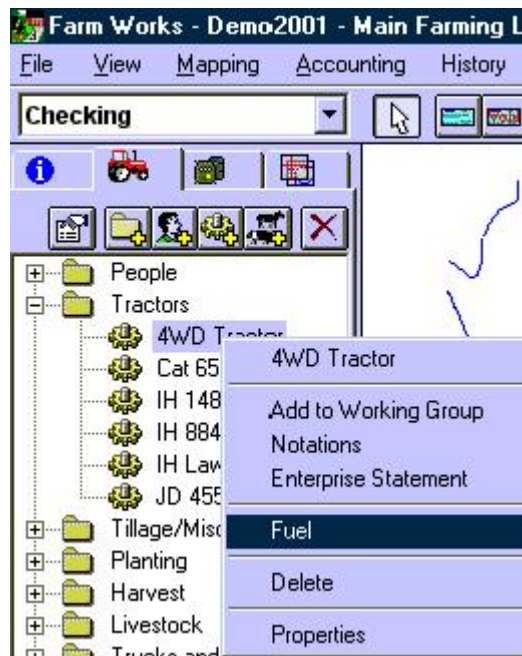
When you have finished harvesting a field and are ready to close out the current year's crop, select the End Enterprise option. You can also Partially end an enterprise, which will allow you to allocate a percentage of the costs of the crop to the crop that has been harvested and leave the rest in the field. This option is often used for hay, where you do a partial end after each cutting, or with wheat, where you use a partial end to leave part of the

costs in the field for the straw that will be removed. Note that you will still be able to sell crops from enterprises that are closed. You will also be able to allocate costs such as rent expense to closed enterprises. However, once you end an enterprise, all future farming actions will be applied to the next year's crop enterprise. If you need to "re-open" an enterprise, go to the Enterprise Maintenance box (Accounting > Enterprises > Enterprise Maintenance) and edit the enterprise. Once an enterprise is re-opened, you may record farming actions to it.

If you right-click on any equipment icon, a menu that lists options for the equipment will be displayed. If the icon is self-propelled, such as a tractor, combine, or truck, you will have an option to Fuel the icon. Fuel usage can be recorded at any time. You can do it before each farming action, you can do it at the end of each week, month, or year, or you can do it at any time in between. In the Fuel box, first select the supply with which you wish to fuel the icon and then enter the quantity used. Thus, you will only be able to record fuel usage if you have been purchasing your fuel as supplies.

Fueling Equipment

Fuel usage for each piece of equipment may be entered in Farm Funds and applied to your enterprises as the equipment is used. To enter fuel used:



1. Click on the Farming tab and scroll down to the group that contains the equipment you wish to fuel. Right click on the item and select Fuel from the menu. The Fuel box will appear.
2. Enter the Date Fueled where indicated.



Tip ... You do not need to record fuel every time you literally fuel your equipment, but you will want to be consistent: monthly, for example.

3. The Fuel Item area lists all supplies that have been designated as fuel in the Supply Properties box. Select the Fuel Item from the drop-down list: *diesel*, for example. The Quantity on Hand and Unit Cost will be displayed.
4. Enter the Quantity Used where indicated.

Fuel

Machine 4WD Tractor

Date Fueled 10/18/2002

Fuel Item Diesel Fuel

Qty. On Hand 1250.000 gallons

Qty. Used 50 gallons

Unit Cost \$1.46

Total \$72.78

OK Cancel Help


5. Click OK to record the fuel used.

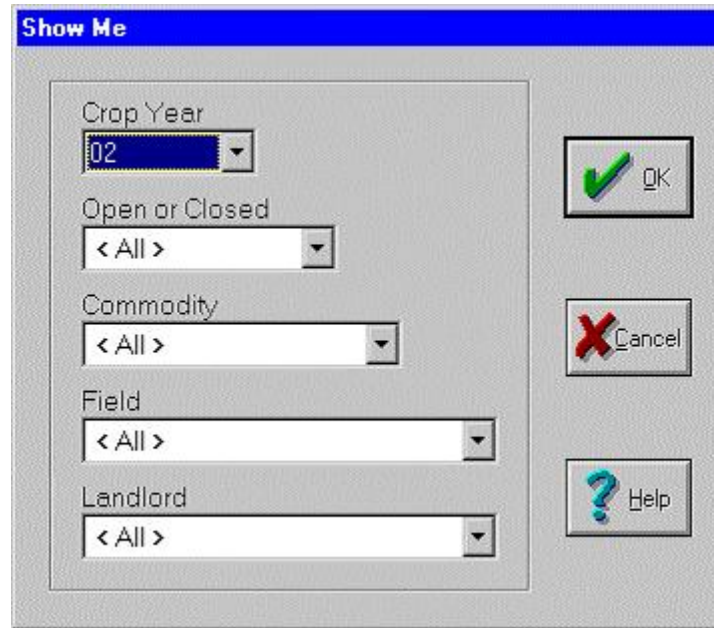
Allocating Inputs

The allocate inputs area is used to apply costs to your enterprises without recording a farming action. Costs may also be removed from your enterprises in this area. The most common use of this function is to allocate revenues and expenses that were not allocated when incurred. To allocate inputs:

1. Click on Accounting in the menu bar and highlight Enterprises. Select Allocate Inputs from the menu. The Allocate Inputs box will appear.
2. Select the type of Input to allocate/de-allocate from the list: Supplies, Equipment, People, Expenses or Revenue.
3. Select the account to allocate/de-allocate from the listing. For supplies, the Quantity on Hand will be displayed. For expenses and revenues, the Unallocated Amount will be displayed.
4. Enter the Date of Allocation where indicated.
5. Enter the Quantity to Allocate or Amount to Allocate where indicated. To de-allocate a quantity or amount, enter a negative number.

6. Select the Enterprise for the allocation. Multiple enterprises may be selected by holding down the *Ctrl* key.

 **Tip ...** Field Crops-Landlord should only be used for inputs purchased that were later reimbursed by the landlord.




6. The Show Me button may be used to restrict the allocation to a particular Year, Open or Closed status, Commodity, Field and/or Landlord. Select the combination desired, and click OK to return to the Allocate Inputs box.
7. Click Record to save your information.
8. Repeat steps #2-8 for additional allocations or click Done to exit.

Adding Overhead Costs

Every cost incurred can be entered and tracked with Farm Funds, but some items, such as office expenses or general insurance cannot be allocated to a specific enterprise. Using an overhead account can help you allocate your miscellaneous costs to your enterprises. Enterprise statements may be printed for your overhead allocations.

To set up an overhead allocation:

1. Click on the Farming tab and click on the New Equipment button.  The Equipment Properties box will appear.




Tip ... If you have both crops and livestock on your farm, set up two overhead allocations: *Overhead- Crops* and *Overhead- Livestock*.

2. Enter the Description Overhead- Crops or Overhead- Livestock.
3. Select a Picture Group: Planting, for example.
4. Select allocated as the Action or select <Add/Edit> to add it to your list.
5. Select the Charge Unit acres for crops; pounds sold or animals sold for livestock.
6. Select the Change Picture button to select an icon, if desired. The airplane icons in the Distributors group are commonly used for overhead.
7. Be sure your Enterprise Type is set to Passive.

8. Select Other for your Machine Properties.
9. Click Self-propelled to allow the overhead to "fly" by itself.
10. Click Record to save your information. Click Done to exit.

To use the Overhead- Crops allocation:

1. Click on the Farming tab and select the *Overhead- Crops* item by double clicking on it. It will appear in the Working Group box.

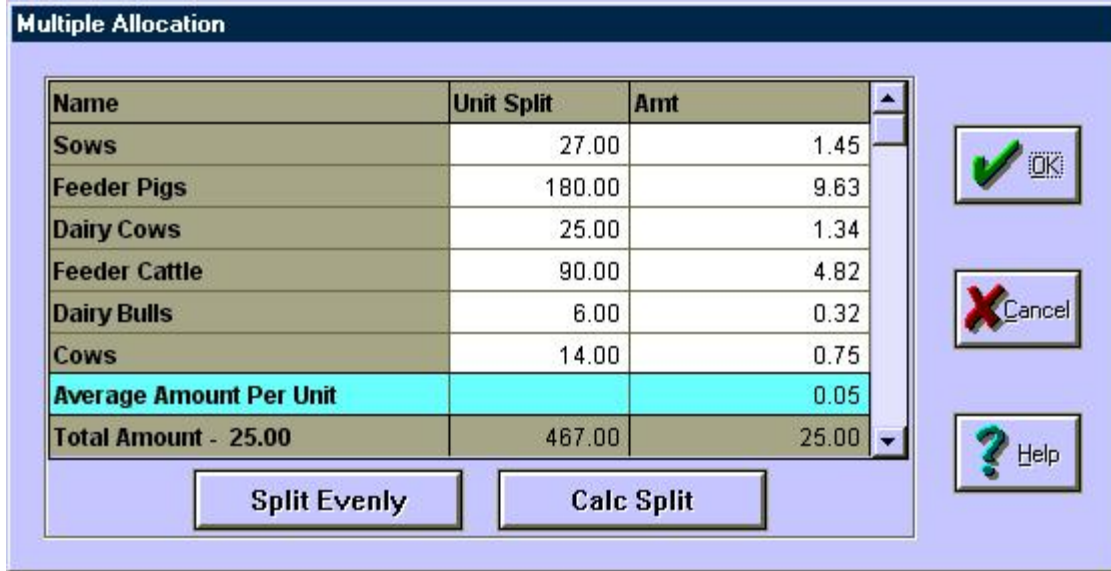


Tip ... You will only want to farm your fields once with the overhead allocation. This is usually done on the first day of the year.

2. Hold down the *Shift* key and select each of your fields.
3. When all fields have been selected, right click and select Apply Working Group. The Farming box will appear.
4. Overhead costs will be allocated by acre by default. Click OK to record the allocation.


To use the Overhead- Livestock allocation:

1. Click on Accounting in the menu bar and highlight Enterprises. Select Allocate Inputs from the menu. The Allocate Inputs box will appear.
2. Select the type of Input and the Account to allocate from the list. In this case, *Overhead- Livestock* is located in the Equipment group.
3. Enter the Date of Allocation where indicated. This will usually be the last day of the year.
4. Enter the Quantity to Allocate where indicated for the number of animals sold.



5. Select the Livestock Enterprise for the allocation. Multiple enterprises may be selected by holding down the *Ctrl* key.
6. Click Record to save your information.
7. Repeat steps #2-8 for additional allocations or click Done to exit.

To allocate expenses to overhead:



Tip ... When an expense is incurred, such as office expense, which is not allocated to an enterprise, you may allocate it to overhead instead.


1. When recording a purchase, select the Expenses and Other Payments button to record *office expense*, for example.
2. Select your expense account as you normally would and select *Equipment* as your Enterprise.

Expense and Other Payments




Amount

Account

Expense Accounts
 Revenue Accounts
 Other Accounts




FICA-Medicare Expense
 Fuel & Oil Expense
 General Insurance Expense
 Hogs Expense
 Interest Expense
 Maintenance Expense
 Misc. Expense
 Rent Expense - Land
 Repairs Expense - Bldg






Enterprise Allocation

None
 Field Crops - Mine
 Field Crops - Landlord
 Equipment
 Livestock
 People
 Structures

KillBros. Wagon#1
 KillBros. Wagon#2
 Manure Spreader
 No-Till Drill
 Overhead- Crops
 Overhead- Livestock
 Pivot #1
 Pivot #2
 Soil Finisher
 Truck



 Show Me ...

3. Select the *Overhead* account for the allocation. If you have both *Overhead- Crops* and *Overhead- Livestock*, select them both.
4. Click OK to continue.
5. If you selected two overhead accounts in step 3, the Multiple Allocation box will appear. Enter the percentage for each enterprise in the Unit Split box and click Calculate Split to compute the percentage. Click OK to continue. You will be returned to payments and purchases.



Tip ... Once you decide on a percentage split for you enterprises, this number should be used consistently to split overhead between crops and livestock. The percentages should be based on the approximate income from your crop vs. livestock enterprises.



See Also ... For more information about recording expenses, see the section entitled Payments and Purchases in Farm Funds.

Making Sharecrop Transactions

Farm Funds may be used to track sharecrop transactions and statements can be printed to show landlord inputs. Fields may be designated as sharecropped when a field is defined in the field tab of the object properties box.



See Also ... For more information about defining fields, see the chapter entitled "Define Objects" in the Mapping Tools section of Farm Trac.

When recording sharecrop transactions, remember these rules:



When purchasing supplies, only purchase (and, thus put into your inventory) the supplies that you pay for. Record the purchase of the landlord's share of supplies if you will later be reimbursed for them.



When applying supplies to the field, enter the entire amount applied in the Farming box. Indicate the landlord's percentage so that only your portion of the supplies will be removed from your inventory.



If the landlord is reimbursing you for supplies purchased, record the reimbursement as a Supply Sale to the landlord.



When harvesting a crop, enter the landlord's percentage for the amount of the crop that you will not be selling (or storing). The remaining portion of the crop will be available to you to store and/or sell.



See Also ... For more information about recording farming operations, see the section entitled "Farming Operations" in Farm Trac.

Selling Supplies

When purchasing supplies, record the actual amount you purchase. If you purchase the entire amount and the landlord later reimburses you for his share, record the reimbursement as a sale of supplies to the landlord. To record the supply sale:

1. Click on Accounting in the menu bar and highlight Income, Sales and Deposits. Select Record Income or Sales from the menu. The Income, Sales and Deposits box will appear.
2. Select the landlord as the Purchaser and enter the Date where indicated. A brief Description may be entered to summarize your transaction.
3. Select the Inventory Supplies button from the button bar. The Inventory Supplies Sale box will be displayed.
4. Select the Supply item for which you are being reimbursed from the drop-down menu: *P3379 Seed Corn*, for example. The Quantity on Hand and Unit Cost will be displayed.
5. Enter the Quantity Sold to the landlord.
6. Enter the Unit Price or Total Sale where indicated. The other will be computed for you.



Tip ... You do not need to use the actual cost of the supply for the sale.

7. Select the appropriate option for How you deposited for the landlord's payment. The invoice option will allow you to set up a receivable and set a due date for payment. Farm Funds will then keep track of what the landlord owes.



Tip ... It is best to record the supply sale each time a purchase is made, but it can be recorded as one big sale.

To print a statement for the landlord:

1. Click on Accounting in the menu bar and highlight Income, Sales and Deposits. Select Print Invoice/Statement from the menu. The Invoice/ Statement box will appear.
2. Select the landlord from the Customer drop-down list.
3. Enter a Date Range and click Update List to view your invoice(s).
4. Select each item desired for the report and click Print to view the report. Your farm's name and address along with the landlord's name and address will be displayed at the top of the report.
5. Click the Printer button to print the report.
6. Choose Exit from the File menu to close the report window.
7. Click Done to exit.

To print an enterprise statement:

1. Click on Accounting in the menu bar and highlight Enterprises. Select Enterprise Statement from the menu. The Enterprise Statement box will appear.
2. In the Enterprises tab, select Crops as your enterprise type. The Year, Commodity, Field and Landlord will be displayed.
3. The Show Me buttons may be used to restrict the display. Select the Year, Commodity, Field, Landlord, County or Open/Closed status from the drop-down menus to restrict the display to the items selected.
4. Click on the items you wish to include or click the All button to select all items. You may deselect highlighted items by clicking on them.
5. Inputs may be restricted to Farm Inputs Only, Landlord Inputs Only or Farm and Landlord Inputs. The Farm Inputs option will show your costs only. The Landlord Inputs option may be used to print a statement for the landlord.
6. Enter a Date Range by selecting one of the date options. Choose Include all dates, to include all inputs. Select Include inputs through to include all inputs through a given date or select Date Range to enter a starting and ending date for the data.
7. Click on the Report tab to view the report.
8. Click on the Enterprises tab to change the information displayed, or click on the Printer button to display the report as it will be printed. This report is useful for displaying the overall cost per acre for the field.
9. Click on the Printer button to print the report.
10. Close the report window by selecting Exit from the File menu.
8. Click on the Enterprise tab to create another statement, or select Exit from the File menu to close.

Entering Livestock Activities

In addition to recording field activity, you will be able to record farming actions that relate to livestock. You can set up icons to represent the groups of livestock you are working with. In addition to recording purchases to and sales from these groups you can enter other information by right-clicking on the icons. Following are the functions that can be performed from the right-click menu for a livestock icon:

Adding Newborn Livestock

When using Farm Funds to track livestock costs, all births must be entered. To record a birth:

1. Click on the Farming tab and scroll down to your livestock group. Click on the plus button to open the group and right click on the group for which you will record the birth. Select Birth from the right click menu. The Animal Birth box will appear.




Tip ... To keep your costs accurate, do not record animal births into groups of purchased animals, place them in raised animal groups.





2. Enter the Date of the birth where indicated. If you are recording several births, enter the last date an animal was born into the group.
3. For a new group, enter the Category and Account where indicated. This information will already be completed for existing groups.
4. The Current Quantity of animals in the group will be displayed, enter the number of births for the group in the Quantity to Add box.

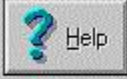
Animal Birth

Description 

Date

Category Resale Livestock Breeding Livestock 

Account 

Current Qty. head 

Qty. to Add head

Avg. Wt. lbs

Total Wt. lbs

5. Enter the Average Weight of the new animals or their Total Weight where indicated. The other figure will be computed for you.
6. Click OK to enter the birth. If you are using Farm Stock, you will be prompted to record this action in Farm Stock.

Feeding Livestock


When using Farm Funds to track livestock costs, all feed usage must be entered. To record a feeding:

Feed Animal

Description

Current Qty. head

Date



Feed Items

Harvested Crops

Supplies
 Blends

Alfalfa Silage

Calf Starter Pellets


Corn for Feed

Mineral Feed Mix

Soybean Meal (48%)

Wheat Hay


Add to Schedule




Feed Schedule


Name	On Hand	Quantity	Units	Unit Cost
Mineral Feed Mix	350.000	5.000	bags	12.560
Soybean Meal (48%)	39,700.000	250.000	lbs	0.092
Corn for Feed	35,200.000	1,600.000	lbs	0.037
Alfalfa Silage	18.250	0.055	tons	110.210

Clear Schedule
Save as Blend






1. Click on the Farming tab and scroll down to your livestock group. Click on the plus button to open the group. Right click on the group for which you will record the feeding and select Feed from the menu. The Feed Animal box will appear.
2. Enter the Date of the feeding where indicated. The Description of the group and Current Quantity of animals will be displayed.

 **Tip ...** You do not need to record a feeding every time you literally feed your animals, but you will want to be consistent: weekly, for example.

3. The Feed Items area lists all supplies that have been designated as feed in the Supply Properties box. Click on the supply item and click Add to Schedule to feed that supply item. The quantity on hand and unit cost will be displayed.
4. To transfer a Harvested Crop to a supply for feed, click on the Harvested Crops button. The Transfer Crop to Supply box will appear.

 **See Also ...** For more information about transferring harvested crops, see the chapter entitled "Transfer Harvested Crop to Supply" in the Inventory Maintenance section of Farm Funds.

5. Repeat steps #3 and 4 to add all feed items to the schedule.
6. Enter the Quantity used for each item where indicated.
7. If you will feed this combination often, you may save your schedule by selecting Save as Blend. The Save Blend box will appear.
 1. To change an existing Blend, select it from the drop-down menu. To enter a new Blend, select <New> and enter a Description where indicated: Calf starter blend, for example.
 2. Enter the quantity and select the unit of measure from the drop-down list to indicate how much the Current recipe makes: 1 Ton, for example.
 3. Click OK to save this blend.
8. To feed a blend, click the Blends option and click on the blend to use in the listing. Select Add to Schedule. The Add Blend box will appear. Enter the Quantity where indicated and click OK to continue. The recipe for the selected blend will appear in the schedule. Items in the schedule may be changed as desired.
9. Click OK to record the feeding.
10. If you are using Farm Stock, you will be prompted to record this action in Farm Stock.

Moving Livestock


When using Farm Funds, the transfer option is used to move animals from one group to another.

1. Click on the Farming tab and scroll down to your livestock group. Click on the plus button to open the group. Right click on the group from which you will record the transfer and select Transfer from the menu. The Transfer box will appear.
2. Enter the Number Transferred from the group where indicated. The number of animals in the group before and after the transfer, along with their cost and accumulated depreciation will be displayed below.
3. Enter the Average Weight of the transferred animals or their Total Weight where indicated. The other figure will be computed for you. Select/Deselect the Calculate value per lb. box to switch between cost per pound and cost per hundredweight.
4. Enter the current market value of the animals in the Price/lb or Total price where indicated. The other will be computed for you.



Tip ... Entering a cost for the transfer will not affect your net books, it will only affect your enterprises' profitability by recording a purchase and sale in your enterprises.

Transfer

From: Cows 


Category: Breeding Livestock

Qty: 2 Total lbs.: 2400

Avg. Wt.: 1200 Price/lb \$: 0.186

Calculate value per lb. Total: \$445.62

	Before Transfer	Transfer	After Transfer
No. of Head	14	2	12
Avg. Pur. Cost	222.86	222.86	222.86
Total Pur. Cost	3,120.00	445.72	2,674.28
Avg. Acc. Depr.	107.14	107.14	107.14
Total Acc. Depr.	1,500.00	214.28	1,285.72

Date: 10/18/2002 

Transfer To: Dairy Cows

Description: Dairy Cows

Picture Group: Livestock

Category: Resale Livestock Breeding Livestock

Account: Cows

OK Cancel Help

5. Enter the Average Purchase Cost or Total Purchase Cost for the animal(s) where indicated if different from the amounts displayed. The other will be computed for you. These amounts will default to the average for the group. This amount should not include costs of feed or veterinary bills, etc. Raised animals should have zero cost.
6. Enter the Average Accumulated Depreciation or Total Accumulated Depreciation for the animal(s) where indicated if different from the amounts displayed. The other will be computed for you. This should include all depreciation recorded through this year. These amounts will default to the average for the group.
7. Enter the Date of the transfer where indicated.
8. Select the group to which you are making the transfer from the Transfer To drop-down list. To create a new group, enter a new Description, select a Picture Group from the drop-down list, choose a Category for the animals and select an Account from the drop-down list.
9. Click OK to record the transfer(s). If you have entered a new group in step #8, you will be prompted to enter a new icon for the group. If you are using Farm Stock, you will be prompted to record this action in Farm Stock.

Removing Livestock

Recording a livestock death removes only that animal's purchase price and accumulated depreciation from the group. Other costs, such as feed, are allocated to the remaining animals and will not be removed unless no animals remain in the group. To record a death:



1. Click on the Farming tab and scroll down to your livestock group. Click on the plus button to open the group. Right click on the group for which you will record the death and select Death from the menu. The Animal Loss box will appear.
2. Enter the Date of the death where indicated.
3. Enter the Number Lost for the group where indicated. The number of animals in the group before and after the loss, along with their cost and accumulated depreciation will be displayed.
4. Enter the Average Weight of the lost animals or their Total Weight where indicated. The other figure will be computed for you.
5. Enter the Average Purchase Cost or Total Purchase Cost where indicated. The other will be computed for you. These amounts will default to the average for the group. This amount should not include costs of feed or veterinary bills, etc. Raised animals should have zero cost.
6. Enter the Average Accumulated Depreciation or Total Accumulated Depreciation for the animal(s) where indicated if different from the amounts displayed. The other will be computed for you. This should include all depreciation recorded through this year. These amounts will default to the average for the group.

Animal Loss

Description: Cows





Date: 10/17/2002

No. Lost: 1 head

Avg. Wt.: 1200 lbs

Total Wt.: 1200 lbs




	Before Loss	Loss	After Loss
No. of Head	14	1	13
Avg. Pur. Cost	222.86	222.86	222.86
Total Pur. Cost	3,120.00	222.86	2,897.14
Avg. Acc. Depr.	107.14	107.14	107.14
Total Acc. Depr.	1,500.00	107.14	1,392.86

Buttons:    

- Click OK to enter the death(s). If you are using Farm Stock, you will be prompted to record this action in Farm Stock.

Working with Enterprises

The Enterprises menu allows you to make changes to enterprises or print enterprise statements. The functions that can be performed in this area should be done monthly, quarterly, or whenever you want to adjust your enterprises. Remember, for more details on the operation of these functions, see the program helps. The following functions can be performed:

-  **Crop Setup** – To create new crops, use the Crop Setup box. Each crop consists of a year, commodity, account, and harvested unit of measure. You can also get to this box at the time you are assigning crops to fields while recording farming actions. The commodity you select can be used for tracking varieties and small grains, whereas the account can be used for grouping commodities together.
-  **Allocating Inputs** – The Allocate Inputs box allows you to allocate supplies, equipment, people, expenses, or revenues to enterprises. The most common use of this box is to allocate expenses and revenues that were left unallocated when they were incurred. When you click on an expense or revenue account, the unallocated amount for the selected account will be displayed, showing how much is left to allocate. Also, you can select more than one enterprise to allocate to by holding down the <Ctrl> key on your keyboard and clicking on each enterprise. This box can also be used for charging people and equipment to livestock.
-  **Enterprise Maintenance** – The Enterprise Maintenance box allows you to change the crop in a field. This should only be done when a crop was mistakenly entered. Record normal crop rotations by ending one crop enterprise and starting a new crop through farming. You can also close or re-open crop enterprises in this box. Re-opening allows you to record a farming action

after the enterprise has been closed. Use the Show Me button to restrict the enterprises that are displayed to those that relate to a certain year, crop, landlord, or field.



Removing Farming Operations – Removing a farming operation will remove the notations for the field, equipment, people, as well as chemical or fertilizer report information and accounting information.

Printing Enterprise Statements

At any time during the year you can get an enterprise statement for any field, structure, equipment, or crop. You can display an enterprise statement by either right-clicking on the field or icon and selecting **Enterprise Statement** or by selecting **Enterprise Statement** from the **Enterprises** menu. The Enterprise Statement box will list all available enterprises based on the category (Crops, Livestock, Equipment, Structures, or People) selected on the left. To print a combined statement for several enterprises, select the desired enterprises by holding down the Control key on your keyboard and clicking on each enterprise. You can also select a group of enterprises that are in a row by clicking on the first enterprise and then holding down the Shift key on your keyboard and clicking on the last enterprise. If the crop enterprise is a share-cropped field, you can select whether you want to display Farm Inputs, Landlord Inputs, or Combined Inputs.

Use the **Show Me** button to restrict the enterprises that are listed to a certain year, commodity, landlord, or field. This is useful for getting a combined enterprise statement for all crops for a certain landlord, or for displaying an enterprise statement for just one year and commodity. Your enterprise statement will include a list of all inputs (supplies, equipment, people, and other costs) as well as summaries on a per acre basis. After you have recorded the harvest of the crops you will have costs on a per bushel (or other harvested unit of measure) basis. As you start to sell the crop you will get a profit section that will show the profit per bushel as well as a break even section that will compute the price needed to get to break even on any remaining unsold crops. For more information on this report and the information that you can get from it, see the program helps.

Once displayed on the screen, there will be buttons available to Print or Export the report. Exported reports will be saved as an ASCII, comma-delimited file that can be loaded into most spreadsheet and database programs.

Chapter 15 - Depreciation & Year End



Depreciation is a way of spreading the cost of an item over the time that it will be in use (its useful life.) Your tax preparation professional or accountant should be able to provide you with a depreciation schedule, which will list the amount of depreciation for each of your assets. Depreciation figures may be entered or changed at any time up until the year is closed. We strongly recommend leaving your year open until your correct depreciation amounts have been entered.

Depreciation is an integral part of your enterprises and represents part of the cost for your equipment. Because of this, we recommend that you enter your depreciation figures at the beginning of the year; otherwise your equipment enterprises will not include any depreciation cost. If you cannot obtain these figures in advance, you may use the prior year amounts or your best estimate. These figures should be changed once the final figures are available.

Setting Up & Using Asset Depreciation

To enter depreciation amounts:

1. Select Depreciation from the Accounting menu then select Asset Depreciation.
2. Your Depreciable Items will be grouped into the following categories: Equipment, Structures, Land Improvements and Livestock. You may have assets in one or more of these categories depending on your Initial Setup and purchases. Select a category to display and work with the applicable assets.
3. The Asset name, Purchase Date, Original Cost, Accumulated Depreciation, Book Value and Current Year Depreciation will be displayed. The Purchase Date and Current Year Depreciation may be changed as needed.



Tip ... The Book Value is the remaining value of your asset after depreciation. Your current year depreciation cannot exceed your remaining book value.

Asset Depreciation

Depreciable Items

- Equipment
- Structures
- Land Improvements
- Livestock

Depreciation on Statements

- Entire Year
- Amount to Date
- None Until Year End

Asset	Pur. Date	Orig. Cost	Acc. Depr	Book Value	Cur. Year
Fertilizer Wagon	02/03/1979	950.00	950.00	0.00	0.00
KillBros. Wagon#1	07/10/1984	3,000.00	3,000.00	0.00	0.00
KillBros. Wagon#2	07/30/1984	3,500.00	3,500.00	0.00	0.00
664 Round Baler	03/15/1989	12,000.00	12,000.00	0.00	0.00
4WD Tractor	11/10/1989	71,000.00	60,000.00	9,700.00	1,300.00
Disk	02/05/1990	12,000.00	10,000.00	1,500.00	500.00
Manure Spreader	06/02/1990	15,000.00	14,500.00	0.00	500.00
25' Grain Table	01/02/1991	11,000.00	9,000.00	1,000.00	1,000.00
Corn Head	01/02/1991	12,000.00	10,000.00	1,000.00	1,000.00
1000gal Sprayer	03/15/1992	6,000.00	5,000.00	500.00	500.00
IH 884	05/23/1992	45,000.00	30,000.00	12,500.00	2,500.00
Engine Overhauls ¹	08/06/2000	1,200.00	0.00	700.00	500.00

¹ Improvement
² Traded in
³ Sold

OK Cancel Help







4. The Depreciation on Statements option is used to select what depreciation amounts will be listed on enterprise statements as well as on Income Statements. The options are:

- **Entire Year** – The entire year’s depreciation will be displayed on the Income and Enterprise Statements regardless of the date.
- **Amount to Date** – This method will prorate the amount of depreciation on the Income and Enterprise Statements based on the date of the statement. For example, if your farm is on a calendar year and your statement is printed as of June 30, roughly half of the depreciation will be included on the report. Although this method is the most accurate method for showing depreciation, if you have a large number of assets, it may increase the time that it takes to print some reports. When computing the amount of depreciation to include on reports, the program will take the total depreciation for each asset and divide it by 365 then multiply this by the number of days from the start of the year to the report date.
- **None Until Year End** – This method will result in no depreciation being displayed on Income or Enterprise Statements until the year is closed. Although this method will decrease the amount of time required to print these reports, it will distort your profitability until year-end.

Printing Depreciation Reports

Depreciation schedules for Equipment, Structures, Land Improvements and Livestock may be printed at any time. These reports will list all the appropriate assets that will be grouped by year purchased. The report will include the following information:


 **Purchase Date** – This is the date the asset was originally purchased.

-  **Description** – This is the name of the item.
-  **Cost** – This is the purchase price of the item. For items that are purchased with a trade-in, your cost will be the net amount paid. For example, if you purchased a \$70,000 tractor and paid for part of your purchase with a \$20,000 trade in, the cost of your new tractor will be \$50,000 on your depreciation report.
-  **Beginning Accumulated Depreciation** – This figure is a total of all depreciation that has been expensed for an asset in prior years. When your year is closed, your new beginning accumulated depreciation will be increased by that year's deduction. For example, if your beginning accumulated depreciation on your tractor is \$25,000 in 2002 and your current year expense is \$5,000, your 2003 beginning accumulated depreciation will be \$30,000 (\$25,000 + \$5,000).
-  **Ending Accumulated Depreciation** – This figure is the total of all depreciation that has been expensed for an asset including the current year amount. This ending figure will become the beginning accumulated depreciation amount for next year once your books have been closed.
-  **Depreciation Taken** – Depending on the reporting method you have selected for your asset depreciation (Entire Year, Amount to Date or None until Year End), this column will display all, some or none of your current year depreciation expense. This amount can never exceed the remaining book value of your asset.
-  **Book Value** – The book value is the cost of your asset less the ending accumulated depreciation. This amount may vary during the year depending on the method you have selected for asset depreciation: (Entire Year, Amount to Date or None until Year End). Book value may never be less than zero.

Depreciation Reports may be printed by going to the Accounting menu and selecting Depreciation then selecting the desired report.


Interpreting Depreciation Report Footnotes

Assets on your depreciation reports may include items that have been sold during the current year, improvements to existing assets, or assets that have been traded-in. A small number (a footnote) will appear to the right of the asset's description to indicate the category as follows: (1) Improvement, (2) Trade, (3) Sold. This legend will also appear at the bottom of the page.

-  **Improvement** – An improvement to an existing asset would include major repairs to a structure or a piece of equipment. Improvements can include new roofs, engine overhauls and additions to buildings.



Tip ... Improvements are an integral part of the original asset and are automatically sold or traded when the asset is sold or traded. They are listed separately below the original asset in the Asset Depreciation area. They are grouped by year in your depreciation reports.

-  **Trade** – The IRS requires trade-ins to remain on your books until they are fully depreciated. For items that are purchased with a trade-in, your cost will be the net amount paid. For example, if you purchased a \$70,000 tractor and paid for part of your purchase with a \$20,000 trade in, the cost of your new tractor will be \$50,000 on your depreciation report. The item traded will still appear on your books. Traded assets will be "tied" to the asset that they were used to purchase. When an item is sold, all improvements and trades associated with that asset will be removed from your books at

year-end. Traded assets will be listed separately below the original asset in the Asset Depreciation area. They are grouped by year in your depreciation reports.



Sold – Items that are marked as sold will be removed from your books after year-end. Selling an asset will remove the asset, its improvements and prior trade-ins from your books. For example, if you traded in a 1984 tractor for a 2002 truck and later put \$5,000 in improvements into the truck, all these items will remain on your books until the new truck is sold.

Completing Year-End Operations

With Farm Funds, closing a year-end is a simple process of going through a checklist. It is important that you do not close your year until all transactions and adjustments have been entered because, once closed, you will not be able to reopen a year to post transactions. The only thing that you will be able to do in a prior year is print reports or record manual journal entries.

We recommend that you leave your books open until after your tax return has been filed. The only drawback to leaving your books open is that you will not be able to print an Income Statement for your new year because it will still contain last year's figures. You will still be able to record transactions for the new year without affecting the prior year. Farm Funds will ignore these transactions when you close your books because they will not fall within that date range.

Closing Out Accounting Records for a Year

To close out a year, follow these steps:

Deposit Ticket

Deposit in Account: Wells Fargo Checking

Date: 12/31/2001

Deposit ID #:

Undeposited Cash Receipts:

+ Cole Livestock Exchange	4,500.00
Total Undeposited 4,500.00	

Deposit:

Total Deposit 0.00	
---------------------------	--

Buttons: Record, Done, Help

1. Select Accounting from the menu bar options and click on Year End. The Year End dialog box will appear.
2. The Year End dialog box contains a checklist of steps that must be completed before the year may be closed.
 - **Make Sure Initial Setup is Complete** – If this is your first year in Farm Funds, you must complete your initial setup before closing your year. After closing your first year, Initial Setup will no longer be available.



See Also ... See the chapter entitled "Initial Setup" in Farm Funds.

- **Deposit Non-Deposited Cash Receipts** – Confirm that all cash receipts that were marked for deposit as of year-end have been deposited. To check this, switch to your checking tool bar and select the Create Deposit Ticket button from the menu bar. The Deposit Ticket box will appear. Any non-deposited cash receipts will be listed. Deposit any amounts from the prior year.



See Also ... See the chapter entitled "Record Deposit Ticket" in the Income & Sales section of Farm Funds.

- **Complete Transactions with Missing Details** – All transaction details must be completed before the year is closed. To search for transactions with missing details, open your account register(s) and set the Date Range to cover the entire prior year by selecting Date Range from the View menu. Click on the View menu again and choose the option to Sort by Details. All items with missing details will be grouped together. Enter details for each transaction, as indicated.



See Also ... To see an example of recording details after a transaction has been recorded, see the chapter entitled "Record Details of Loan Payment" in the Payments and Purchases section of Farm Funds.

- **Reconcile Checking Accounts** – All bank accounts must be reconciled before the year is closed. Transactions cannot be voided and bank adjustments cannot be made after the year is closed.



See Also ... See the chapter entitled "Checkbook Reconciliation" in the Cash Maintenance section of Farm Funds.

- **Allocate Expenses and Income** – All expenses and revenues must be allocated to your enterprises before closing your year-end. They cannot be allocated once the year is closed.



See Also ... See the chapter entitled "Allocating Inputs" in the Farming & Enterprises section of Farm Funds.

- **Adjust Inventory Quantities and Values** – All supplies, harvested crops and livestock inventories must be adjusted to their proper amounts before the year is closed.



See Also ... See the section entitled Inventory Maintenance in Farm Funds.

- **Correct Depreciation Amounts You Previously Entered** – Your final depreciation figures must be entered before the year is closed. These numbers should match your tax return.



See Also ... See the chapter entitled "Asset Depreciation" in the Depreciation section of Farm Funds.

- **Print Inventory and Depreciation Reports** – Review your printouts for accuracy and completeness. Compare the amounts to your tax return.
 - **Print Accrual Financial Reports** – Accrual financial reports include inventories, payables and receivables and best reflect your farm's true profitability.
 - **Make a Backup of Your Project Before You Start the Year End Operation** – The most important step in your year-end checklist is making backups of your project. We recommend making at least two backups of your project on diskettes. Keep one copy off-farm in a safety deposit box or other secure location away from your computer. **DO NOT** close your year before you have made backups.
3. Once you have checked each box in your checklist to indicate that the steps have been completed, click OK to begin year-end processing.



FYI ... Farm Funds will automatically close all revenue and expense accounts. The difference between these accounts is the farm's net profit or loss, which will be posted to the equity accounts based on the owners' income-sharing percentages. Drawing and family living accounts will be closed into each owner's respective equity account. If your farm is a corporation, revenues, expenses and dividends will be closed into the Unappropriated Retained Earnings account.

4. When your year-end is complete, click OK to exit the dialog box.

Preparing Your Taxes

Farm Funds allows you to set up a Schedule F to help in preparation of your tax return. Other schedules may also be set up for tax purposes.

Setting Up Tax Schedules

To set up tax schedules:

1. Select Accounting from the menu bar options and highlight Taxes. Click on Schedule Setup. The Tax Schedule dialog box will appear.
2. Revenue, Expense and Family Living accounts will be displayed. Click the Schedule box beside the account you wish to assign to reveal the drop-down list.
3. Select Sched. F to add this account to your Schedule F.
4. To create a new tax schedule for your non-farm operations, select <Add/Edit>. The Tax Schedules dialog box will appear.
5. Enter a Description and click Add to add it to the list. Selected list items may also be Renamed or Deleted from this dialog box.
6. Click Done to exit this dialog box.
7. Click inside the Line Description box to reveal the drop-down list.
8. The standard line descriptions for the Schedule F have been entered for you. Choose the Line Description from the list of choices or select <Add/Edit> from the menu to add a new one. The Tax Schedule Line Descriptions dialog box will appear.
9. Select either Other Income or Other Expense from the Schedule Section drop-down list.
10. Select the Line Description from the drop-down list or select <New> and enter a New Line Description where indicated.
11. Click Record to save your information.
12. Click Done to close this window and return to the Tax Schedule.
13. The accounts may be assigned to different lines or schedules by changing the selections in the drop-down menus.



Tip ... Some accounts, such as some Family Living items, are not tax-related and do not need to be assigned to a tax schedule.

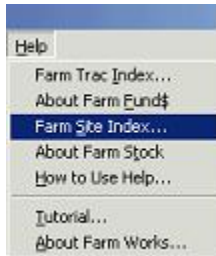
14. Click Record to save the Tax Schedule.
15. Click Done to exit the Tax Schedule.

Printing Tax Schedule Reports

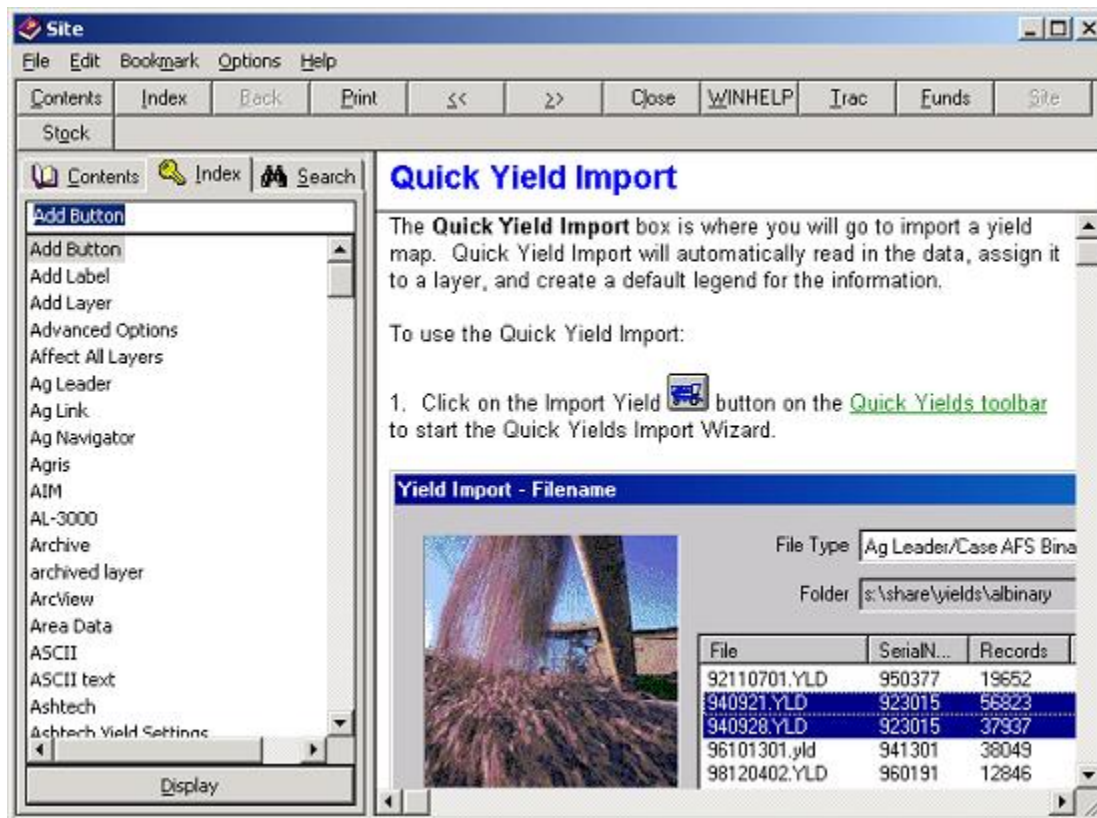
Once the Tax Schedules have been set up, reports may be printed to help prepare the tax return at year-end. To print reports:

1. Select Accounting from the menu bar options and highlight Taxes. Click on Schedule Report. The Print Tax Schedule dialog box will appear.
2. Select the Schedule you wish to print from the drop-down list.
3. Enter the Year-End Date for your reports where indicated.
4. Check the option to Print Supporting Schedules to show the individual accounts that are included on each line of the schedule, if desired. When checked, this option will give you total Cattle Sales and Hog Sales as part of your Livestock Sales figure, for example.
5. Click Print to view the selected report.
6. Click the Printer button to print the report.
7. To export the schedule as a Windows Metafile for use in another program, select Export from the File menu. To save this file on your hard drive, choose a location, enter a File Name and click Save.
8. Click the X in the upper right hand corner or select Exit from the File menu to close this window.

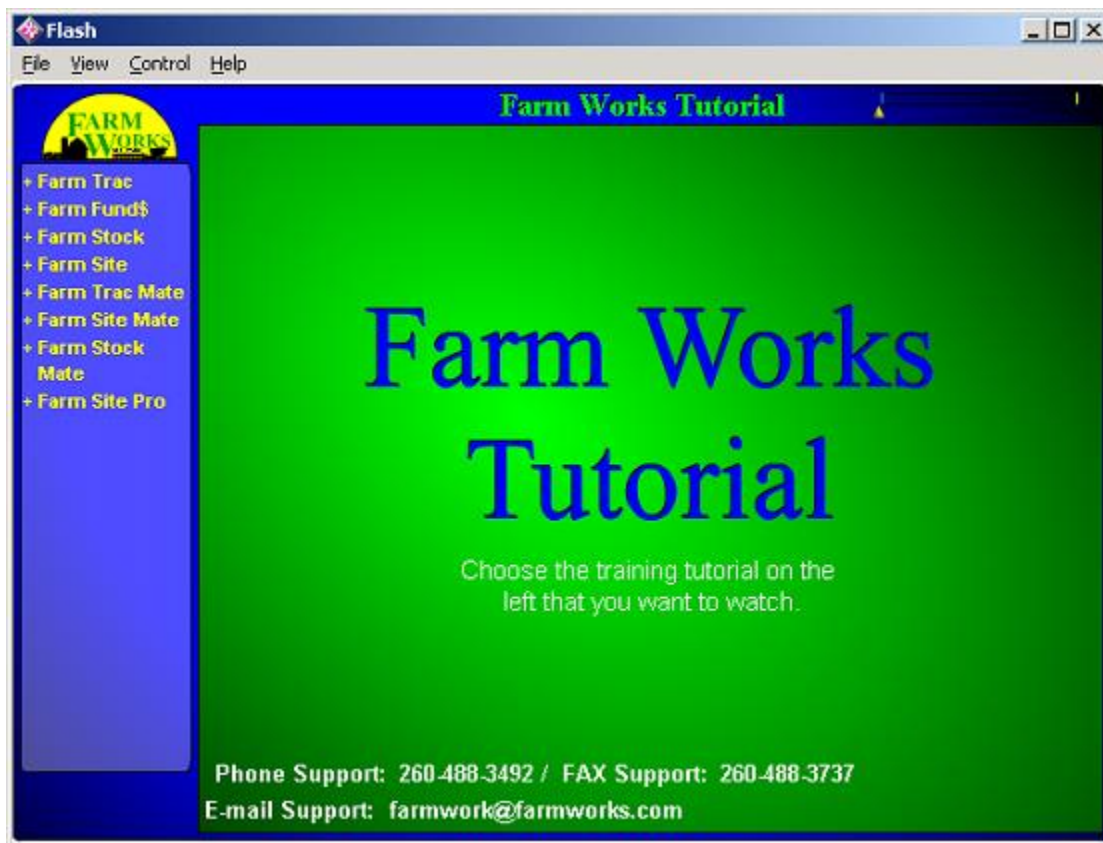
Chapter 16 - Support Options for You



The easiest way to get assistance with Farm Funds is to click **Help** in the program's menu bar.







In the help window, click the **Index** tab to view an alphabetized index of help topics, or click the **Search** tab to find a help topic.



You can also view tutorials, which are animated demonstrations of how to use the software, putting the Farm Works Software CD into your optical drive and clicking **Tutorial** in the **Help** menu of Farm Funds.

Free Support Options

At Farm Works Software, we are committed to providing you with many options for obtaining assistance for our software. A full list of support alternatives is available at our Web site at www.farmworks.com/support and includes free assistance, including:

-  **The Farm Works Journal** – A free online publication that we release at least three times a year. *The Farm Works Journal* contains the latest news on important updates to our software, new products, and answers to commonly asked questions from our software users. You can read current and previous issues of *The Journal* at our website at www.farmworks.com/?/news/newsletters. You can also visit this web page to sign up to receive a free e-mail version of *The Journal*.
-  **FAQ** – You can read a complete list of frequently asked questions (FAQ) that provides quick answers to the most common queries at www.farmworks.com/support/faq.html.
-  **Online Demos** – You can view narrated demonstrations of the features of each of our software products, which our customers say are informative and fun to watch, at www.farmworks.com/demos.
-  **Online Tutorials** – You can find complete, systematic instructions that easily teach you how to use your new Farm Works Software programs at www.farmworks.com/tutorial.



On the CD ... The tutorials are also on your Farm Works Software CD, and you can view them by selecting **Tutorials, Demos and Manuals** on the splash screen that appears when you insert the CD in your computer's CD-ROM or other optical drive.



Downloadable Software Manuals – You can download complete guides to using our programs to read on your computer monitor, or print for future reference at www.farmworks.com/support/manual.html.



See Also ... The Farm Works Software CD also installed eBooks of the manuals to your computer when you installed Farm Funds. You can read one by clicking the Windows **Start** button, pointing to **Programs** (or **All Programs** in Windows XP), pointing to **Farm Works Software**, pointing to **Manuals**, and clicking the name of the eBook you want to view.



On-line Discussion Groups – Forums (also called news groups) where you may post questions and receive prompt replies from our software support experts are at www.farmworks.com/discuss.



E-mail and Fax Support – Convenient ways to receive assistance from our software support team. You may expect up to a one business-day response time (but can often receive a reply within a few hours). To receive a reply by fax, fax your question to (260) 488-3737. To receive a reply by e-mail, send an e-mail to farmwork@farmworks.com.

Premium Phone Support

At Farm Works Software, we understand that, on the rare occasions when you require assistance with our software, you might prefer to save time and effort by *speaking* with a real person. That is why we offer a full-time, dedicated staff of software support technicians to answer your questions over the phone.

Our support technicians work in Indiana, *not India!* They understand farmers (most of them have grown up on farms or have relatives who are farmers). They are knowledgeable about our software, because they have installed and used the programs themselves. We are confident you will find them to be capable, friendly and worth the small price that you will pay for their valuable assistance!

Premium phone support is available for a reasonable monthly, or annual, fee. You can start phone support at any time, and it is available Monday through Saturday (except United States national holidays). We offer all this at prices we know you will find reasonable. For current support hours and prices, visit our Web site at www.farmworks.com, or call to speak to one of our helpful sales team members at (800) 225-2848.

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