QuickBooks Premier®
2010

Hands On Training

For Farmers and Ranchers

Class Instructors:

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Farmers Goals for QuickBooks

- Develop Balance Sheets and Profit & Loss Statements (Income Statements).
- Develop Better Management Practices.

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Advantages of QuickBooks

- Ease of use.
- Double entry feature allows user to create a balance sheet.
- Manages accounts payable and accounts receivable.
- Easy to reconcile & produce reports.
- Enterprise accounting.

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Why Not Quicken Instead?

- More for personal, not business finance.
- Focused on cash flow, difficult to produce a balance sheet.
- Cannot line up income and expenses (i.e. is not accrual based).
- First stage of QuickBooks is just as easy.

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QuickBooks does allow for an easy conversion from Quicken

File Edit View Lists Company Customers Vendors Employees Banking Reports Window Help

- New Company...
- Open or Restore Company...
- Open Previous Company
- Save Copy or Backup...
- Close Company
- Switch to Multi-user Mode
- Utilities
  - Import
  - Export
  - Synchronize Contacts
  - Convert
    - From Quicken...
    - From Peachtree...
    - From Microsoft Small Business Accounting...
    - From Microsoft Office Accounting...
  - Copy Company File for QuickBooks Mac...
  - Copy Company File for QuickBooks Online Edition..
  - Convert Accountants Copy to Company File (.QBW)..
  - Host Multi-User Access...
  - Verify Data
  - Rebuild Data
  - Clean Up Company Data...
  - Remote Access
- Accountant's Copy
- Print ... Ctrl+P
- Save as PDF...
- Print Forms
- Printer Setup...
- Send Forms...
- Shipping
- Update Web Services
- Exit Alt+F4

Employee Center | Report Center | Online Banking | Help | Invoice | Item | Check | Bill | Reg

Enter Bills

Manage Sales Tax

Company

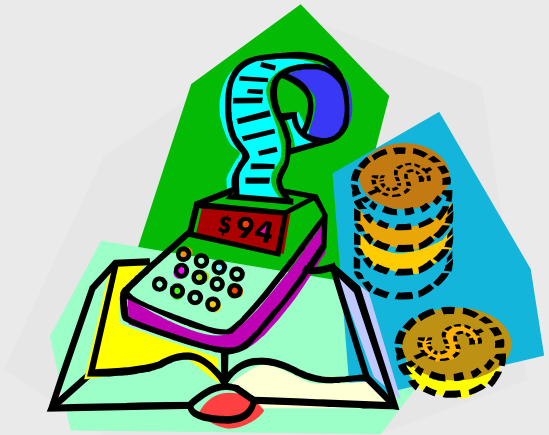
Chart of Accounts

Marketing Tools

Banking

All the Accounting You Need to Know

- Assets
- Liabilities
- Equity
- Cash
- Accrual



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Cash vs. Accrual

- Enter expenses when you pay them.
- Enter income when it is received.
- Tax-based

- Enter a bill when it is received, not when paid.
- Enter income when it is sold, not when you receive the money.
- Management orientated

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Accrual Adjusted Entries

- Provides a more accurate overall financial picture by incorporating accrual entries into cash basis numbers:
  - Accounts Receivable
  - Accounts Payable
  - Inventories
  - Prepaid Expenses

Measuring Business Profitability

- Balance Sheet
- Profit and Loss Statement (Income Statement)

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The Balance Sheet

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The Balance Sheet Presents

- ASSETS - What the business owns
- LIABILITIES - What the business owes (debt)
- OWNER'S EQUITY - What the owner is worth

Owner's Equity = Assets - Liabilities

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Balance Sheet

- Reports the business' financial position on a certain day by determining:
  - The ability to bear financial losses (risk).
  - Business wealth or equity.
  - The collateral for lenders in case of liquidation to meet debtors' obligations.
  - Information to address issues of estate planning, deferred tax obligation, generational transfer and retirement.

Balance Sheet Components

- Assets
  - Current
  - Fixed
- Liabilities
  - Current
  - Long-Term
- Equity (Net Worth)

Balance Sheet Definitions – Assets

- **Current Assets** are cash or items expected to be converted to cash in less than 12 months. EX. cash, savings, accounts receivable, inventory, stockers.

- **Fixed Assets** are not expected to be converted to cash during the normal course of the business year. EX. breeding stock, machinery, vehicles, and land.

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Balance Sheet Definitions – Liabilities

- **Current Liabilities** are financial obligations due within the coming fiscal year. EX. accounts payable, accrued interest, operating loan principle.

- **Long-Term Liabilities** are non-current (greater than one year) financial obligations. EX. principle due on a machinery or real estate loans.

  - **There are no intermediate-term liabilities in QuickBooks**

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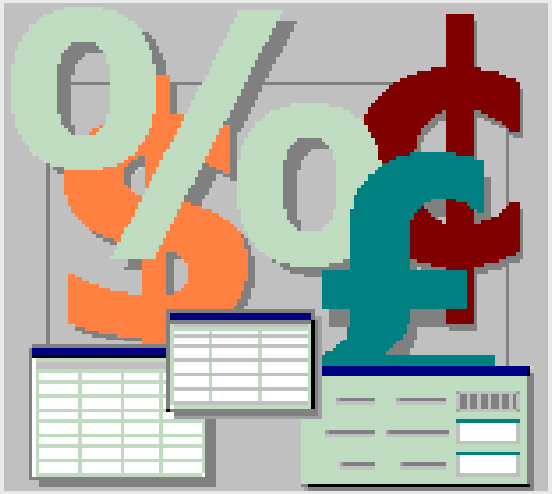
Most Important Accounting Relationship

- Assets = Liabilities + Equity
- Equity = Assets – Liabilities



Understanding Debits and Credits

Debits
↑ - Assets, Expenses
↓ - Liabilities, Equity, and Revenue

Credits
↑ - Liabilities, Equity, and Revenue
↓ - Assets, Expenses

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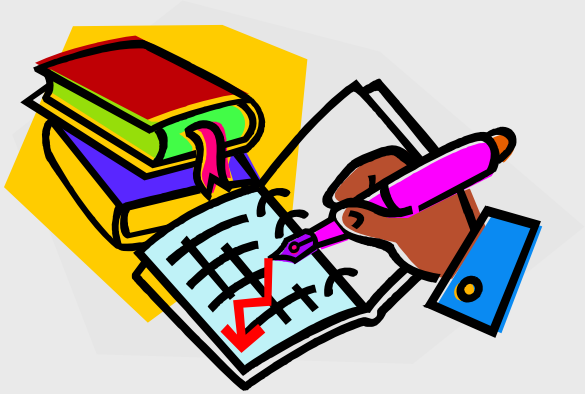
Working with Accounts, Customer, & Vendor Lists



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Why are Lists Important in QuickBooks?

Most of what's involved when you enter transactions in QuickBooks is making selections from various lists.

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Let’s look at a check for example:

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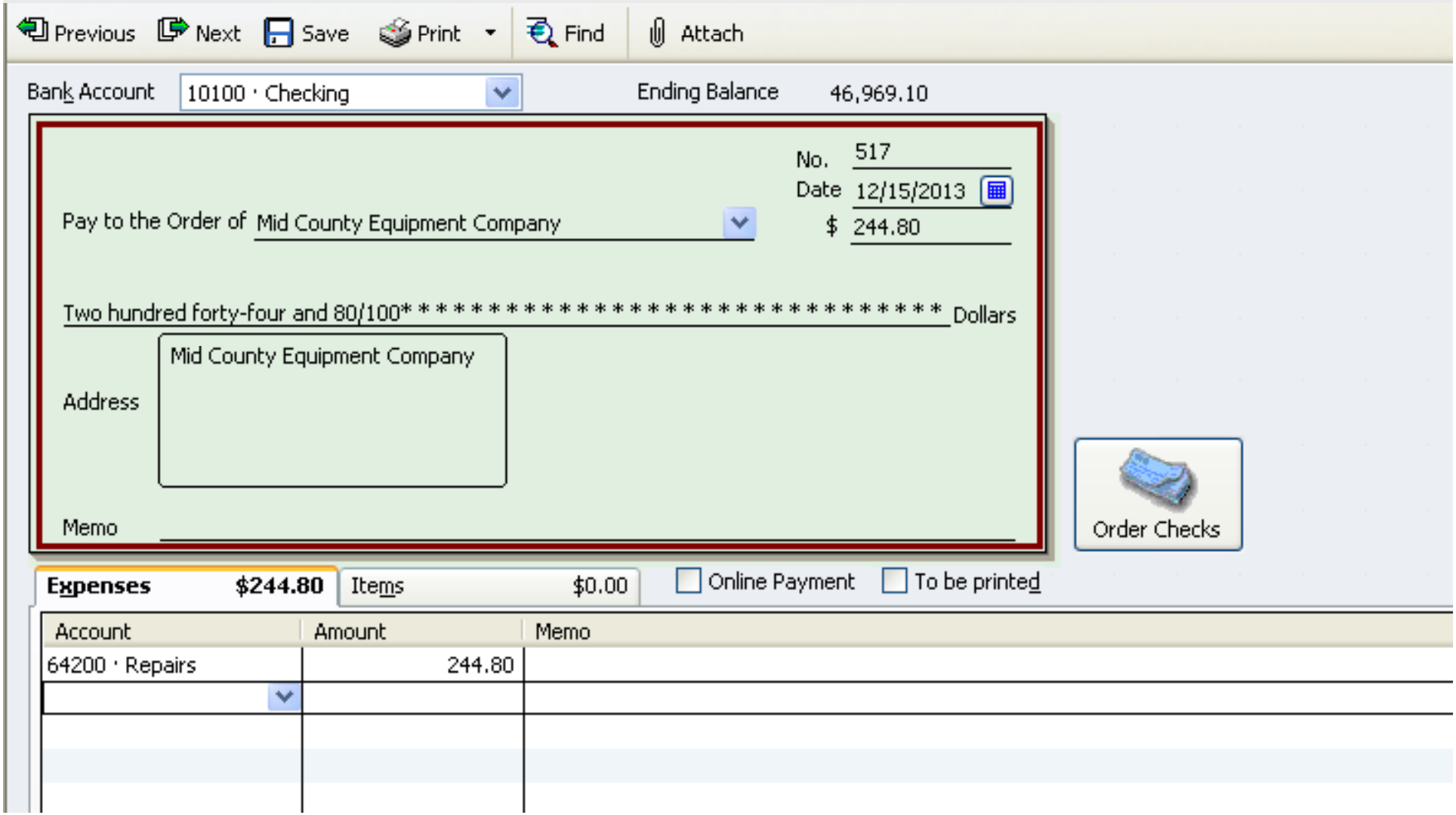
You must choose an **account**, a **vendor name**, possibly an **item**, and maybe a **class**. Each of them comes from a different list.



List Basics

- New list entries can be added at any time.
- List entries can be renamed at any time.
- “In use” list entries cannot be deleted, but they can be merged.
- List entries can be “hidden” by marking them inactive.

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Chart of Accounts
"The Backbone of Your System"

- Let each account represent a broad category of information.
- Resist the temptation to set up sub-accounts for farm enterprises, classes are usually the better option.
- Let accounts represent categories of income and expense that are meaningful to you.
- Before adding a new account, give it some thought.

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To display the chart of accounts:

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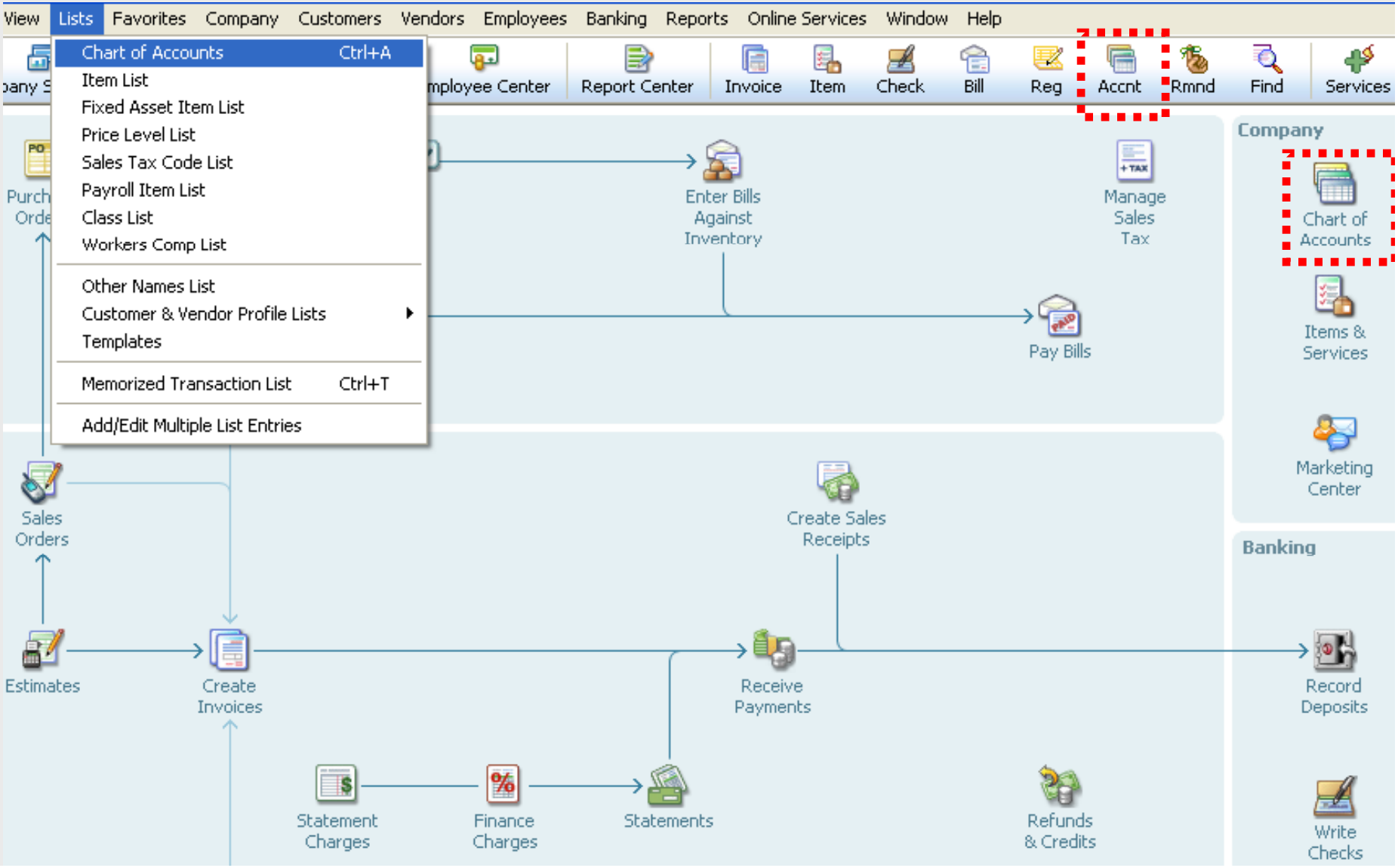
1. From the *Lists* menu, choose *Chart of Accounts* (Ctrl A).



2. Scroll through the list.

Home | Company Snapshot | Customer Center | Vendor Center | Employee Center | Report Center

Name	Type	Balance Total
10100 · Checking	Bank	46,969.10
10300 · Savings	Bank	17,910.19
10400 · Petty Cash	Bank	500.00
11000 · Accounts Receivable	Accounts Receivable	93,007.93
12000 · Undeposited Funds	Other Current Asset	2,440.00
12100 · Inventory Asset	Other Current Asset	30,121.33
12800 · Employee Advances	Other Current Asset	832.00
13100 · Pre-paid Insurance	Other Current Asset	4,050.00
13400 · Retainage Receivable	Other Current Asset	3,703.02
15000 · Furniture and Equipment	Fixed Asset	34,326.00
15100 · Vehicles	Fixed Asset	78,936.91
15200 · Buildings and Improvements	Fixed Asset	325,000.00
15300 · Construction Equipment	Fixed Asset	15,300.00
16900 · Land	Fixed Asset	90,000.00
17000 · Accumulated Depreciation	Fixed Asset	-110,344.60
18700 · Security Deposits	Other Asset	1,720.00
20000 · Accounts Payable	Accounts Payable	26,636.92
20500 · QuickBooks Credit Card	Credit Card	94.20
20600 · CalOil Credit Card	Credit Card	382.62
Subcontracted Federal WH	Other Current Liabi...	0.00
20700 · Due to Owner	Other Current Liabi...	0.00
24000 · Payroll Liabilities	Other Current Liabi...	5,404.45
24010 · Federal Withholding	Other Current Liabi...	1,364.00
24020 · FICA Payable	Other Current Liabi...	2,118.82
24030 · AEIC Payable	Other Current Liabi...	0.00
24040 · FUTA Payable	Other Current Liabi...	100.00
24050 · State Withholding	Other Current Liabi...	299.19
24060 · SUTA Payable	Other Current Liabi...	110.00
24070 · State Disability Payable	Other Current Liabi...	48.13
24080 · Worker's Compensation	Other Current Liabi...	1,214.31
24090 · Direct Deposit Liabilities	Other Current Liabi...	0.00
24100 · Emp. Health Ins Payable	Other Current Liabi...	150.00
25500 · Sales Tax Payable	Other Current Liabi...	957.63
23000 · Loan - Vehicles (Van)	Long Term Liability	10,501.47
23100 · Loan - Vehicles (Utility Truck)	Long Term Liability	19,936.91

Account | Activities | Reports | Attach | Include inactive

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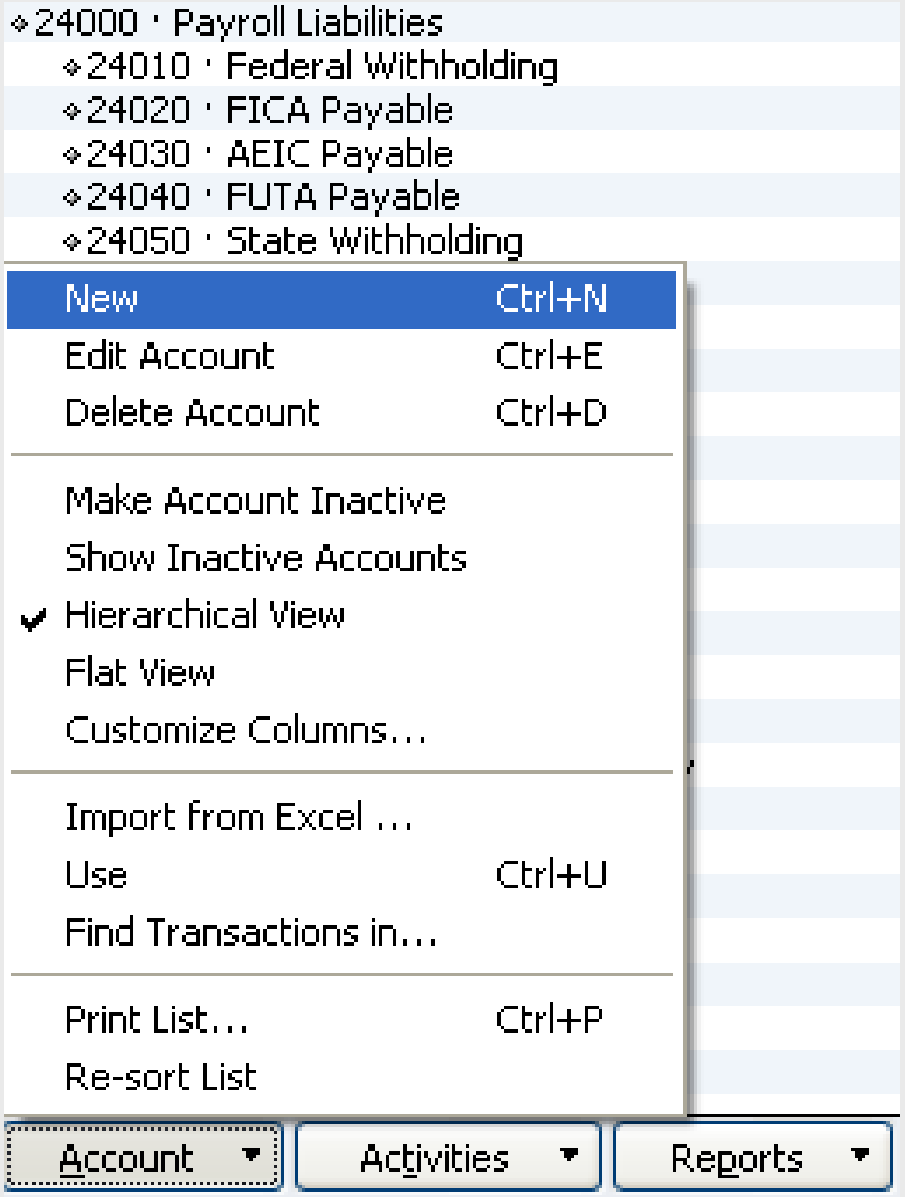
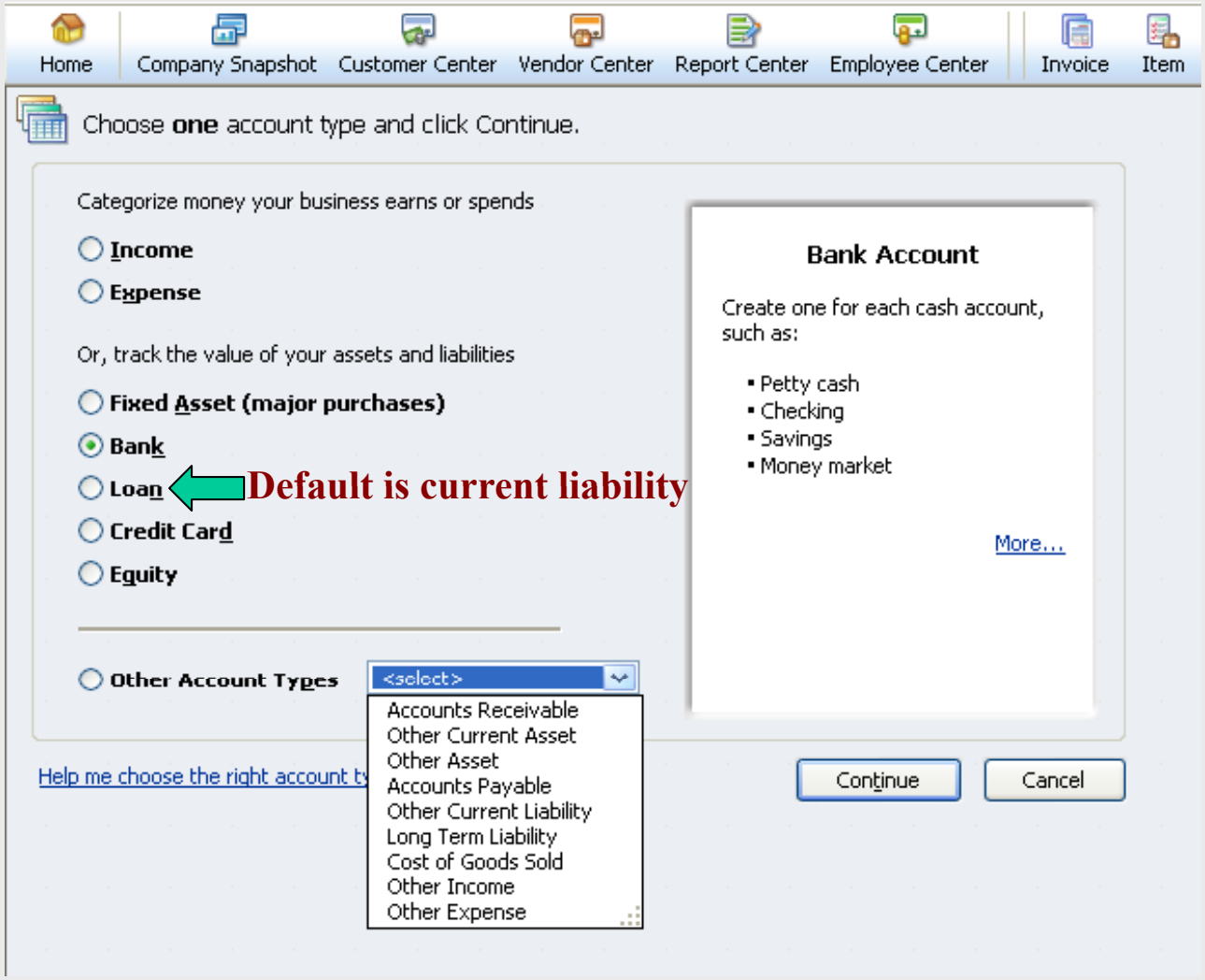
To add an account:

1. In the *Chart of Accounts*, click the *Account* menu button and then choose *New* (Ctrl N).



2. In the *New Account* Window, choose the type of account (Income, Expense, etc).



Default is current liability

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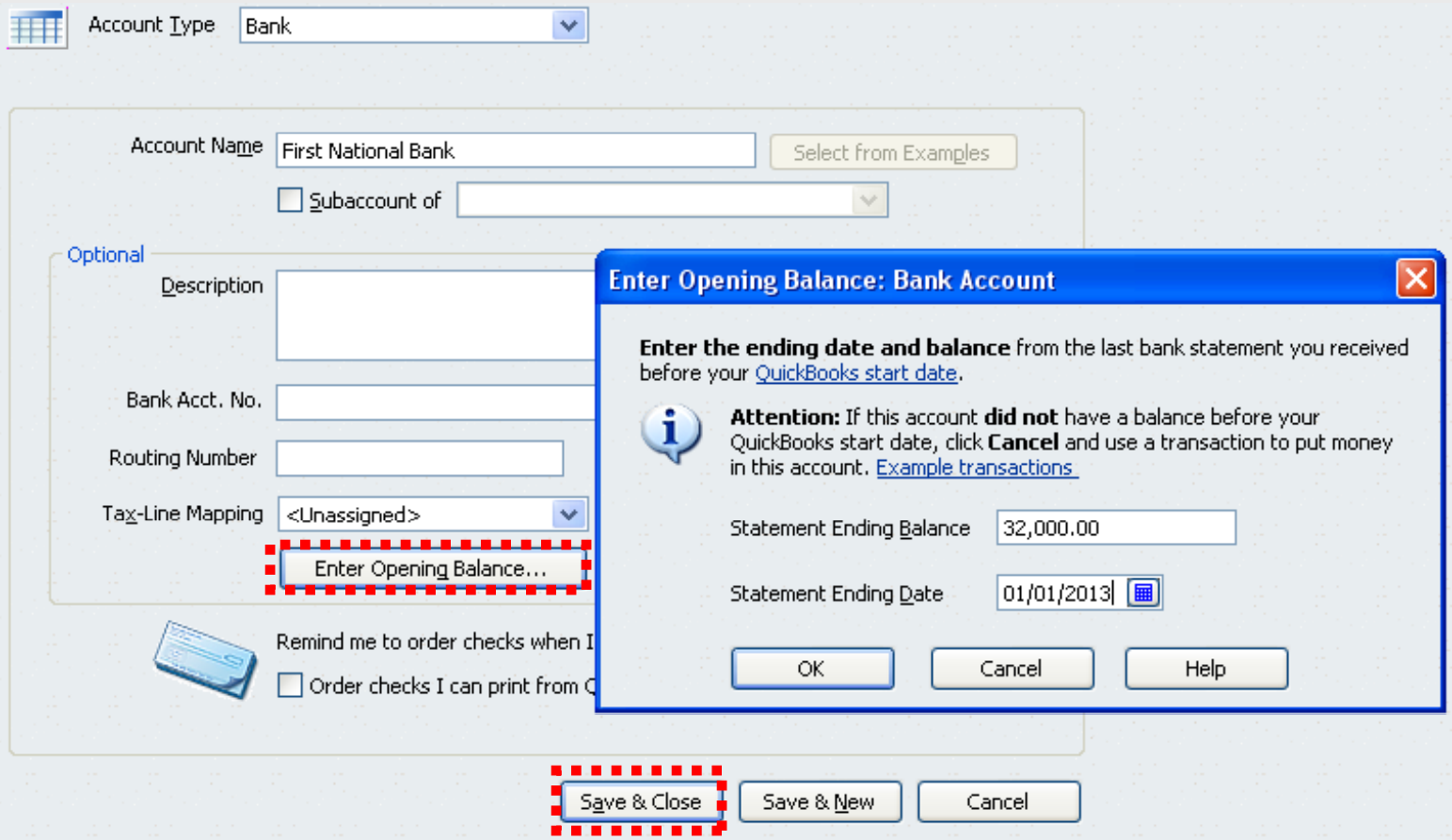
3. Fill in Account Information, Opening Balance and Date. Click *Save & Close* when Finished.



Note: You cannot enter opening balances for income and expense accounts, only balance sheet accounts.

Test:

Repeat steps 1-4 by adding the following accounts:

Chemicals

Farm Chemicals

Seed

Equipment

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To add a sub-account:

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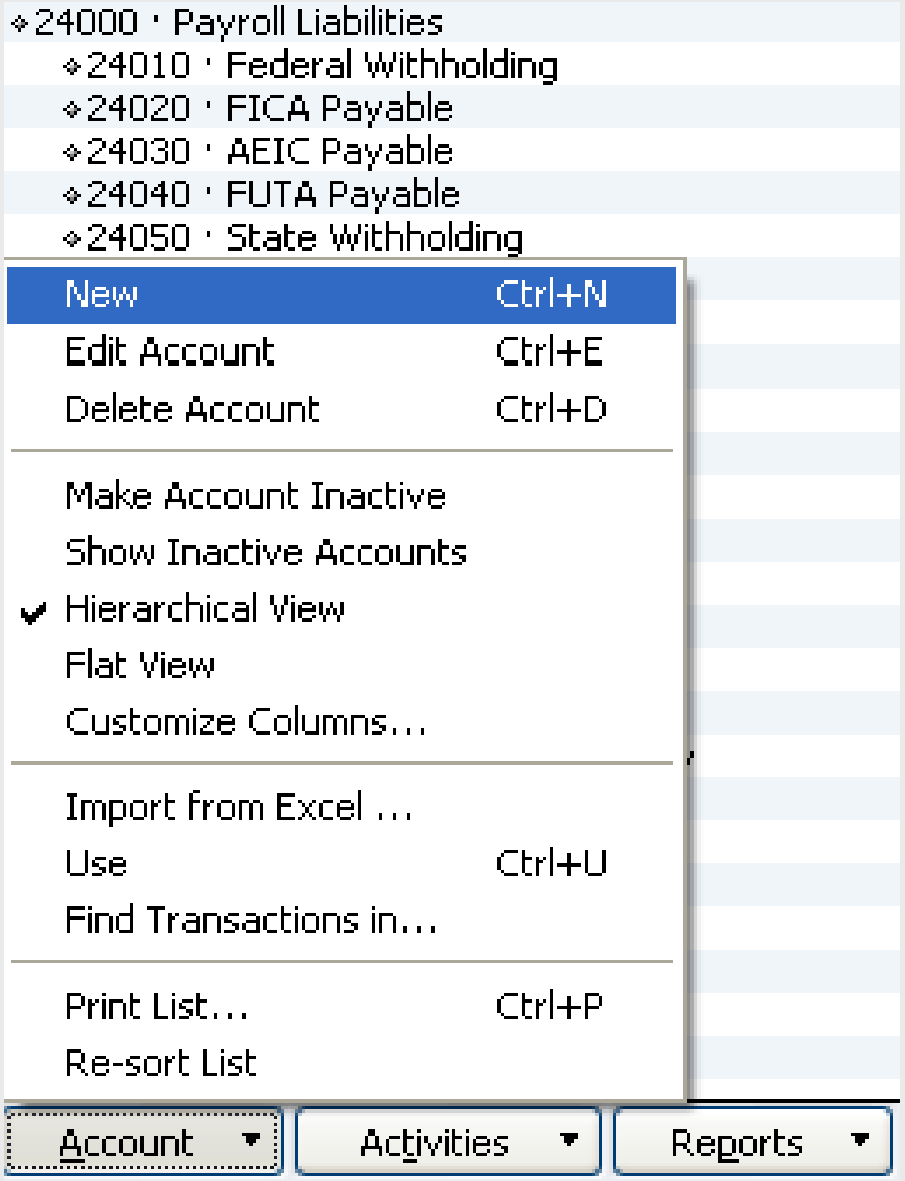
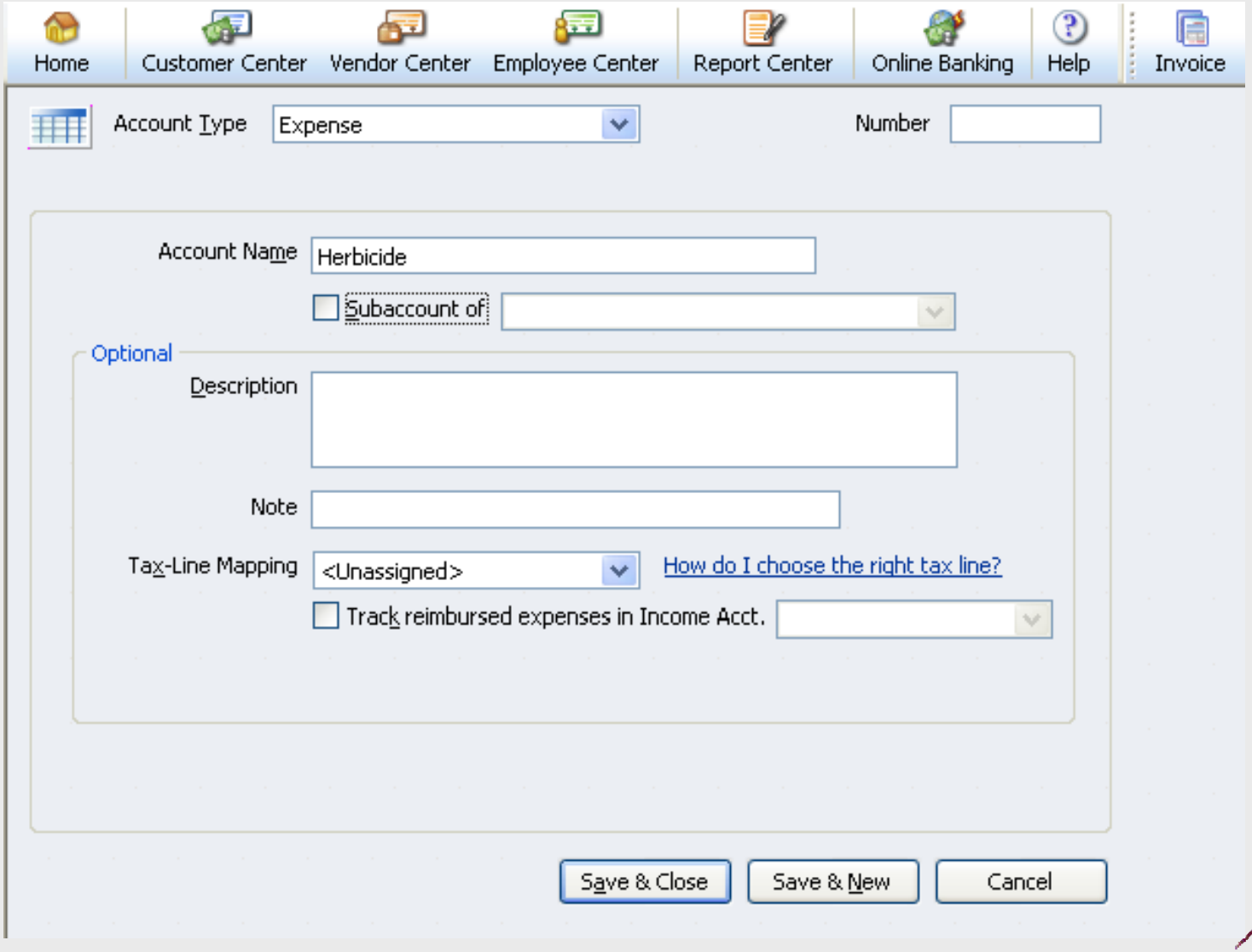
1. In the Chart of Accounts, click the *Account* menu button and then choose *New* (Ctrl N).



2. In the *Type* field, select *Expense*. In the Account Name field, type *Herbicide*.



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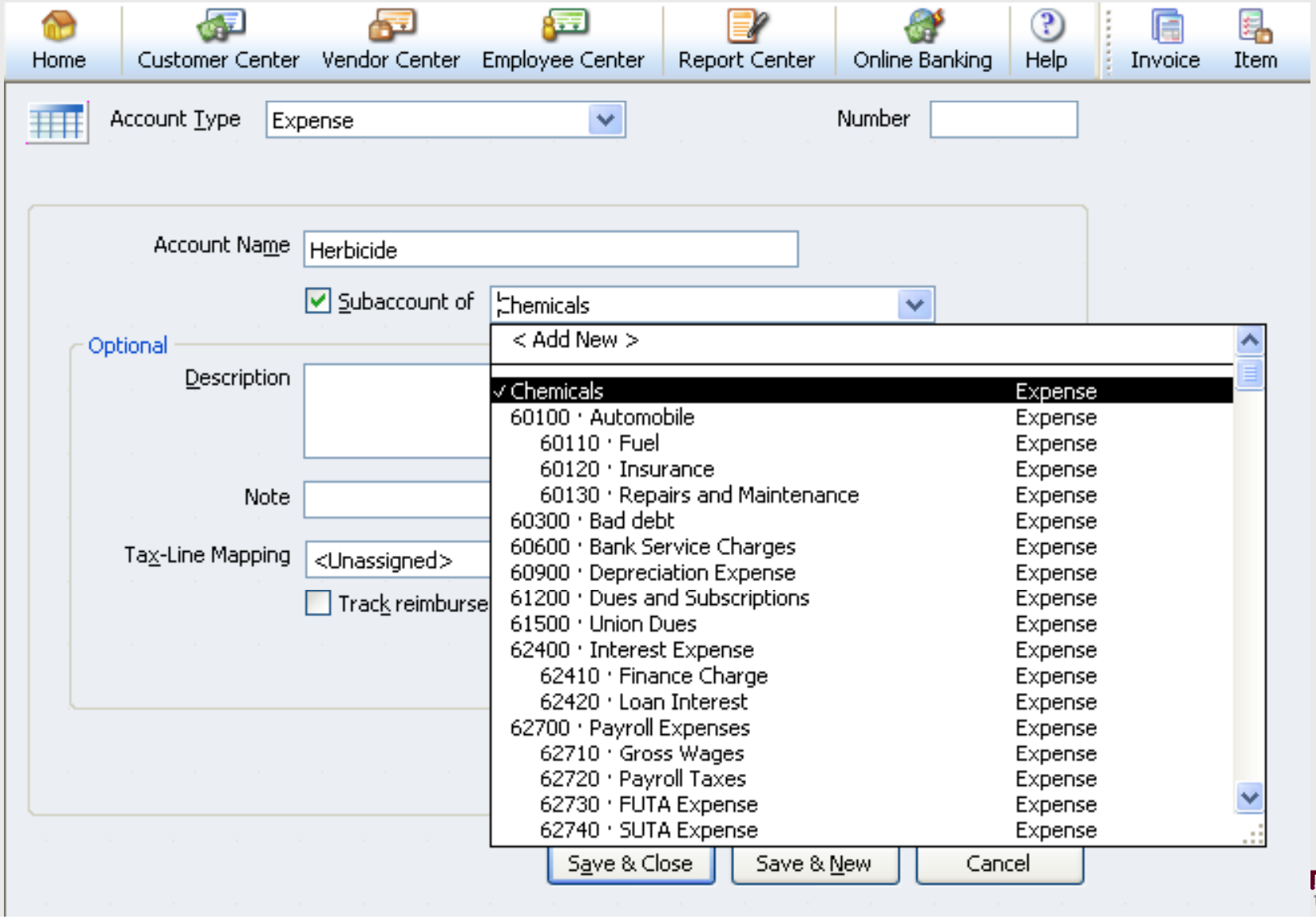
3. Select the “Sub account of” checkbox, and then select *Chemicals* from the list. Click *Save and Close*.



Test:

Repeat steps 1-5. Substituting *Insecticide* for Herbicide.

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Creating Customer & Vendor Lists

- ***Customers*** refer to people who pay money to the business.
- ***Vendors*** refer to people whom the business pays money.
- Anytime you record the receipt of income (deposit), or the payment of an expense (check), you must identify a customer or a vendor.

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Why Spend Time Entering Names?

- Identifying the customer or vendor by name adds useful detail and makes it easier to search for transactions.
- Supplying a mailing address lets you mail out checks or invoices in windowed envelopes.
- Having complete Customer and Vendor lists makes using QuickBooks faster and easier.

Adding Customer, Vendor, and Employee Names

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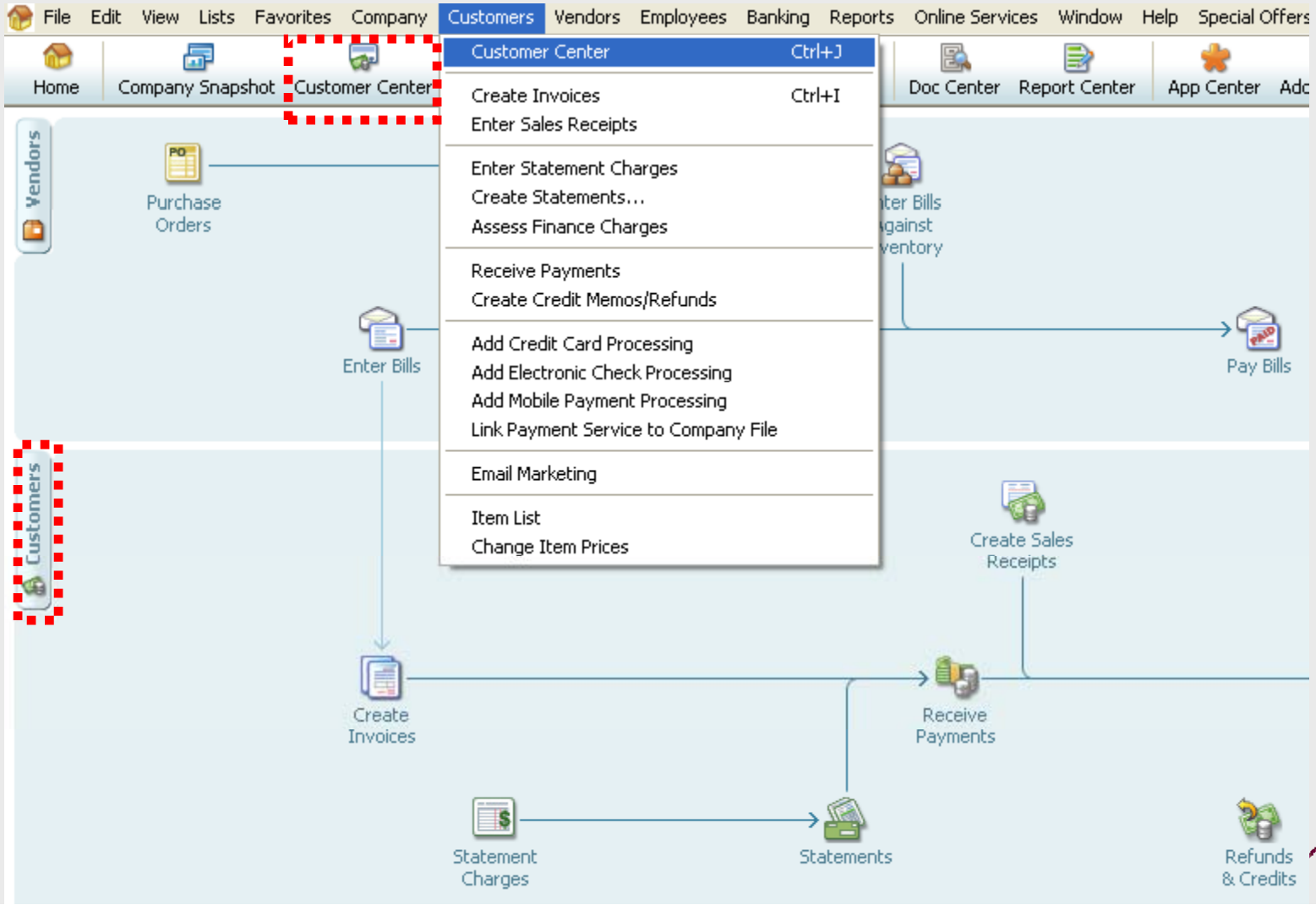
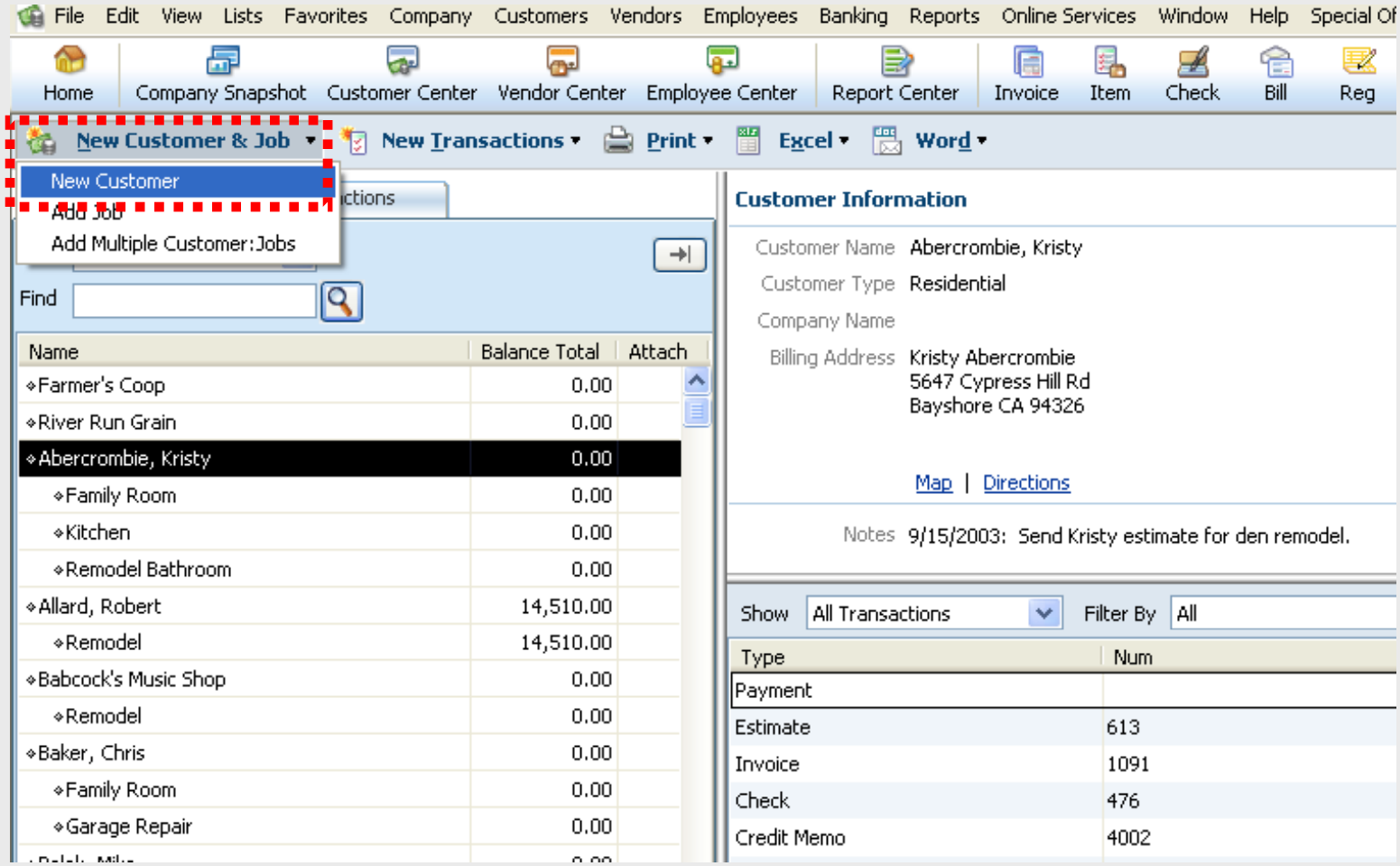
To add a new customer:

1. From the *Customers* tab on top of the main menu window, choose *Customer:Customer Center* (Ctrl J).



2. Click *New Customer and Job* at the top left of the list menu. Then choose *New Customer.*



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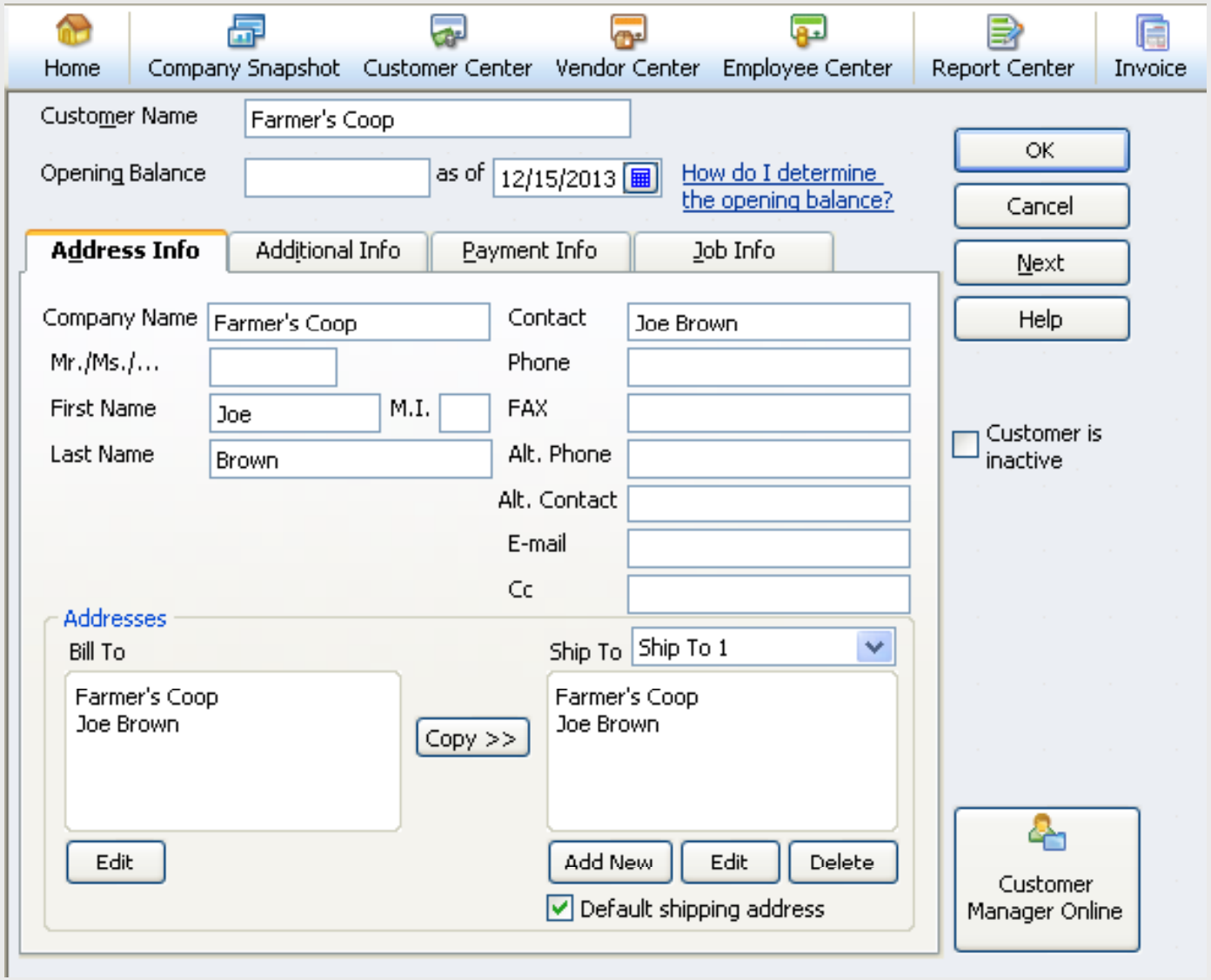
3. Type in relevant information:



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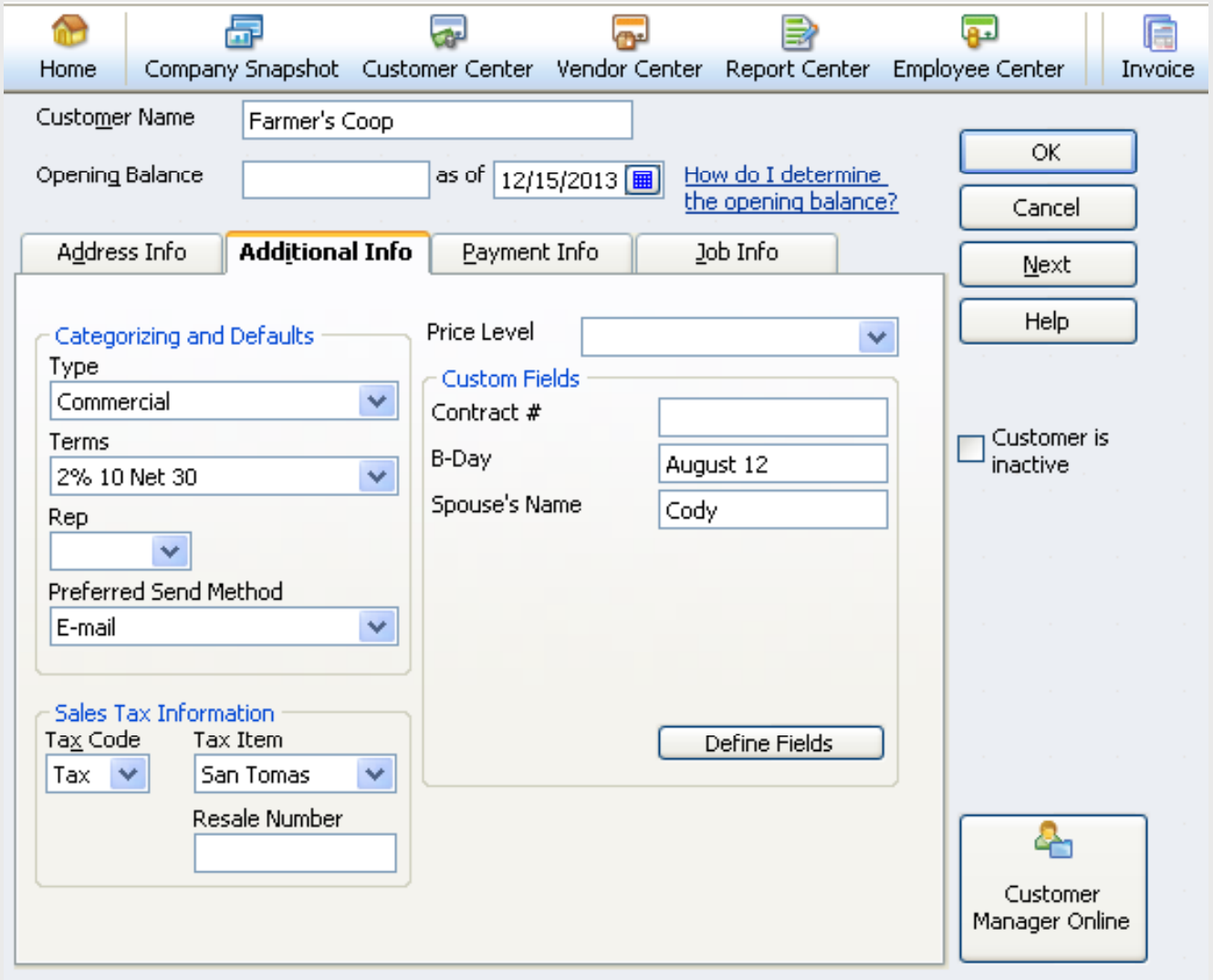
4. Fill in the Additional Info Tab if desired.



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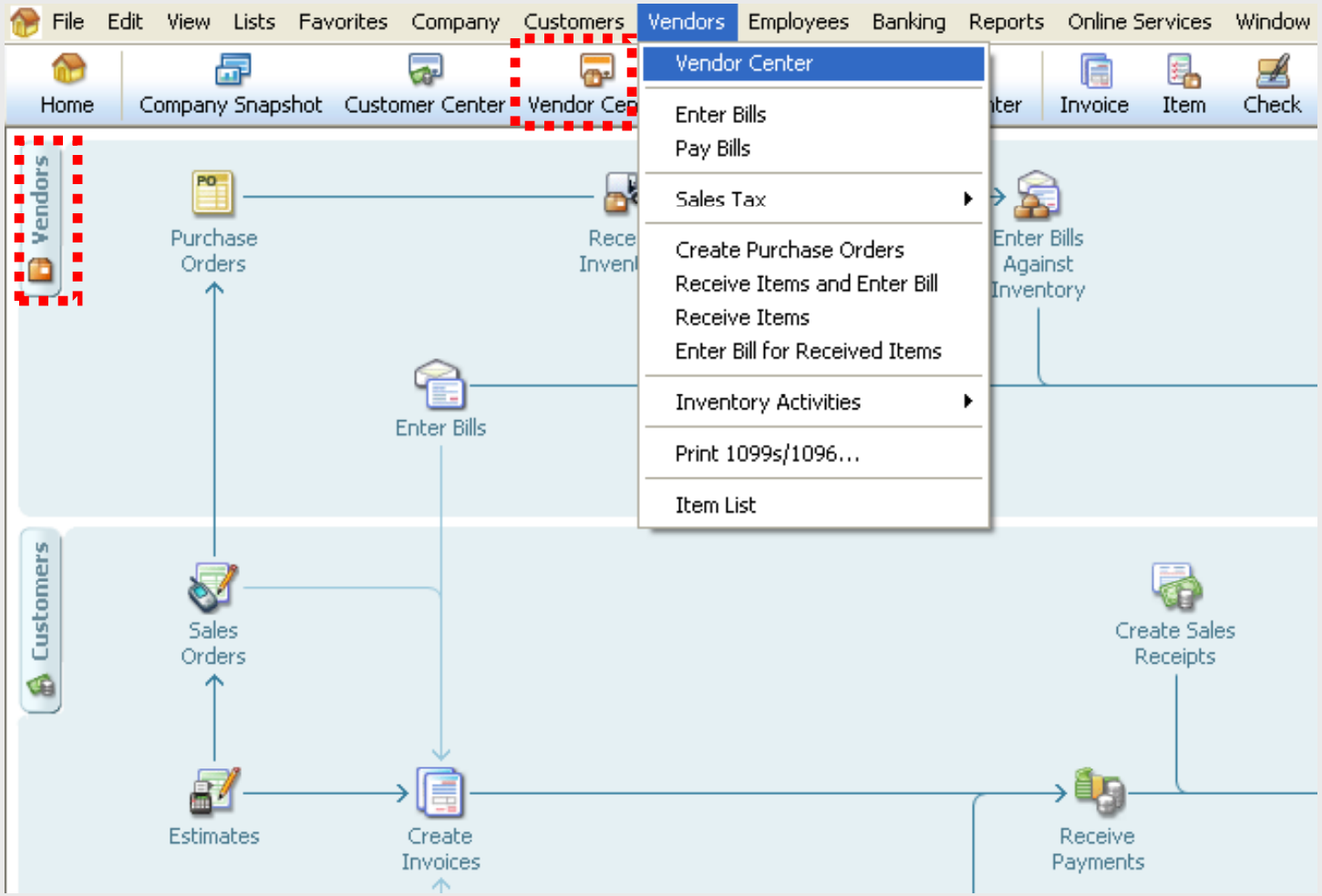
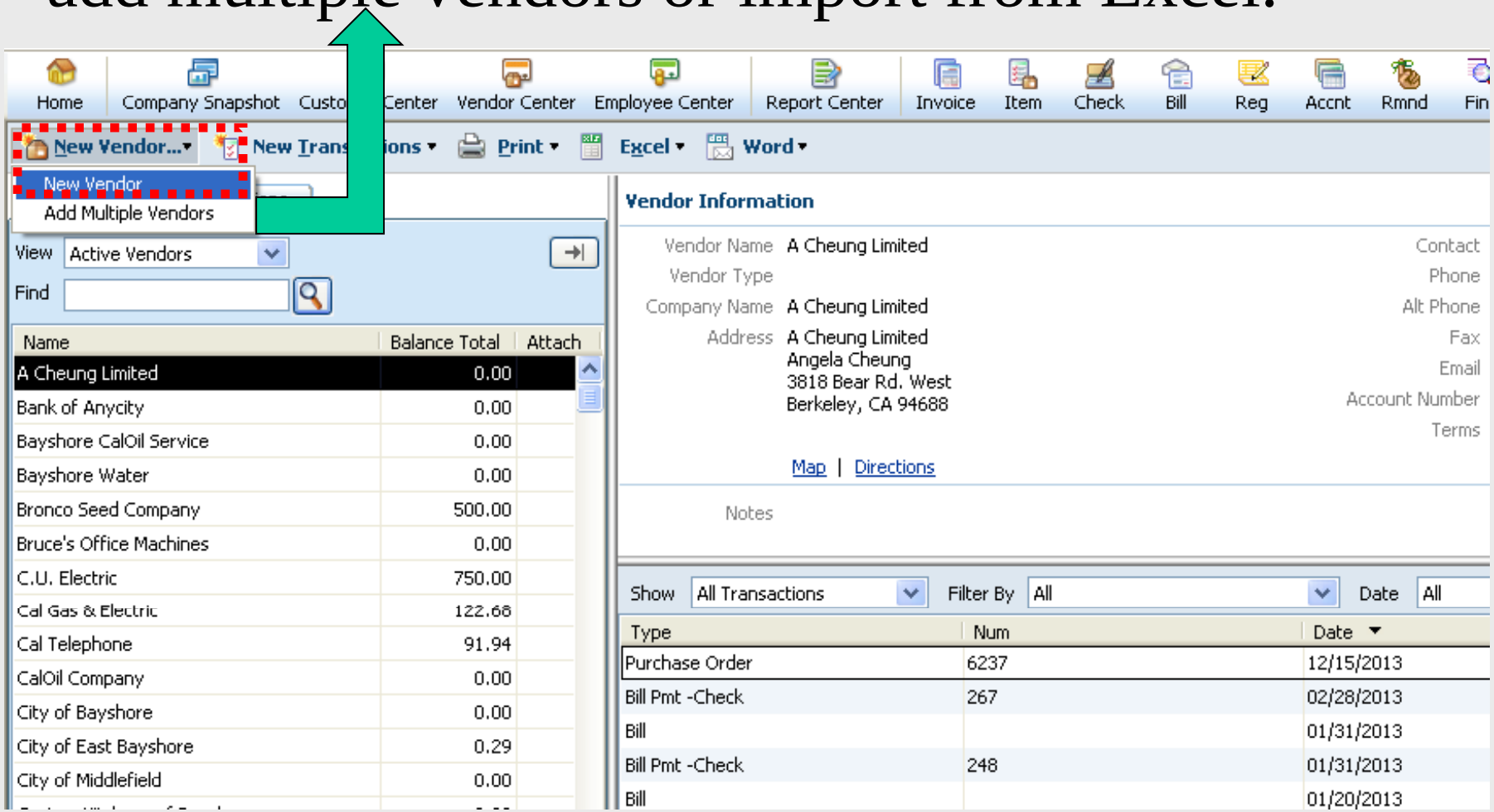
To add a new vendor:

1. From the Vendors tab at the top of the main menu window, chose *Vendor:Vendor Center*.



2. At the top left corner of the page, click *New Vendor* . Fill in relevant information. Can also add multiple vendors or import from Excel.



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Vender List Example

- Add the Following Vender
  - Company: Chemicals R Us
  - Contact: Bill Scott
  - Address: 428 Alpine Street
    Texline, TX 79087
  - Phone: (806) 362-0001
  - Credit Limit: $25,000
  - Account: 123456

Other Ways to Manage Lists

- Sort lists
- Combine (merge) list items
- Rename list items
- Delete list items
- Make list items inactive
- Import/Export lists
- Print lists

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Sort Lists

- Use arrows at the top of the list to choose the format you wish to see:
  - Name: A-Z → Z-A
  - Balance: Minimum Balance → Maximum Balance
    Maximum Balance → Minimum Balance
  - Type: Income Stmt Accnts → Balance Sheet Accnts
    Balance Sheet Accnts → Income Stmt Accnts

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Merge List Items

1. Highlight the account you want to be merged.
2. At the bottom of the list menu, choose *Account:Edit Account* (Ctrl E).
3. In the name box, type in the name of the account you wish to merge with.
4. The program will tell you the account name already exists, and ask if you want to merge them. Select *Yes*.

Note: A file with sub-accounts *CANNOT* be merged.

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Merge Test:

Merge the *Farm Chemicals* account with the *Chemicals* account.

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Rename List Items

1. Highlight the account you want to be renamed.
2. At the bottom of the list menu, choose *Account:Edit Account* (Ctrl E).
3. In the name box, type in the new account name and click *Save & Close*.

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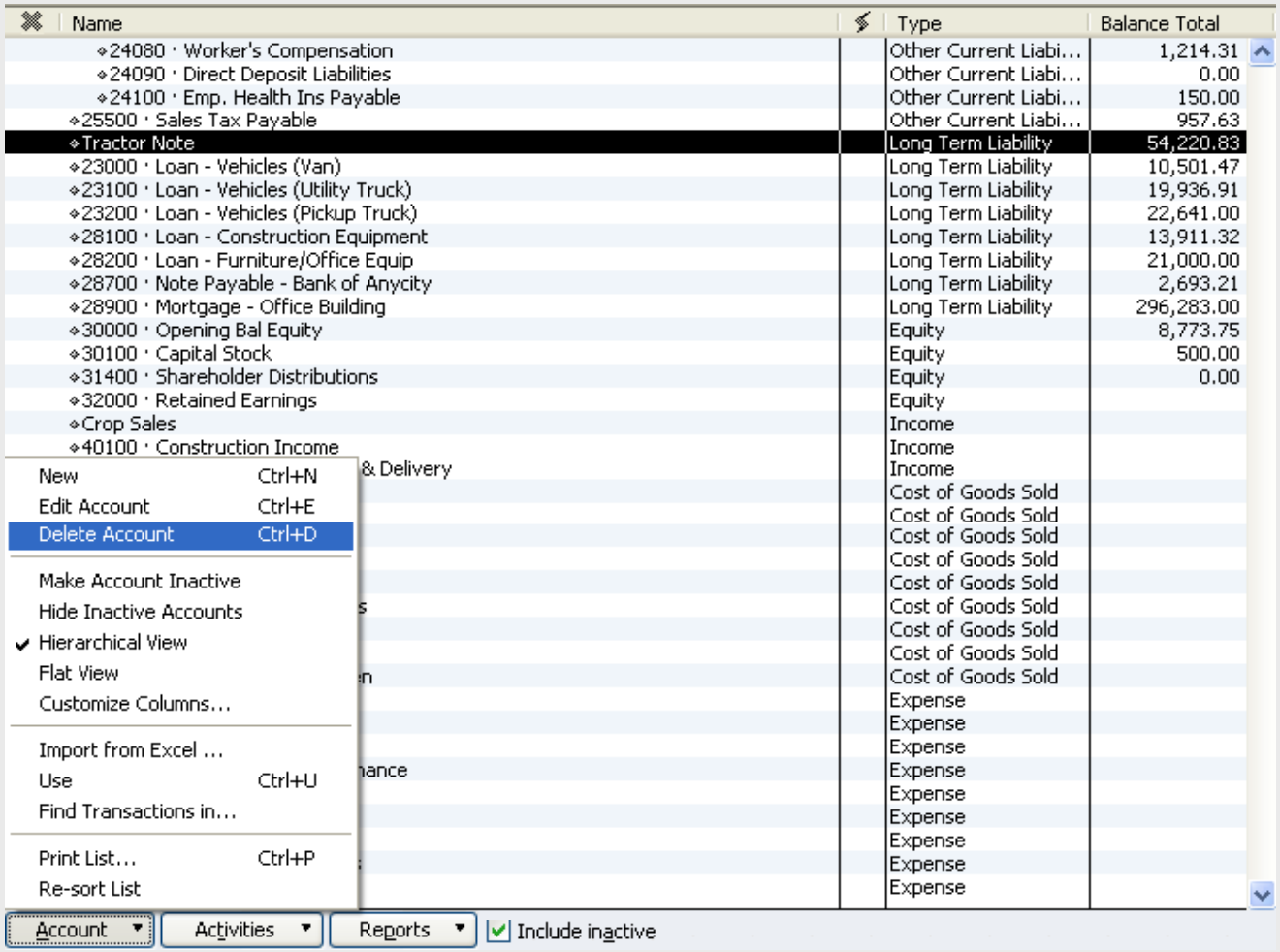
Delete List Items

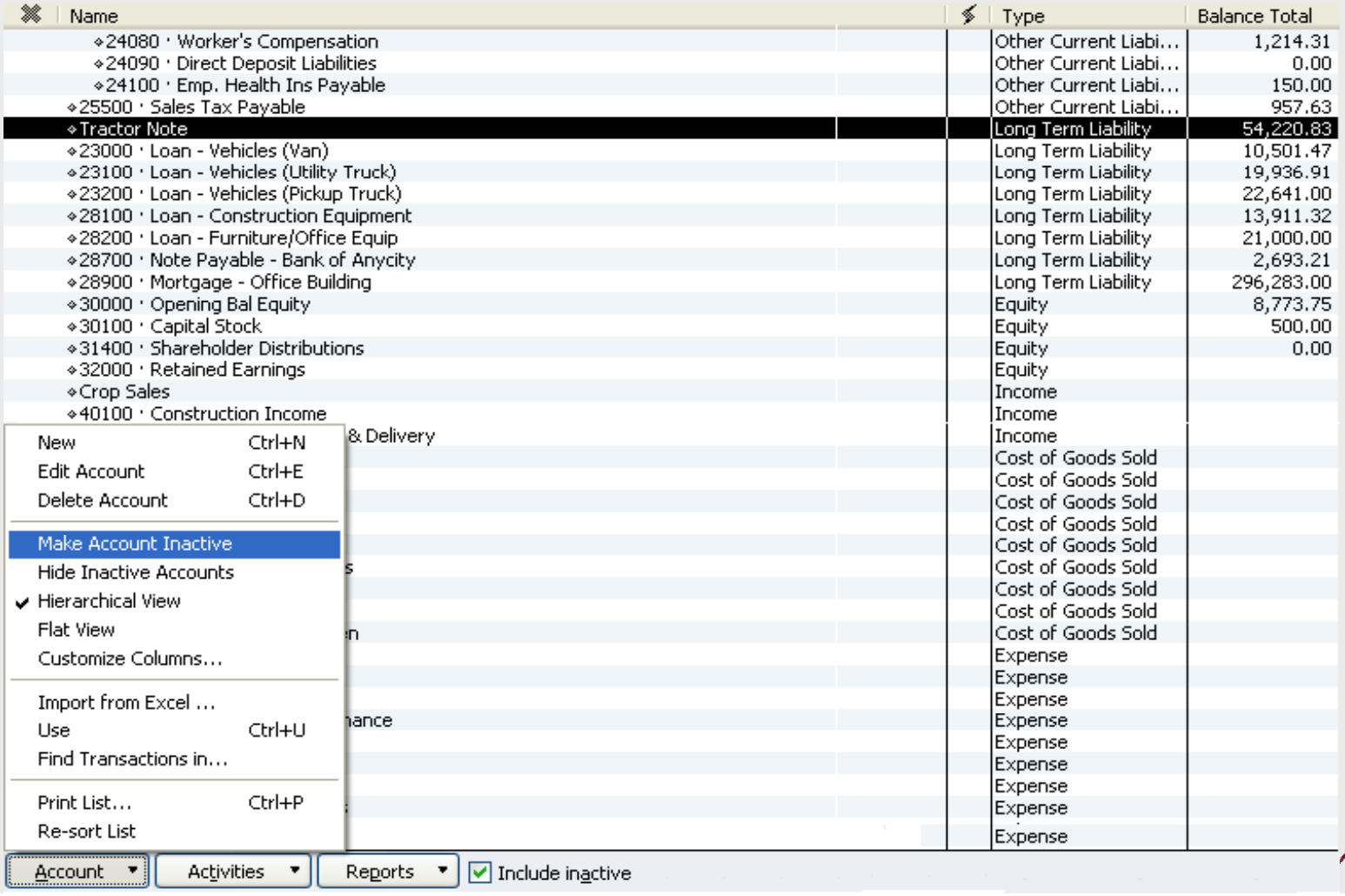
1. Highlight the account you want deleted. At the bottom of the list menu, choose *Account:Delete Account* (Ctrl D).



2. **Remember that you can only delete accounts that have *NEVER* had any activity against them.**

Inactivate List Items

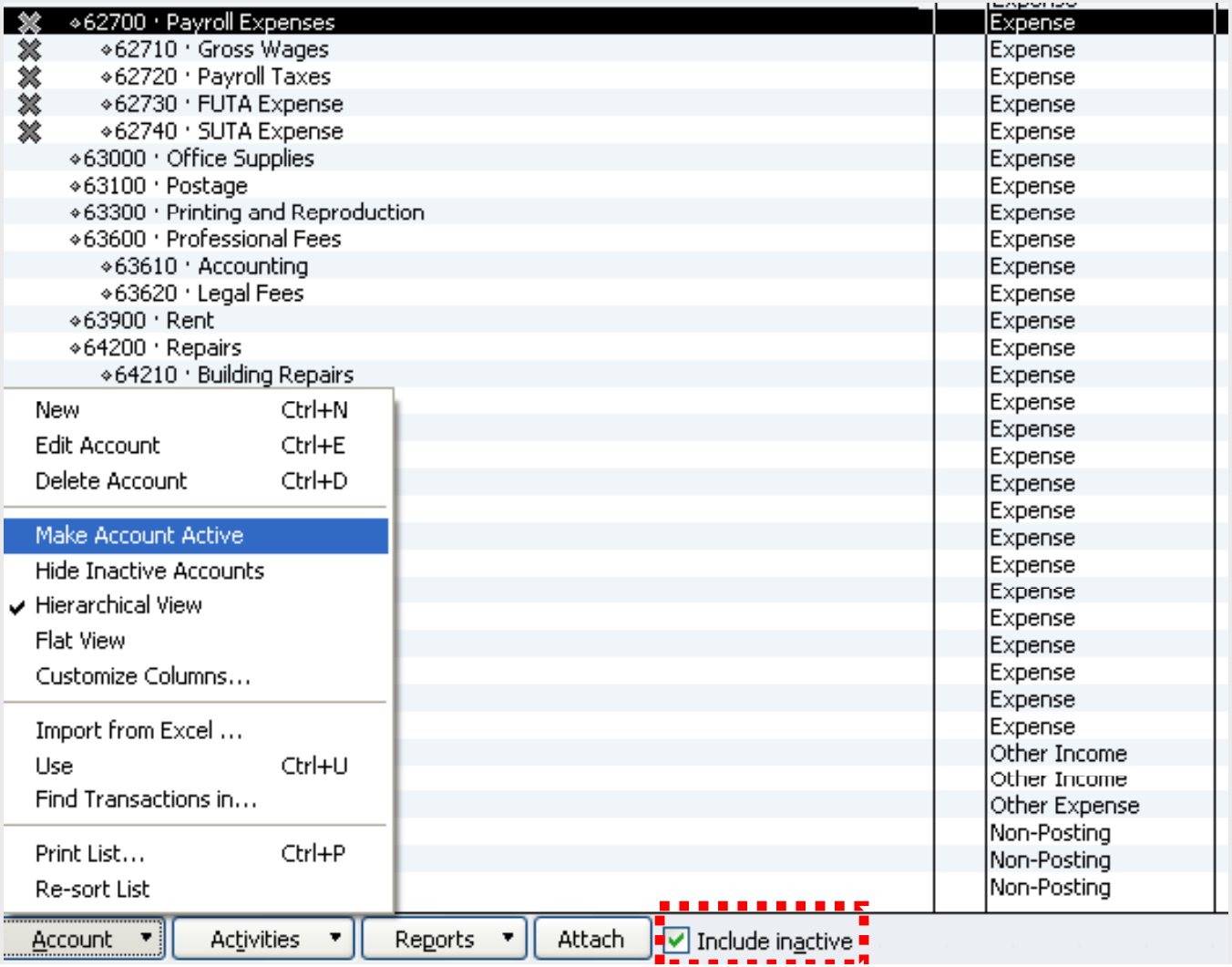
1. Highlight the account you want to be inactivated.
2. At the bottom of the list menu, choose *Account:Make Account Inactive*.



Reactivate List Items

1. Check the *"Include inactive"* box at the bottom of the menu.

2. Reactivate by highlighting the inactive account and selecting *Account: Make Account Active* at the bottom of the list.



Test:

Inactivate the *Chemicals* account, then reactivate it.

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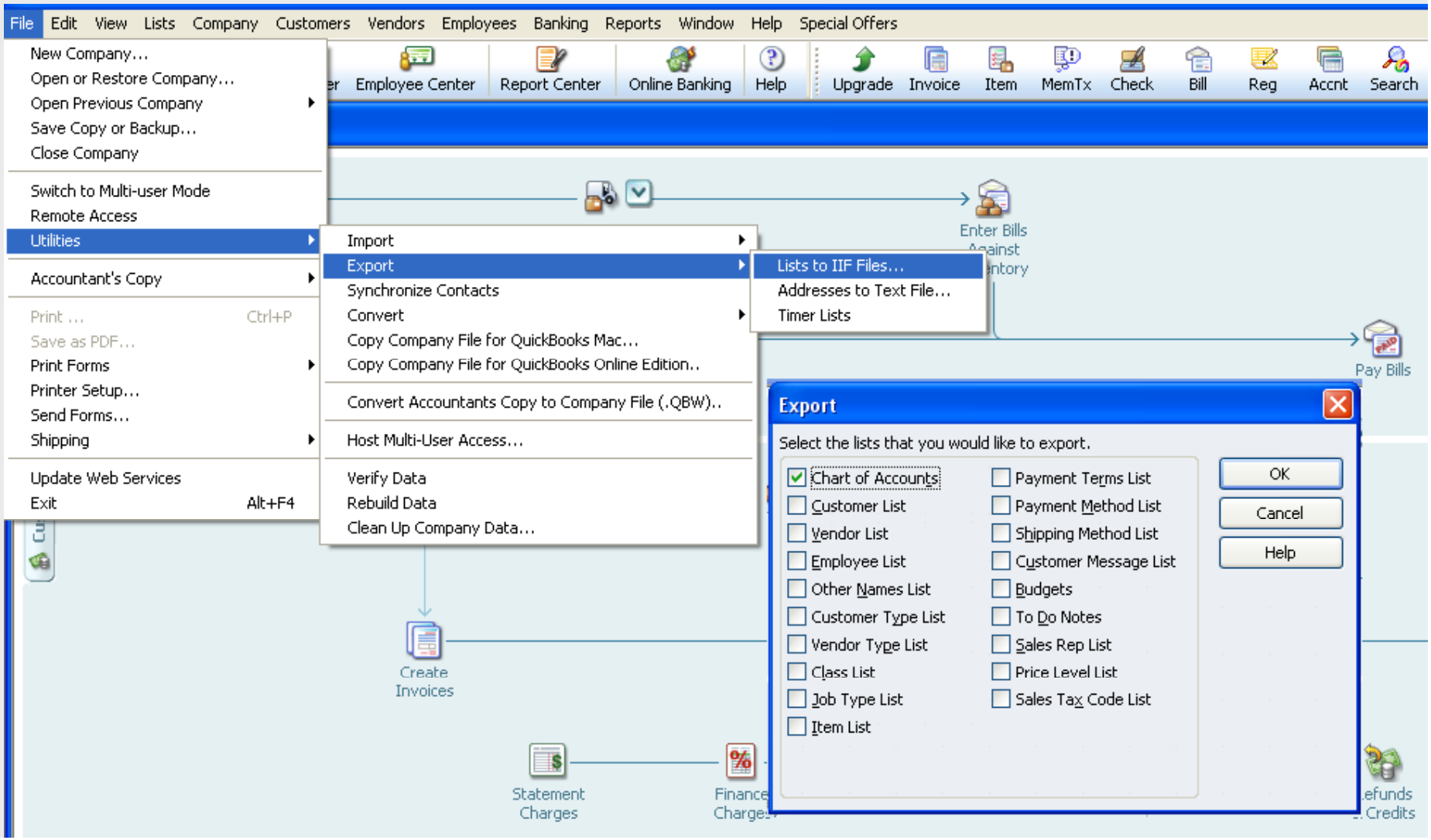
Importing/Exporting Lists

- It is possible to import any list from another QuickBooks file (filename.IIF).
- It is possible to import a list (Customer, Vendor, Item or Account only) from a properly formatted Excel file into QuickBooks.
- You can also export a QuickBooks file (filename.IIF) into Excel as a tab delimited file.
- This feature can be very useful when starting a new company, creating a list of accounts for your accountant, etc.

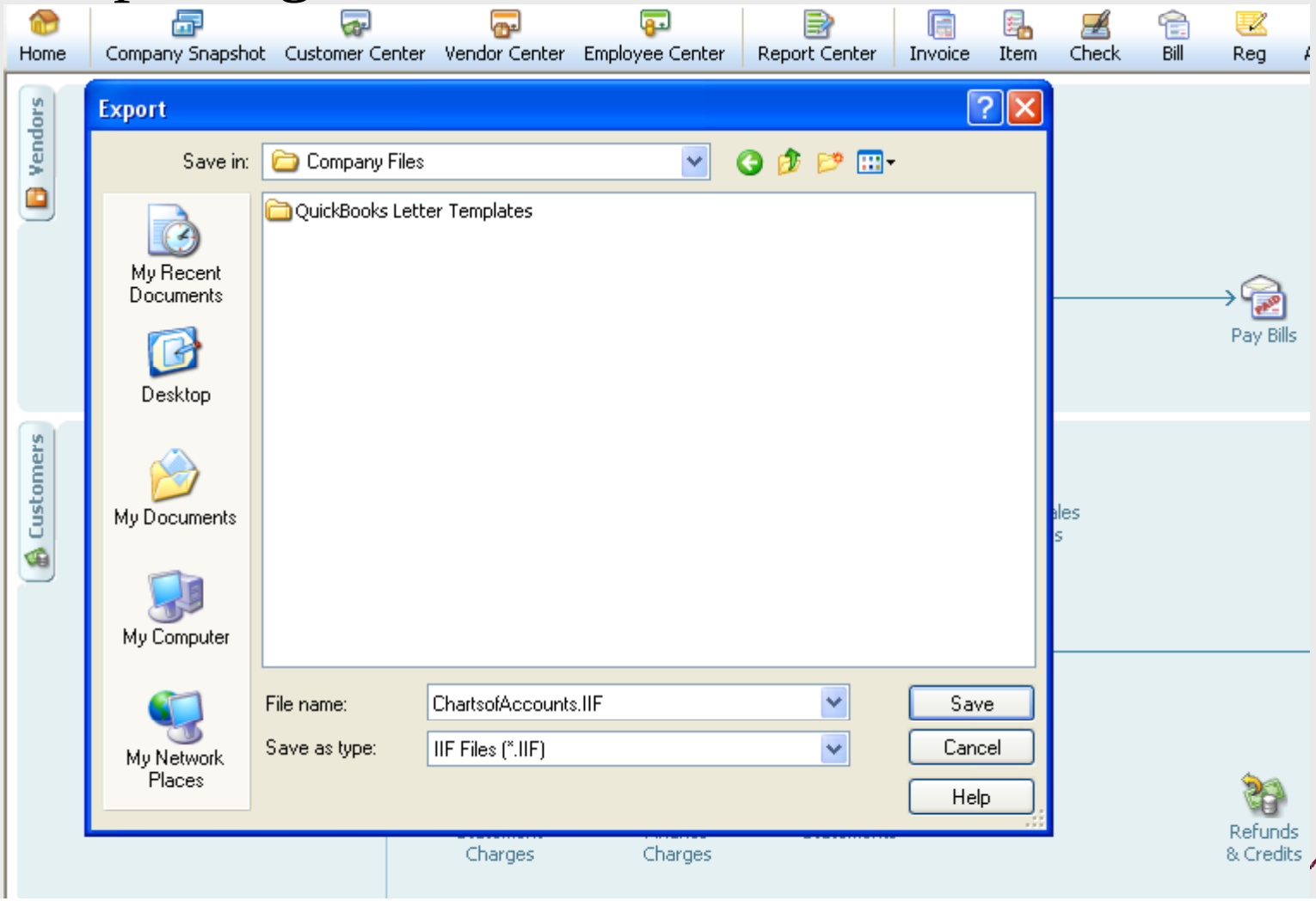
Exporting a List

1. Select *File:Utilities:Export:Lists to IIF Files.* Select which lists you wish to Export.



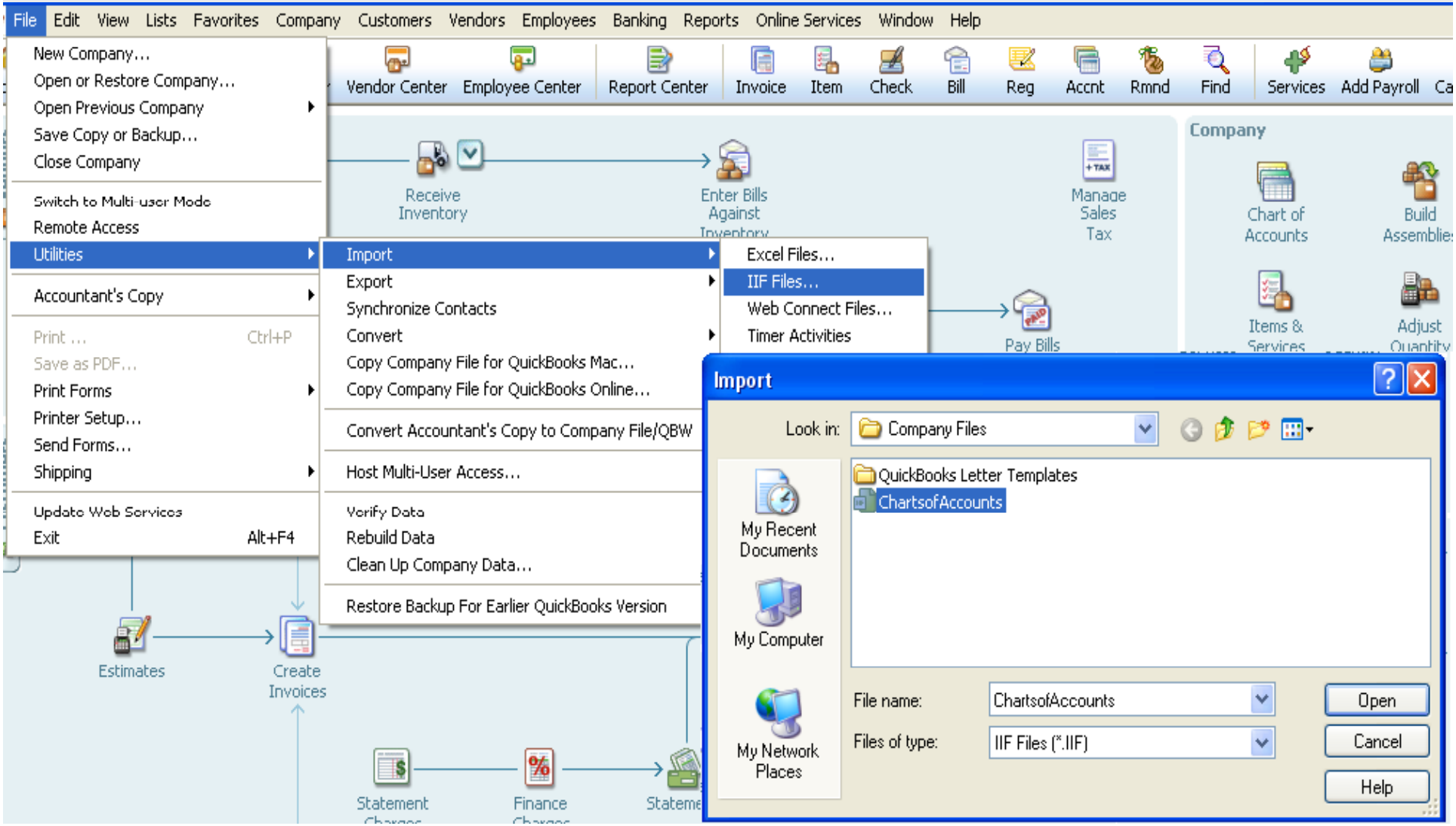
Exporting a List

2. Select a file name and location, then click *Save*. Make sure you save the file in *filename.IIF* format for ease of importing later.



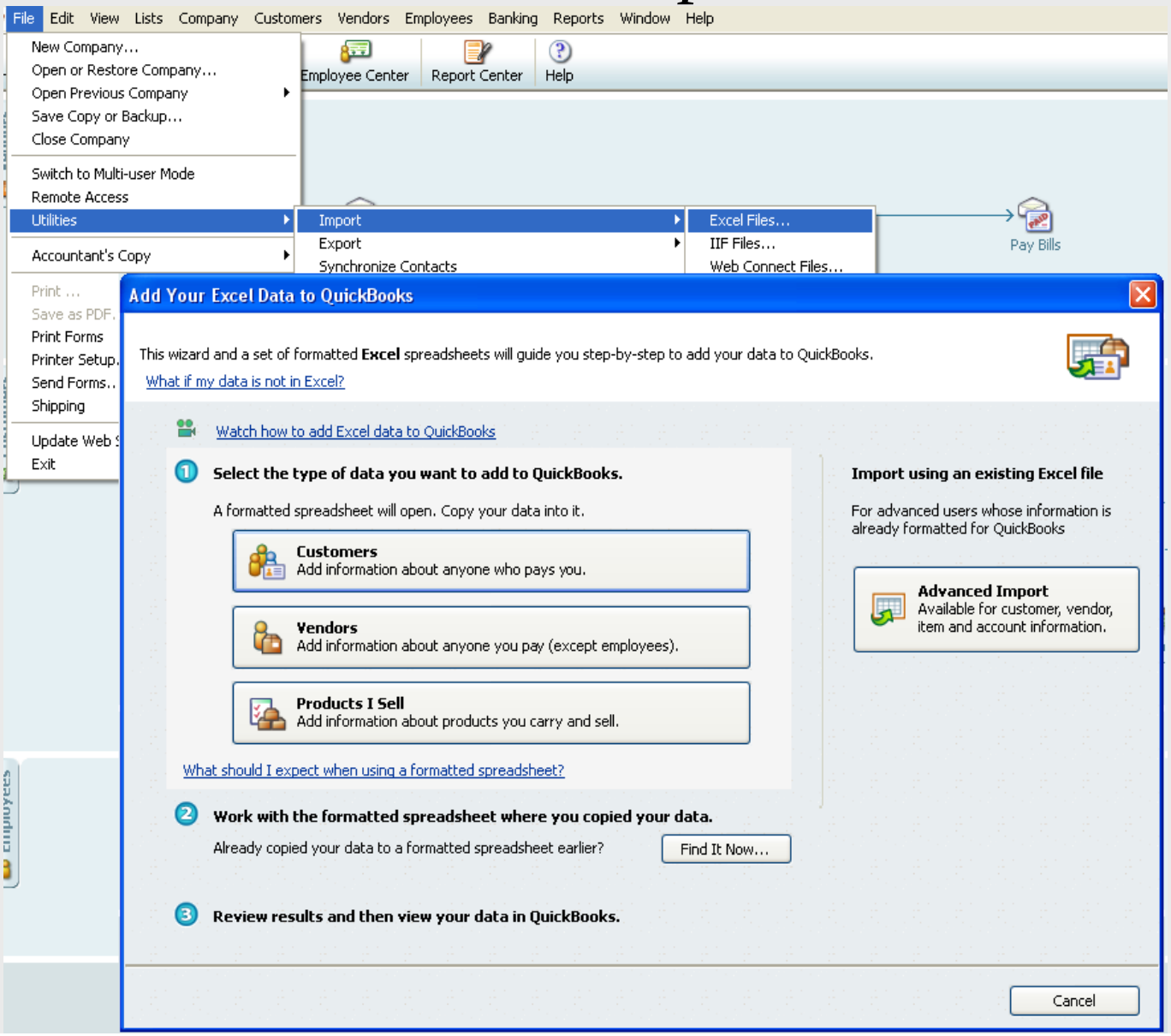
Importing a List Saved in *.IIF Format

1. Select *File:Utilities:Import:IIF Files*. Select which list you wish to Import.



Importing a List in Excel Format

1. Select *File:Utilities:Import:Excel Files.*



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A Few Notes About Importing/Exporting

- While you can ***import*** a file saved in Excel or *.IIF format, you can only ***export*** and save a file as *.IIF.
- We recommend that you only export/import one type of list at a time.
- When setting up a new company and using an imported Chart of Accounts, Customer List, etc., we recommend that you skip the Easy Step Interview, and choose *Other/None* for your Chart of Accounts.

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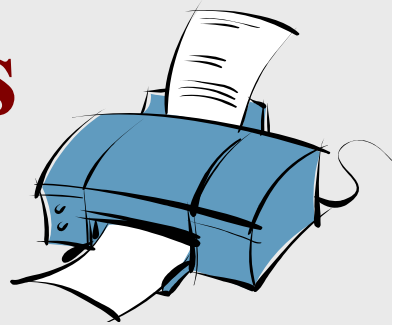
Printing Lists and Reports



1. At the bottom of the chart of accounts, select *Account:Print List* (Ctrl P).

2. To print a report on a certain account, highlight the account, then select *Reports:Quick Report* from the bottom of the list (Ctrl Q).

3. To print a whole farm report, select *Reports:Reports on all Accounts.*

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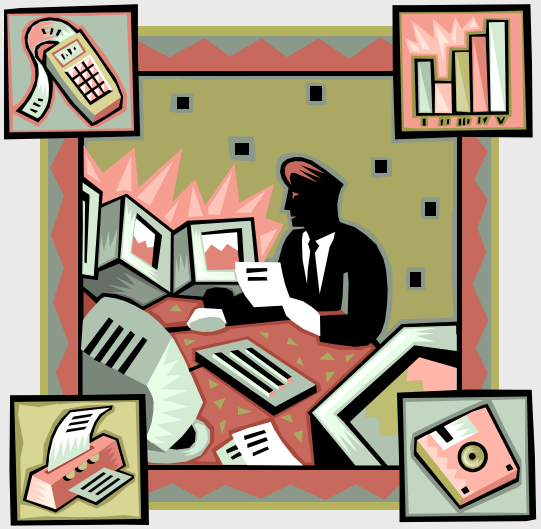
Setting Up Classes: Enterprise Information & More



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Classes

- Classes are most often used as enterprise codes, to match transactions with specific farm enterprises rather than the business as a whole.
  - EX. 2010
    - Corn
    - Wheat
    - Cotton
    - Stockers

Classes

- There is no right or wrong way to set up classes, but class names should not serve more than one informational goal.
- The arrangement of class and subclass levels determines how easily you can get reports of specific information.
- Each class should usually represent a profit center or a cost center, or should be a “parent” class for a group of profit or cost centers.

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Is Class Tracking Turned On?

1. Choose *Edit:Preferences* at the top of the main menu window.
2. In the Preferences window, select the *Accounting* icon in the scroll box on the left side.
3. Select the *Company Preferences* tab at the top.
4. Select the *"Use class tracking"* check box.
5. Click *OK* to close the Preferences window.

How to Add Classes:

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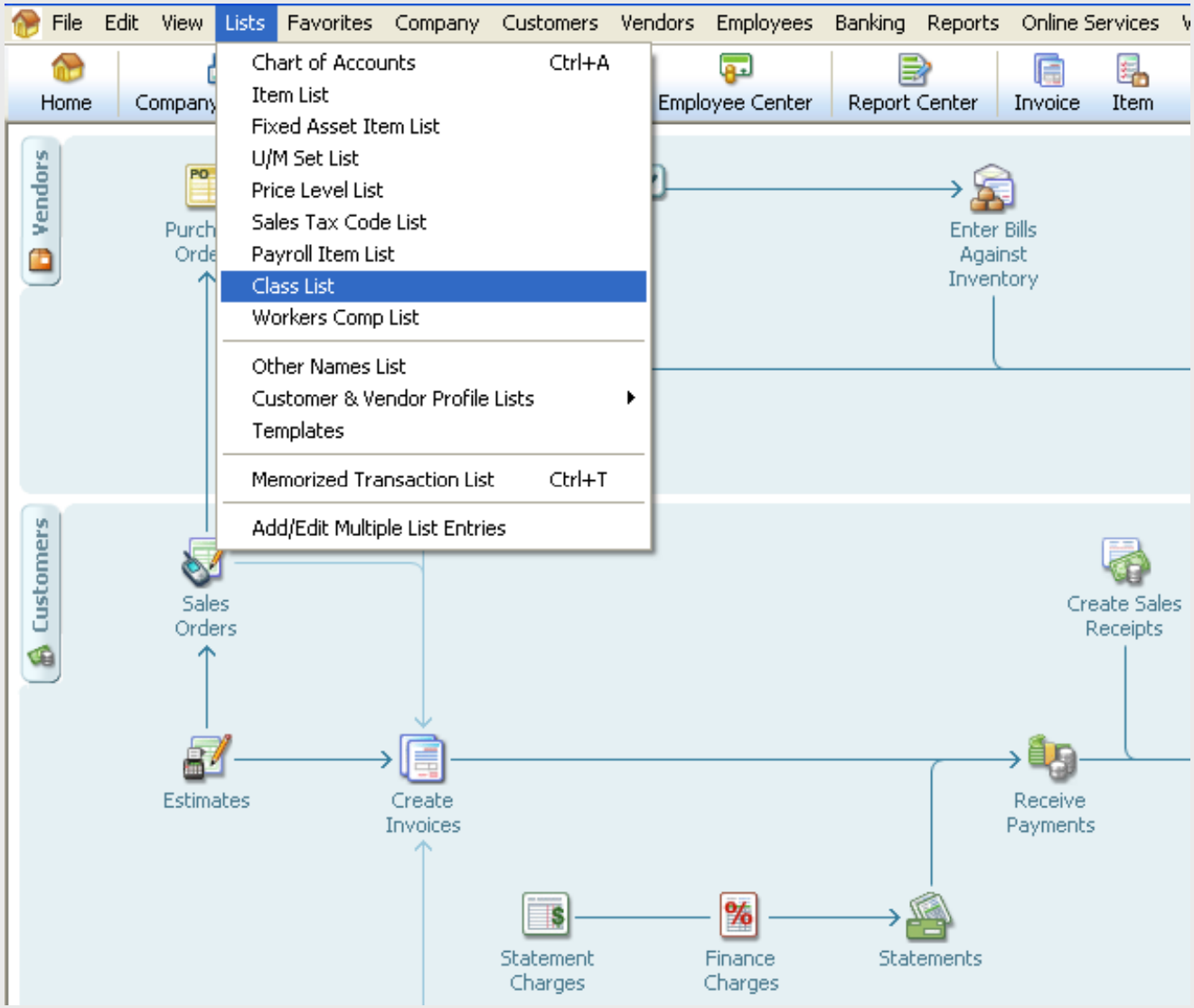
Texas A&M System

1. Open the Class List window by choosing *Lists: Class List* from the main menu.



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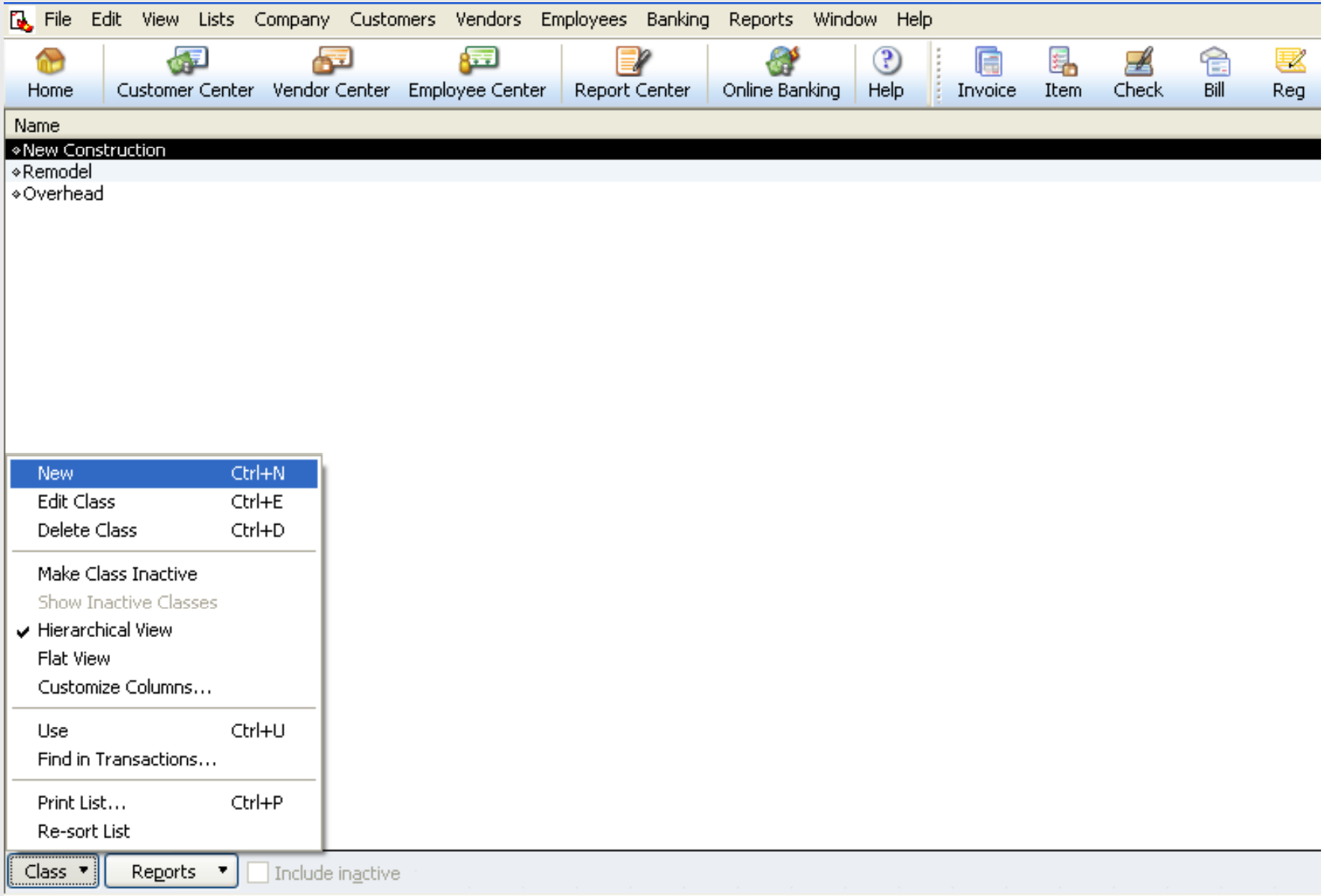
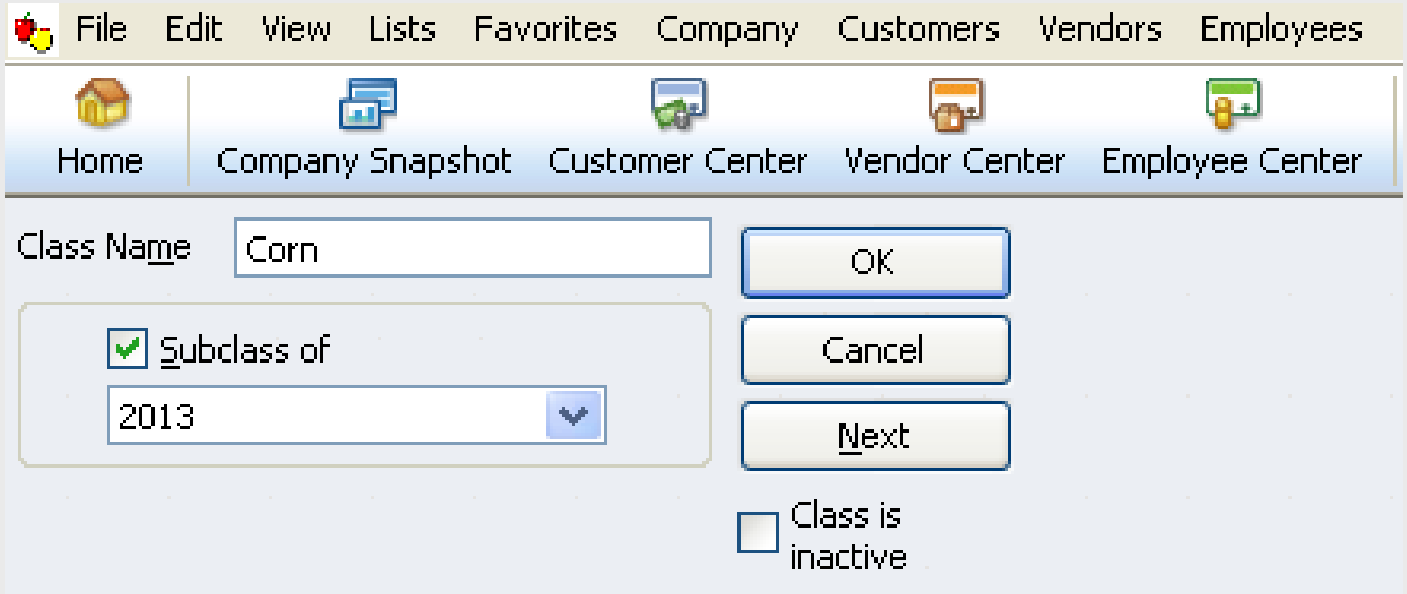
Texas A&M System

2. Click on the *Class* button at the bottom of the window, then select *New*.



3. Fill in information about the new class.



4. Click *OK or Next* to save the new class in the class list.

Test:

- Add the following classes:
  - 2013 (as a parent class)
    - Corn (as a subclass)
    - Sorghum (as a subclass)
    - Wheat (as a subclass)
    - Stockers (as a subclass)

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QuickBooks® Training

Lesson Two

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Forms and Registers

- Forms
  - Checks
  - Deposits
  - Bills
  - Invoices

- Registers
  - Show all of the transactions entered in a particular account.
  - *Every* asset, liability, and equity account has a register. Income and expense accounts do not.

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Checks form

Previous | Next | Save | Print | Find | Attach

Bank Account: 10100 · Checking — Ending Balance: 46,969.10

No. 517
Date 12/15/2013
Pay to the Order of: Mid County Equipment Company — $ 244.80

Two hundred forty-four and 80/100* Dollars

Address: Mid County Equipment Company

Memo

Order Checks

Expenses $244.80 | Items $0.00 | Online Payment | To be printed

Account	Amount	Memo	Customer:Job	Bill...	Class
64200 · Repairs	244.80				

- Use the Checks form when you pay an expense directly by check. **Do not** enter a check to pay a previously entered bill.

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How to Enter/ Write a Check:

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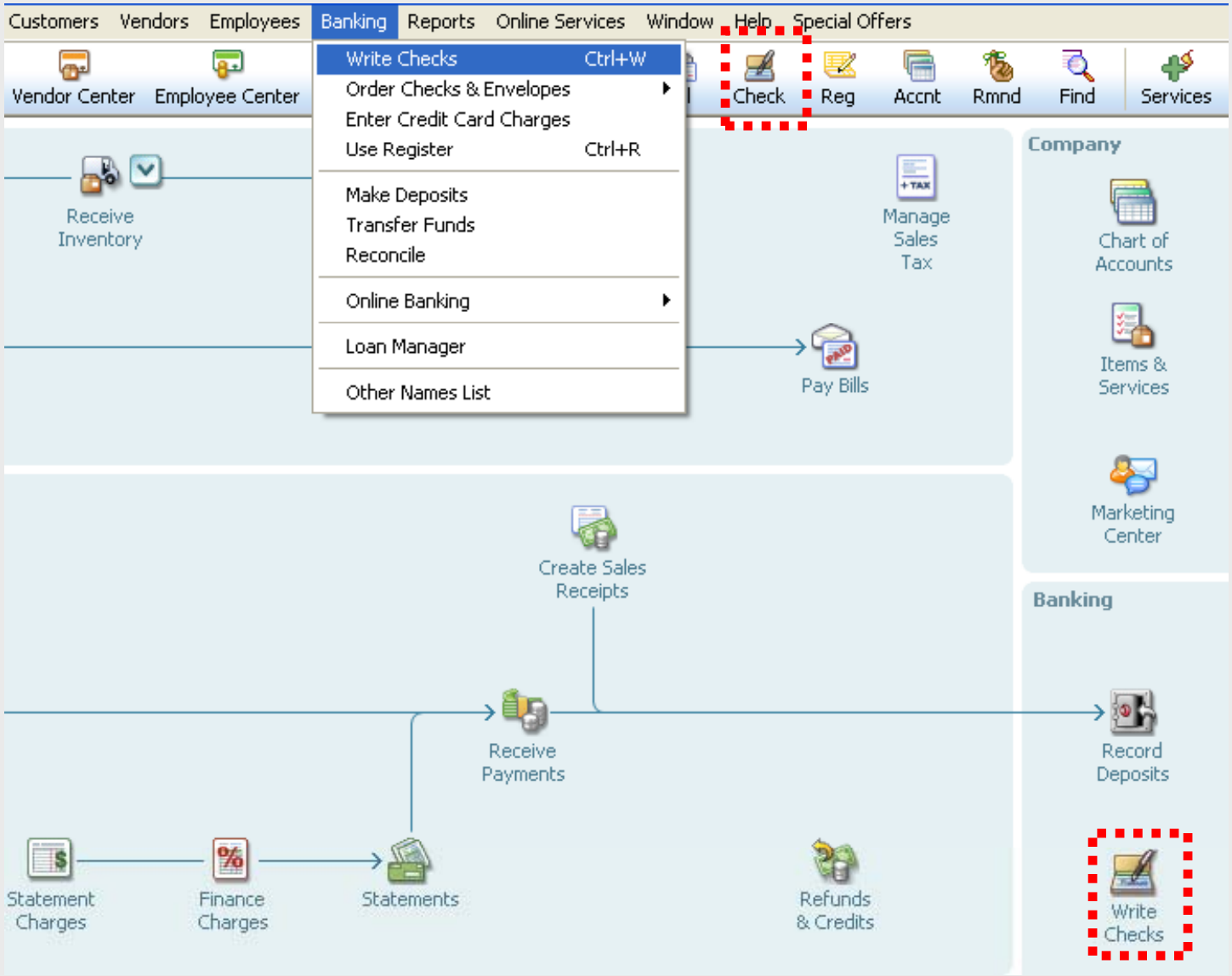
Texas A&M System

1. Choose *Banking: Write Check* (Ctrl W).



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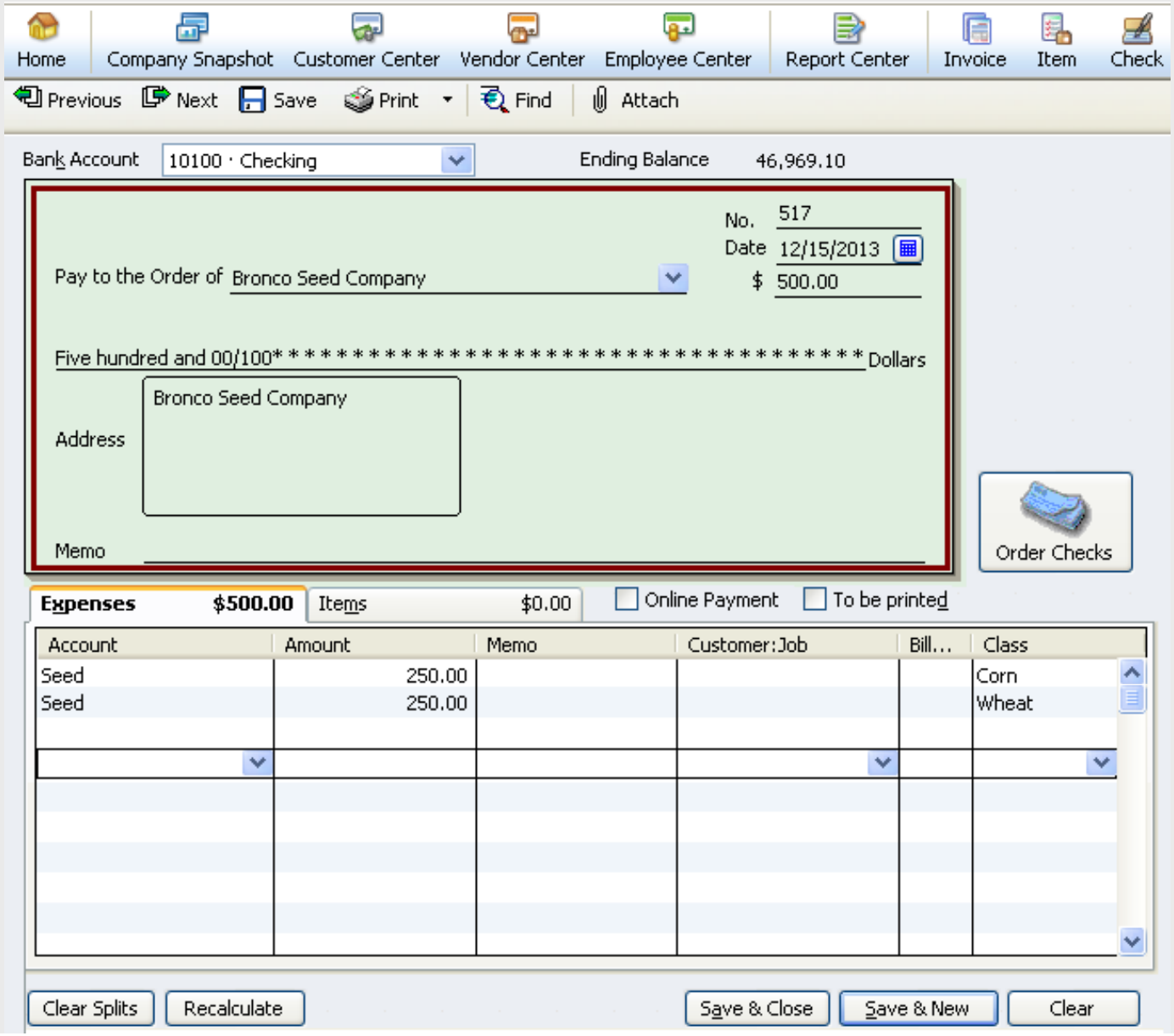
2. Fill in the check #, date, payee, amount and account #, then click *Save and Close*.



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Test:

Write a check for $2,000 in Corn Herbicide to Chemicals R Us.

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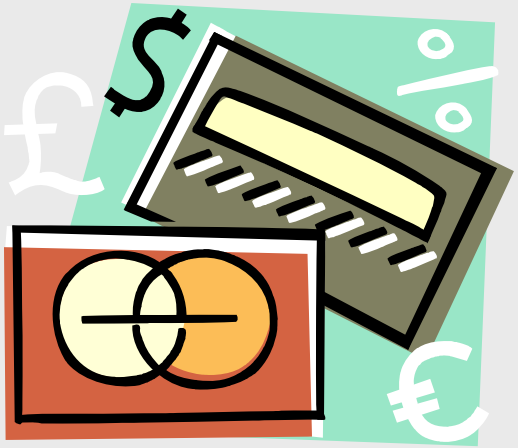
Bills and Credit Cards

- Use the Bills form to enter purchases for which payment will be made at a later date.
- Use the Credit Card Charges form to enter farm business purchases made by credit card.



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How to Enter a Bill:

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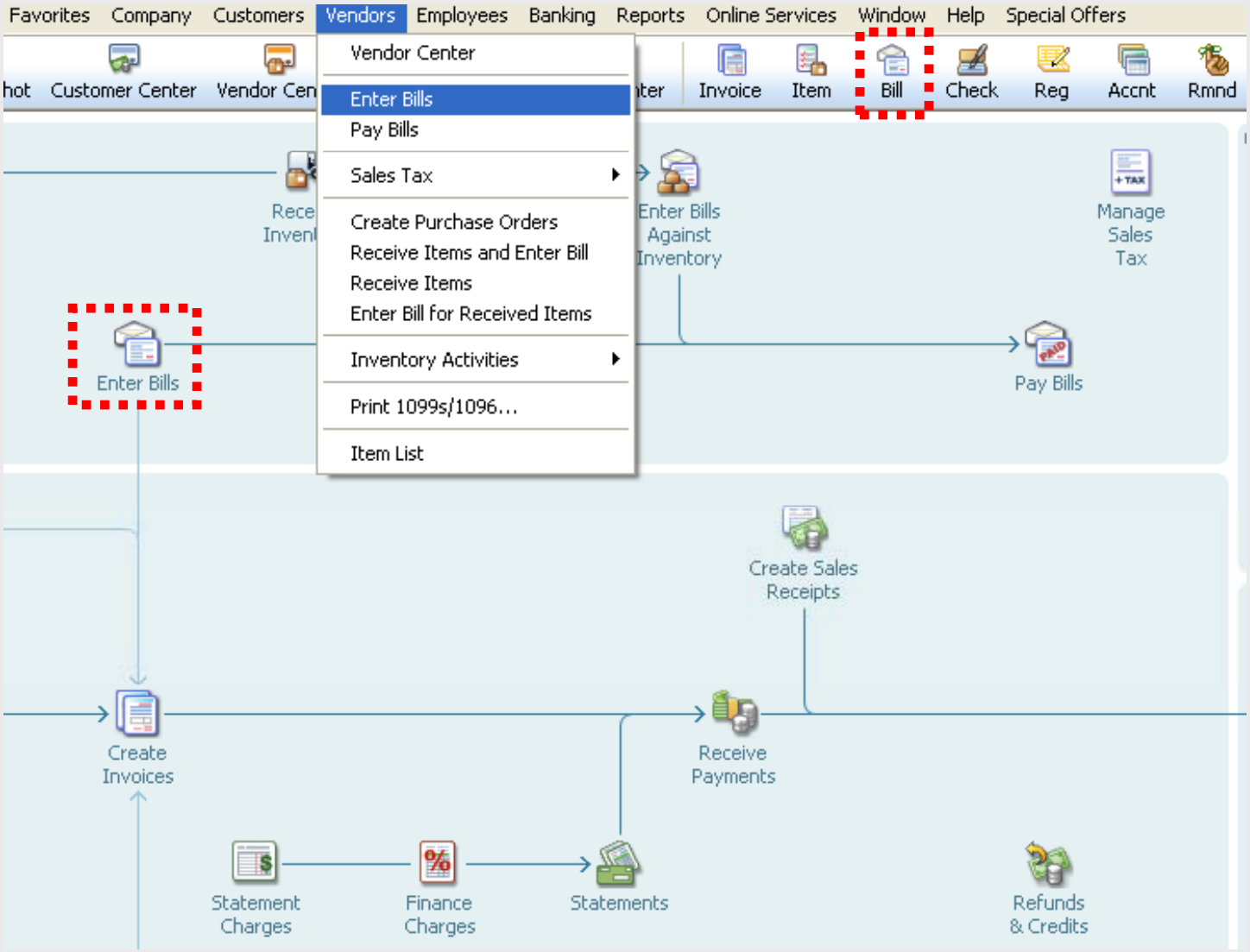
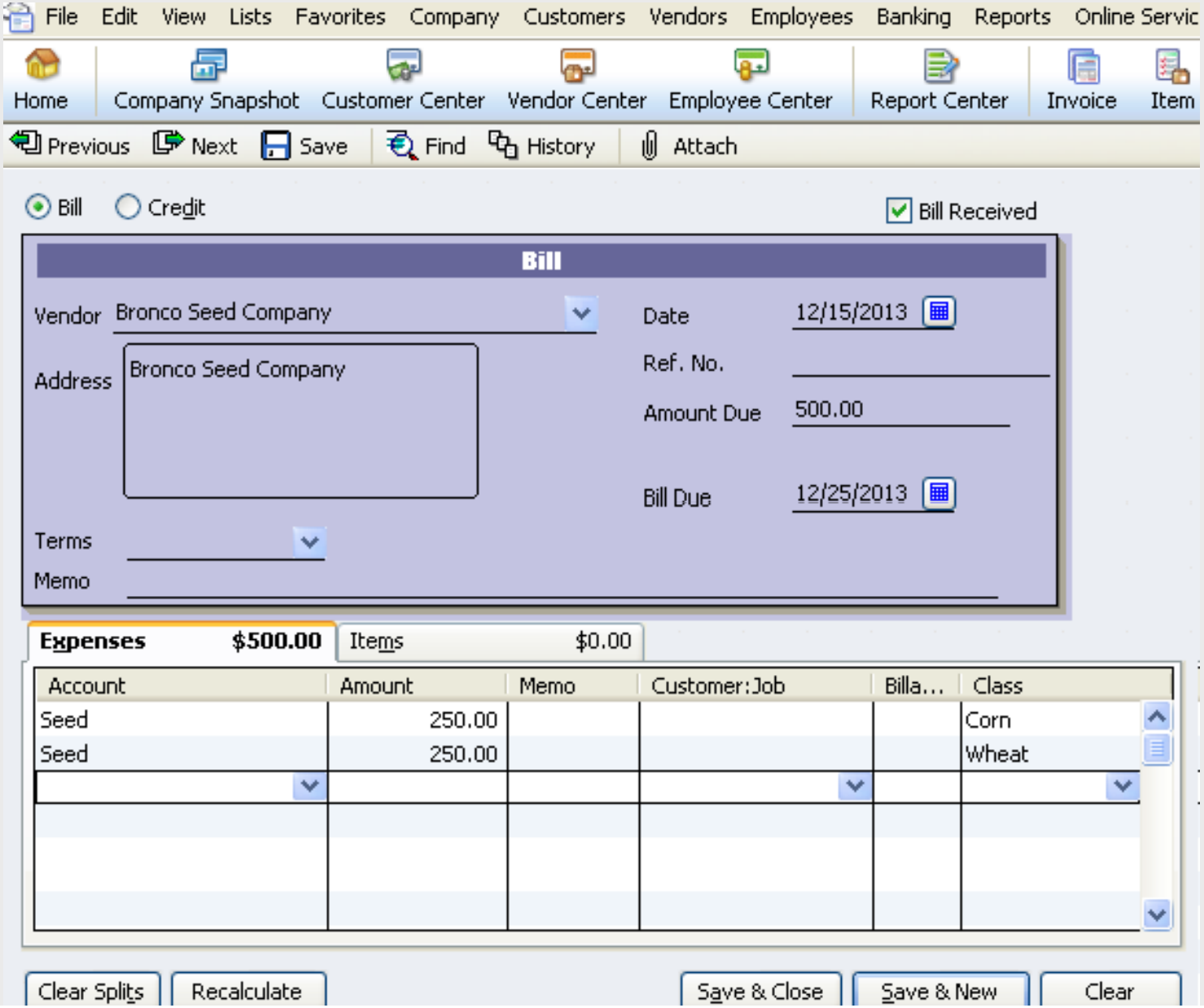
Texas A&M System

1. Choose *Vendors: Enter Bills*



2. Fill in the fields as desired, then click *Save and Close.*

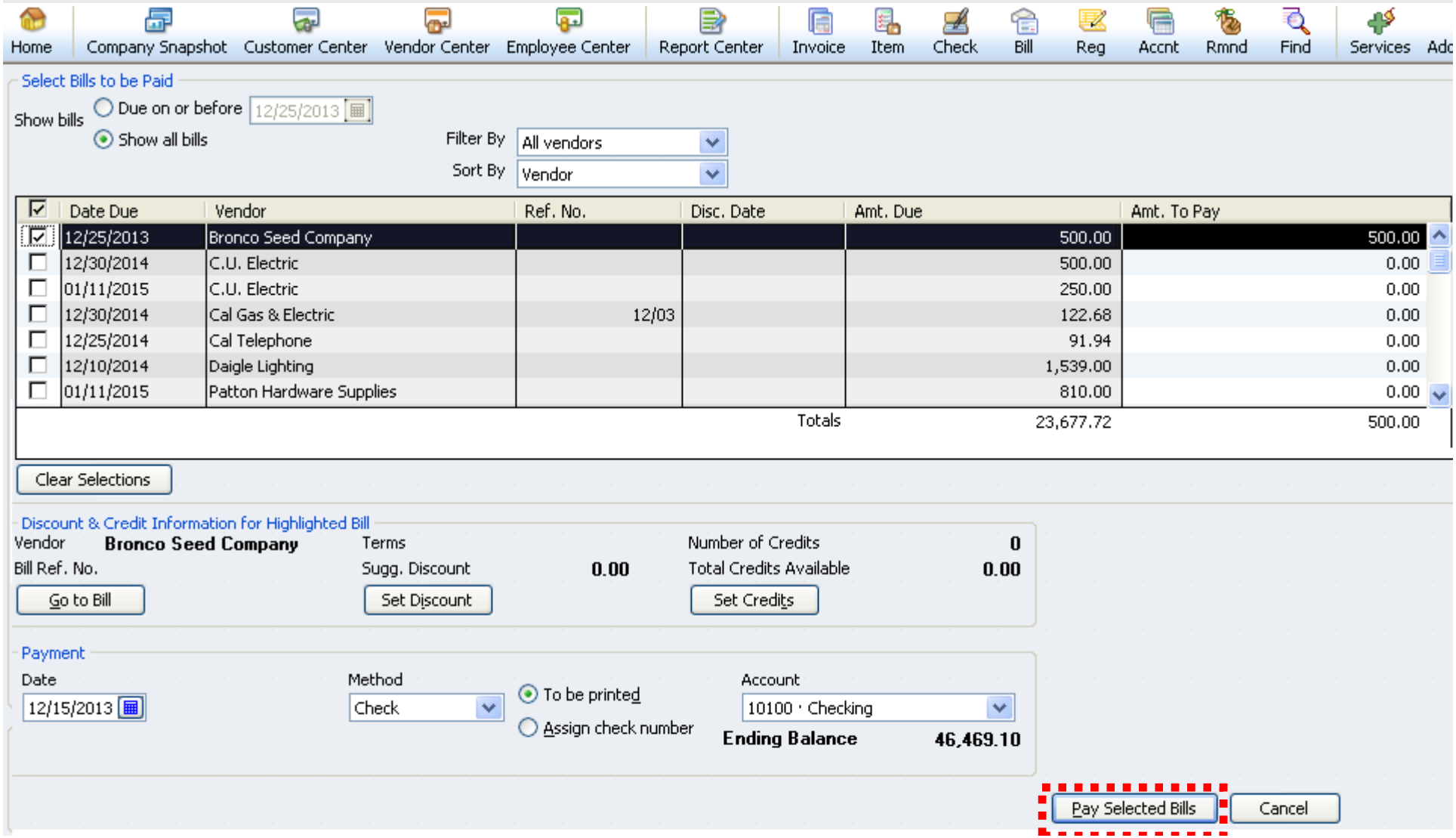


How to Pay a Bill:

AgriLIFE EXTENSION
Texas A&M System

1. Choose *Vendors: Pay Bills*.

2. Check the bills you want paid, fill in the information(double check Payment Account), then click *Pay Selected Bills*.



Test:

Enter a Bill to Chemicals R Us for Wheat Herbicide on 12/15/2013. The amount is $2000, and there is a 1% 10 Net 30 Discount.

Pay the Bill on 12/25/2013.

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Printing Checks: 3 Ways

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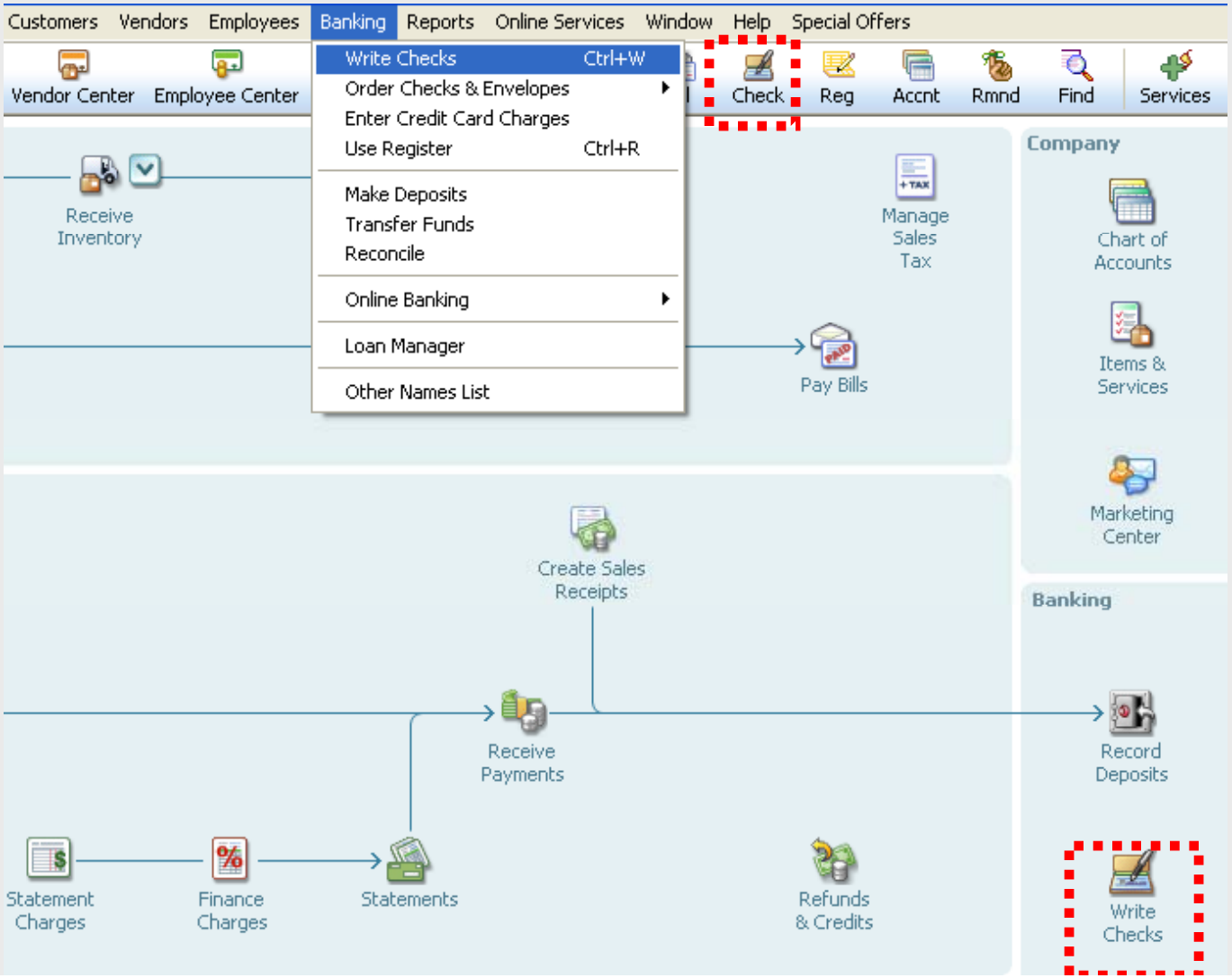
From the Checks Window

1. Make sure you have preprinted checks in the printer
2. Choose *Banking:Write Checks* from the main toolbar



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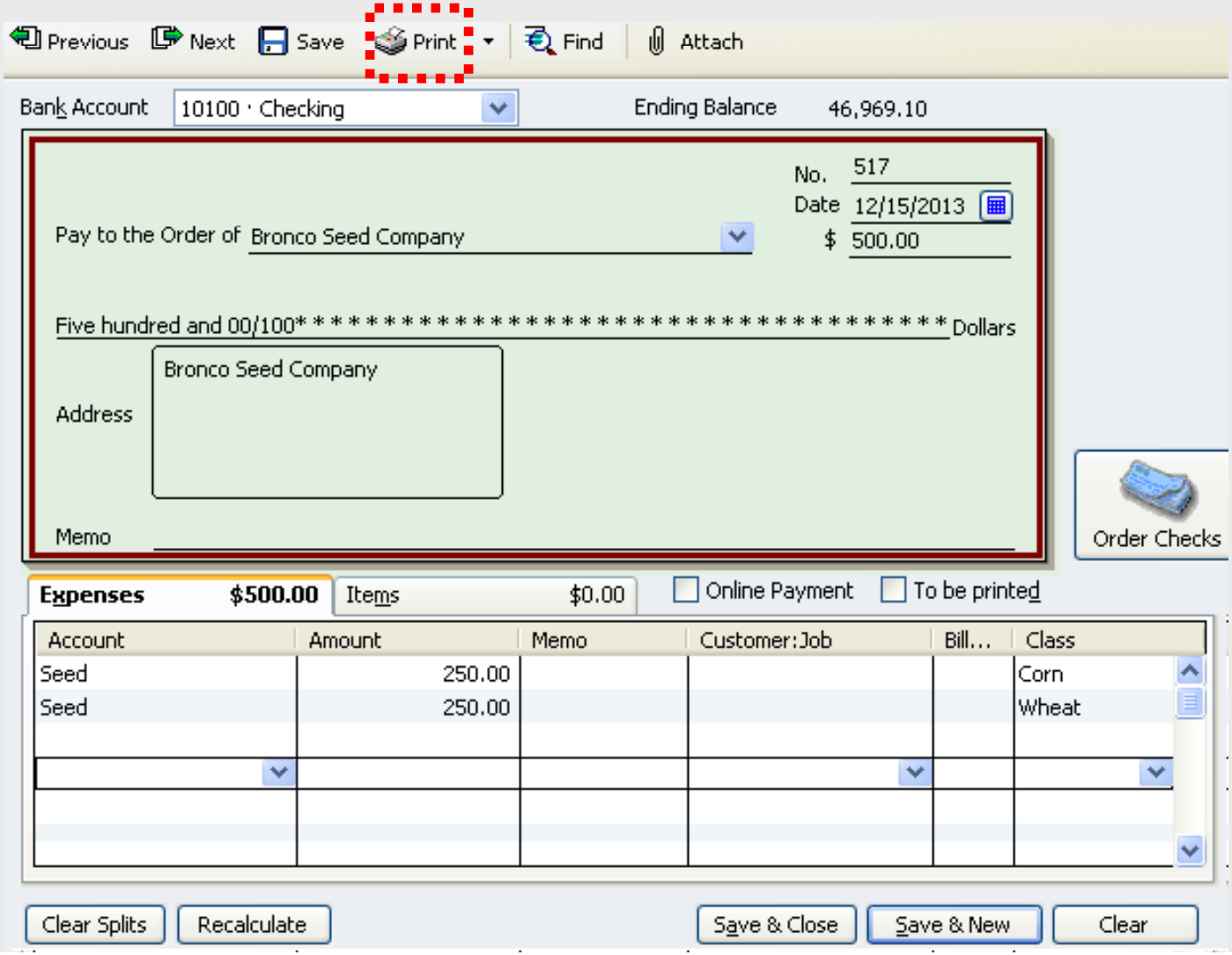
From the Checks Window

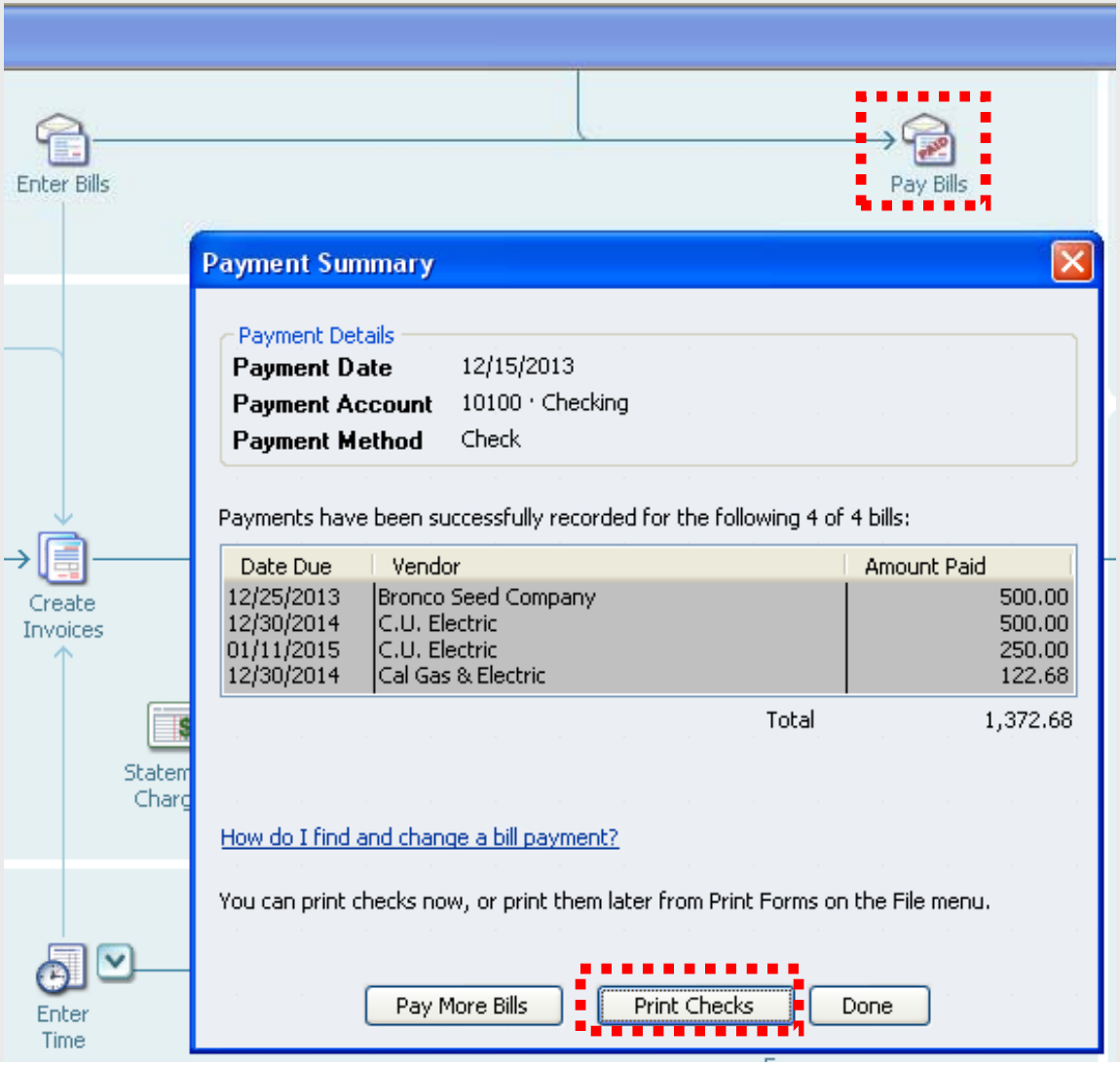
3. Type in the required information: vendor, amount, etc
4. Choose the *Print* button.



AgriLIFE EXTENSION

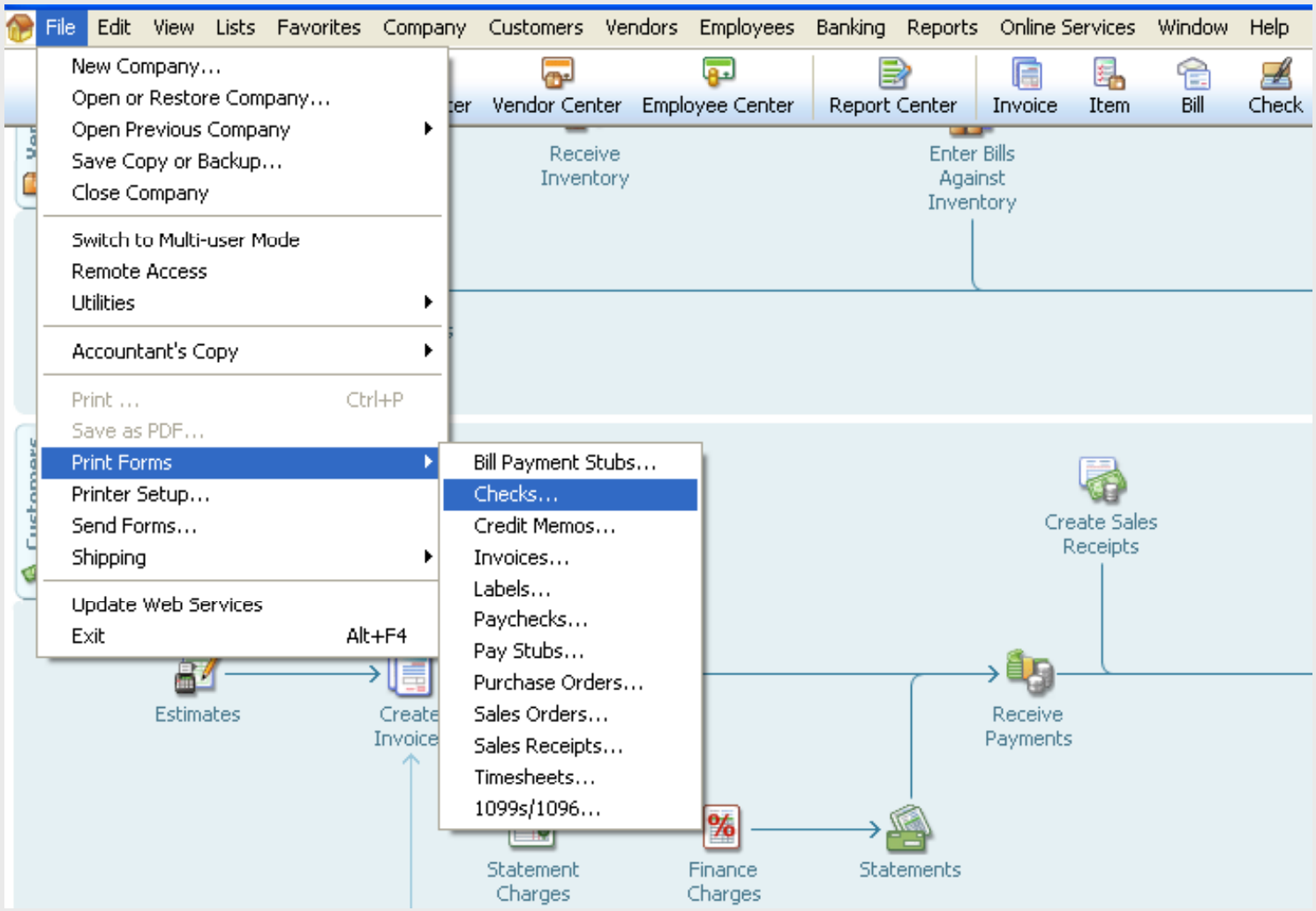
From the Bills Window

1. Choose *Vendors: Pay Bills* from the main toolbar.
2. Choose the bills you want paid, then click *Pay Selected Bills*.
3. When the *Payment Summary* window appears, select *Print Checks*.



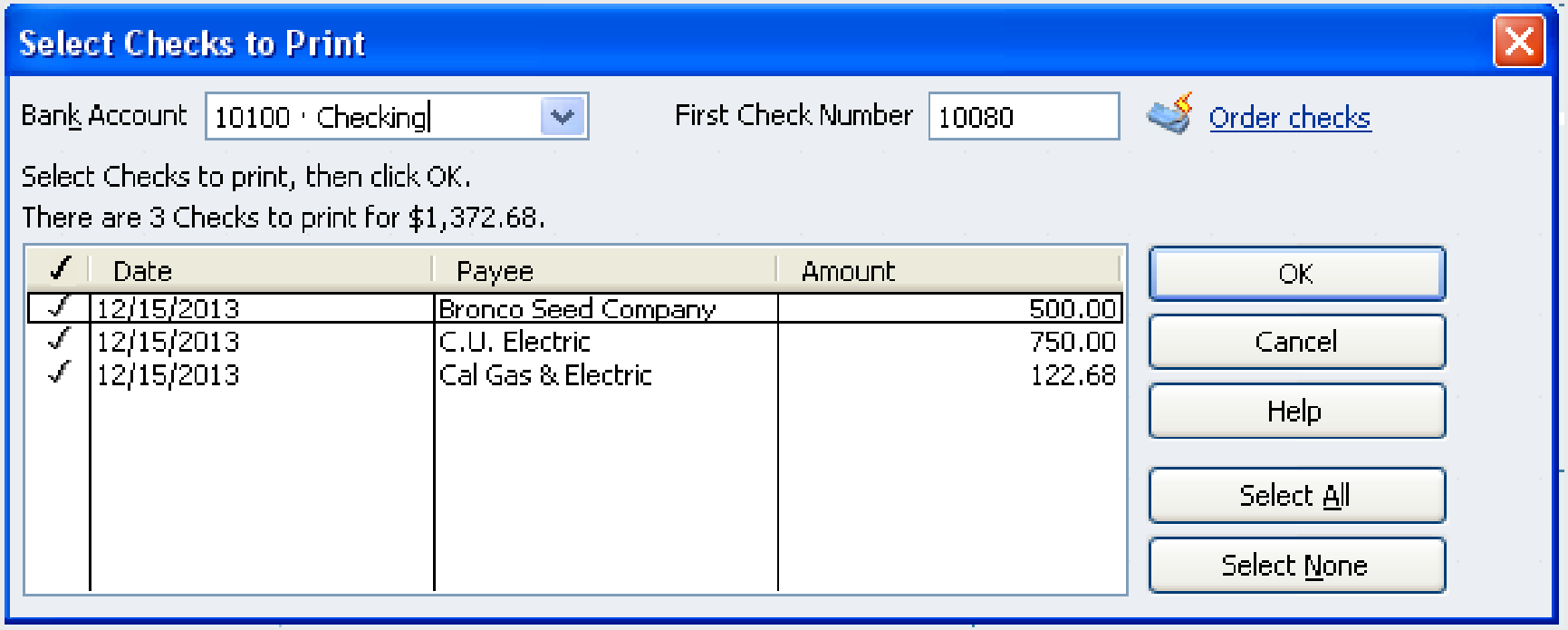
From the Main Menu Window

1. Make sure you have checks in the printer
2. From the menu, choose *File:Print Forms:Checks*



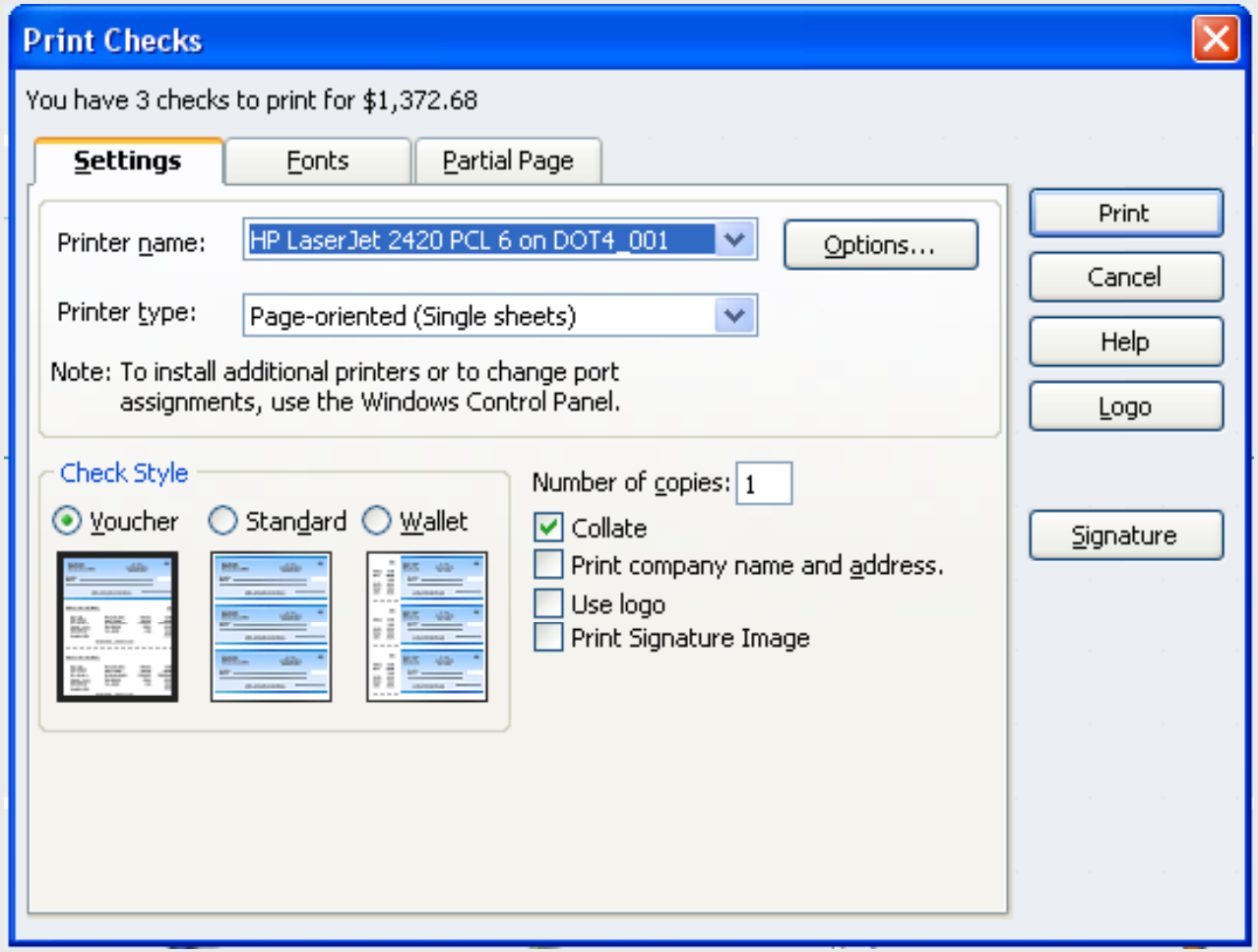
From the Main Menu Window

3. Select the appropriate bank account and check number, place a √ next to the checks/bills you want printed, then click *OK*.



From the Main Menu Window

4. The next screen will allow you to make several choices about your printer and what kind of checks you have.



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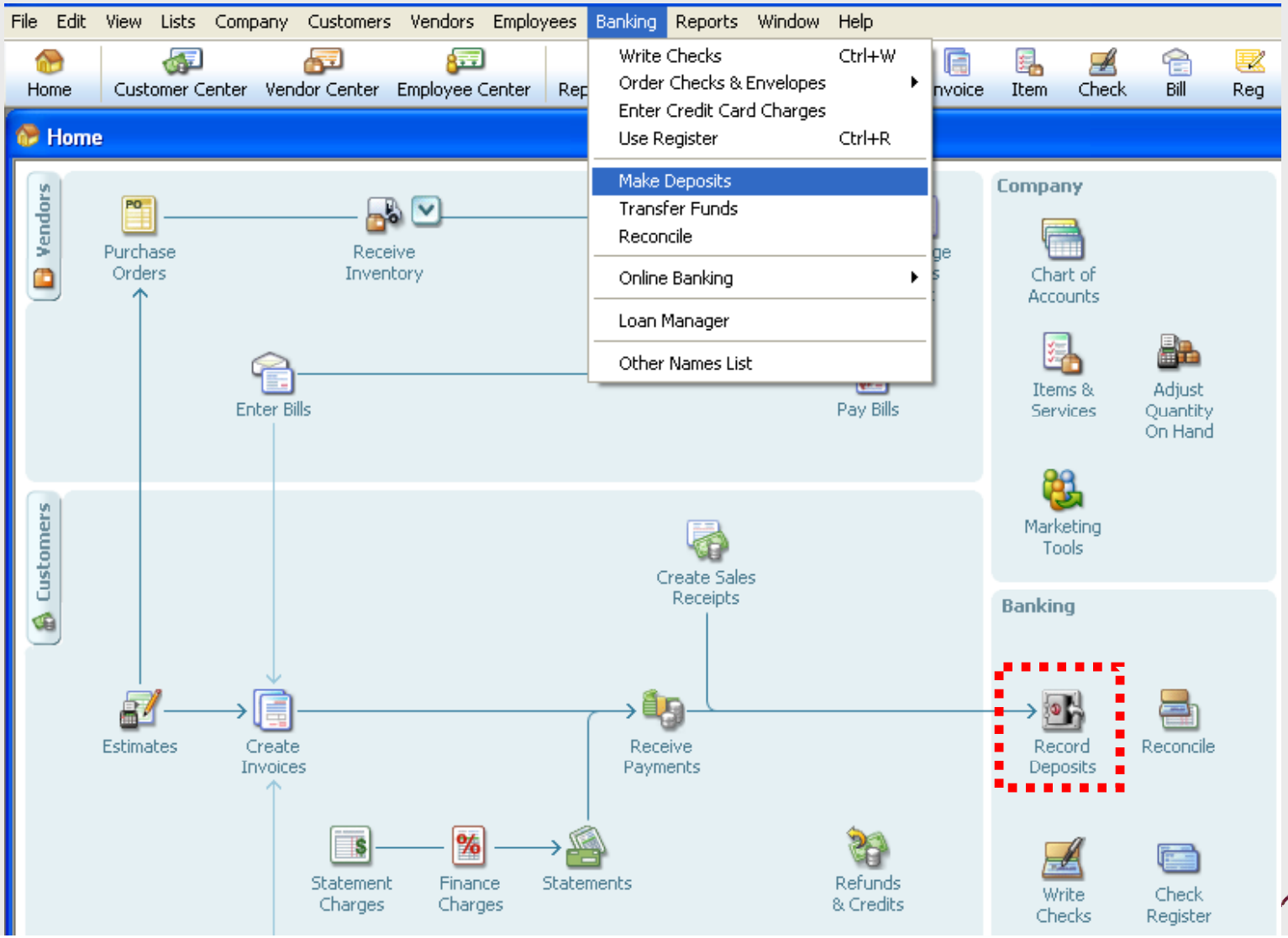
Texas A&M System

Cash Deposit – The Easy Way

- The easiest way to handle a cash sale is to record the receipt of income by making a cash deposit. You can even add information in the deposit form's description field concerning transaction details.

How to Enter a Deposit

1. Choose *Banking: Make Deposits* from the main menu window.



2. Fill in desired fields and click *Save and New* or *Save and Close* to record your entry.

Previous | Next | Save | Print | Payments | History | Attach

Deposit To 10100 · Ch... Date 07/25/2013 Memo Deposit

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

Received From	From Account	Class	Amount
Farmer's Coop	Crop Sales	Wheat	20,000.00

Deposit Subtotal 20,000.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to | Cash back memo | Cash back amount

Deposit Total 20,000.00

Save & Close | Save & New | Clear

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Test:

Enter a deposit for $20,000 received from the Farmer's Coop for wheat sales on 7/25/13.

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Automating Recurring/Memorizing Transactions

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AutoRecall

- When you select a customer or vendor name, QuickBooks automatically fills in the rest of the form with the most recent transaction entered for that customer or vendor. AutoRecall is a feature that is turned on by default when you install QuickBooks. If for some reason it has been turned off, follow these procedures:

AutoRecall

1. Choose *Edit:Preferences* from the main menu to open the *Preferences* window.

2. Click on the *General* icon in the scrollable box along the left side of the window.

3. Check the box marked *"Automatically recall last transaction for the name,"* then click *OK*.

4. You can also select *"Pre-fill accounts for vendor based on past entries."* This selection fills in vendor/account information, but not actual dollar amounts.

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Memorizing a Transaction

- While memorizing a transaction is less necessary since the advent of Auto Recall, the need for this function still arises.
- To memorize a transaction, simply select the check, bill, deposit, etc. you want to memorize.
- Fill in the relevant information, then choose *Ctrl M*.
- Select how often you want to be reminded of the transaction. Automatic entry is also an option.

Reconciling Your Accounts

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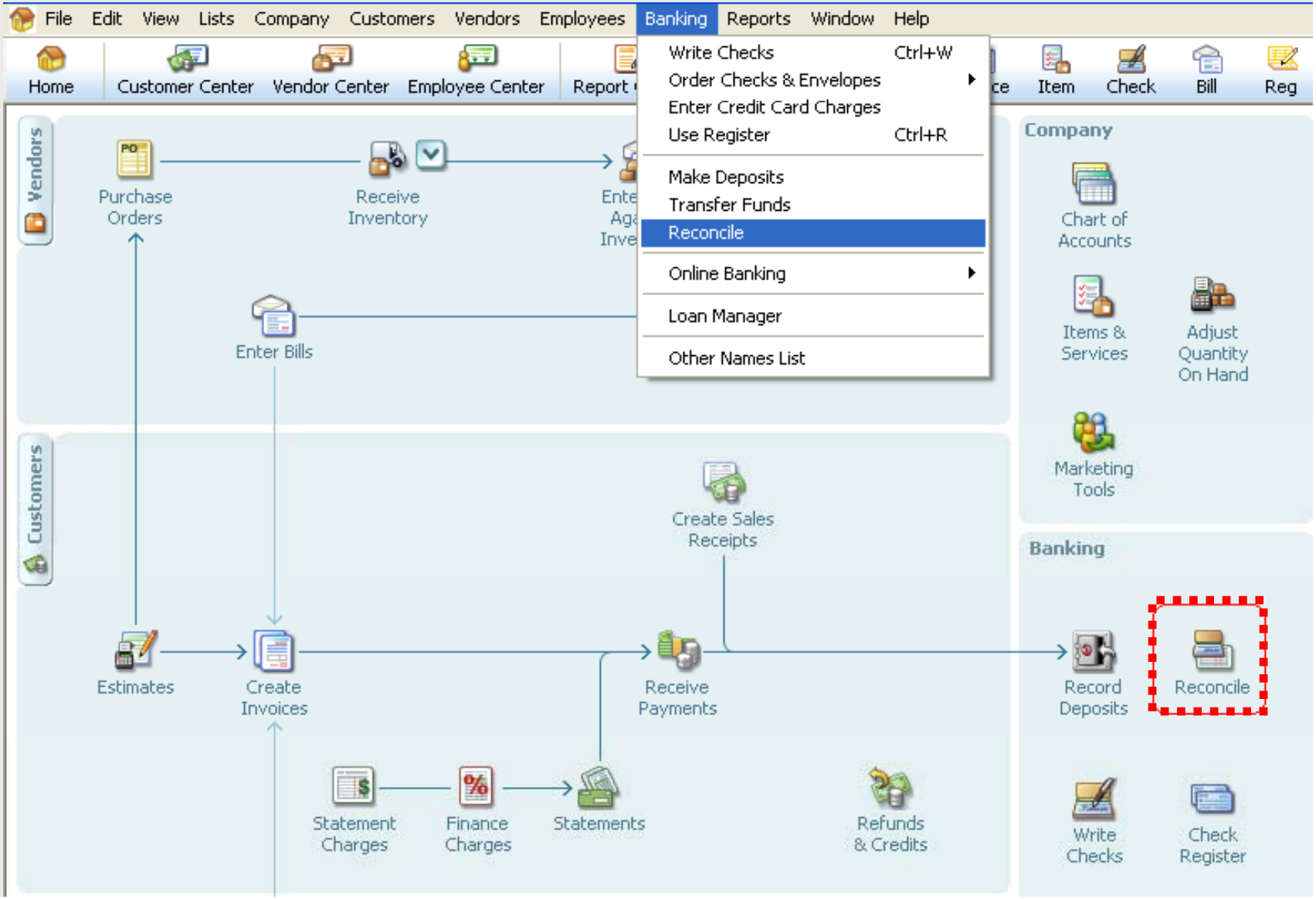
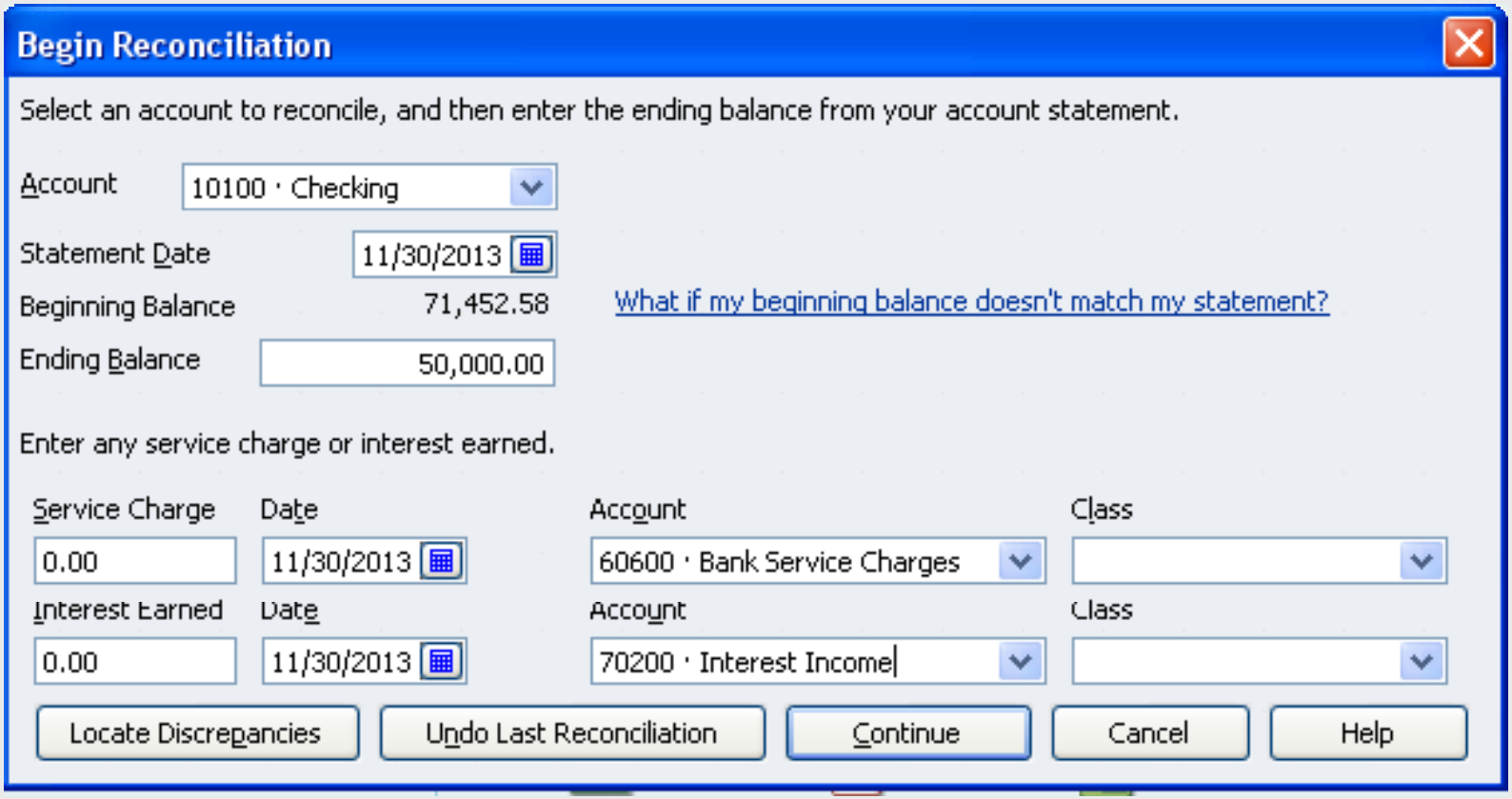
Texas A&M System

1. Choose *Banking: Reconcile* from the main menu.



2. In the reconcile window, select the account you want to reconcile, then enter the statement date and ending balance. Compare the beginning balance field with the beginning balance shown on your statement.



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3. Mark all cleared transactions

For period: **11/30/2013**

☐ Hide transactions after the statement's end date

Checks and Payments

✓	Date	Chk #	Payee	Amount
✓	12/15/2011		C.U. Electric	750.00
✓	12/15/2011		Cal Gas & Electric	122.68
✓	12/15/2011		Cal Telephone	91.94
✓	12/15/2011		Daigle Lighting	1,591.00
✓	12/15/2011		Hamlin Metal	670.00
✓	12/15/2011		Hopkins Construction...	700.00
✓	12/15/2011		Lew Plumbing	1,330.00
✓	12/15/2011		Middlefield Drywall	1,200.00
✓	12/15/2011		Patton Hardware Su...	1,020.00
✓	12/15/2011		Perry Windows & Doors	6,705.00
✓	12/15/2011		Sergeant Insurance	4,050.00
	12/15/2011		Sloan Roofing	1,047.00
	12/15/2011		Thomas Kitchen & Bath	585.00
✓	12/15/2011		Timberloft Lumber	215.10
✓	12/15/2011		Vu Contracting	1,250.00
✓	12/15/2011		Washuta & Son Paint...	600.00
✓	12/15/2011		Wheeler's Tile Etc.	1,250.00
✓	10/31/2011	433	Sergeant Insurance	712.56
✓	10/31/2011	436	Bayshore Water	24.00
✓	11/14/2011	451	Larson Flooring	3,200.00
✓	11/19/2011	460	City of Bayshore	225.00
✓	11/28/2011	464	Hopkins Construction...	300.00
✓	11/28/2011	465	Keswick Insulation	500.00
✓	11/28/2011	466	McClain Appliances	600.00
✓	11/28/2011	467	Lew Plumbing	800.00
✓	11/28/2011	468	Timberloft Lumber	6,790.00
✓	11/28/2011	469	Sloan Roofing	2,000.00
✓	11/28/2011	470	Washuta & Son Paint...	500.00
✓	11/30/2011	471	Bayshore Water	24.00
✓	11/30/2011	472	Patton Hardware Su...	656.23
✓	11/30/2011	473	Wheeler's Tile Etc.	686.00

Deposits and Other Credits

✓	Date	Chk #	Payee	Type	Amount
	11/30/2011	41077	Melton, Johnny:D...	PMT	4,135.50
✓	12/02/2011			DEP	4,706.01
✓	12/03/2011		Teschner, Anton:...	PMT	1,200.00
	12/05/2011			TRANSFR	25,000.00
	12/05/2011	56321	Teschner, Anton:...	PMT	5,000.00
✓	12/10/2011			DEP	1,000.00
✓	12/10/2011	3008	Keenan, Bridget:...	RCPT	102.65
✓	12/12/2011			DEP	4,936.12
✓	12/14/2011			DEP	4,700.00
✓	12/15/2011	SEND		TRANSFR	500.00
	12/15/2011		Abercrombie, Kris...	PMT	7,633.28
	12/15/2011	42000	Natiello, Ernesto:...	PMT	13,560.39

Mark All | Unmark All | Go To | Matched | Columns to Display...

Beginning Balance	71,452.58
Items you have marked cleared	
7 Deposits and Other Credits	17,144.78
29 Checks and Payments	38,563.51

Modify

Service Charge	0.00
Interest Earned	0.00
Ending Balance	50,000.00
Cleared Balance	50,033.85
Difference	-33.85

4.Check difference at bottom of screen. Discussion on account reconciliation through online banking is on pg. 77.

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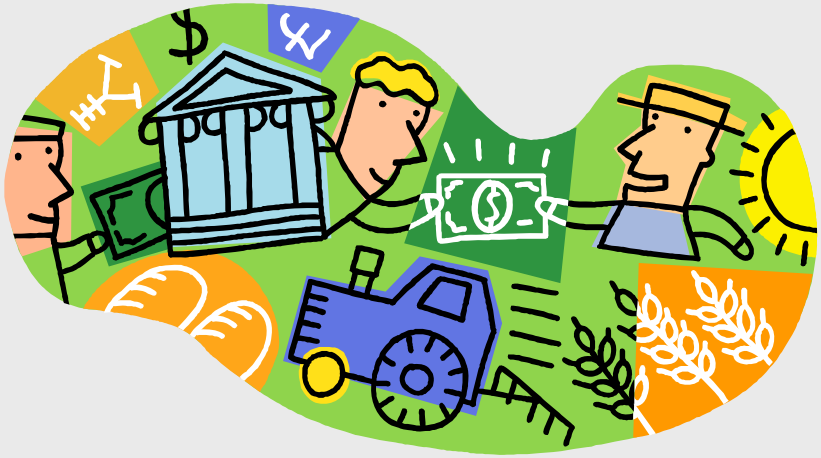
Texas A&M System

Farm Loan Basics



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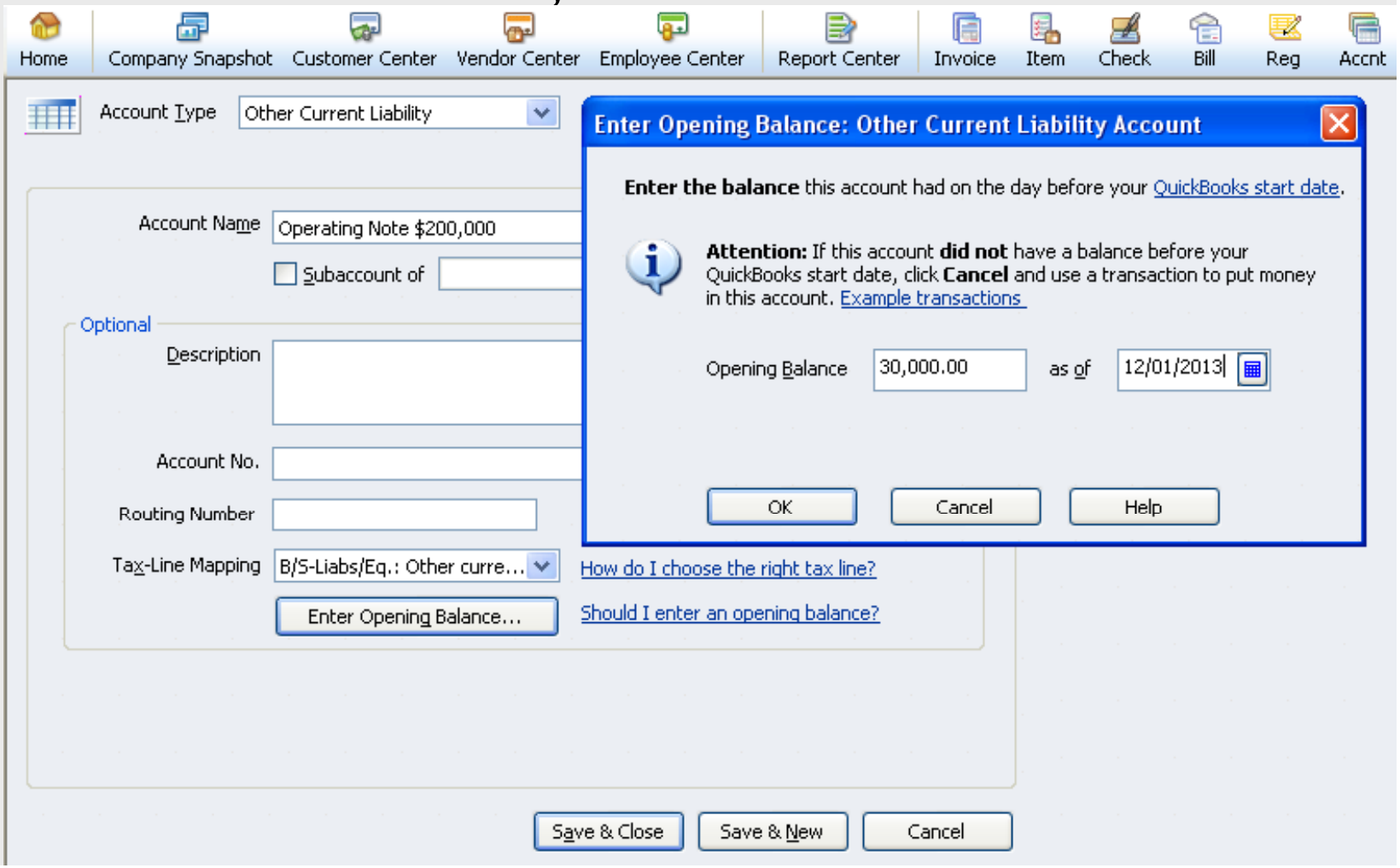
QuickBooks Loans - 2 Basic Types

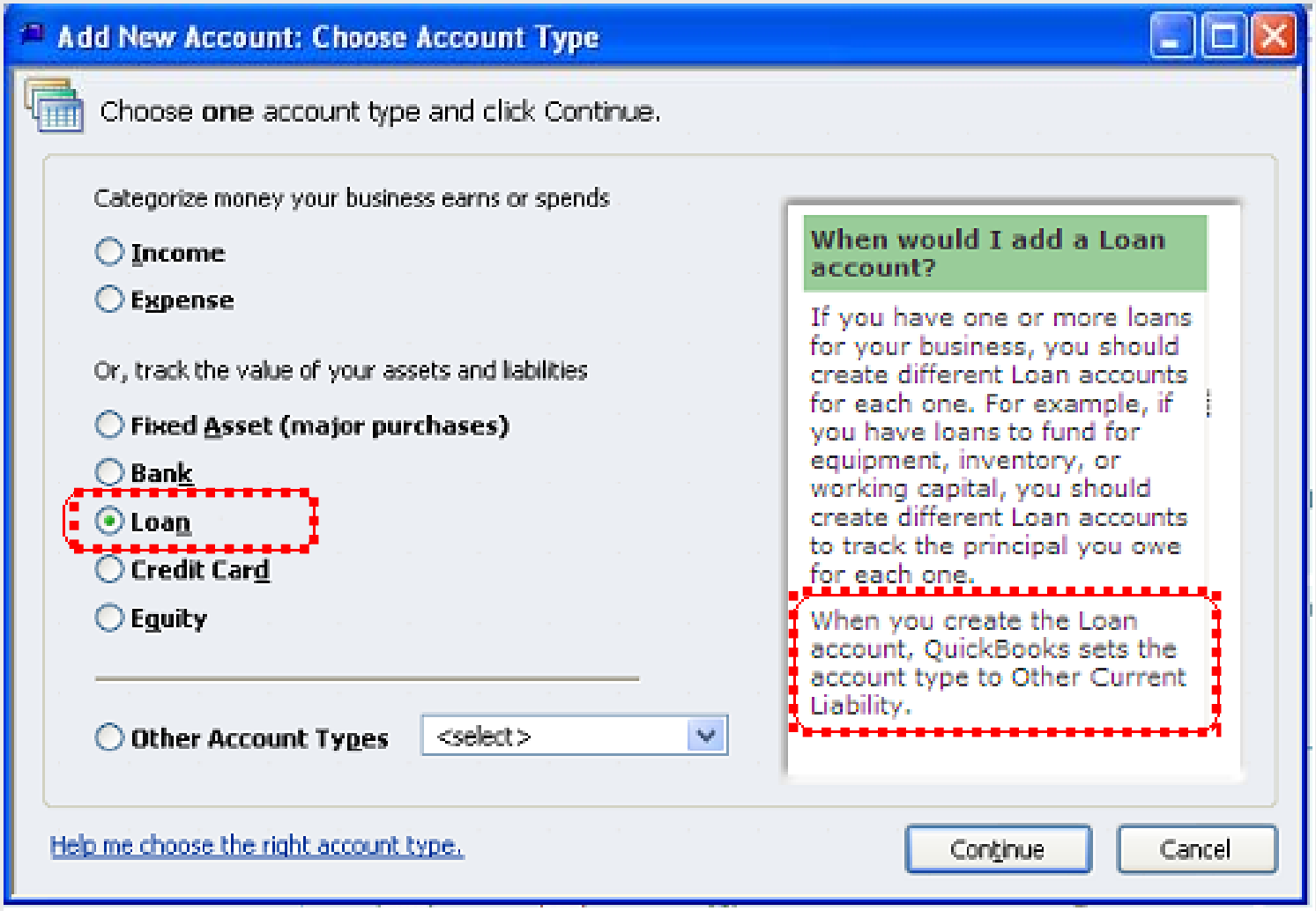
- C***urrent Liabilities*** are debts that must be paid within a year. QuickBooks has 3 different current liability account types:
  - Accounts Payable – monthly bills
  - Credit Cards
  - Other Current Liabilities – operating notes, etc.
- ***Long-Term Liabilities*** are debts to be paid off over more than one year.
  - Ex. Machinery loans, breeding livestock, and land

Setting Up a Loan Account

1. Open the *Chart of Accounts* window (Ctrl A).
2. Open the *New Account* dialog (Ctrl N).
3. Fill in loan information, and click *Save and Close*.



Use caution when choosing the “loan” account type in the new account window.



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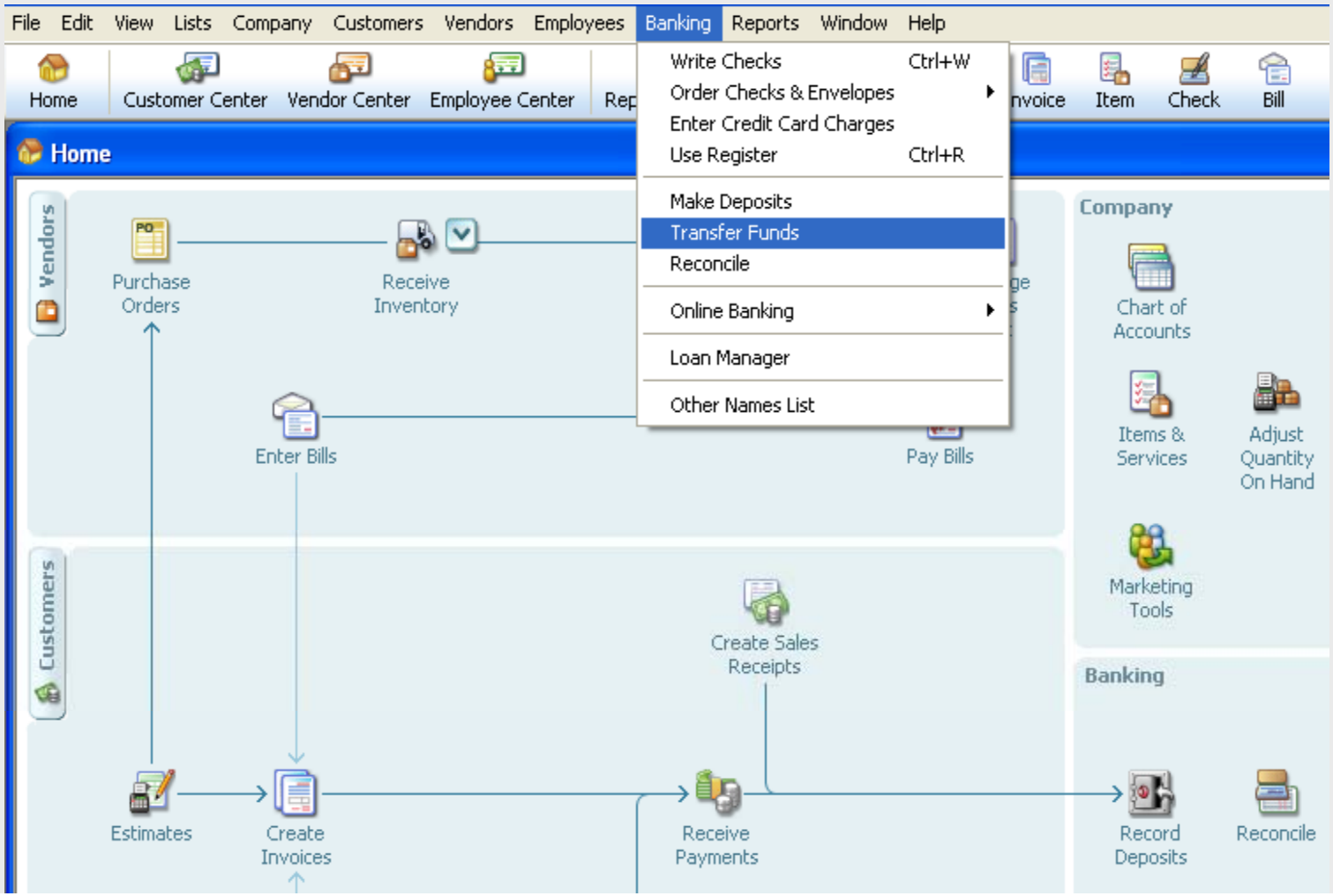
Texas A&M System

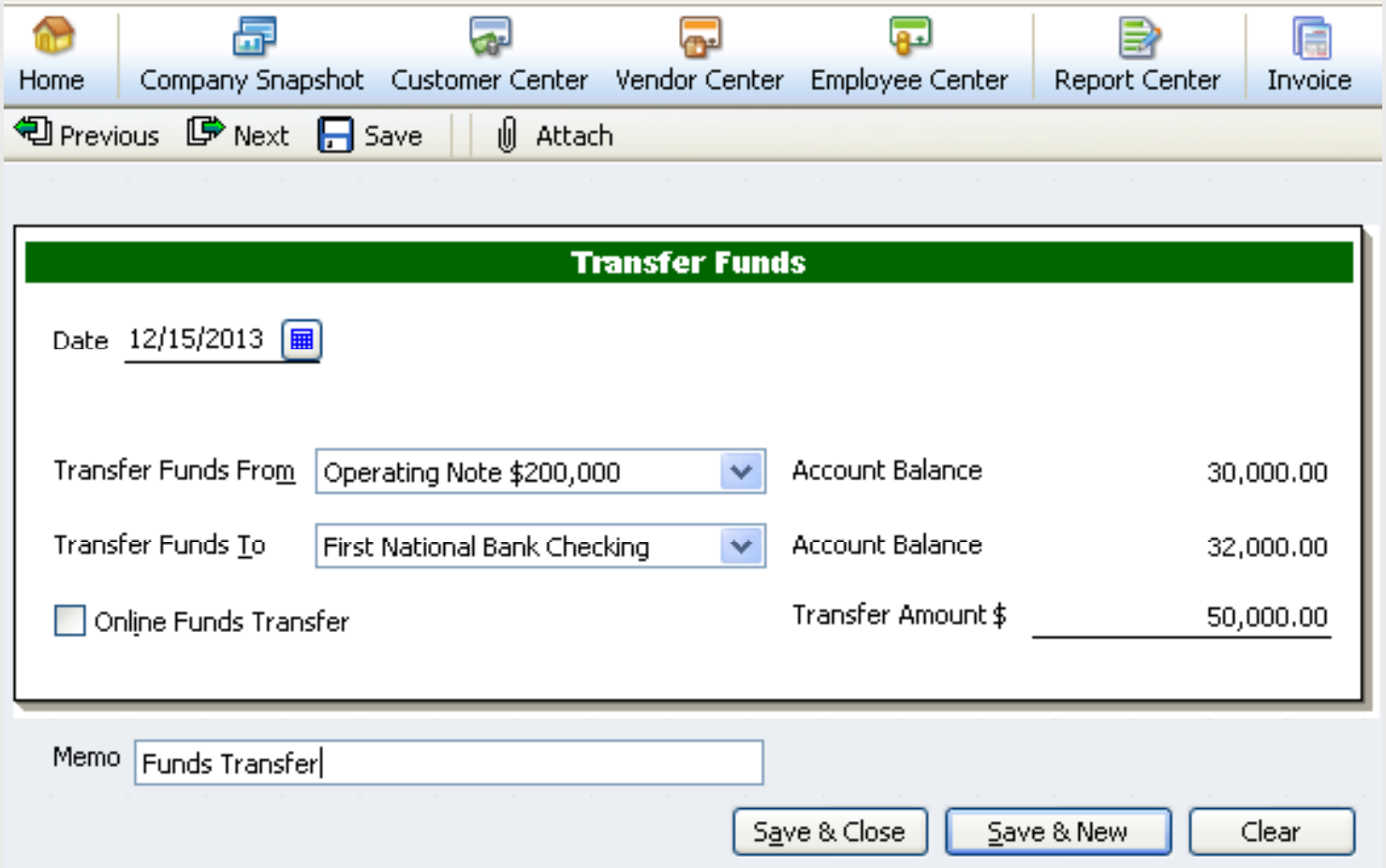
Receiving Loan Funds – First Example

To receive loan funds, you can record a deposit, or simply transfer funds. To transfer funds:

1. Choose *Banking: Transfer Funds* from the main menu



2. Fill in the account the money will be transferred from (liability), and the account where the money will be transferred to (checking). Fill in the transfer amount, then click *Save & Close*.



Test:

1. Transfer $50,000 from the operating note account into the farm's checking account on 12/15/2013.

2. Create two new liability accounts:

   Tractor Note

   Combine Note

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Texas A&M System

Receiving Loan Funds – Second Example

Some cases involve entering loans when funds are not deposited into Farm Checking:

- Typical examples are dealer financing of machinery or input purchases, or owner financing of land.

- In this case, you must make a General Journal entry.

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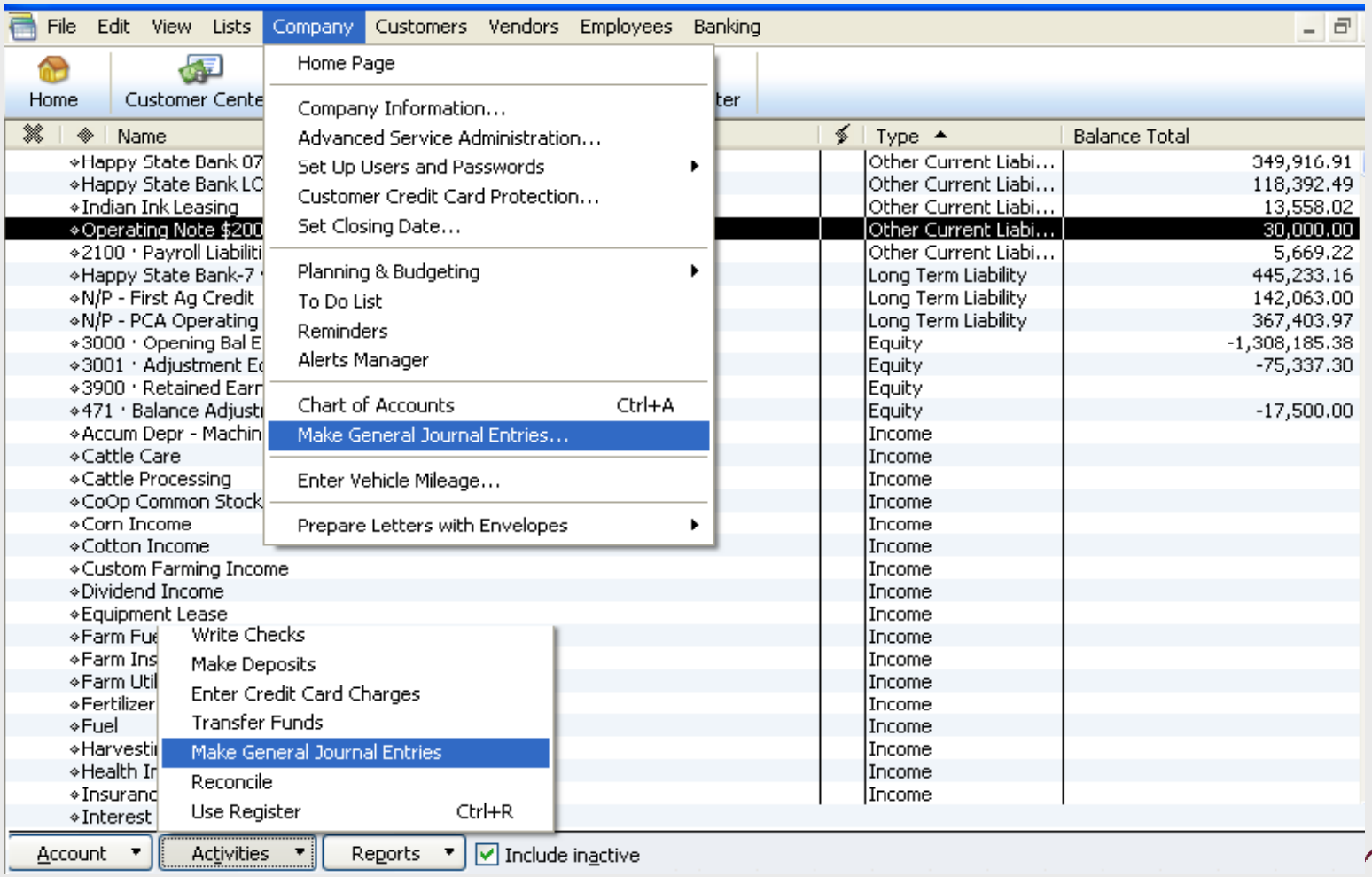
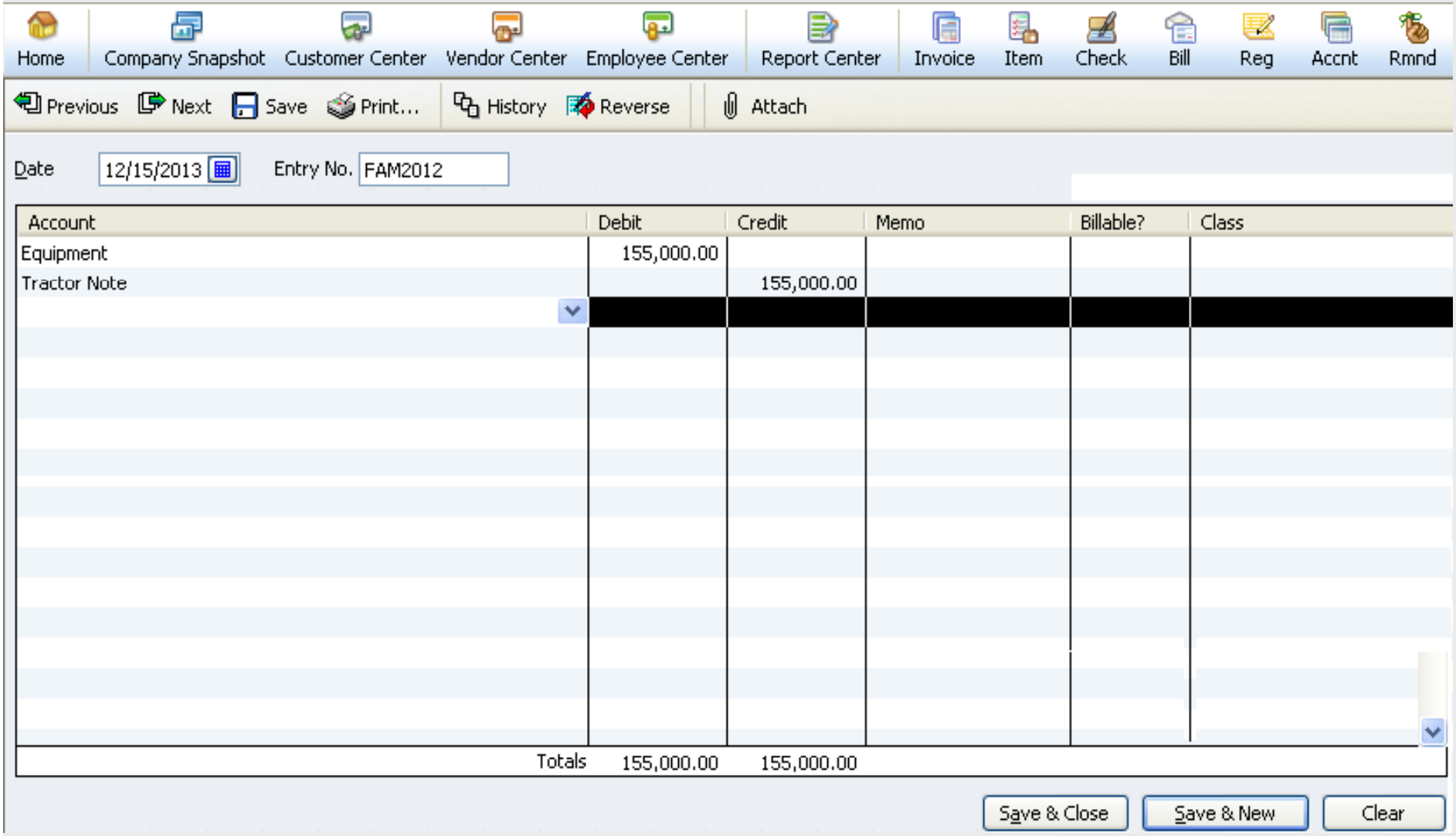
Making a General Journal Entry

1. Choose *Company:Make General Journal Entries* from the Main Menu screen. You can also select the option from the Chart of Accounts.



3. Enter loan and other information in the *General Journal*, then click *Save and Close*.



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Test:

Purchase a tractor for $155,000 from John Deere credit on 12/15/2013. There is no down payment or trade-in.

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Test:

Purchase a combine for $180,000 from John Deere credit on 12/15/2013. There is a $5,000 down payment and a $20,000 trade–in.

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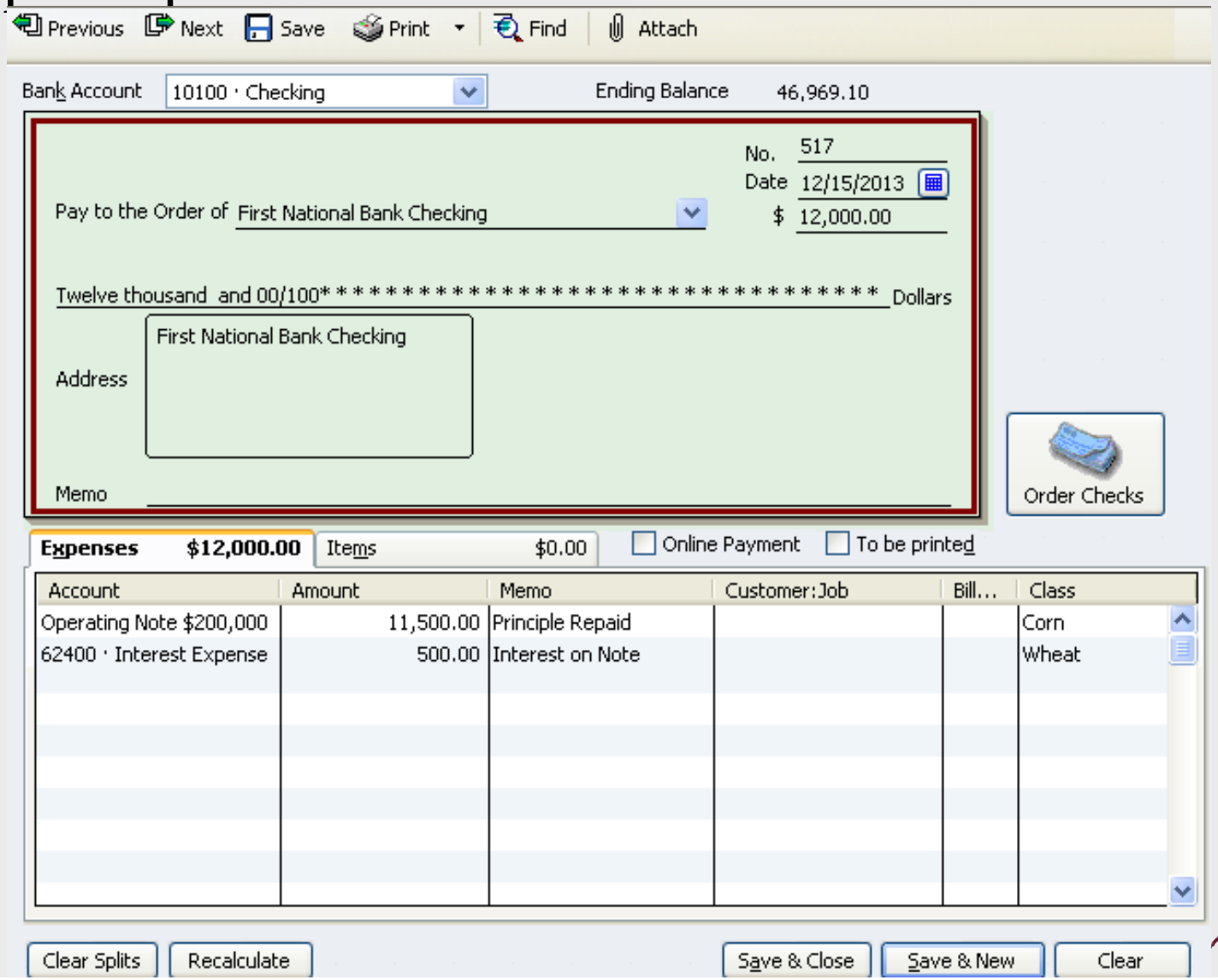
Entering Loan Payments

- Simply write a check. Be sure and separate the principle and interest amounts.



Loan Manager Features

- Add and remove loans you want to track
- View payment schedules
- Set up loan payments
- Analyze different loan scenarios

NOTE: This feature is most useful for long-term liabilities (land, machinery, etc). It does not work well for operating debt.

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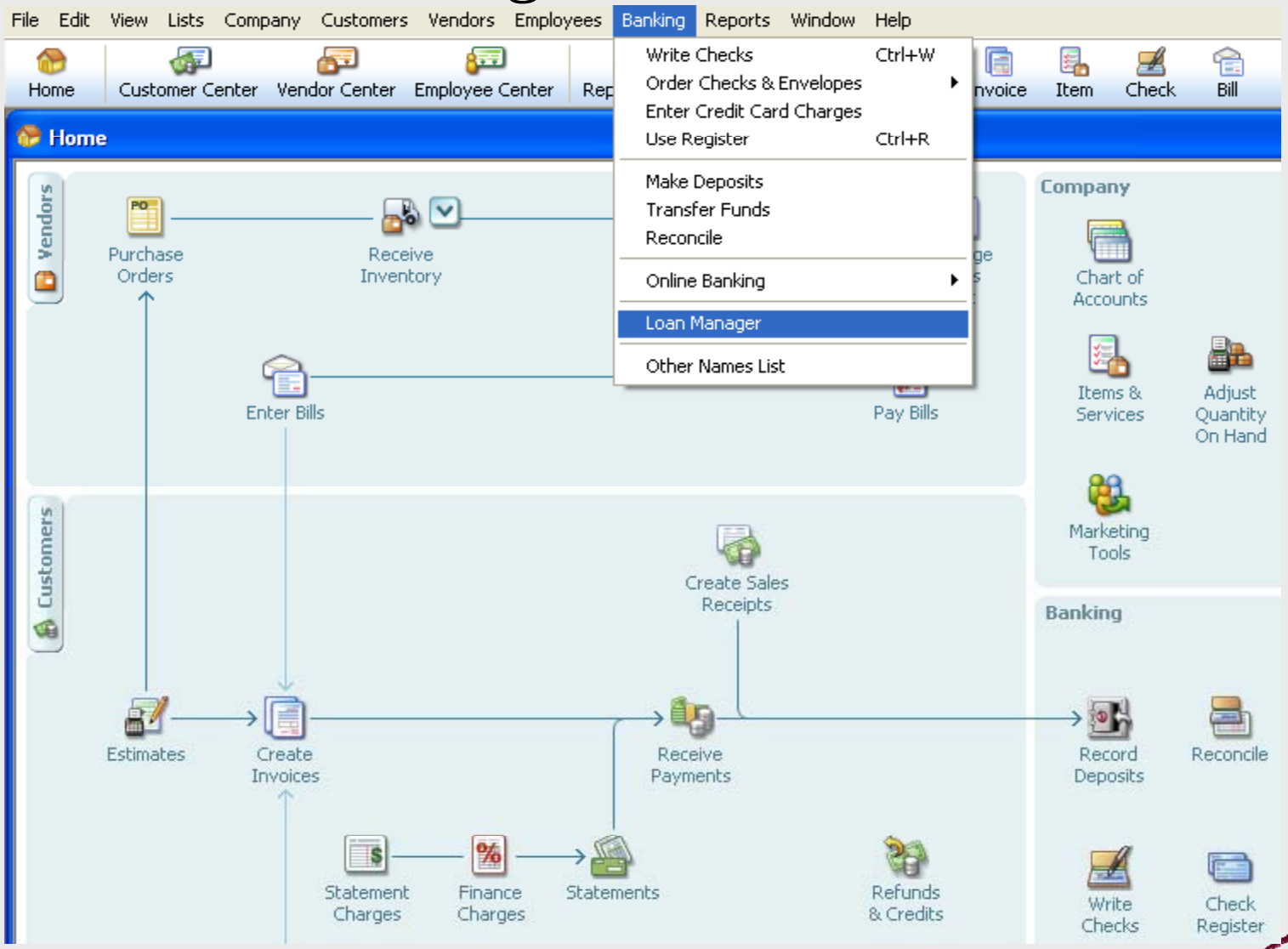
Texas A&M System

Adding a New Loan

- Set up a liability account for the loan, and add the opening balance.
- Set up an expense account for tracking loan interest.
- Set up the lender if they are not already in your vendor list.
- If escrow payments are utilized, set up an escrow account.
- Make sure all transactions are current.

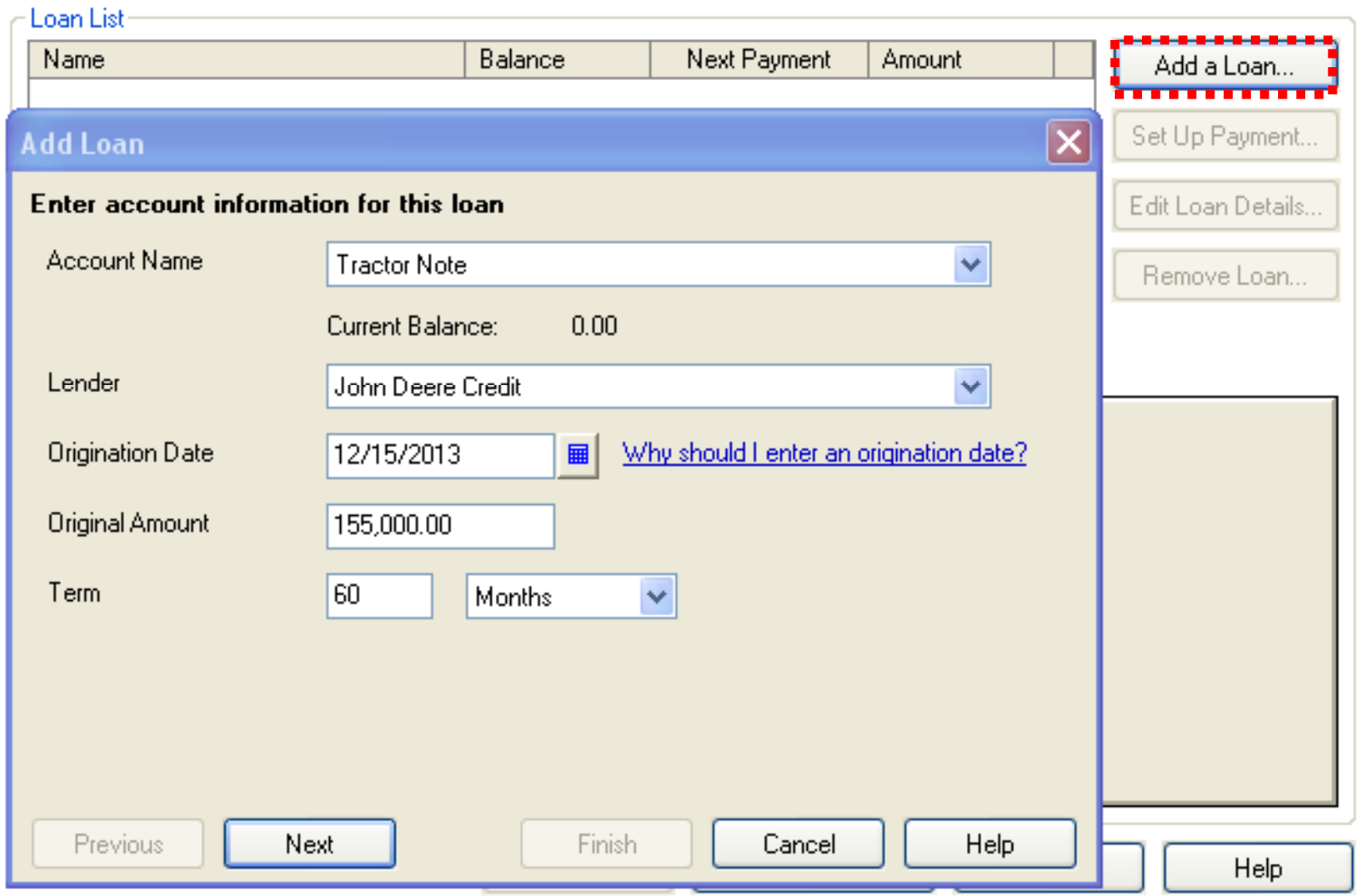
To Use Loan Manager

- From the Banking menu, Choose *Loan Manager*.



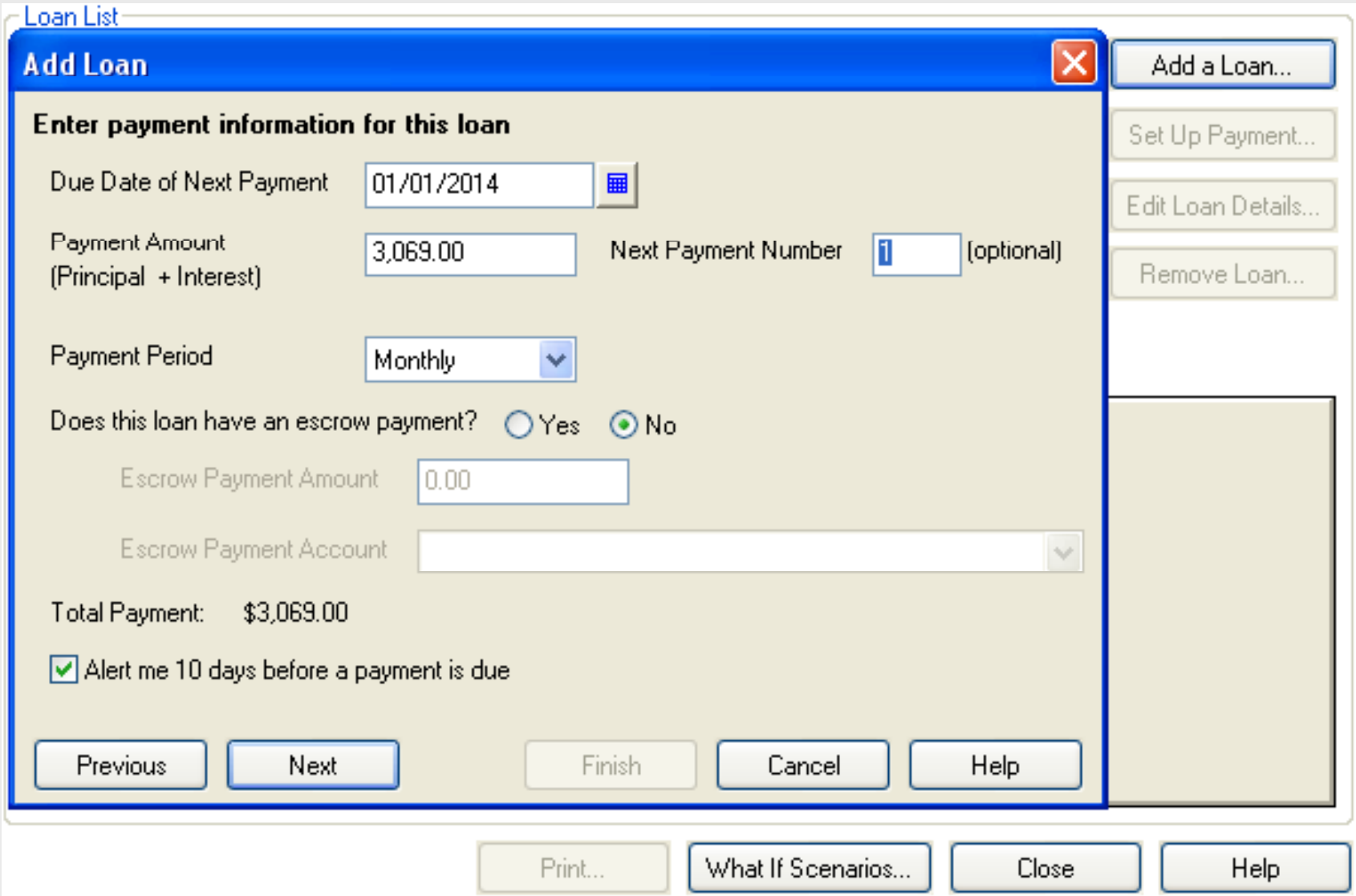
Adding a Loan to Loan Manager

1. In the Loan Manager window, click *Add a Loan*.
2. Enter account information.



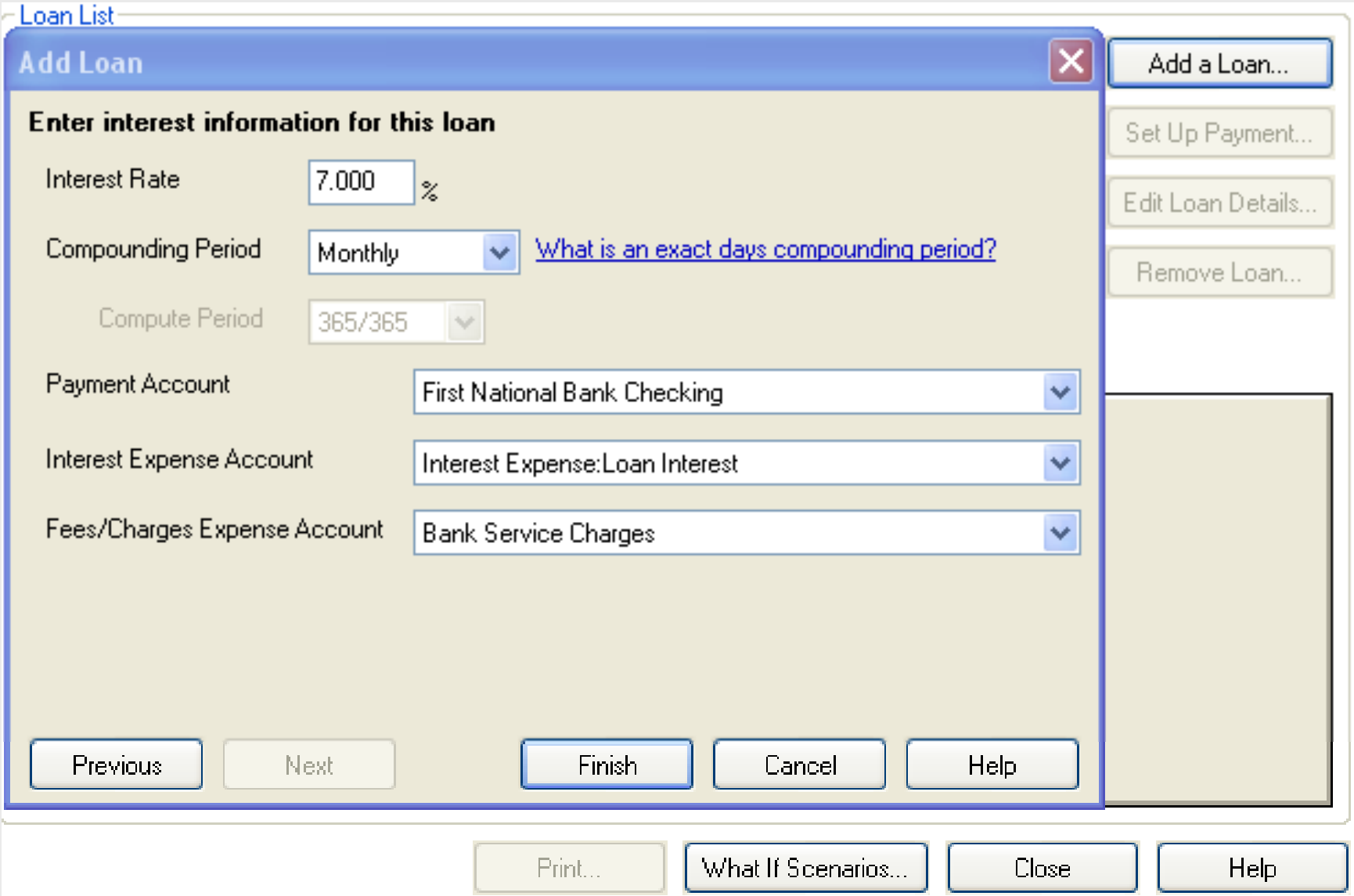
Adding a Loan to Loan Manager

3. Enter payment information



Adding a Loan to Loan Manager

4. Enter interest information, then click *Finish*



Test:

Set up a loan for the JD Tractor purchased on 12/15/2013. It is a five year (60 month) note financed at 7.00% interest compounded monthly. The next payment of $3,069 is due on 1/01/2014.

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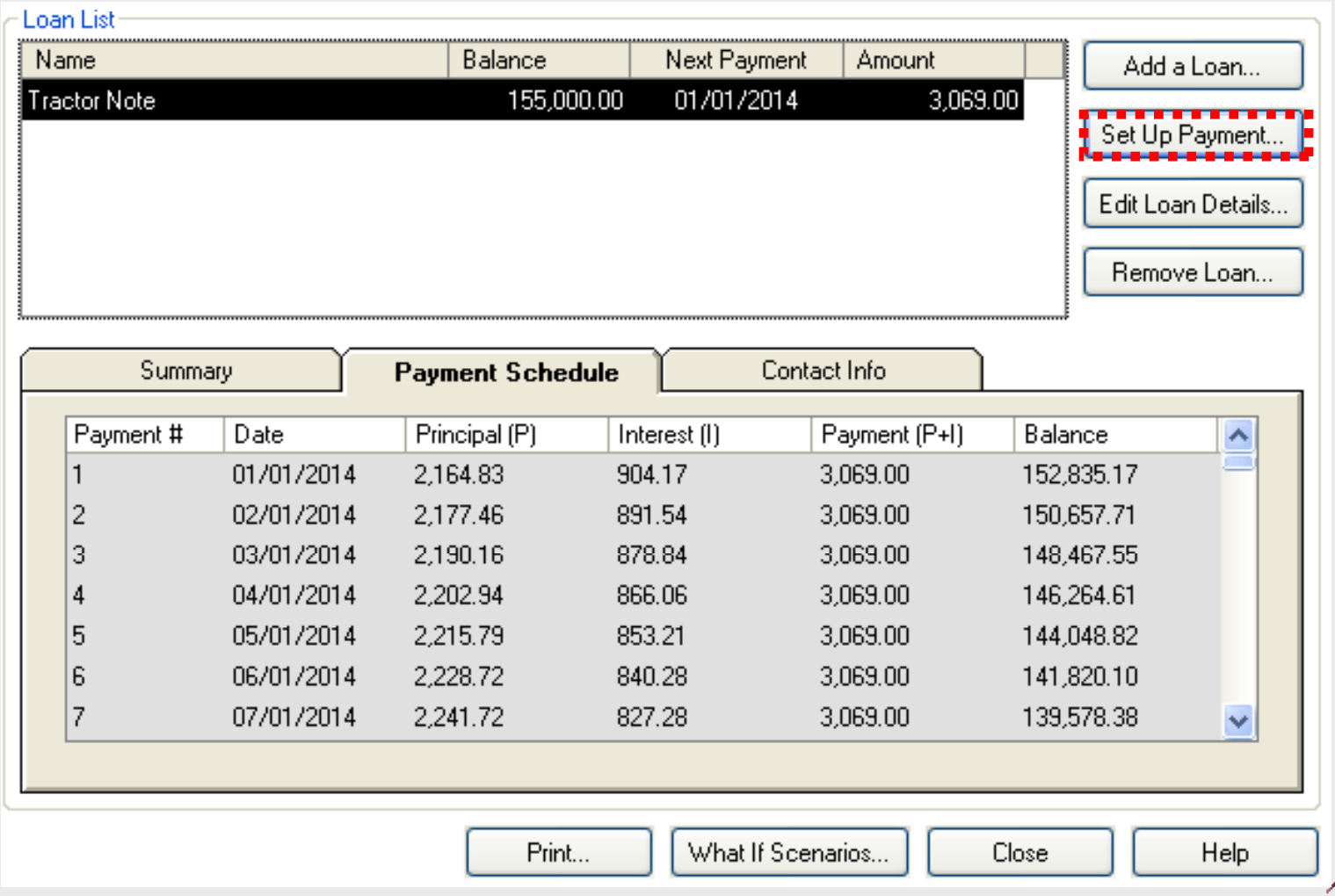
Texas A&M System

Paying a Loan in Loan Manager

1. From the *Banking* menu, choose *Loan Manager*.
2. Select the desired loan, and click *Set Up Payment*.



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Paying a Loan in Loan Manager

3. Click *Set Up Payment*, enter principle and interest amounts, etc., then click *OK*.

Set Up Payment

This payment is: A regular payment

Why should I pay my loans from the Loan Manager?

What is the difference between a regular and an extra payment?

Account Information

Account Name: Tractor Note

Lender: John Deere Credit

Bank Account: First National Bank Checking

Payment Information

Principal (P)	2,164.83	Fees & Charges	0.00	Payment Number	1
Interest (I)	904.17	Escrow	0.00		
Total P+I:	3,069.00	**Total Payment:**	**3,069.00**		

Payment Method

I want to: Write a check

OK | Cancel | Help

Notes:

- **If the principal and interest is incorrectly calculated, entering the correct amounts will re-amortize the loan.**
- **If the current balance does not show up correctly, simply re-load loan manager.**

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Test:

Set up a loan payment for the JD Tractor Note. It is a regular payment that will be paid by check.

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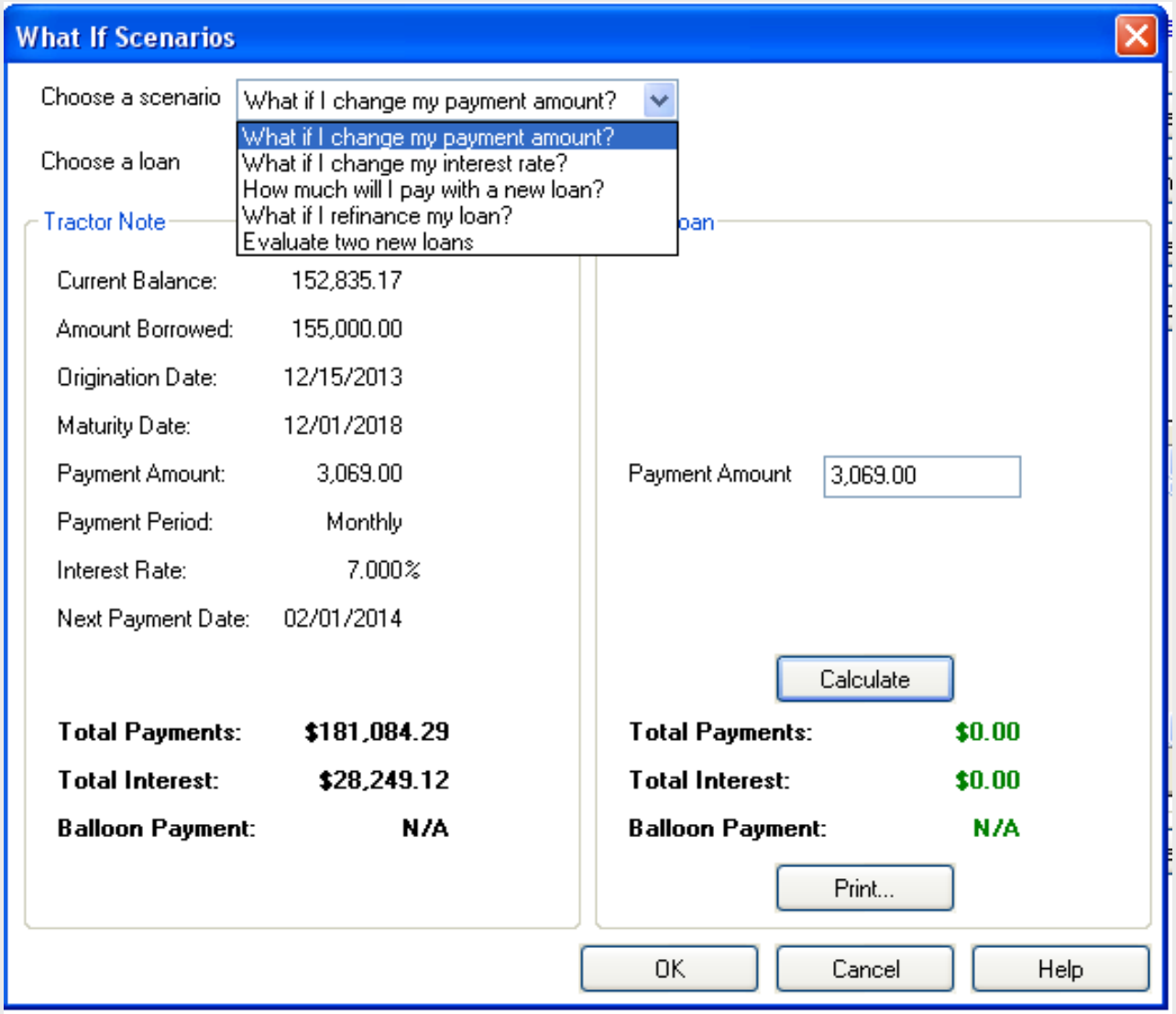
Setting up a "What If" Scenario

1. From the Banking Menu, choose *Loan Manager*.
2. In Loan Manager, click *What If Scenarios*.

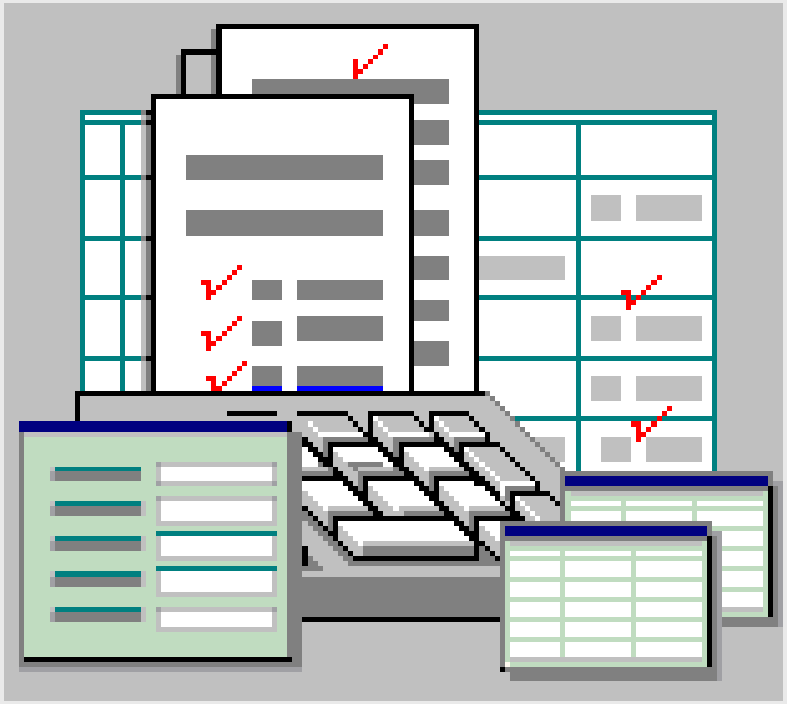


Setting up a "What If" Scenario

3. In the What If Scenarios Window, choose a scenario:

   a. What if I change my payment amount?
   b. What if I change my interest rate?
   c. How much will I pay with a new loan?
   d. What if I refinance my loan?
   e. Evaluate two new loans

QuickBooks Reports



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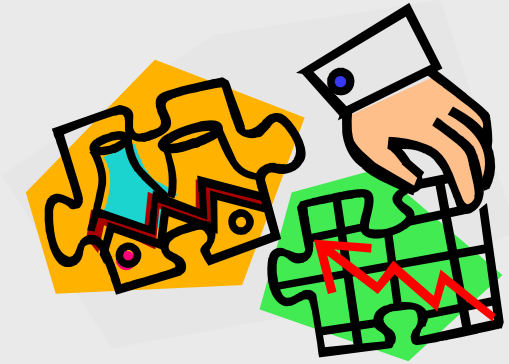
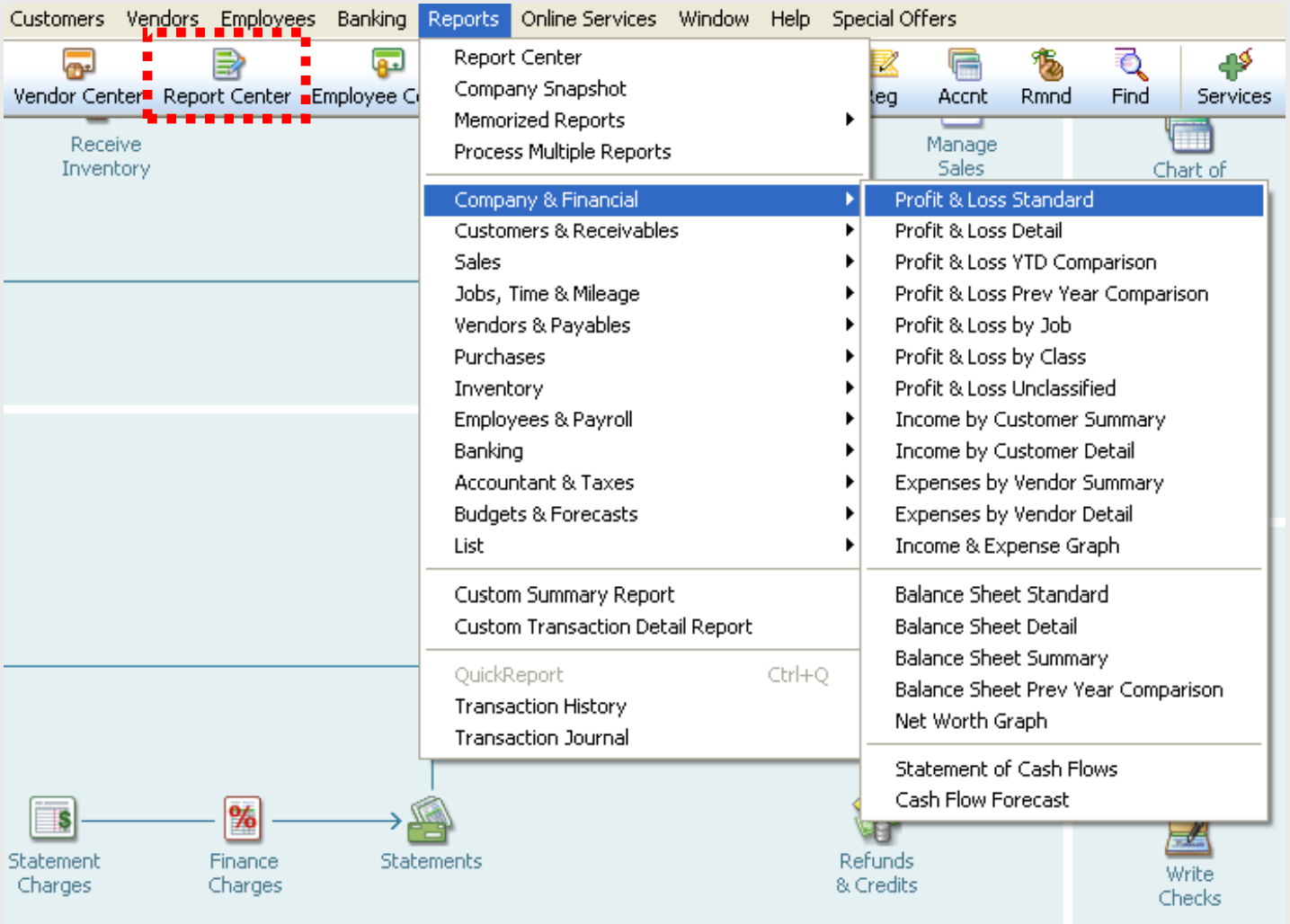
QuickBooks Reports



- Summary reports
  - Show a summary of transactions over a specified period of time (Profit and Loss Standard).
- Detail reports
  - Show a list of all transactions that led to each account summary (Profit and Loss Detail).

Opening a Profit and Loss Report

1. Choose *Reports: Company & Financial: Profit & Loss Standard.*



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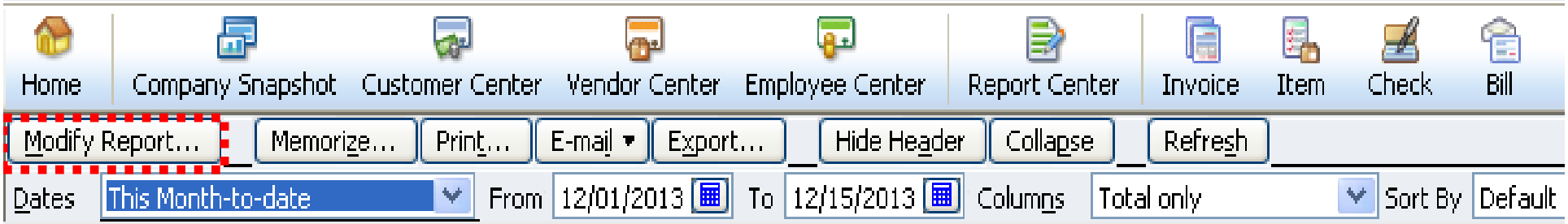
Report Features – Filtering

- Filtering involves specifying or limiting the set of transactions a report includes. You can use filters to limit transactions to a specific customer, vendor, account, class, month, week, day, dollar amount, and more.

Filtering Reports

1. Click on the *Modify Report* button at the top of the report window.



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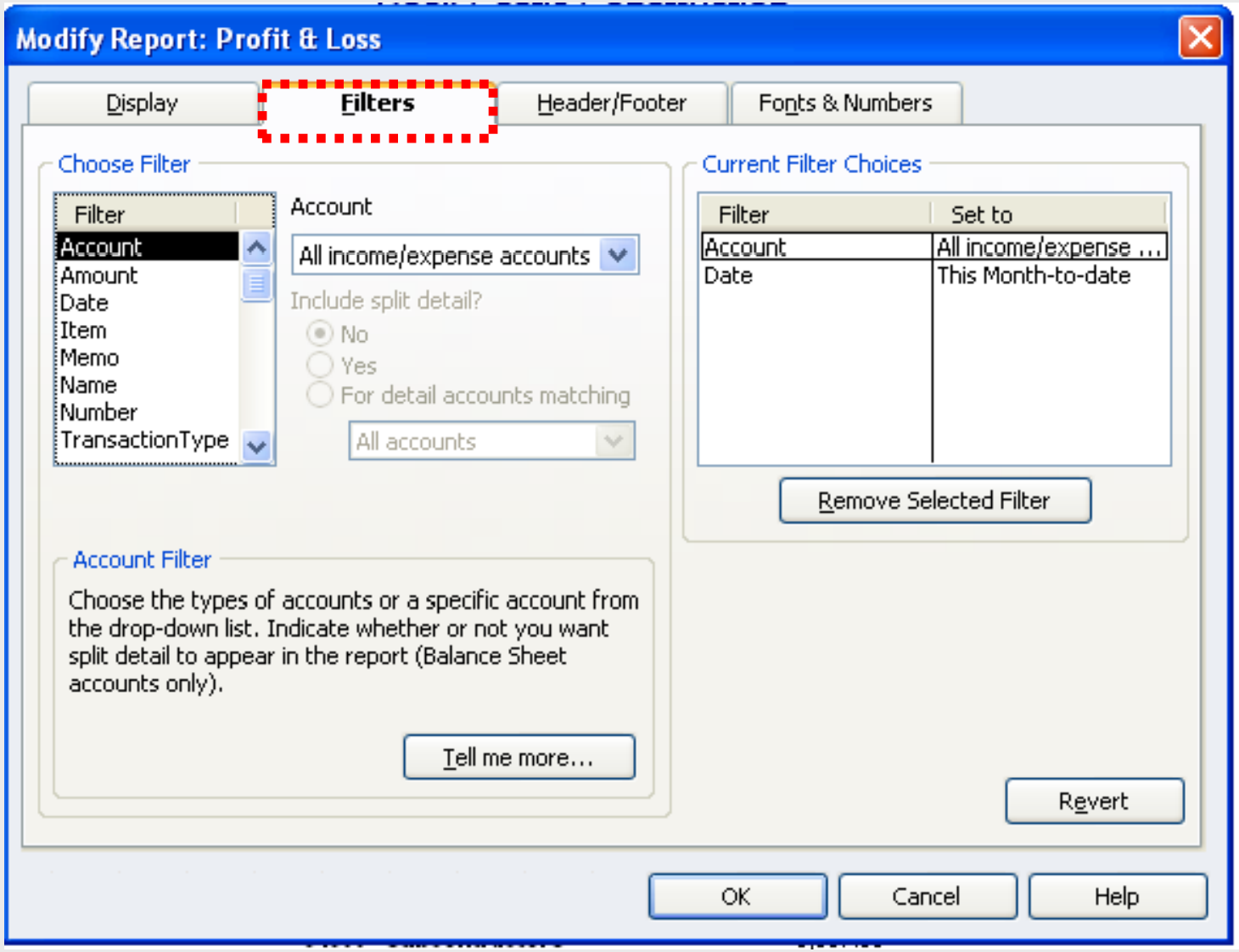
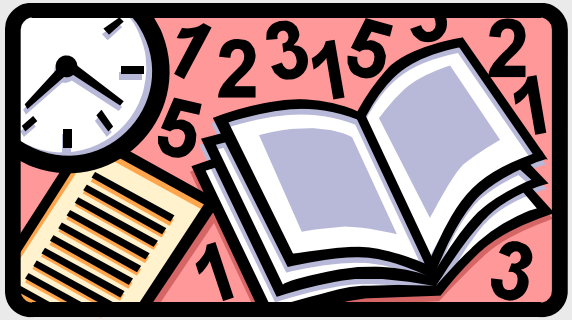
Filtering Reports (Cont.)

2. Click on the tab labeled *Filters*.



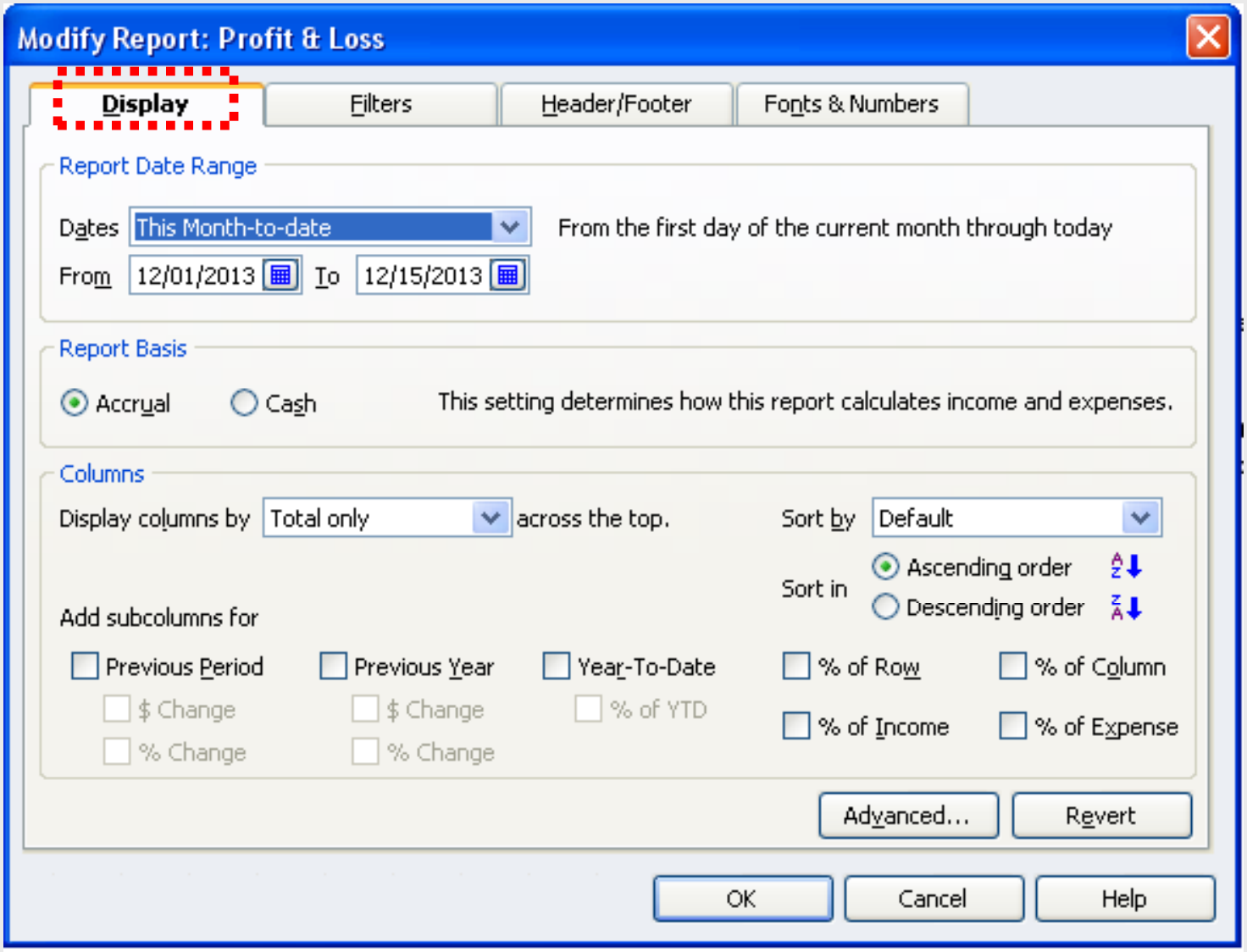
Report Features - Customizing

Customizing involves creating a specified report format. You can select from a variety of options, including date ranges, cash vs. accrual formats, year to date comparisons, income/expense percentages, and more.



Customizing Reports

1. Click on the *Modify* button at the top of the report window. Select the *Display* tab.

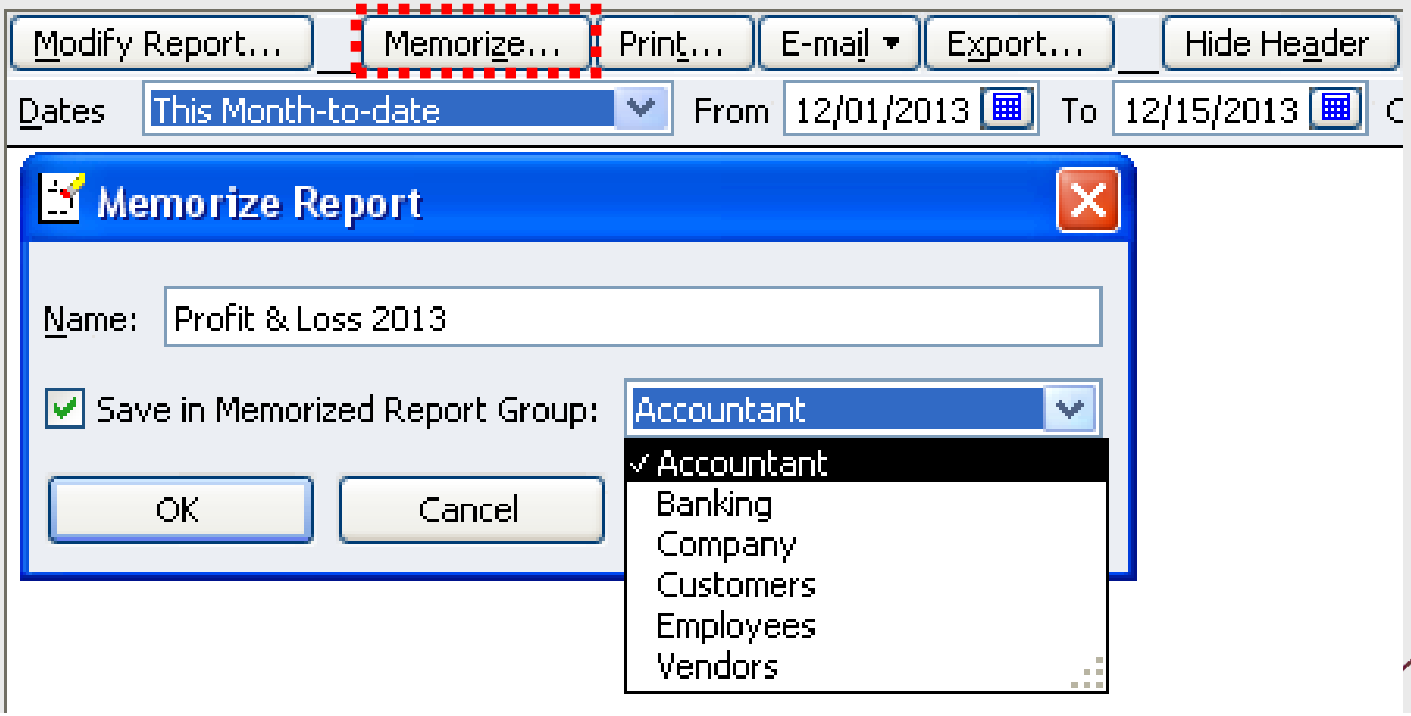


Report Features - Memorizing

After spending the time to customize your report to the desired settings, it is a good idea to have QuickBooks memorize it. Doing so will save the report's settings in the *Memorized Reports* list, which can be recalled when needed.

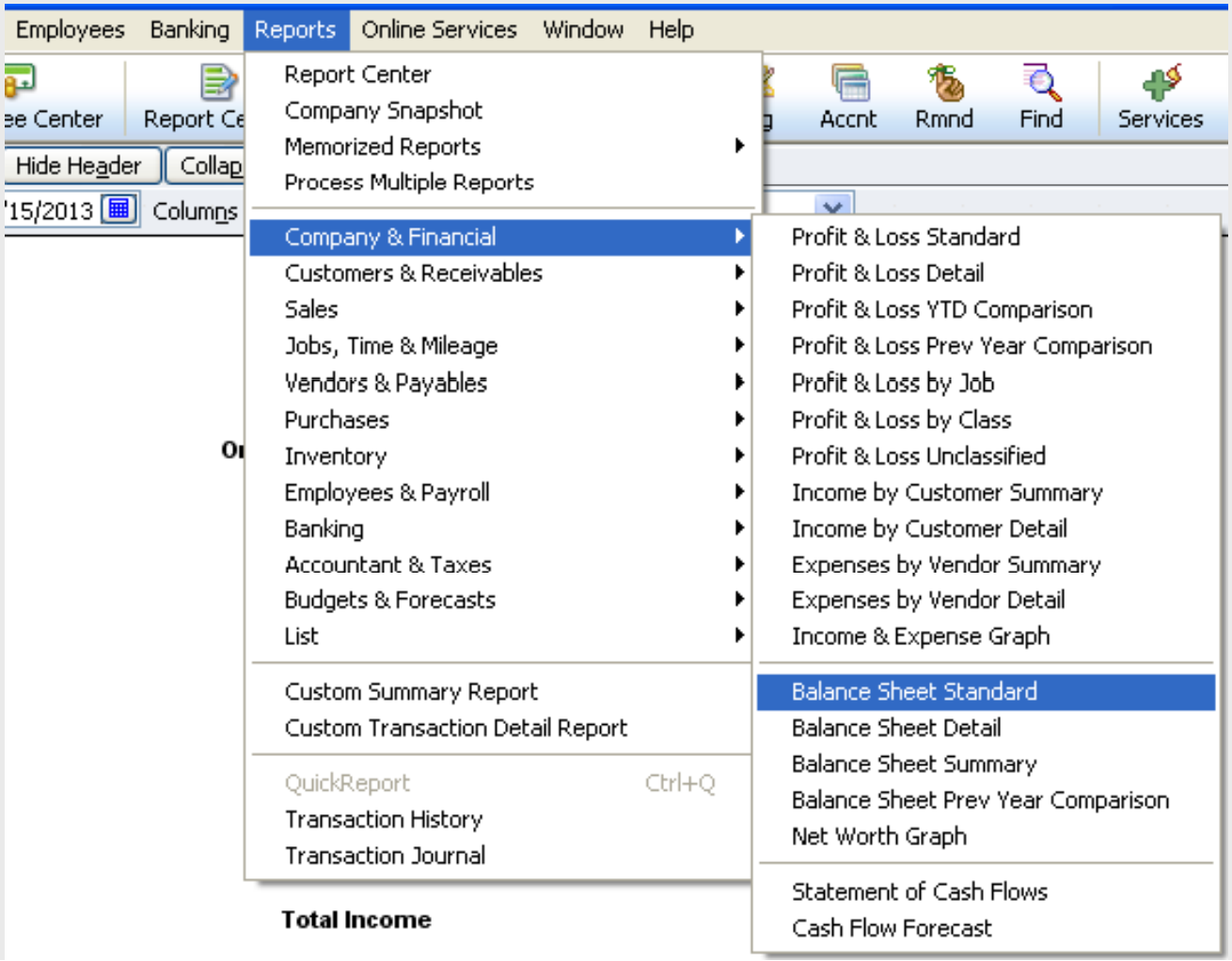
Memorizing a Report

1. Click on the *Memorize* button at the top of the report's window.
2. Enter a name for the memorized report in the Memorize Report dialog.



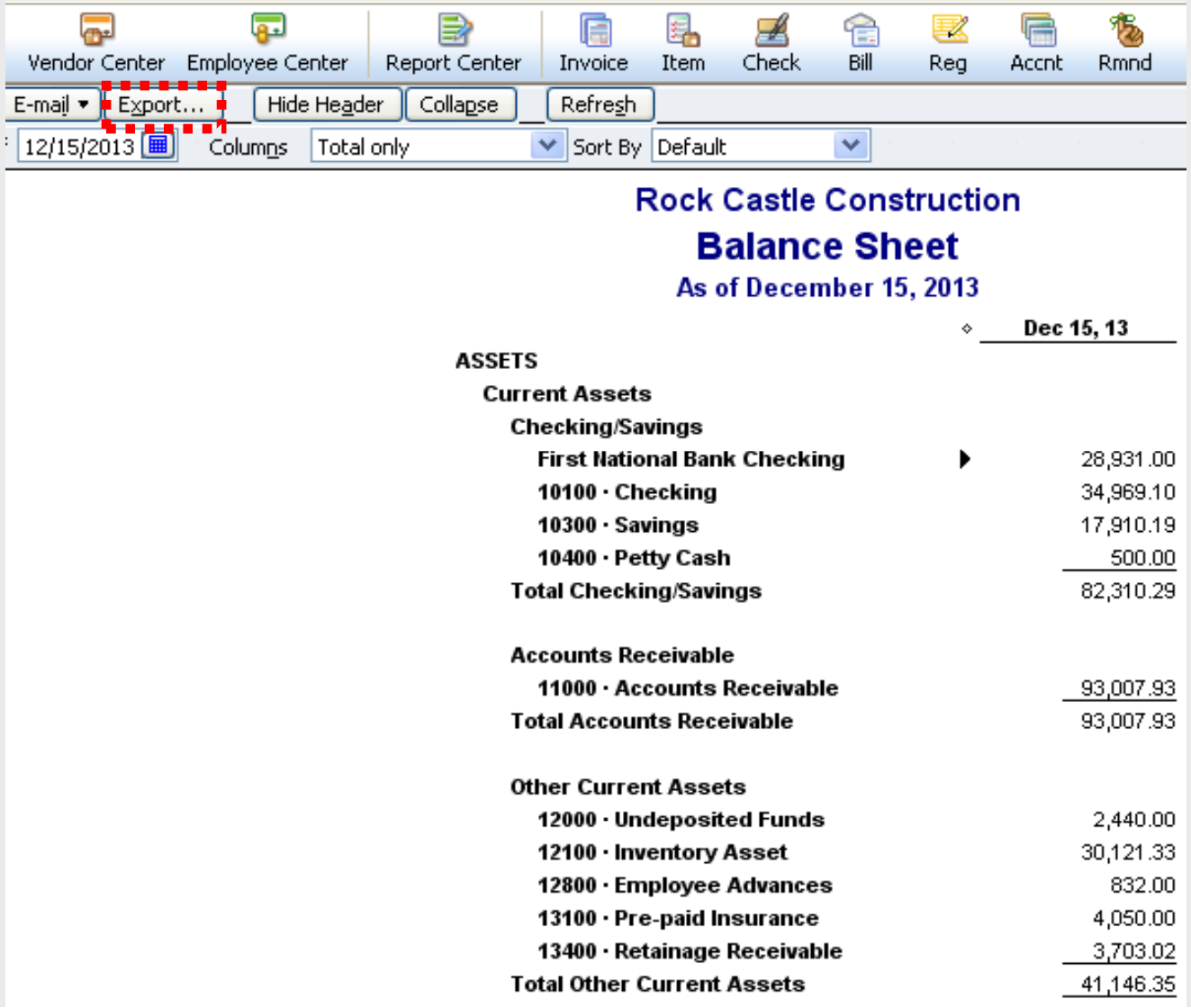
Exporting Reports to Excel

1. Create the report you want to export from QuickBooks. For this example, choose *Reports:Company & Financial: Balance Sheet Standard*



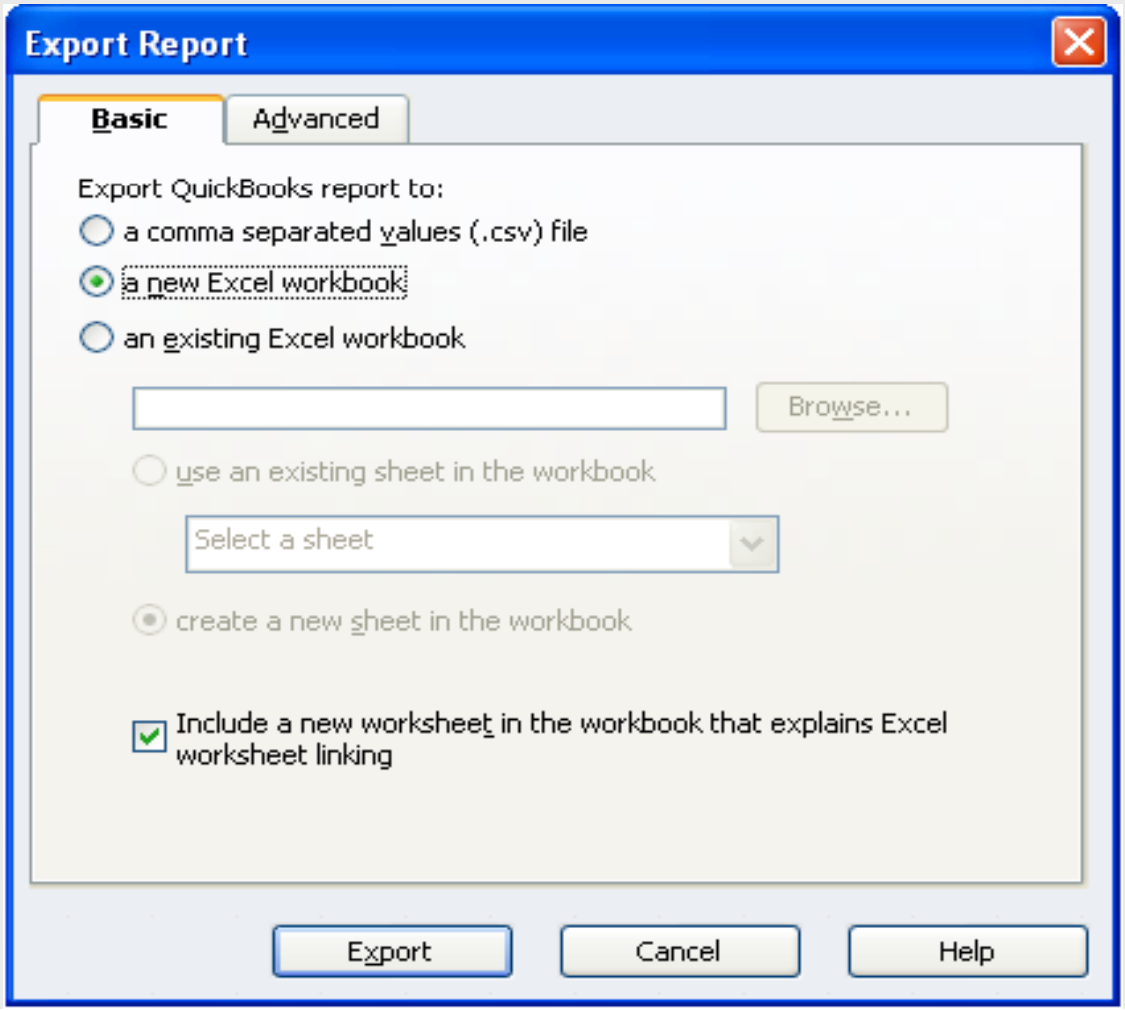
Exporting Reports to Excel

2. Once the report is created, click the *Export* button at the top of the report window.



Exporting Reports to Excel

3. A window will appear asking if you want to send the report to a new or existing spreadsheet. Select *Export report to a new Excel spreadsheet*



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Exporting Reports to Excel

4. When you click *Export*, Excel will open showing your exported spreadsheet

	A	B	C	D	E	F	G
1							Dec 15, 13
2	ASSETS						
3		Current Assets					
4			Checking/Savings				
5				First National Bank Checking			28,931.00
6				10100 · Checking			34,969.10
7				10300 · Savings			17,910.19
8				10400 · Petty Cash			500.00
9			Total Checking/Savings				82,310.29
10			Accounts Receivable				
11				11000 · Accounts Receivable			93,007.93
12			Total Accounts Receivable				93,007.93
13			Other Current Assets				
14				12000 · Undeposited Funds			2,440.00
15				12100 · Inventory Asset			30,121.33
16				12800 · Employee Advances			832.00
17				13100 · Pre-paid Insurance			4,050.00
18				13400 · Retainage Receivable			3,703.02
19			Total Other Current Assets				41,146.35

Exporting into Excel allows for inventory and depreciation adjustments, and report customization for your bookkeeper, accountant, etc.

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Supporting Report Features

- Financial Performance Measures
  - Formulas and Calculations on pg. 81.
  - FARM Assistance
    - Long-term planning tool that projects a producer's financial condition and evaluates the impact of proposed management decisions.
    - Uses a one-on-one approach to assess a producer's financial future, and estimate costs and returns using forward price projections.
    - For additional information, view the website at http://farmassistance.tamu.edu

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Planning and Budgeting

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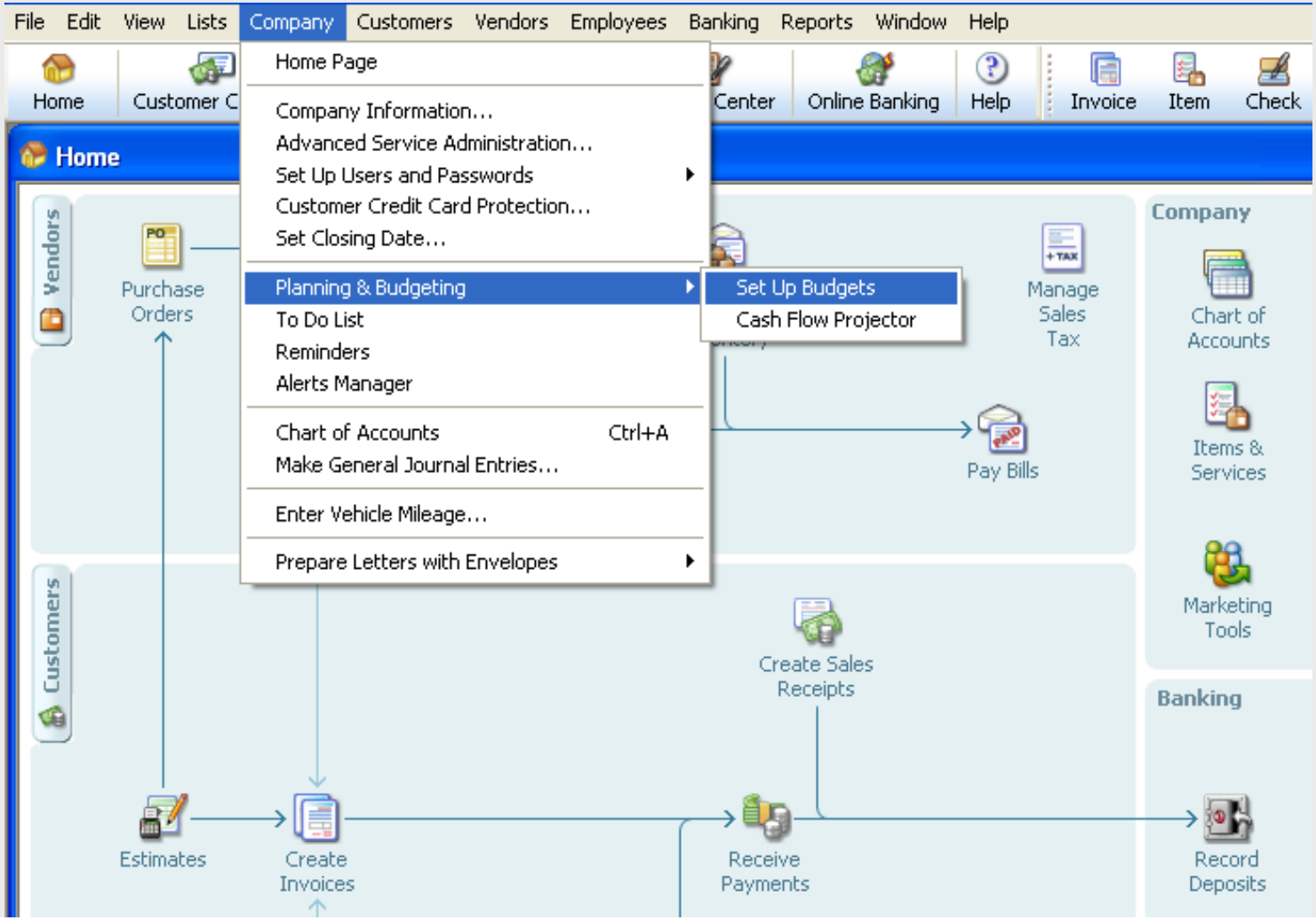
Creating a Budget in QuickBooks

1. From the Company menu, choose *Planning and Budgeting*, then *Set Up Budgets*.



Creating a Budget in QuickBooks

2. Click *Create New Budget*. Choose the year, then choose *Profit and Loss* or *Balance Sheet*.

3. If Profit and Loss is chosen, specify additional criteria of either *Customer:Job or Class*.

4. Choose if you want to create the budget from scratch or from previous year's data.

5. Click *Finish*.

***Note:* The "*Adjust Row Amounts*" feature allows for % increases.**

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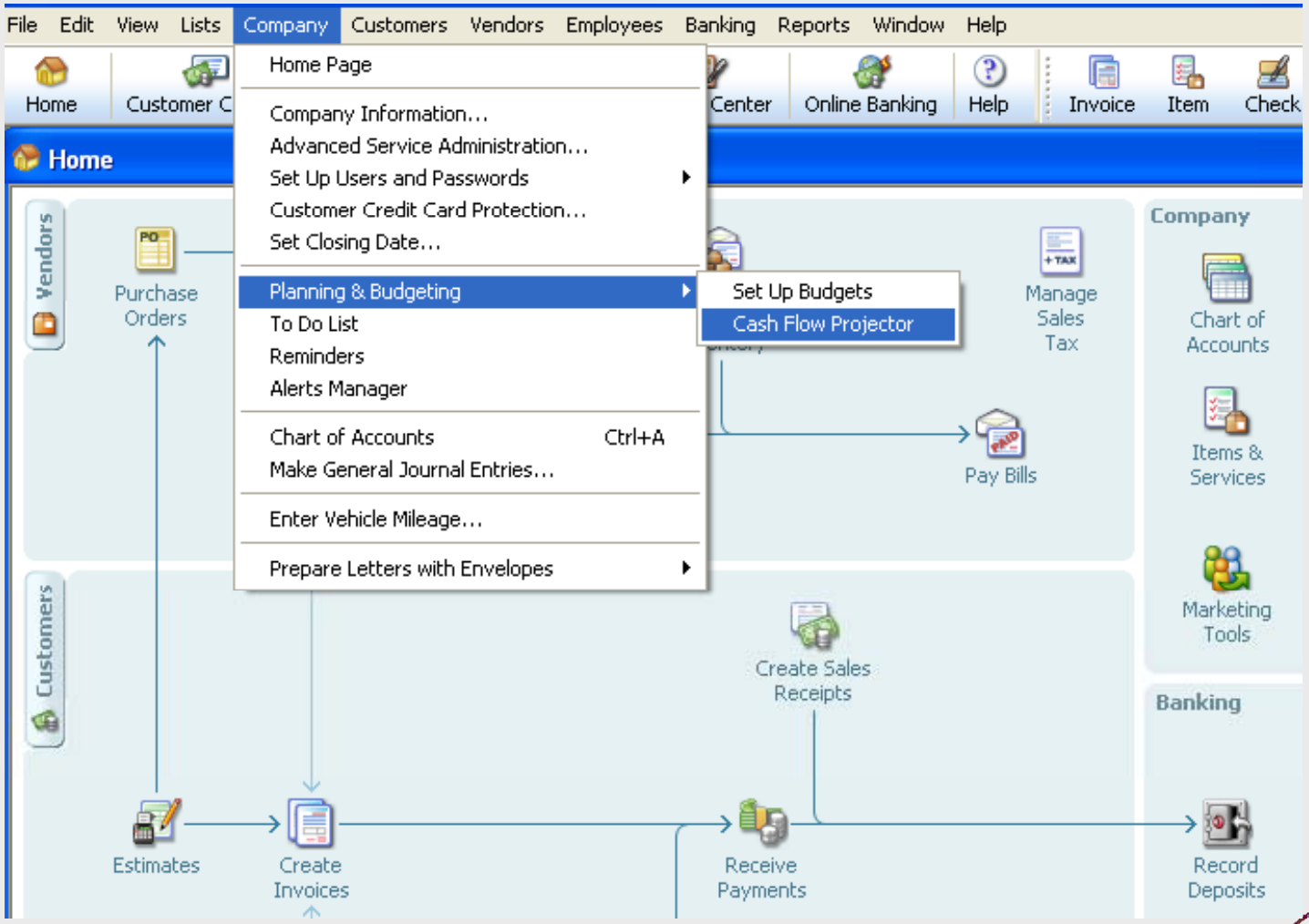
Creating a Cash Flow Projection

1. From the Company menu, choose *Planning & Budgeting*, then *Cash Flow Projector*.



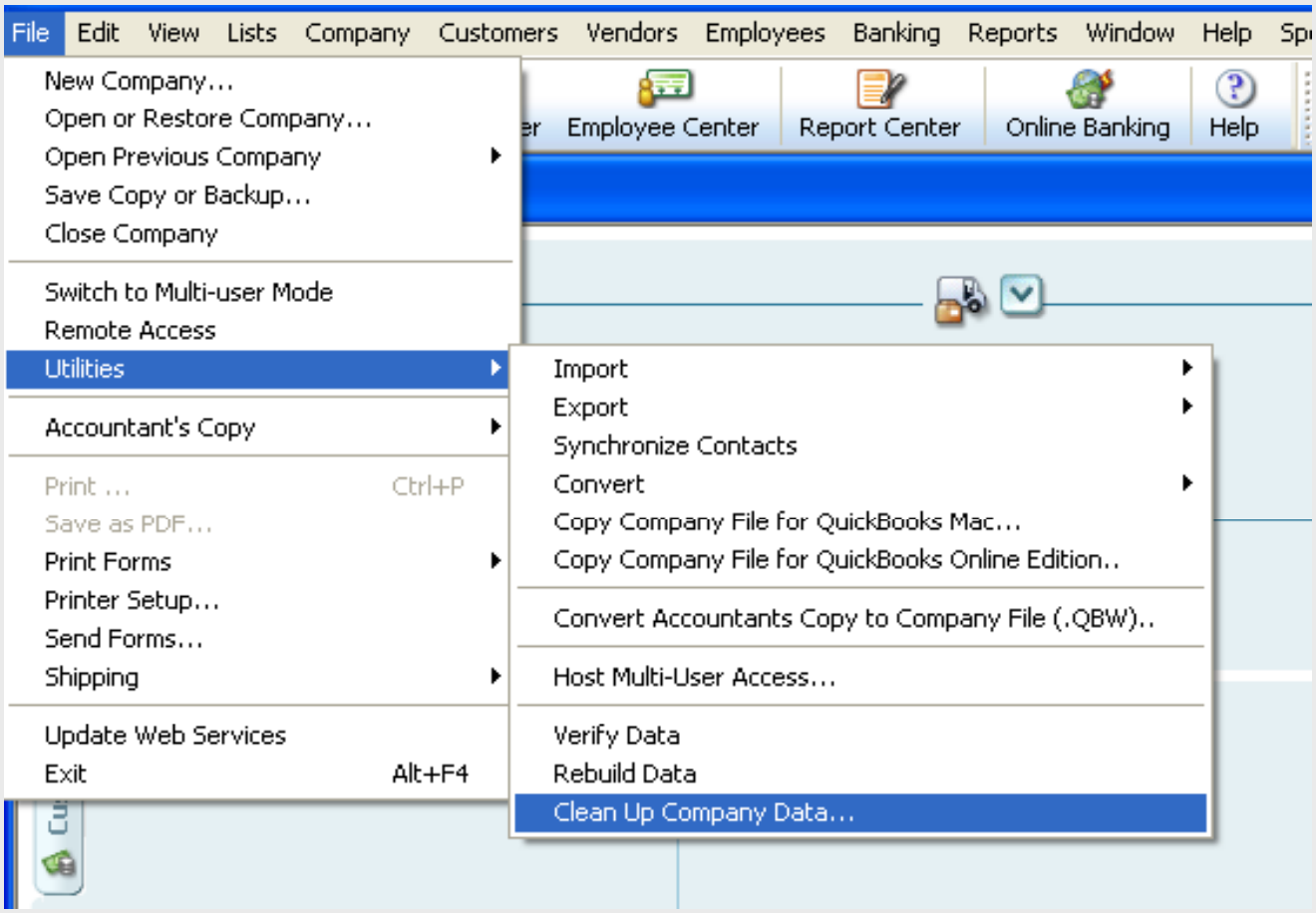
Creating a Cash Flow Projection

2. Click *Next* on the welcome page.
3. Select accounts for your beginning balance.
4. Select the projection method to enter your cash receipts.
5. Enter your business expenses.
6. Review and adjust your accounts payable.

***Note:* This feature is not particularly useful to farming accounts.**

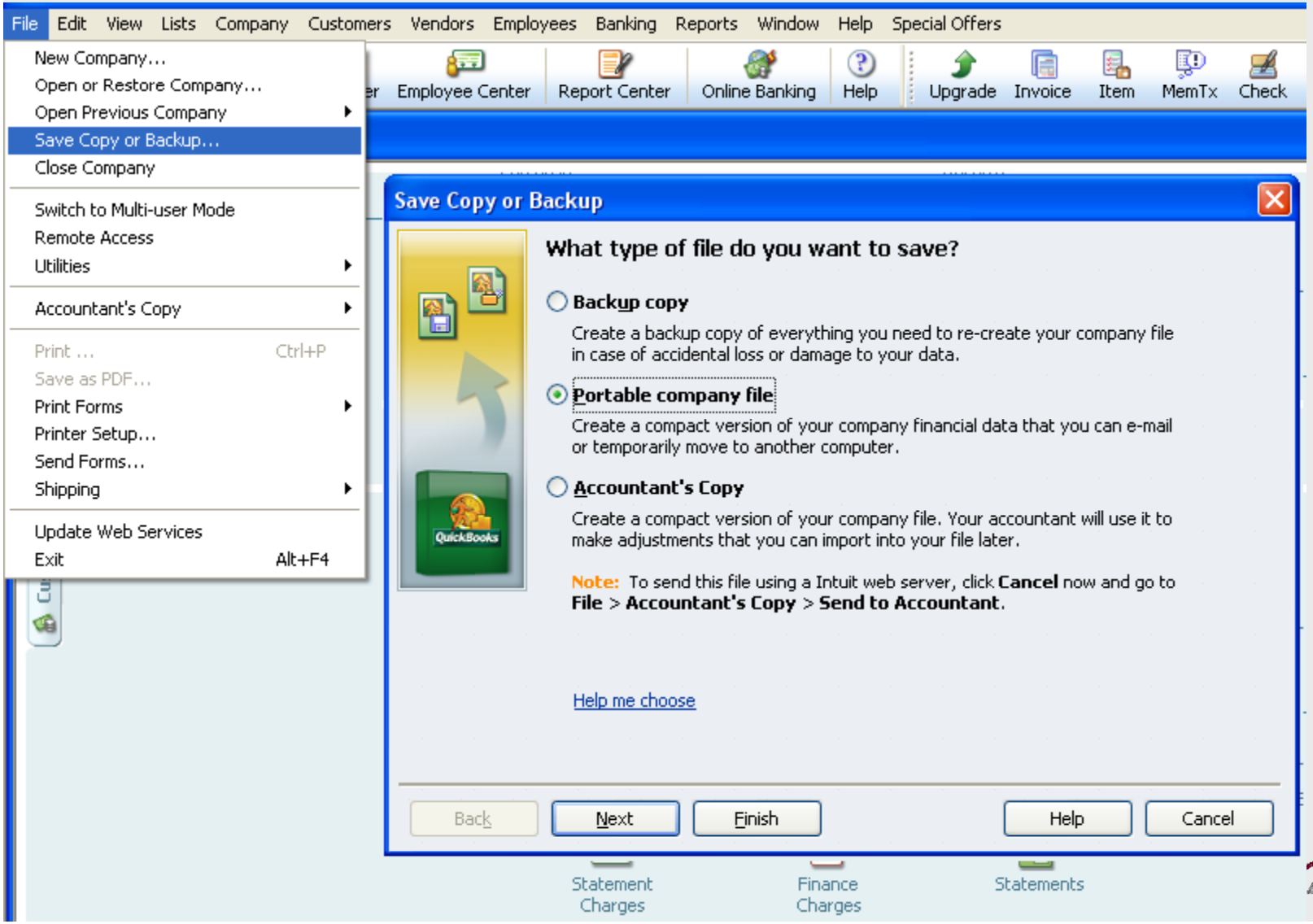
Making End of Year Adjustments

This feature can be found in the *File* section of the main menu. Don't forget to make adjusting entries for depreciation at the end of each year (we recommend letting your accountant do this).

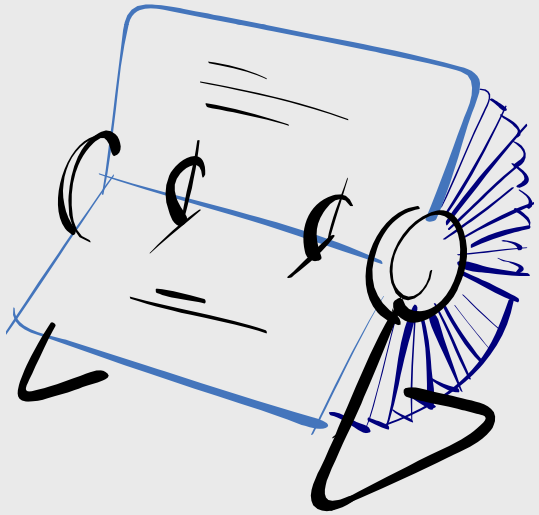


Backing up Data

This feature can also be found in the *File* section of the main menu. Use of a portable company file is recommended.



Contact Information



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