

Transaction Plus 101

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Cash vs Accrual Books

Cash= Accounting for money when the money exchanges hands

Accrual= Accounting for the money when the transaction takes place even if money has yet to be exchanged

Cost Profit Centers

- Centers are parts of the operation that will incur costs or make a profit
 - Some examples are: John Deere Combine, Corn 2010, Cattle
- Can be service, production or consolidating
 - Service can be allocated to other centers
 - Production can be crop, breeding, feeding, group feeding
 - Consolidating is an intermediary allocation step between service and production centers
- Setup, Cost Profit Center

The screenshot shows a software dialog box titled "(BDF10) Change Cost/Profit Center". It is divided into several sections:

- General:** Includes a checked "Active Center" checkbox, "Number" (CN09), "Description" (Corn 2009), "Type" (C = Crops - Production), and "Inactive date" (00/00/0000).
- Crops:** Includes "Harvest Unit" (BU), "2nd Unit", "Wt/Unit" (56), "Ideal Moisture" (15.50), "Commodity" (31 Corn), "Crop Year" (09), and "Traits".
- Livestock:** Includes "Crop operations (Y/N)" (No), "Unit (value/unit)" (2 = Cwt), "Stage of Growth" (M = Mixed), "Gestation Period" (0), "Number of Crates" (0), and "Animal Capacity" (0).
- User Defined Values:** A table with two columns: "Description" and "Value". It contains three rows, each with a description field and a value of 0.00.

At the bottom of the dialog are "OK" and "Cancel" buttons.

Chart of Accounts

Ledger accounts= chart of accounts

– a list of accounts that hold the transactions & activities of your business. Foundation of your accounting system that tracks cash, goods you buy to resell, money owed. Tracks the flow of money going in and out of your business

Bank Accounts = Asset Accounts

Inventory Accounts= Asset Accounts

Accounts Receivable= Asset Accounts

Accounts Payable = Liability Accounts

Accounts for goods and services= Expense Accounts

Revenue= Income Accounts

Owner Equity Accounts

(see handout for example of chart of accounts)

- To get to your chart of accounts follow these steps:
 - Setup
 - Accounting
 - Ledger Accounts
- To add a ledger account:
 - Click “ADD”
- To edit an existing ledger account:
 - Highlight the account you want to edit
 - Click “CHANGE”

Change Ledger Account

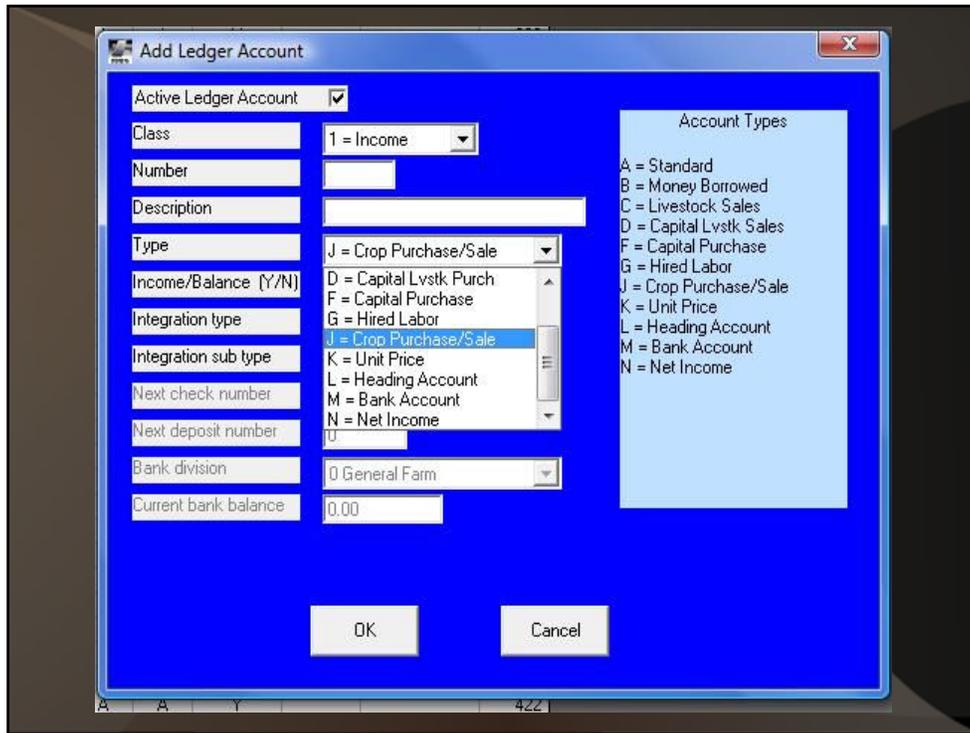
Active Ledger Account

Class	1 = Income
Number	1 = Income
Description	2 = Expenses
Type	3 = Assets
Income/Balance (Y/N)	4 = Liabilities
Integration type	5 = Owner Equity
Integration sub type	ale
Next check number	Y = Yes
Next deposit number	E = Crop Sale
Bank division	1 = Always NO
Current bank balance	0
	0
	0 General Farm
	0.00

Account Classes

- 1 = Income
- 2 = Expenses
- 3 = Assets
- 4 = Liabilities
- 5 = Owner Equity

OK Cancel



Data entry fields change based on ledger account type selected, below is a chart of the entry fields you will see for each type



- A to G require Crop Audit
- H to K require Smart Feeder
- A to K will adjust inventories

Entering Expenses

- This is done through “writing” checks
- Input, General, Check, Add
- You choose which expense account, center, division to post expense to

Entering Income

- This is done by entering a deposit
- Input, General, Deposit
- Used for any income, paycheck, sales, reimbursement
- You choose the ledger account, center, division you want income to

Line	Acct	Cen	Div	Amount	Description	Quar
	330	0	0	5,000.00		

Journal Entries

- What they do
 - Transfer value from one ledger account, center or division without recording a check or deposit
- When to use them
 - To record non-cash transactions such as transfer of grain from a crop to a livestock center
 - For double-entry accounting such as end-of-period adjustments to accrued expenses
 - To record transfers between bank accounts or interest or service charges on bank accounts
- Journal Entries vs. Adjustment Entries

Journal entries must balance where as

Inventory Register

- Used to show Assets and offsetting accounts on the Balance Sheet
- Update as often as needed based on reporting frequency and market fluctuation
- Broken into 7 categories:
 - Crops & Feed
 - Livestock
 - Breeding Stock
 - Machinery
 - Land
 - Bldg & Impr

Inventory Register (cont.)

- If using inventory register use expense ledger account when purchasing new inventory items instead of an asset ledger account
- To show up on balance sheet must have an inventory item, such as Cows, then a line under Cows with date, qty, price, etc
- Will report off of the most recent entry into the register for each inventory item

(BDF10) Inventory Register

Crops & Feed Livestock Breeding Stock Machinery Land **Bldgs & Impr.** Other

Row	Description	Acct	Center	Pur Date	Pur Price	Service Life	Salvage Value
1	Cattle Bldg	191	0	07/01/2008	25,000.00	5.00	0.00
2	Hoop	191	0	06/01/2010	36,000.00	5.00	0.00
3	Machine Shed	191	0	06/01/2004	40,000.00	5.00	0.00

Current sort: Description Line 1 of 3

(BDF10) Change Inventory Item (Type = Buildings & Improvements)

Description:

Price/Dwt Date acquired:

Asset account: Cost or basis:

Offset account: Accumulated Depr.:

Center: Service Life:

Division: Salvage Value:

Date	Quantity	Ave. Wt.	Price	Unit	Value	Market Price	Market Value
01/01/2010	1.00		25,000.00	Per Unit	25,000.00	25,000.00	25,000.00

Enter '00' for first 2 digits of the date to delete a row

Trial Balance vs Balance Sheet

Acct.	Acct. Desc.	Beg. Bal.	Period	End. Bal.
	TOTAL INCOME	0.00	0.00	0.00
02	EXPENSES			
255	livestock purchase	0.00	5,000.00	5,000.00
	TOTAL EXPENSES	0.00	5,000.00	5,000.00
03	ASSETS			
10	First Bank Account	0.00	-5,000.00	-5,000.00
	TOTAL ASSETS	0.00	-5,000.00	-5,000.00
	TOTAL LIABILITY	0.00	0.00	0.00
	TOTAL EQUITY	0.00	0.00	0.00
	NET CHANGE	0.00	0.00	0.00

Acct. Description	08/09/2010	Acct. Description	08/09/2010
ASSETS		EQUITY	
10 First Bank Account	-5,000.00	292 Net Income	-5,000.00
110 Raised Livestock	4,462.50	294 Gifts & Inherit	2,490,463.00
160 Machinery & Equip	100,000.50	Total EQUITY	2,485,463.00
171 BridgLvstk Heifer/Cow	30,000.00		
190 Farm Real Estate	2,260,000.00		
191 Farm Buildings	96,000.00		
Total ASSETS	2,485,463.00	LIABILITIES + OWNER EQUITY	2,485,463.00

Trial Balance

- Used to find entries in double-entry system
- Summarizes by ledger account
- If accounts are in balance net change will be zero
- Great report to run at the end of each month

Balance Sheet

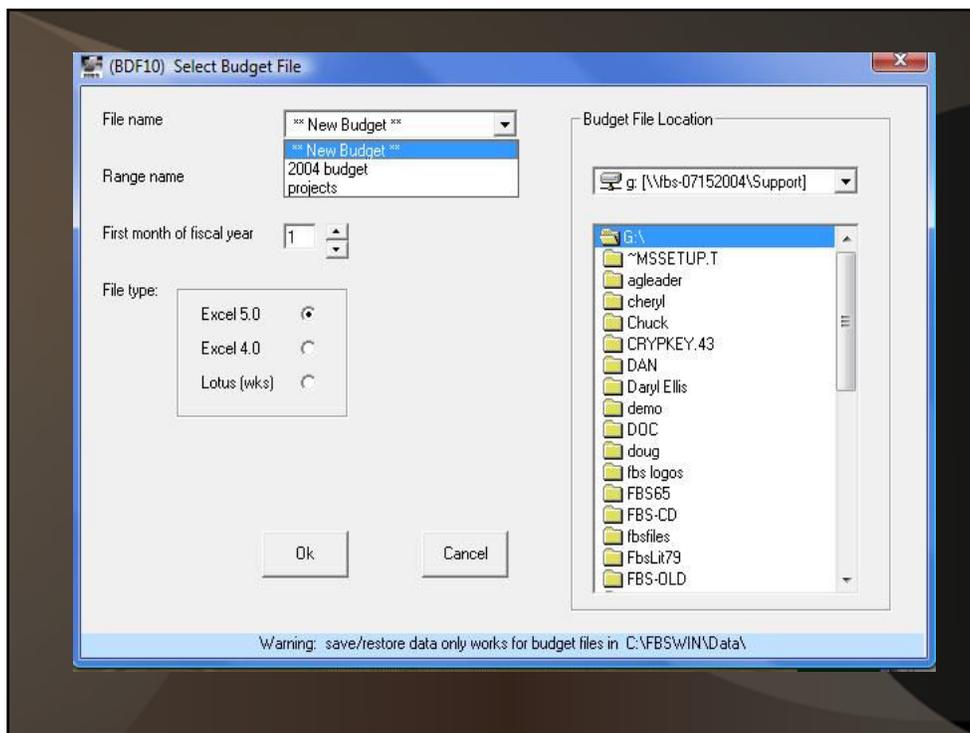
- Can select ending month and divisions or percent of division
- Used to calculate net worth for whole entity or selected divisions
- Usually ran quarterly or yearly

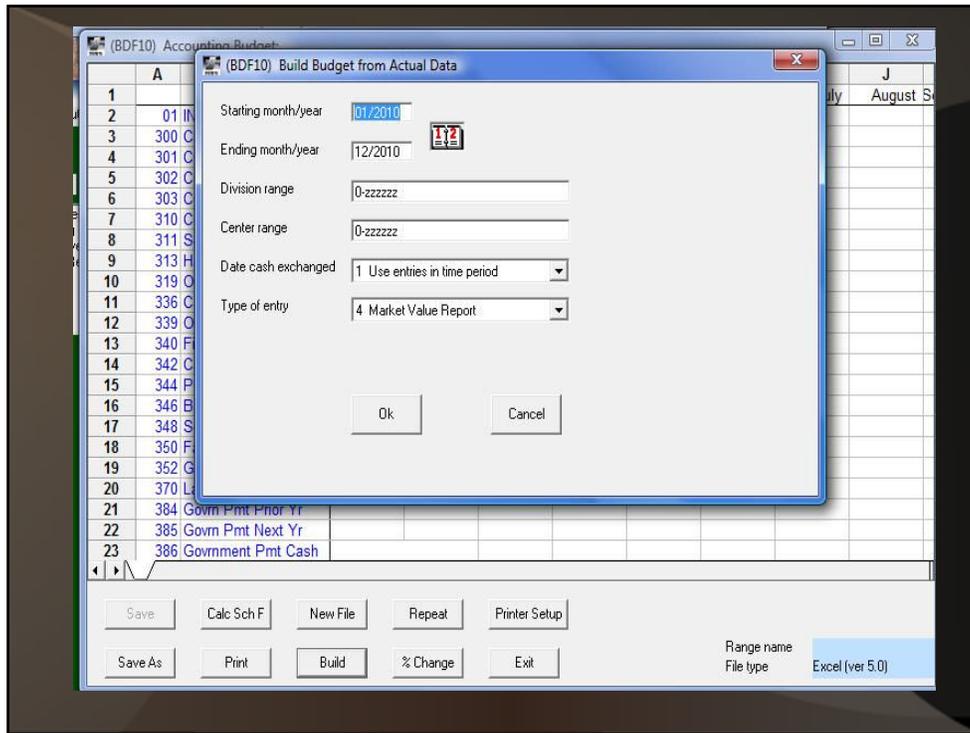
Month End Tasks

- Clear checks
- Check Register/Reconciliation
- Trial Balance

Accounting Budgets

- Can the past years entries and budget for the upcoming year
- Take actual from the past year and edit
 - Manual change budget amounts
 - Change by percentage
- Budget out different scenarios to help in planning an decision making





(CCC04) Accounting Budget:

	A	B	C	D	E	F	G	H	I	J
1			January	February	March	April	May	June	July	August S
2	32000	CROPREV Corn Base	66,186	752	7,584	10,269	8,912	4,491	4,640	23,450
3	32010	Corn Discount	0	0	0	0	0	0	0	0
4	32020	Corn Premium	0	0	0	0	0	0	0	0
5	32750	CROPREV SoyB Base	28,080	0	0	0	38,128	9,687	20,745	0
6	32760	SoyB Discount	0	0	0	0	0	0	0	0
7	32770	SoyB Premium	0	0	0	0	0	0	0	0
8	34000	CUSTOM SERVICES	0	0	0	0	0	0	0	0
9	36000	GOVERNMENT PAYM	8,776	0	0	0	0	0	0	0
10	40000	OTHER REVENUE	5,001	0	0	0	0	0	0	0
11	40500	Miscellaneous	0	0	0	0	0	0	0	0
12	49000	CAPITAL REVENUE	0	0	0	0	0	0	0	0
13	49100	Fixed Asset - Equip	0	0	0	0	0	0	0	0
14	49300	Dividend Patr Cash	0	0	0	0	0	0	0	0
15	49301	Dividend Patr Stk	0	0	0	0	0	0	0	0
16	49400	Interest	0	0	0	0	0	0	0	0
17	49998	Landlord Reimburseme	0	0	0	0	0	0	0	0
18	49999	Non-Farm Income	0	0	0	0	0	0	0	0
19	132000	Internal Crop Sales	0	0	0	0	0	0	0	0
20		TOTALS	108,043	752	7,584	10,269	47,040	14,178	25,385	23,450
22	50000	PURCHASE FOR RES	0	0	0	0	0	0	0	0
23	62000	CHEMICALS - Crop	0	0	0	0	0	0	0	0

Save Calc Sch F New File Repeat Printer Setup

Save As Print Build % Change Exit

Range name: File type: Excel (ver 5.0)

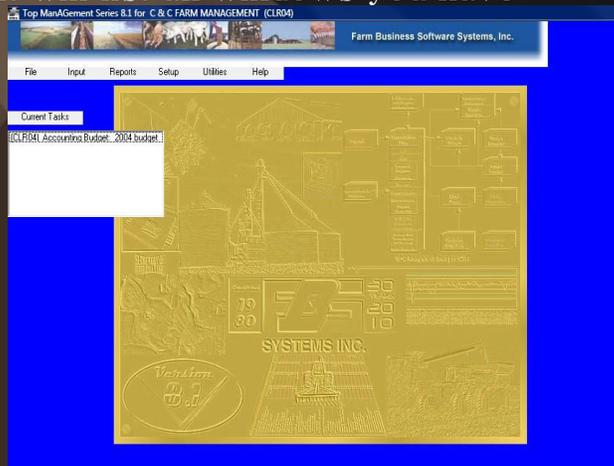
Trouble Shooting

- User Defined Report
 - Run using “Print Undefined entries”, top box on left hand side
 - Will show where you have errors
- Trial Balance
 - Run to check that net change is zero
 - If its not zero start from day one and run one day at a time to see where it gets out of balance
- Recover Bad Data

If data seems corrupt or if things don't seem to

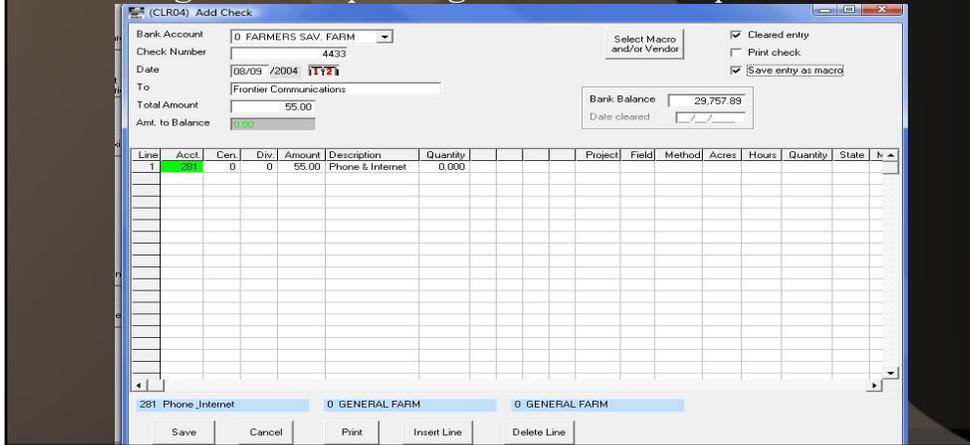
Tips & Tricks

- Current Tasks
 - You can click on the words “Current Tasks” at anytime and it will list all windows you have open in FBS



- Macros

- Can save vendor, ledger accounts, dollar amounts, descriptions, etc
- Save entering the same info over and over again for repeating checks and deposits



Recalling Macro

