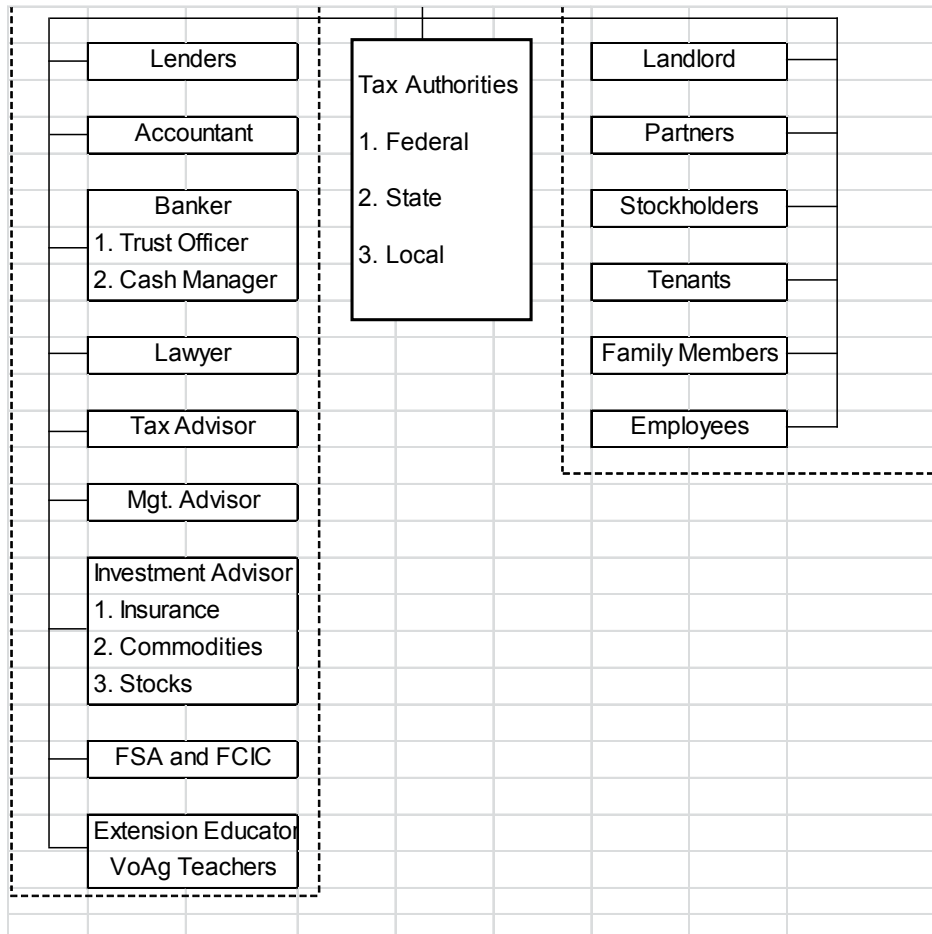


CHAPTER 1: INTRODUCTION

With a computerized farm record keeping system, you can store information, summarize data, generate and print reports, and sort transactions into categories and sub-categories. Data storage is a valuable component to a computerized system. The data entry process uses the same amount of time as a hand written system. The time savings is the summarized monthly and year end data.

As in any system, complete records and reports result from the data entered. The record keeping system can only summarize and report what you have entered. Consider how the data is organized to optimize output and reports. The outputs and reports provide information such as transactions and end results to share with your farm management team. Who is your team? Below is a flow chart in Figure 1-1 of advisors, lenders, and others who are available to give you advice and help with decision making on the farm. Computerized records help you create specific reports that contain only the information you want to share when talking with advisors.

Figure 1-1: Farm Management Team



Your receipts and expenditures should be entered in a timely manner complete with detail appropriate for the results you want to generate. For example, you should include detail on bushels of grain sold with your grain receipts if you want to know average price per bushel received at the end of the year. Some of the various types of information you can develop from a record keeping system are: Schedule F tax information (Cash Income Basis), data for tax reports, enterprise records, credit accounts, financial statements (net worth, income statements, cash flow), depreciation records and farm business analysis. This information will be explained more thoroughly throughout this book. Below is a flow chart in Figure 1-2 showing the financial results for a farming operation.



What Quicken Can Do For You

Quicken is an easy-to-use computerized recordkeeping software package that enables you to keep detailed farm financial records. You can think of Quicken as your checkbook. You can track a total of fourteen different account types including asset, liability, and all bank accounts.

Quicken enables you to keep basic cash receipts and expense records and while providing financial data to you, your tax preparer and other members of your **farm management team, such as those in figure 1-1**. Other Quicken features include easy account reconciliation and income and expense budgeting and report generation for income statements, cash flow reports, enterprise summaries, personal and business income tax reports and farm results as shown in the **record system flow chart in figure 1-2**. However, Quicken does not easily track inventories and does not allow you to keep depreciation records.

Quicken Organization

Data File: Using Quicken begins with creating a *Data File* as seen in the Quicken organization flow chart in figure 1-3 below. The Data File contains the records for a business, whether a farm business or another home business. Typically, one data file is used for organizing finances. This will be explained more in chapter 2.

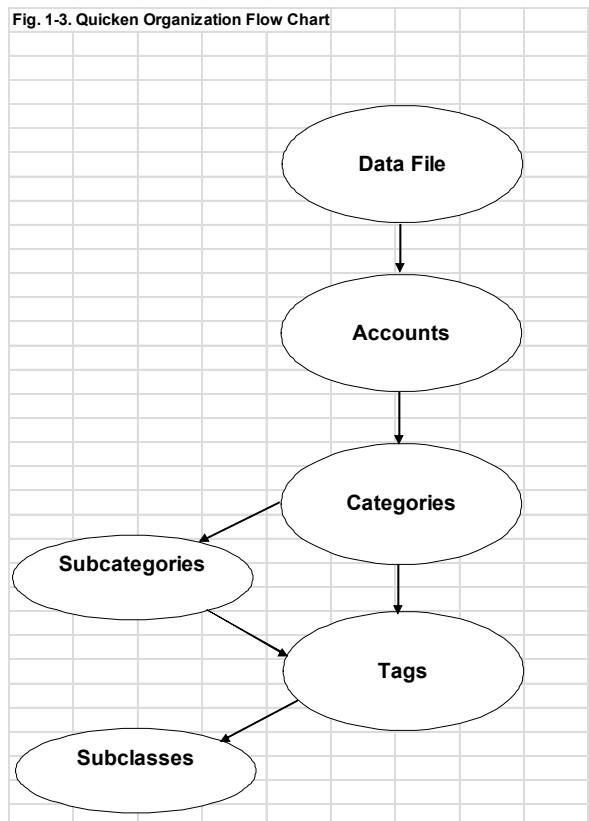
Accounts: Within a Data File, you create various *Accounts* corresponding to different bank accounts, loans, credit cards, asset accounts, and other liability accounts. For each account there is a corresponding register where transactions are entered. This will be explained more in chapter 3.

Categories: As transaction entries are made into an Account register they are assigned a Category which allows for easy categorization and summarization when generating reports. Examples of categories include feed, seed, fertilizer, fuel, grain sold, and milk sold.

Subcategories: Transactions can be divided for more detailed recordkeeping by assigning *Subcategories*. For example, the category fuel may have several subcategories: gas, diesel, and oil. A transaction for purchase of diesel fuel would be assigned the category *fuel* and subcategory *diesel*.

Tags and Multiple Tags: Transactions can be assigned Tags and Multiple Tags. Examples of tags are: corn, soybeans, wheat, dairy, and swine. Tags summarize transactions for reports by enterprise, field, farm or other grouping. Multiple tags further details a transaction. Categories and tags will be discussed more in chapter 4. An example of a transaction assigned a category, subcategory, tag, and multiple tags is: diesel fuel purchased for harvesting corn on the Smith Farm would be assigned: category=fuel, subcategory=diesel, tag=corn, multiple tag=Smith Farm.

Fig. 1-3. Quicken Organization Flow Chart



Common Terms used in Quicken

To help understand the rest of this manual, below are some common terms and their definitions:

File - data file named and used to store various account information of a single person, business or household. Your data file is like a file drawer that contains your financial data.

Accounts - function like file folders for your various accounts (checking, savings, liability, etc.) Different accounts let you divide your financial records into separate areas.

Register - window where transactions are entered into an account. It looks like a checkbook register.

Transactions - entries into your register and may also be referred to as “journal entries”.

Categories - used to summarize groupings such as “crops sold”. You must assign categories to transactions as you enter them in Quicken.

Tags (enterprises, location, etc) - let you specify where, what or to whom transactions apply, e.g., corn or dairy. Tags complement categories, giving an additional way to see how money is spent, as well as adding another dimension to reports.

Payees (Vendors) - person or institution to whom the payment is made (or from whom payment is received).

Main Menu Bar - menu located at the top of the Quicken screen. Enables you to operate all of the different features of Quicken.

Toolbar - a row of textual buttons and menus that appears near the top of a Quicken window. (i.e. Main Quicken Window, Register Window, Category & Transfer List Window, Account Window, etc.)

Account Bar – allows quick access to accounts, shows balances of accounts and shows net worth of all accounts tracked.

[Back to First Page](#)

CHAPTER 2: GETTING STARTED

In this chapter, new Quicken users will learn how to create a data file. For those users who are upgrading from an earlier version of Quicken, this chapter will go through restoring your old data file with Quicken 2015.

And for all users, this chapter will also cover checking and modifying the Quicken 2015 program settings, making modifications to the main toolbar and backing up the data file.

If you are upgrading to a newer version of Quicken from an earlier version, skip the next section and go to the section [“Upgrading To Quicken 2015” on page 7](#) later in this chapter.

First Time Into Quicken After Being Loaded Onto Your Computer

During the installation of Quicken, the Install Wizard will “Check for Quicken Updates.” From the time your CD was produced, Quicken may have released updates that make Quicken better, or have repaired some software problems.



Click Next, Launch Quicken 2015 or double click on the Quicken icon on your desktop.

The program will then bring up a window with the heading: **WELCOME TO QUICKEN 2015.**

The program wants to know if you are a new user or if you are already a Quicken user. For the purpose of this manual:

DO NOT click I’m New.

The reason: Quicken will by default name your Quicken data file the same name as your computer. Yes, your computer has a name. However, you might want your Quicken data file to be different than your computer name. You might want your Quicken data file to be your Farm Name or your Family Name. Naming your Quicken data file will allow you to find the file on your computer. The Quicken data file will have a file extension of *.QDF. The Quicken data file will contain all your accounts, categories, tags, reports, etc. All the information that Quicken uses is in one file, making it much easier to manage data files on your computer. Older versions of Quicken had as many as four separate files that Quicken used to operate. Quicken 2015 uses one file for account data.



To custom name your Quicken Data File to match your farm or family



Click File
New Quicken File



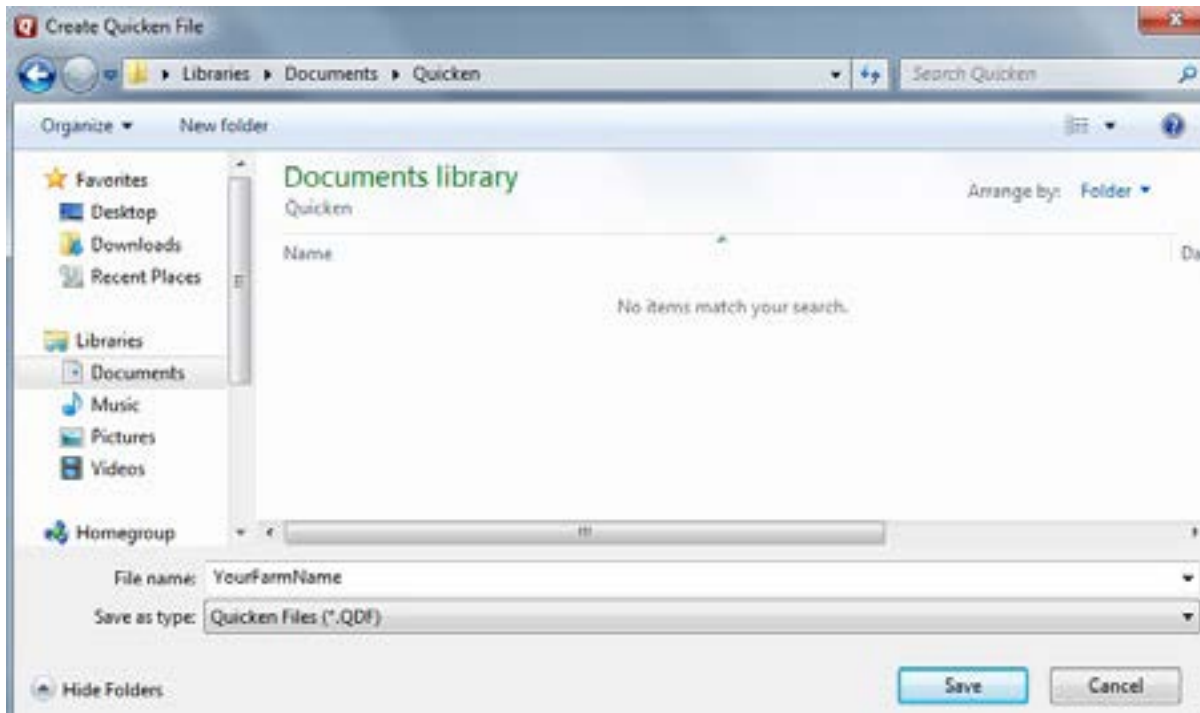
Next, you will be prompted to type a custom File name and select a location of where you want your Quicken data file saved. Quicken by default will create a Quicken folder in your Documents folder on your computer. You may use this default folder or navigate to a custom location on your computer and add a Quicken Data folder.



Click in the blank to the right of File name.

Type in a name for your data file. A suggestion would be to use your last name or your business name as your data file name.

Click Save to close the CREATE QUICKEN FILE window.



The program will then create your named data file and open the *Sign-in with your Intuit ID* window.



What is Intuit ID? This is new for Quicken 2015. Quicken 2015 requires an Internet connection for registration of the software and to set up the first account added to your Quicken data file. Intuit is the company that makes Quicken and Quickbooks. Intuit ID is used for software registration and for people that use the Quicken mobile app. The mobile app allows Quicken users access to their Quicken data while away from their home/office computer. Once the software is registered and the first account is added, Quicken 2015 can be operated without Internet connection. However, software updates can only be obtained with an Internet connection as well as online banking and billpay features. Features of the Quicken mobile app can be found at: <http://www.quicken.com/>

After creating an Intuit ID and/or signing in, a *Sync to Mobile* window will appear.

Note: It's recommended to click "Use Mobile" during this set up, even if you don't plan on using the Quicken mobile app right away or at all.



**Click Use Mobile
Next**

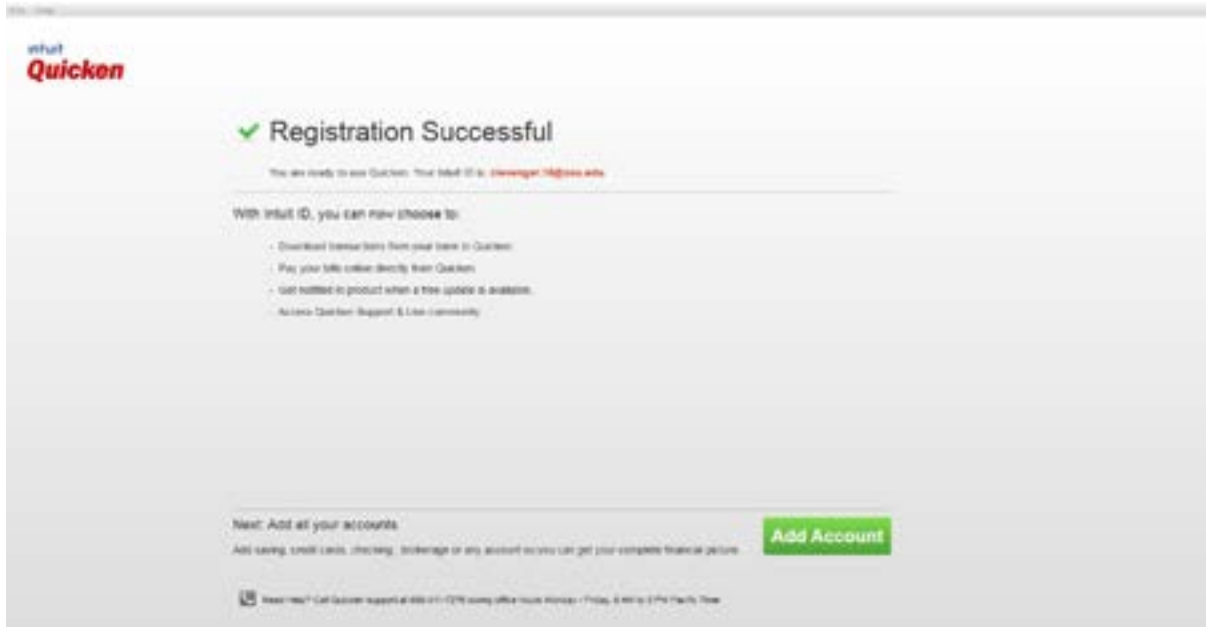


The next window will say Registration Successful.

Click the green button Add Account.

In the Add Account window click Cancel.

We will add new accounts to this Quicken file in Chapter 3.



The next window that appears will be the **Quicken Home page** of your Quicken data file.

Notice that YourFarmName is the file name at the very top of the Quicken 2015 Deluxe window. This is a good reminder to you to look if you are switching between Quicken data files to make sure you are working with the correct accounts and transactions.

In later chapters of this bulletin, you will be led through setting up additional accounts, categories, tags, entering data, reports, etc. However, now we'll review some topics that will be the foundation for navigating in Quicken and editing setting and preferences that you might like to customize.



The above graphic is the Quicken Home Page that you should become familiar with some of the navigation options and features.

Main Menu Bar: Using the mouse, move the cursor to the appropriate item in the Main Menu Bar and left-click. To select an item from the menu options, move the cursor to select it. For example, to open a Quicken data file, select File from the main menu and move the cursor to Open Quicken File. Reports can be accessed from the Main Menu Bar as well as View options and preferences.

Toolbar. Toolbar buttons provide quick access to Quicken features that are more often used. Buttons shown are Back and Forward buttons to navigate to previous screens and forward again. Also the One Step Update button to update online banking and information. Buttons can be customized using the “gear icon” on the right hand side of the Toolbar area or right-clicking on the Toolbar area.

Account Bar. The Account Bar is list of accounts that have been added to the Quicken data file that is currently open. At a glance, you can see account balances. The account transaction register can be opened by clicking the name of the account. The account bar has view options that can be customized using the “gear icon” in the upper right corner of the account bar. You can also right-click in the open area of the account bar for other options. You can also right-click on the account name to edit or delete accounts.

Shortcut Tabs. These tabs are quick ways to navigate to different centers of information within Quicken. As you become more familiar with Quicken, you might use this tabs to get a summary of Spending, Bills, Planning, etc.

How Many Quicken Data Files?

If your business is operated as a **sole proprietorship**, combining your business and personal accounts and categories into one file works best. This would include the business and family sharing one checking account and one savings account. With proper use of Quicken categories and tags, reports can separate the business transactions from personal family expenses and income.

If your business is **incorporated or operates as a partnership** where you receive a regular paycheck for your labor and management, you will probably want to set up one data file for the business and one data file for your personal financial information. This would assume that the business has its own bank accounts separate from the family bank accounts. The accounts for the business and family might be at the same banking institution, but have separate account numbers with the bank.



To create another Quicken data file, from the Quicken desktop Main Menu Bar simply click on File

New Quicken File and follow the instructions similar to the Welcome section of this Manual (page 2.3).

For the **business data file** you may delete all the pre-set family living categories in the *Category List*. This will allow you to import or create the income and expense categories that are best suited for your partnership or corporation.

Upgrading To Quicken 2015

Before you install Quicken 2015, you should make **at least one back-up copy of the data file** you have been using with your earlier version of Quicken. After you have done that, close all your programs, shut down your computer, restart it and install the Quicken 2015 program. Installing Quicken 2015 will uninstall older Quicken versions!

After you have installed Quicken, the Install Wizard will ask if you want to “Check for Quicken Updates”. If you have internet access and plan to do on-line banking you will want to update at this time.

Click Get Update.



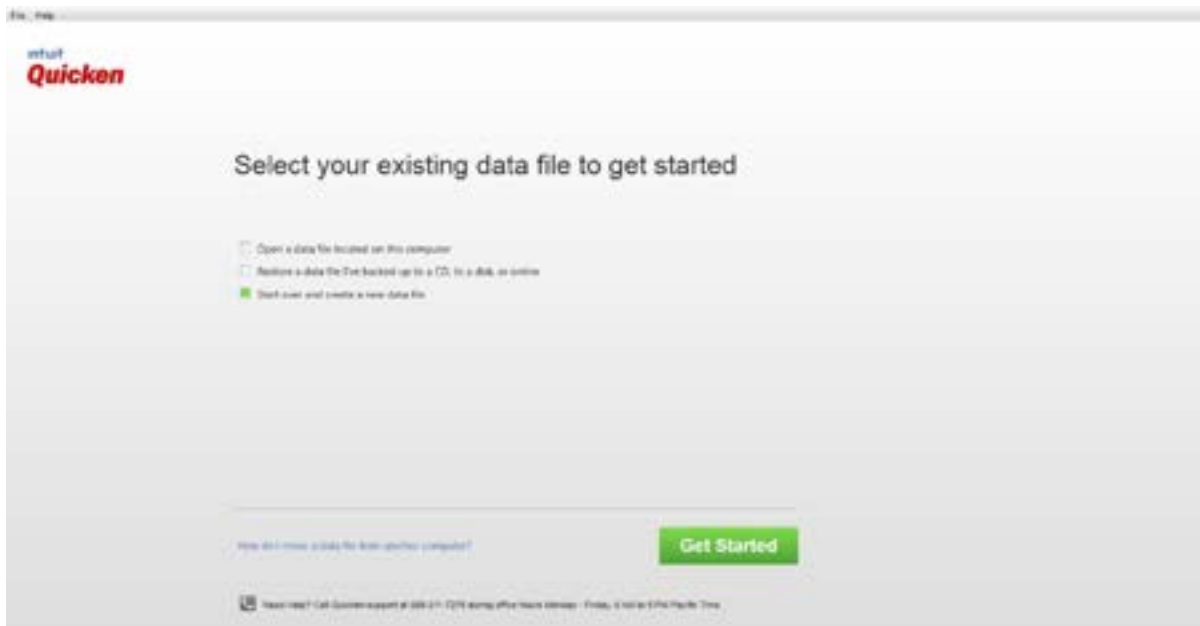
After the update has downloaded,

Click Next in the Quicken 2015 Update Program window to continue on with the program.

Click Next.

Click Finish.

Quicken will ask you to Select Your Existing Data to Get Started with options of
Open a Data File Located on the Computer,
Restore a Data File I've Backed Up,
Or Start Over and Create a New Data File.



Click Open



Navigate to the location of your existing data file and Quicken will Convert the file to Quicken 2015 and save the original data file in a folder called Q14Files in your Quicken folder.

Quicken will indicate “Your data file has been successfully converted.”

Click Next.

Quicken may take you to the **Online Banking: Confirm your financial institutions** window.

You can enter your financial institutions in this window or simply Click Next if not interested in Online Banking.

Quicken next takes you to **Online Bill Pay: Receive and Pay bills with Quicken Bill Pay**. Complete this information if you plan to pay bills online and Click Next or simply Click Cancel if you aren't interested.

Quicken now takes you to the *Quicken Home Page*.

Upgrading Quicken 2015 to a New Computer

If you are changing computers and upgrading to Quicken 2015:

Click Restore, a Quicken data file I've backed up to a CD or disk in the **Select Your Data File** window.



Click Next to open the **RESTORE QUICKEN FILE** window,

Click OK after selecting the drive where the back-up disk or CD is located.

Click the file to restore and Click OK.

After the file has been successfully restored, go to the menu bar, Click File and Click Open to open the **OPEN QUICKEN FILE** window.

Program Preferences and Options for Quicken 2015



In the menu bar, Click Edit

Click Preferences.

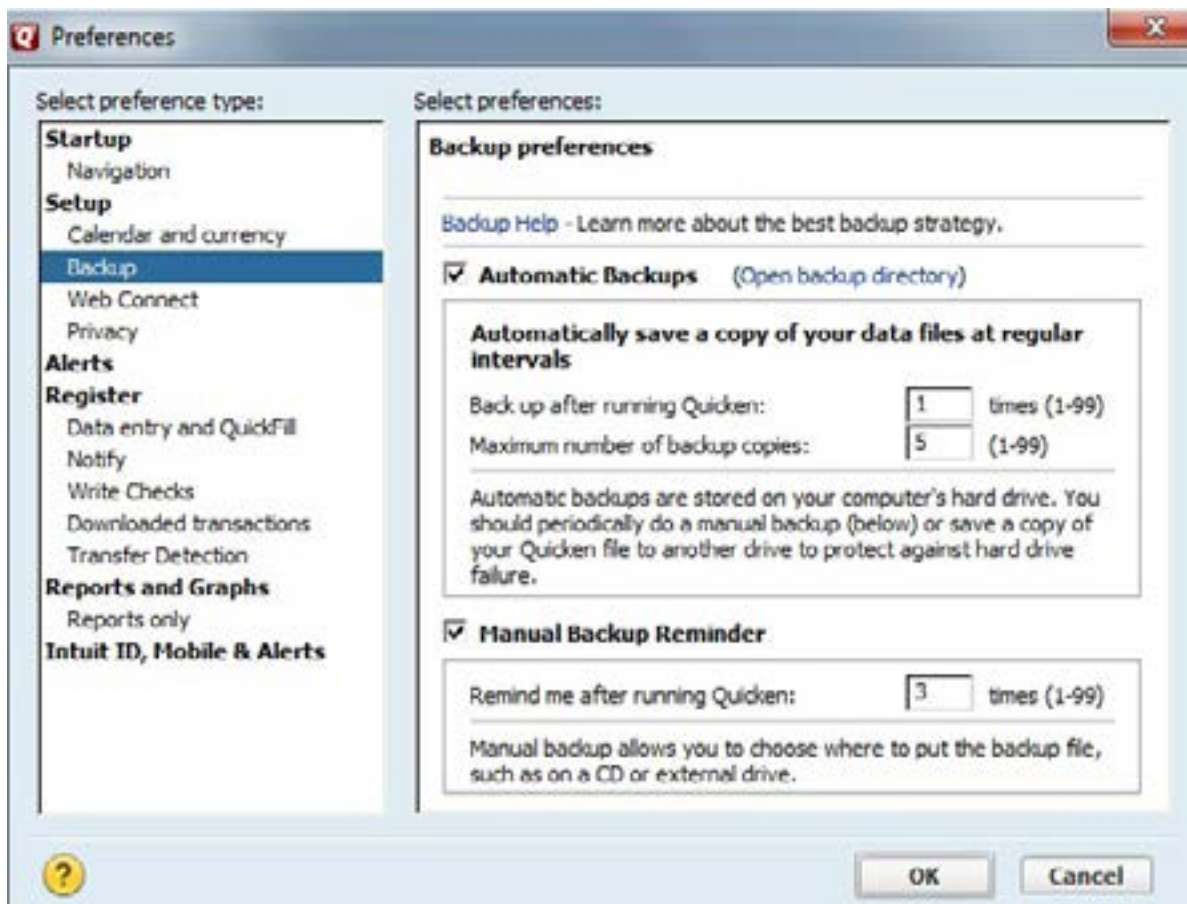
Each option will show the different settings that can be customized. The major preference

types and their sub-preferences are shown on the left of the screen.

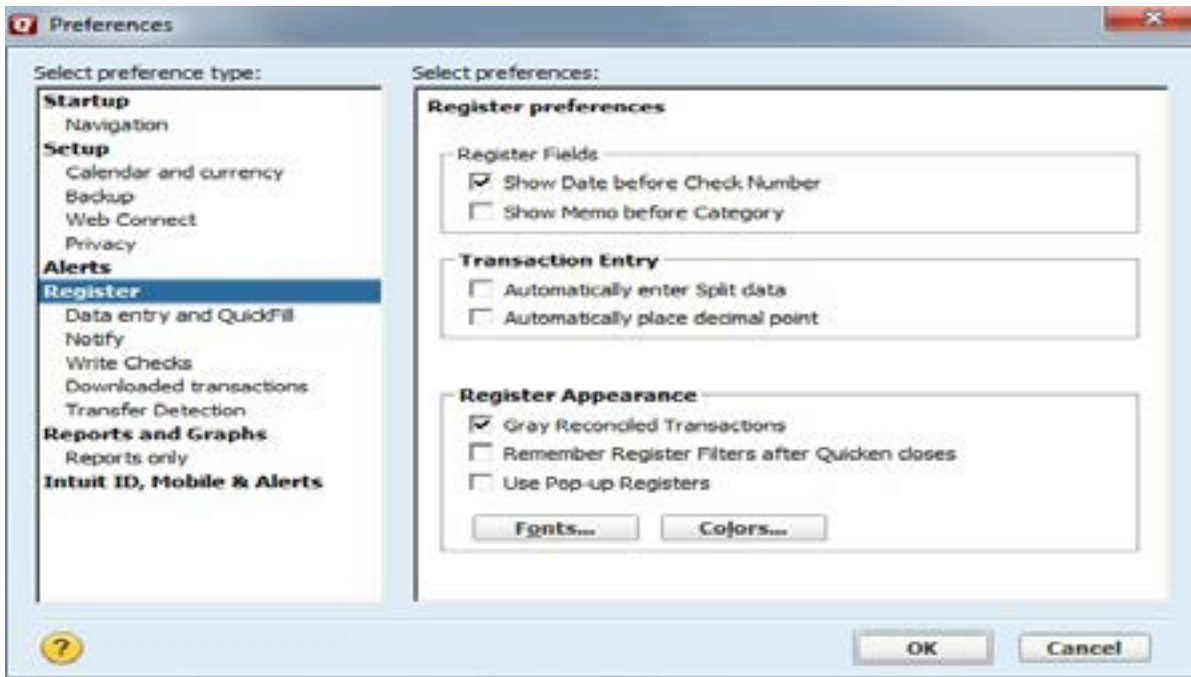
To move from one preference to another, simply Click on the preference you want.

Most of the default settings in Preferences work for most Quicken users. However, a few have been found that may make navigating and entering data easier. The following graphics show the settings we recommend for each of these changes to the default Quicken Preferences. The settings shown are suggestions. After you become familiar with the program and its features, you may want to review these settings and change them to suit your preferences.

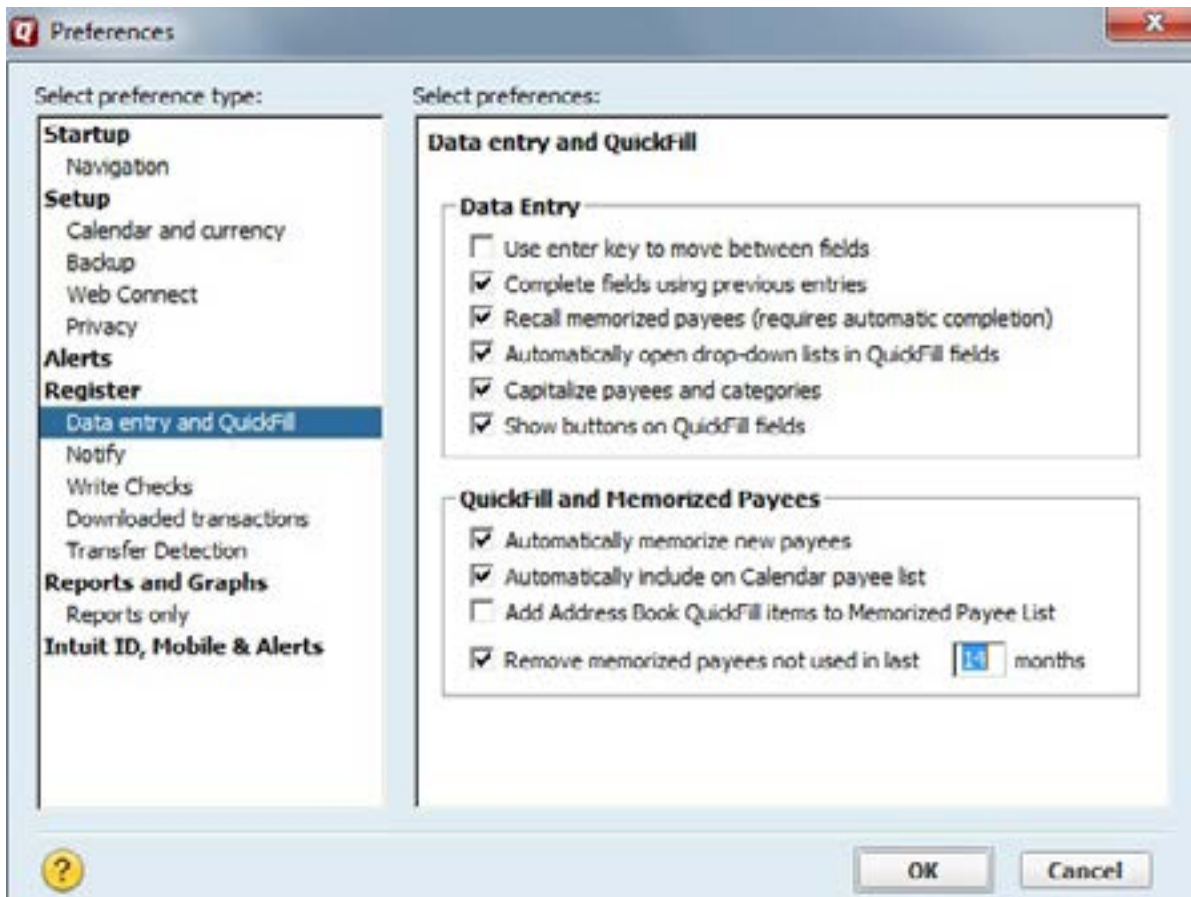
Recommended Settings for Backup



Recommended Settings for Register



Recommended Settings for Data Entry and QuickFill



Note: The quick fill settings are suggestions. Different users have different preferences for these settings. You may want to experiment with these settings to determine which you prefer.

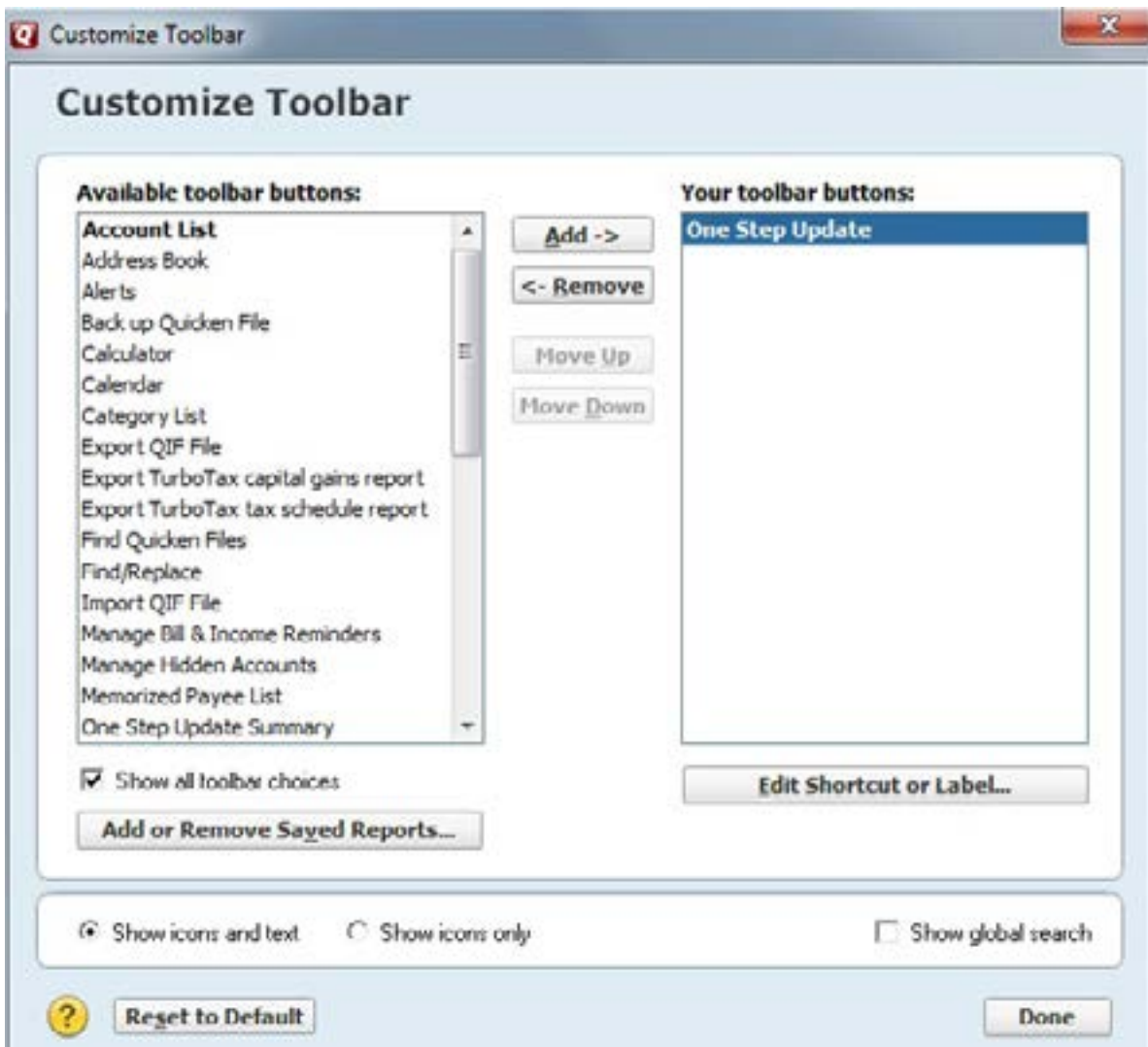
Click OK to close and save the changes made in the *PREFERENCES* window.

Customizing the Toolbar

The main toolbar can be used to access parts of the program without having to use the menu bar.



Right Click the main toolbar to open the *Customize Toolbar* window.



Click on **Show All toolbar choices** at the bottom left of the window to see an expanded list of available options.

Within this window you can add items to the **Your toolbar buttons:** list from the **Available toolbar buttons:** list:

To insert the item into the **Your toolbar buttons:** list, highlight the item you want to add, Click **Add**.

To remove item(s) from the **Your toolbar buttons:** list, highlight the item in the list, Click **Remove**.

While items can be added or removed from the **Your toolbar buttons:** list at any time, some of the buttons you might want to consider adding to the **Your toolbar buttons** are: *Backup, Category List, Tag List, Memorized Payee List, Print Checks* and *Write Checks*. The order of the buttons shown on the toolbar can also be changed within this window.

Point and Click on the item in the **Current toolbar order:** list to highlight it and Click **Move Up** or **Move Down** to change the order.

When you are finished making additions or deletions or changing the order of the buttons, Click **Done** to close the **Customize Toolbar** window.

Backing Up Your Quicken Data

It is suggested that you have your program set to “Remind after running Quicken” to **one** time. This setting is shown earlier in this chapter under the **PREFERENCES** window, Setup – Backup preference.

As you exit the Quicken program you will be prompted to backup your data file from the **AUTOMATIC BACKUP** window.



Click **Backup** to open the **QUICKEN BACKUP** window.

Your Current data file name and Backup file name will be shown in the window.

Check the box **Add date to file name...** to add the present date to your file name.

This will help you identify which file is the latest backup. Your options to backup are **Back up on my computer or hard drive or Use Quicken Online Backup**. If you are backing up to a CD, hard drive, or USB/thumb drive (removable drive) the destination should be in the box to the left of **Change...**



Is this really necessary? YES!! Although the Quicken program makes an automatic backup copy on your computer's hard drive when you exit, computers sometimes crash, losing all data and programs. A copy of the data on external disks is a safeguard to protect you in case your computer breaks down. It is suggested that you use at least two removable drives, using one set the first time to back up and the second set the next time to backup. Then use the first set of disks the third time and so on. Also, if you are entering a lot of data at one time, you might want to backup your data several times while you are working.

To backup your data file without exiting the program,



Click File, hover down over Backup and Restore.

Hover to the right and Click Back up Quicken File... or press Ctrl+B to open the *QUICKEN BACKUP* window. You can also add Backup to the Toolbar (see Customize Toolbar above).

It only takes one computer crash for you to appreciate the value of backing up your data. Do it frequently!

Exiting and Re-starting Quicken

You can **exit** the program several ways; from the Main Menu Bar:



Click File

Click Exit or Click the X in the far, upper right corner of your screen.

When you **re-start** Quicken, it will take you to the *Quicken Home* page of the data file you last worked in. As part of the *Home* page, the *Account Bar* will appear on the screen.

Click one of the account names to open the register for that account.

You are now finished with the initial setup of your Quicken program and are ready to move onto the next section.

CHAPTER 3: ACCOUNTS

Accounts are set up within your data file to track your income and expenses. You can have over 500 accounts within a data file. Each account will have a register of its own. And you can create additional accounts within a data file whenever necessary.

You can transfer amounts from one account to another. For instance, using an ATM card will reduce the balance in your checking account and increase the balance in your cash account.

The types of accounts that can be set up include:

Cash Flow

- **Checking** - These are used to track transactions and balances in these different accounts.
- **Savings** - These are used to track transactions and balances in these different accounts.
- **Credit card account** - used to track credit cards and lines of credit. For more information about using credit card account(s) to track credit card and lines of credit transactions, see Credit Cards and Lines of Credit in the Additional Quicken Topics section later in the manual.
- **Cash account(s)** - this account is used to track your cash transactions for the business and family. One cash account is usually sufficient.
- **Investment** - used to track various types of investments. Such as Brokerage, Single Mutual Fund, and IRA or Keogh.

Property & Debt

- **House** (with or without mortgage)
- **Vehicle** (with or without loan)
- **Asset accounts** - used in addition to bank, cash and investment accounts. In a farm business, examples of asset accounts would be capital purchases and livestock purchased for resale.
- **Liability accounts** - used to track loan balances and accrued liabilities such as payroll withholdings.

For a **farm business**, the most common accounts are checking, savings, cash, credit card, asset and liability accounts. If your business uses a line of credit for operating credit, you might want to consider treating it as a credit card account. As you become more experienced with the Quicken program, you may want to add more accounts to track your personal and non-farm finances.

Why Have A Cash Account?

When starting with Quicken, many record keepers will say they don't need a cash account because they pay all their farm bills by check. However, there are two important reasons to have and for using a cash account. First, although there might not be a lot of cash income and cash expenses for the farm business, the cash account does provide the register needed to record any business transactions that are in cash. Cash family living expenses can also be recorded in this register if desired. Second, you will get cash by writing a check, using an ATM card or depositing a check and keeping some of the proceeds as cash. When you get cash, the balance in the cash account will increase and the cash account is needed to record the completed transaction. Likewise, as cash expenses are recorded in the cash account register, the cash balance will decrease.

When you get to the Data Entry chapter later you will see how various cash transactions affect the cash account. We strongly recommend you use a cash account for your cash transactions rather than a category entitled "cash".

Creating Your First Account

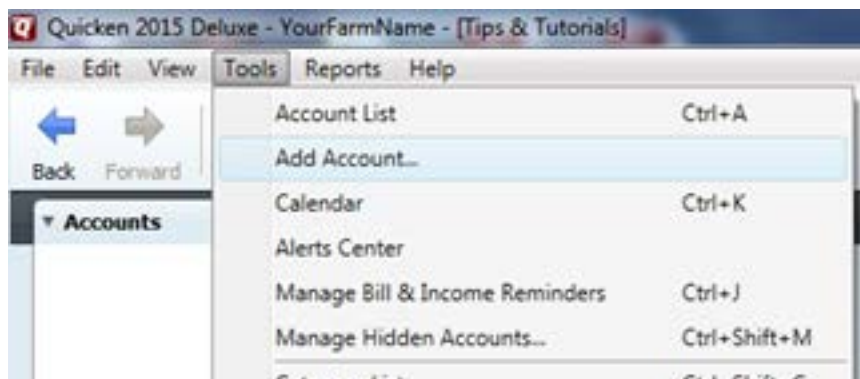
When you created your data file in the previous chapter, Getting Started, the program wanted to lead you through to create an account(s). At that time we had you Cancel so that you could learn about other features of the program. Now you are ready to create your first account, a Cash Account.

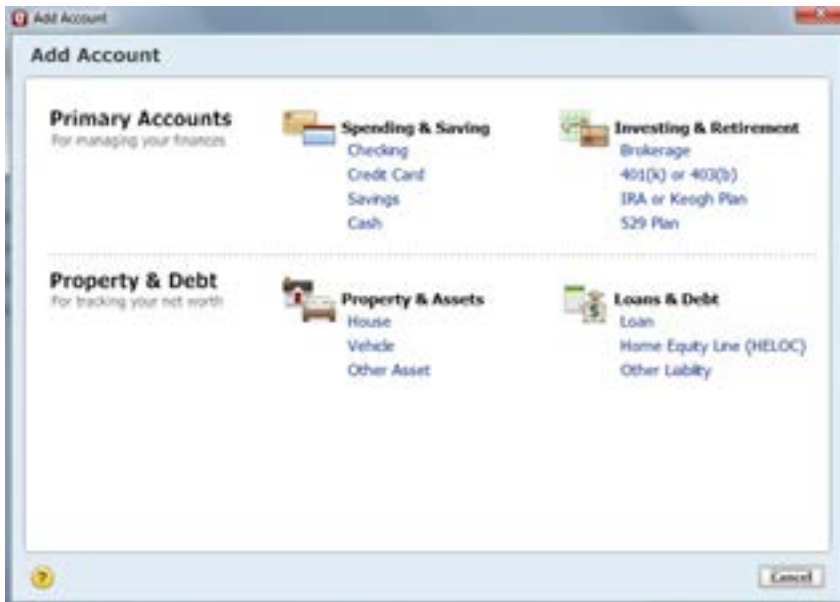
From the main menu bar,



Click Tools

Add Account





Since your first account is a cash account, look under **Spending & Saving**

Click Cash



Account Name/Nickname: Cash

Click Next.

Date to start tracking: 1/1/2015

Amount of cash you have: 100

Click Next

Now we will add a farm checking account



Click Add another account

Since this account is a checking account, look under **Spending & Saving**

Click Checking

If you are **connected to the Internet**, Quicken will ask you to Enter the name of your bank. Quicken uses the name of your financial institution to establish online banking and download transactions.



ou **do not wish to establish online banking** and download transactions now,

Click Advanced Setup to create your account offline.



Note: For the purposes of this manual, we will add accounts offline and enter transactions manually.

If you are not connected to the Internet, you will automatically be asked if you want to Add Account Manually each time an account is added.

Click Add Manual Account



Account Name/Nickname: Farm Checking

Click Next

Statement Ending Date: 1/1/2015

Statement Ending Balance: 14495.47

Click Finish

Note: If you want a January 1 start date for your records, you will need the December bank statement for this checking account. When the program asks for a Quicken account balance, you will enter the ending balance on the December statement and the beginning date for the account will be the statement ending date. Click Done when you have entered the required information.

To get your **checking account(s) to reconcile** properly with the bank statements as you start to use the program, you will need to enter into the checking account register all the outstanding checks and deposits that are not shown on the December bank statement making sure to enter the correct check number and dollar amount of the checks and any deposits. You will also then need to enter all checks and deposits between the date of the December bank statement and January 1. All these transactions will be dated prior to January 1, and will not show up on the following year's reports dated January 1 through December 31.

If you have entered all the previous transactions into the checking account register you should be able to reconcile this checking account with your January bank statement. If you cannot reconcile the January bank statement with your computer records, review this section and the entries you have made. To start your checking account(s) properly, you must be able to reconcile with the first bank statement.

See the [“Setting Up Your First Checking Account - An Example” on page 5](#) **example** later in this chapter for the procedure to properly set up your checking account so it will reconcile correctly with your first bank statement.

Setting Up Your First Checking Account - An Example

Following is a copy of a page from the 2005-06 check register for George and Betty Carter. The December 24, 2005 bank statement was used to reconcile the check register. Cleared items are marked with a ✓. The ending balance on the December 24, 2005 bank statement was \$14,495.47. There are no checks or deposits outstanding prior to 12/14/04. Examine the check book register and answer the following questions.

Record all charges or credits that affect your account

NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/ DEBIT	✓	FEE IF ANY	DEPOSIT/ CREDIT	BALANCE 7,449.47
1553 DEP	12/14/2014 12/15/2014	Dairy INC. Co. Dairy Coop	134.00	✓		4,900.00	7,315.47 12,215.47
DEP 1554	12/15/2014 12/19/2014	Buckeye Grain Co. Frank's Farm Supply	365.56	✓		3,750.00	15,965.47 15,599.91
1555 1556	12/19/2014 12/19/2014	Hale's Propane Z.Z. Top Farms	235.00 1,369.00	✓ ✓			15,364.91 13,995.91
1557 1558	12/22/2014 12/22/2014	Ohio Bell Rural Electric	126.00 875.00				13,869.91 12,994.91
1559 DEP	12/23/2014 12/24/2014	Select Sires Co. Dairy Coop	210.00			4,554.80	12,784.91 17,339.71
1560 DEP	12/26/2014 12/26/2014	Ken Grant Production Livestock	1,357.65			612.50	15,982.06 16,594.56
1561 1562	12/29/2014 12/29/2014	IRS S&G Feed & Grain	985.94 800.00				15,608.52 14,808.62
1563 1564	12/29/2014 12/30/2014	George Carter Homeland Bank	1,000.00 2,688.62				13,808.62 11,120.00
1565	1/3/2015	Countrymark	1,219.17				9,900.83
1566 DEP	1/3/2015	Rural Electric Production Livestock	385.00			612.50	9,515.83 10,128.33
DEP 1567	1/10/2015 1/12/2015	Co. Dairy Coop Frank's Farm Supply	46.23			4,900.00	15,028.33 14,982.10
1568 1569	1/12/2015 1/12/2015	VOID Dairy Inc.	134.00				14,982.10 14,848.10
DEP DEP	1/18/2015 1/24/2015	Hank's Farm Repair Countrymark				225.00 944.02	15,073.10 16,017.12

Questions -

1. What is the beginning balance to use for the Quicken checking account?
 - a) \$17,339.71
 - b) \$11,120.00
 - c) \$14,495.47
2. What deposits and checks from 2014 should be entered into your Quicken checking account so it will reconcile with the next bank statement.

Deposits:	\$4900.00	\$3750.00	\$4554.80	\$612.50	
Checks:	\$134.00	\$365.56	\$235.00	\$1369.00	\$126.00
	\$875.00	\$210.00	\$1357.65	\$985.94	\$800.00
	\$1000.00	\$2688.62			

Answers -

1. (C) The beginning balance for the Quicken checking account is the ending balance on the December 24, 2014 bank statement, \$14,495.47.
2. The 2014 deposits that are entered in the Quicken checking account because they did not show up on the December bank statement are the December 24th deposit of \$4,554.80 and the December 26th deposit of \$612.50. The December 15th deposits of \$4,900.00 and \$3,750.00 are marked and have been reconciled with the December bank statement.

The 2014 checks that would be entered into the checking account register are \$134.00, \$365.56, \$126.00, \$875.00, \$210.00, \$1357.65, \$985.94, \$800.00, \$1000.00 and \$2688.62. These checks either were written prior to December 24 (date of the bank statement), but did not show up on the bank statement or they were written December 24 or later.

The deposits and checks of 2014 that did not show up on the December bank statement must be entered into the Quicken checking account to have the checking account reconcile properly with the January 2006 bank statement.

Adding a Home Checking Account

Quicken gives you several ways to add a new account.

You may use the main menu bar by



Clicking Tools

Add Account or

at the bottom of the Account Bar or
Click Add Account

Since this account is a checking account, look under **Spending & Saving**
Click Checking

If your computer is **ONLINE**

Click Advanced Setup
Click Add Account Manually

If your computer is **OFFLINE**

Click Add Account Manually
Account Name/Nickname: Family Checking
Click Next
Statement Ending Date: 1/1/2015
Statement Ending Balance: 1644.51

Repeat this process to add a savings account

Account Name/Nickname: Savings Checking
Click Next
Statement Ending Date: 1/1/2015
Statement Ending Balance: 6150.80

Switching From Account To Another

When you start making entries in your Quicken program, you may find that you want to switch from one account to another. An example would be that you have been making entries into the checking account register, but you now have a cash receipt for a small business purchase that needs to be entered.



Go to the Account Bar that is off to the side of the register
Click on the Cash Account.

This automatically opens the Cash Account register. You can then make your entry,

Click on your checking account name in the Account Bar and you are back in the checking account register.

Using the Account Bar allows you to move from one account to another within the program easily.

Editing Quicken Account Details

After setting up Quicken accounts, you can edit or add to the details of the accounts at a later time. If needed, the name of the account can be changed as well as other general information, online services, and display options.

To edit Quicken Account Details, in the Account Bar



Right-Click the name of an account [Farm Checking]

The screenshot shows the 'Account Details' dialog box for a 'Farm Checking' account. The 'General' tab is selected. The form contains the following fields and options:

- Account name: Farm Checking
- Financial Institution: [Empty]
- Expiration: [Empty]
- Account Number: [Empty]
- Account Type: Checking
- Tax-Deferred: Yes No
- Contact Name: [Empty]
- Interest Rate: [Empty] %
- Phone: [Empty]
- Home page: [Empty] [Go]
- Activity page: [Empty] [Go]
- Other page: [Empty] [Go]
- Set up Alerts: Max. Balance [Empty] Min. Balance [Empty]
- Comment: [Empty text area]

Buttons at the bottom: Delete Account, Tax Schedule, OK, Cancel.

After making edits to the account details

Click OK



CHAPTER 4: CATEGORIES & TAGS

Categories are used to divide or classify transactions within Quicken. Examples are income and expense groups on Schedule F, the Ohio Commercial Farm Account Book categories, or those recommended from an accountant or tax preparer. Specific examples of categories might be Grain Sold or Feed Purchased. Each category is designated as tax or non-tax related for report and summary purposes.

Setting Up Categories

There are three different methods for adding categories to your account. First, they can be set up ahead of time. Second, they can be set up as transactions are entered into the register. And third, they can be imported into a file using a QIF file.

Before you get too far in data entry, it's recommended to spend some time thinking how your farm and family can be described with categories. The category list should eventually be a direct reflection of how the farm and family earns/receives income and how expenses are paid. Quicken categories can be established from your previous record system or a thoughtful examination of the current needs. Sketching a list of categories will be time well spent before a lot of data entry is made into Quicken. However, keep in mind, new categories can be added as you go and existing categories can be edited as well.

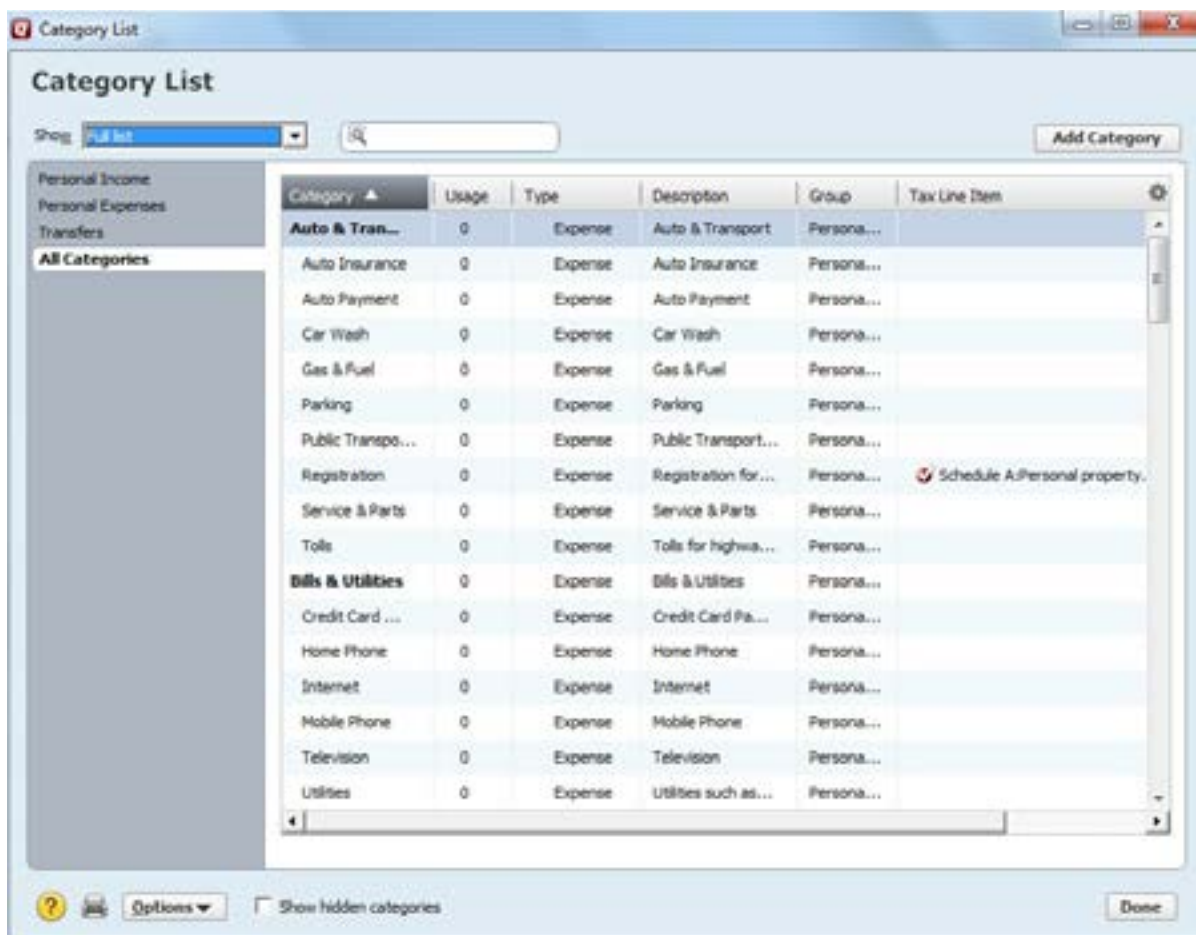
Quicken comes with a preset list of categories which is primarily designed for personal and home accounting.

To **open the Category List** from the main menu bar



Click Tools

Click Category List



Quicken was not developed primarily for keeping farm records so we should not expect it to come with farm-related categories. Rather than create all new farm categories, you can use [gain access to] farm categories from OSU Extension as a starting point. You can edit/adapt the farm categories to meet your specific accounting and decision making needs. The farm categories should be similar to the IRS form Schedule F line items and subcategories can be used to further detail the farm operation. More details beyond the Schedule F are not needed for the IRS, but rather help the farm manager to make informed financial decisions.

Importing a Farm Category List

OSU Extension makes available a QIF file that can be imported into your Quicken software to provide farm related categories. Be aware when importing a QIF file, that the categories in the QIF file will be added to categories already in your data file. If you only want to use the categories already contained in the QIF file, you need to **delete** all the categories in your data file before importing the QIF file. If you want to keep some of the default categories included in your file when it was created by Quicken, delete only those that you do not want before importing the new QIF file. See [“Deleting Categories” on page 6](#) later in this chapter for the procedure to delete categories.

Importing a QIF file:

Download the QIF file named Farm Categories.QIF The file can be downloaded at: <https://go.osu.edu/Quicken> or obtained by email from Bruce Clevenger, OSU Extension Educator, at clevenger.10@osu.edu



Save the QIF file to a folder or location on your computer

From the main menu bar **Click File**,

slide down to **File Import**,

slide over and **Click QIF File** to open the **QIF Import window**.

Under **Location of QIF File**: **Click Browse** to navigate to the location where you saved the QIF file.

Click the file name **Farm Categories.QIF** and **Click Open**.

Under **Quicken Account to Import into**: **Click the down arrow** to view the pull down menu.

Click <All Accounts> to import the Farm Categories.QIF file into the destination file.

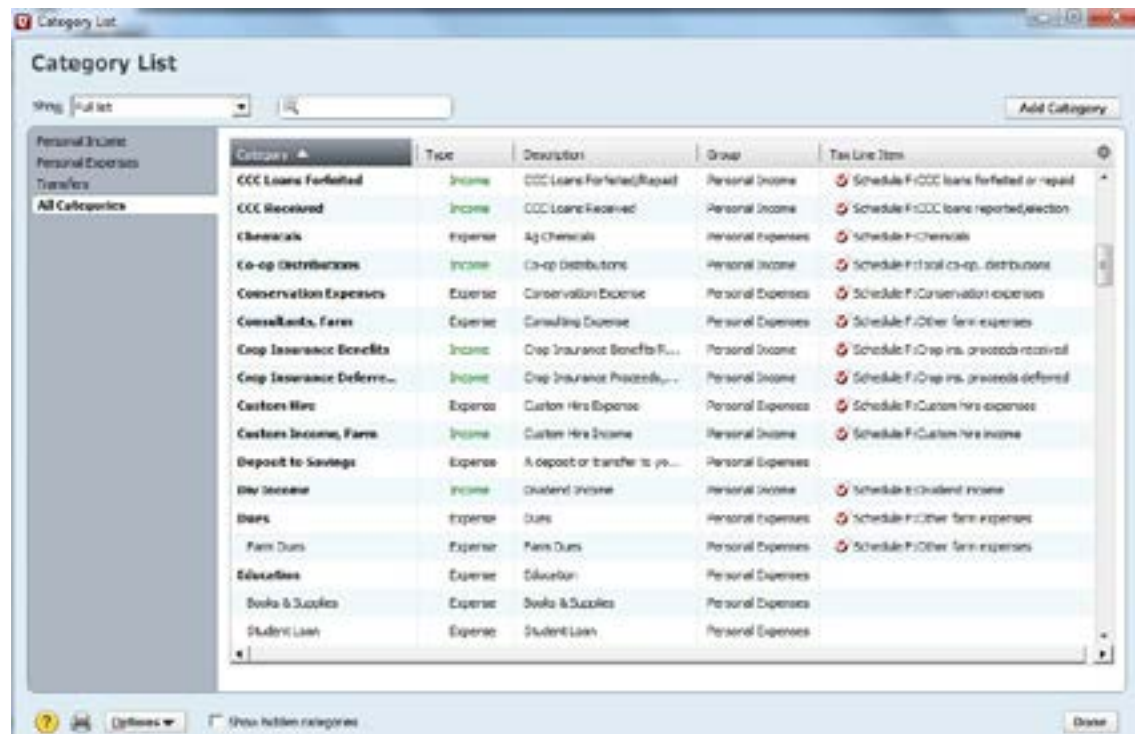
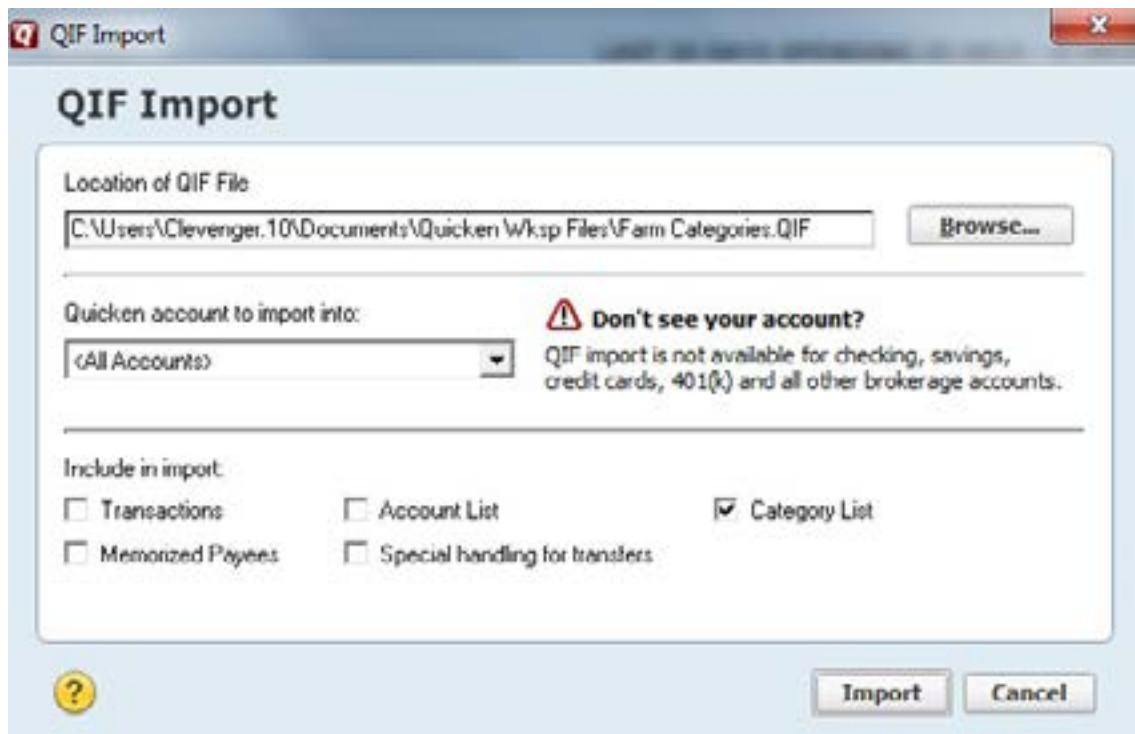
Under **Include in Import**: **add a check mark** beside Category List.

Remove all other check marks and **Click OK**.

After the importing is finished, from the main menu bar **Click Tools**,

Click Category List to view the list of categories.

A printed list of the Farm Categories is provided at the end of this chapter. Quicken Deluxe will assign the Farm Categories to the Personal Income and Expenses group rather than a Business Income and Expenses group.



To set up categories ahead of time:

Click the Add Category button on the Category List window.

The *Set Up Category* window will appear

You will begin entering information for your new category.



Set Up Category

Details | Tax Reporting

Category Name:
Laboratory Services

Income
 Expense
 Subcategory of: [dropdown]

Description: (optional) [text box]

OK Cancel

Set Up Category

Details | Tax Reporting

Complete this form to use the category in tax related features. [\(learn more\)](#)

Tax related category

Standard line item list
 Extended line item list

Tax line item for this category (optional)
 Schedule F-Other farm expenses

Tax Line Item Description:
 The cost of other expenses directly related to the farm that may not be applicable to the other tax lines of the Schedule F (c.g., dues and

OK Cancel



Enter the name for your new category (e.g., Laboratory Services).

Select the type of category you are setting up: income, expense or subcategory (more on subcategories later).

Give a description. While this is optional, it may be useful to provide detailed information about the category for future reference.

This information can be accessed in the *Category List* window by **clicking the tab *Tax Reporting***.

Decide if the category is tax related:

If it is, **Click Tax-Related**.



Designate the tax form and line on the tax form this category corresponds to.

You can choose from two lists of tax forms and lines from the pull-down menu.

Standard Line Item List: an abbreviated list of tax forms.

Extended Line Item List: Selected for farm record keeping because it includes Schedule F and other farm related forms.

If it is not, **leave this box blank**.

Tax related portions of setting up a category are optional and are dependent on the level

of detail you wish to obtain on reports. It is recommended that you at least designate whether the category is tax related or not.

Click OK when finished.

Categories can also be set up as you are making transaction entries into the register.

Enter information into entry fields of a transaction as you normally would.

When you arrive at the category field: **enter the name of the new category.**

When exiting this field, Quicken will prompt you with a *New Category* window asking: Do you want to create a new category with the name "New Category Name?"

Click Yes.

This will take you to the *Set Up Category* window where you will follow the same procedures as described in the previous paragraphs.

Editing Categories

To edit a category you first need to have the *Category List* window opened.

Right- Click on the category you wish to edit



Click Edit

The Set Up Category window will open where you can change the various different components related to a category: Name, Description, Type and Tax Reporting details.

Click OK when finished.

Deleting Categories

To delete a category



Open the Category List window.

Right- Click on the category you wish to delete.

Click Delete.

You will be prompted to confirm deleting the category with information about if it is used or unused in the current Quicken data file. If there are subcategories associated with this category, the subcategories will be deleted as well.

Click OK.

If your category has been used to categorize any transactions in your register you will get the following message: You are about to permanently delete the category "Category" and all associated subcategories. Do you want to assign a new category to transactions that currently use this category?

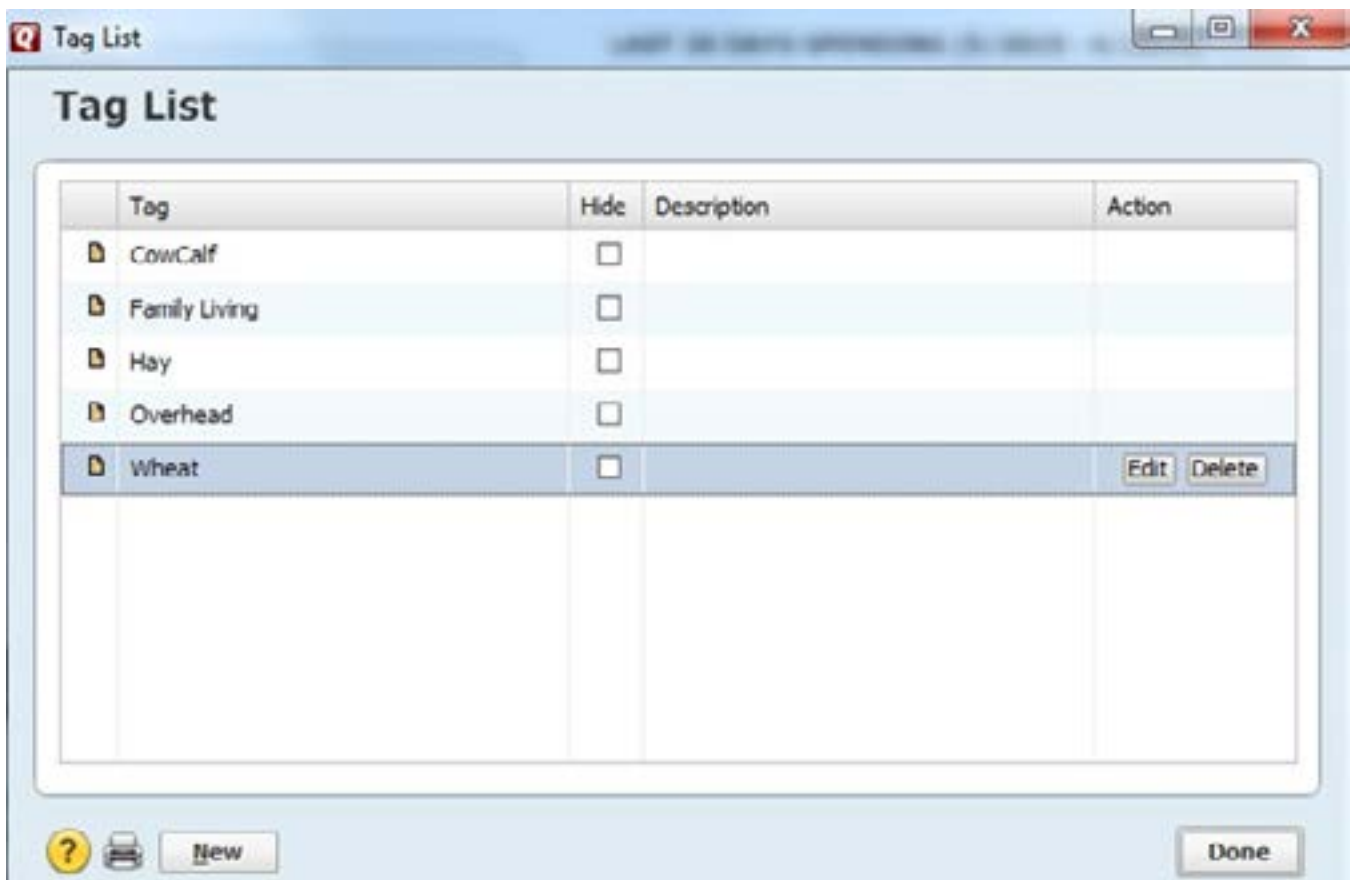
You can then select from the "Recategorize transactions to:" pull-down menu if you wish to assign a new category to these transactions.

Click OK

This window also states that If you do not choose a replacement category, your affected transactions will be marked 'uncategorized.'

Subcategories

Subcategories are a further breakdown of an income or expense category designated by a colon ':' between the category and subcategory in the category field when entering a transaction. For example, the Repairs category may have two subcategories, Building and Machinery to separate transactions and their associated dollar amounts for summarizing (e.g. Repairs:Building).



To set up Tags ahead of time:



Click the New button on the Tag List window. This gives you the New Tag window where you will begin entering information for your new category.



There are a few key differences between the way categories and subcategories are set up. When you are in the *Set Up Category* window:



Click Subcategory of

Click the adjacent down arrow to view the pull down menu.

Click the category that the subcategory is to be assigned to.

Subcategories are edited in the same way categories are edited.

Tags

Tags are a second way of classifying your transaction data so you can summarize by enterprise, landlord, property or farm, e.g., corn, soybeans, wheat, hogs, beef.

Tags may be set up in the same three ways categories are set up: 1) ahead of time, 2) as you enter transactions, 3) imported into a file using a QIF file.

Setting Up Tags

To open the Tag List from the main menu bar:



Click Tools

Click Tag List

To set up classes ahead of time:

Click the New button from the Class List window toolbar.

The Set Up Class window will then appear allowing you to enter Name and Description for the class.

Click OK when done.

Let's add a new tag:

Name: Alfalfa

Click Ok.

A **Description** is optional. A **Copy Number** is used only if you are filing multiple copies of a particular tax form because you have more than one business entity and need to identify with which business this tag is associated. An example of this would be a Qualified Joint Venture by a husband and wife for Farm Service Agency reporting. (Oklahoma State University, 2015)

To set up classes as you enter transactions:

Enter your transaction information as you normally would.

When you get to the Tag field:

Enter your new Tag name

Click Enter



You will then be prompted with the New Tag window. Proceed from here as you did when setting up classes ahead of time.









CHAPTER 5: DATA ENTRY

The following examples cover common farm business transactions. We start with simple single category transactions and move to a more complex multiple category income and expense transactions. You will learn how to enter, edit, void and memorize transactions.

Data entry tips: There are several keyboard commands that can speed up data entry time. Knowing the right keys to use, can keep your fingers on the keyboard without having to lift and use the mouse. These are personal preferences that may help.

Single-line vs. Two-line View in the Register

By default, Quicken shows an account register in one horizontal line starting with date, check number, payee, etc, and ending with Balance. An improved view may be a two-line view that shows the entry with more space and with the Payment preceding the Category, Tag and Memo. To select the two-line view:



Click the Cog icon button (looks like a gear, there are several. Use the one directly below Tips and Tutorials at the top right).

Under Register Views and Preferences

Add a check mark in the box Two-line Display.

The Register Columns

You can choose what columns to view in the account register. One redundant column that can be hidden is Amount. Bookkeepers most times like the Payments and Deposits in separate columns for easy view and the running Balance. The Amount column can be hidden by clicking the **Cog icon** button (looks like a gear, there are several. Use the one beside the Balance at the right) and removing the check mark beside **Amount** in the list.

Moving Cursor from Box to Box within the Register

Many users prefer to have the tab key move the cursor from box to box. This is a preference setting in Quicken. The alternative to the tab key is the enter key. Use the following steps to select your preference:



Go to the main menu bar

Click Edit

Preferences

Under Register, Click Data Entry and Quickfill

Remove the checkmark from Use Enter Key to move between fields.

The Tab key will move the cursor forward from box to box and the shift key + tab key will move the cursor backwards box to box.

Using the + and – key

Quicken will help start data entries by providing a date and check number when working on a new transaction. When the cursor is in the Date or Check Number box (field), you can use the + or – key to increase or decrease the date or check number. Once you have found the correct date or check number, press tab to move to the next box (field).

Quickfill

As you type in the name of a payee, category or tag, Quicken will highlight in blue a suggestion. The suggestion is based on the letters you have typed, a memorized list of previous payees, and the list of categories and tags setup. As you type the first few letters of the word, Quicken will Quickfill words in blue. When you agree with the few letters you typed and what Quickfill has added, you can press tab to accept the suggestion and move to the next box.

The Memo

Memos are optional but very useful to get more detailed information out of reports later. Memos can contain production or expense details. If a grain check is deposited for \$27,931.25 with a Tag of corn, the Memo can contain 5,125 bushels @ \$5.45/bu. When a corn sales report is run later with multiple deposits shown, the Memo can also be shown and a quick calculation can be made to determine total bushels and average price received for corn.

Saving a Data Entry

Once you complete an entry in the last box (Tag or Memo if used), you can press the enter key to save. Pressing the enter key to save will also move the cursor to the next open transaction. If the Quicken sound is turned on and the computer volume turned up, you will hear a cash register sound that acknowledges the transaction has been saved. Use the following steps to turn off the Quicken sounds:



Go to the main menu bar

Click Edit

Under Setup Click Preferences

Remove the Checkmark from Turn on Quicken Sounds

Quicken will not let you leave a transaction without saving if new information has been added or edits have been made.

The following transactions are explained as examples in this chapter:

[“Example 1: Making a Transaction Entry” on page 4](#)

[“Example 2: Correcting an Entry” on page 5](#)

[“Example 3: Voiding a Transaction” on page 6](#)

[“Example 4: Product Sales” on page 7](#)

[“Example 5: Using a Split Screen” on page 8](#)

[“Example 6: Entering A Rebate” on page 9](#)

[“Example 7: Sale of Various Classes of Livestock” on page 10](#)

[“Example 8: Transaction Entry Practice” on page 12](#)

[“Example 9: Memorizing a Transaction as Percentages” on page 14](#)

[“Example 10: Recalling a Memorized Transaction - Percentages” on page 16](#)

[“Example 11: Adding a Loan Account” on page 18](#)

[“Example 12: Adding an Operating Line of Credit” on page 27](#)

[“Example 13: ATM Withdrawal” on page 30](#)

[“Example 14: Cash Purchase” on page 31](#)

[“Example 15: Multiple Deposits and a Cash Withdrawal” on page 32](#)

[“Example 16: Making an Operating Loan Payment” on page 34](#)

For the purpose of this manual and the following data entry examples, we will use the Farm Checking register for YourFarmName Quicken file.



Click Farm Checking in the Account Bar



Example 1: Making a Transaction Entry

Write a check to Anywhere Feed Mill for \$3524.36 for hog feed.

Enter the following information:

Date: 1/5/2015

Check #: 101

Payee: Grabill Feed Mill

Payment: \$3524.36

Category: Feed Purchased

Tag: Finish Hogs

Memo: 17 tons



Press the Enter Key or Click Save

Once your transaction has been recorded, it should look like the entry shown below.

The screenshot shows the 'Farm Checking' application window. At the top, there are filters for 'All Dates', 'Any Type', and 'All Transactions'. Below this is a table with columns: 'Date', 'Check #', 'Payee', 'Category', 'Tag', 'Memo', 'Payment', 'Deposit', and 'Balance'. The table contains two rows. The first row is for 1/5/2015, with a check number of 101, payee 'Grabill Feed Mill', category 'Feed Purchased', tag 'Finish Hogs', and memo '17 tons'. The payment amount is \$3,524.36. The second row shows a starting balance of \$24,402.47.

Date	Check #	Payee	Category	Tag	Memo	Payment	Deposit	Balance
1/5/2015	101	Grabill Feed Mill	Feed Purchased	Finish Hogs	17 tons	\$3,524.36		\$24,402.47
								\$24,402.47

Example 2: Correcting an Entry

If after recording an entry, you notice an error, making a correction is easy.

Example: 17 tons was incorrect.

To **correct the error**, complete the following steps:



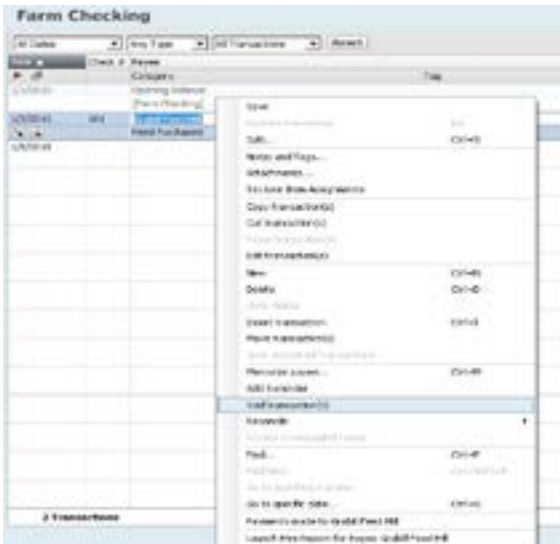
Click in the Tag box

Retype: 18 ton

Press Enter Key or Click Save

Example 3: Voiding a Transaction

You can void an entry. Right Click on any field in the transaction to be voided.



Click Void transaction(s). You will notice **VOID**** in front of the payee name.
Press Enter Key or Click Save**

Example 4: Product Sales

You sold 80 bales of straw for \$200 to a neighbor down the road.

Enter the following information:



Date: 1/9/2015

Check #: Click the down arrow, Click Deposit

Payee: Robert Roads

Deposit: \$200.00

Category: Raised Sales

Sub Category: Straw (you may need to add new sub category)

Tag: Wheat

Memo: 80 bale, 45 lbs ea, 3600 lbs total

Press Enter Key or Click Save

Example 5: Using a Split Screen

You wrote a check to Farm Supply Co. for \$2512.00 for wheat fertilizer and soybean seed.

Enter the following information:



Date: 3/28/2015

Check #: 102

Payee: Farm Supply Co.

Payment: \$7475.00

Category: Click Split Icon (*split arrow*) near the Save Button

Sub Category: See screen shot below

Tag: See screen shot below

Memo: See screen shot below

	Category	Tag	Memo	Amount
1.	Fertilizer & Lime:20% N	Wheat	35 gal per acre, \$520/ton	5,005.00
2.	Seed and Plants:Non GMO	Soybean	38 units @ \$65/unit VA2233	2,470.00
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				

Split Total: 7,475.00
Remainder: 0.00
Transaction Total: 7,475.00



Click OK.

Press Enter key or Click Save

Example 6: Entering A Rebate

You received a rebate check from AmeriChem for \$8.00 per gallon for each gallon of Roundup herbicide you purchased this year.

Enter the following information:



Date: 6/19/2015

Check #: Deposit

Payee: AmeriChem

Deposit: \$800.00

Category: Chemical

Sub Category: Herbicide

Tag: Soybean

Memo: \$8 per gallon of glyphosate

Note: What happens to your Soybean Chemical Expenses when this rebate is applied? An income amount (deposit) with an expense category reduces the over-all total in that expense category. A Spending by Category report for soybean chemicals (for more information on reports see the **Reports** chapter) will show the \$800.00 rebate reduced soybean chemical expenses from \$2,000.00 to \$1,600.00.

Example 7: Sale of Various Classes of Livestock

You sold two cull beef cows and eight dairy steers at Unified Livestock, LLC. The cows sold for \$2,850 with deductions of \$54.75 and the steers sold for \$13,312 with deductions of \$247.68. The net check was for \$16,162.

Enter the following information



Date: 6/28/2015

Check #: Deposit

Payee: Unified Livestock, LLC

Payment: \$16162.00 (net check amount)

Category: Click Split Icon (*split arrow*) near the Save Button

Sub Category: See screen shot below

Tag: See screen shot below

Memo: See screen shot below

Note: On a deposit that is a check that has amounts deducted from the sales amount, enter the gross sales amount under the appropriate income category with the deductions entered as **MINUS** amounts under the appropriate expense category(ies).

Quicken has a calculator built into the each box where dollar amounts can be entered. The calculator icon beside the box can be clicked to show and use the calculator. Using the **Enter** key in the calculator will complete the calculation and enter the results into the box.

Split Transaction

Enter multiple categories to itemize this transaction; use the Memo field to record more details.

	Category	Tag	Memo	Amount
1.	Capital Sales, Farm	Beef Cows	2 cull cows, 1425 lbs ea, \$...	2,850.00
2.	<input checked="" type="checkbox"/> Marketing Expense	Beef Cows	Commission & Handling 1.5%	-42.75
3.	<input checked="" type="checkbox"/> Freight and Trucking	Beef Cows	\$6/hd	-12.00
4.	<input checked="" type="checkbox"/> Raised Sales:Livestock	Dairy Steers	8 steers, 1280 lb ave., \$1...	13,312.00
5.	<input checked="" type="checkbox"/> Marketing Expense	Dairy Steers	Commission & Handling 1.5%	-199.68
6.	<input checked="" type="checkbox"/> Freight and Trucking	Dairy Steers	\$6/hd	-48.00
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				

Split Total: 15,859.57
 Remainder: 0.00
 Transaction Total: 15,859.57



Click OK.

Press Enter key or Click Save

Note: The cow sales and deductions need to be reported separately from the steer sales and deductions since the two sales are reported on different tax forms.

Example 8: Transaction Entry Practice

Enter the following transactions:



Date: 7/12/2015
Check #: 103
Payee: James Herriot
Payment: \$146.75
Category: Veterinary:Medicine
Tag: CowCalf
Memo: yearlings vaccine

Date: 7/13/2015
Check #: CKCD (check card or Debit Card): Edit list, click New
Payee: TSC
Payment: \$54.89
Split Category: Repairs and Maintenance \$32.89
Pets:Pet Food & Supplies \$22.00
Tag: Alfalfa
Family Living
Memo: n/a

Date: 7/14/2015
Check #: 104
Payee: Kroger
Payment: \$166.85
Category: Groceries
Tag: Family Living
Memo: n/a

Date: 7/15/2015
Check #: 105

Payee: Jim Ferguson
Payment: \$2250.00
Category: Custom Hire
Tag: Corn 2014 [add Corn Tag “on the fly” when prompted]
Memo: Mrs. Linda Landlord

Date: 7/16/2015
Check #: EFT
Payee: Safe Tractor
Payment: \$225.70
Category: Insurance:Farm Insurance
Tag: Overhead
Memo: Half Annual Liability Premium

Example 9: Memorizing a Transaction as Percentages

A memorized transaction is a transaction that is saved so you can reuse the steps on later transactions without keying them all in again. This is useful for payments that you make on a repeated basis, e.g., utilities. If you memorize the transaction as a percentage, the next time you use this transaction, Quicken will automatically split the amount of the transaction based on the percentage of the first transaction you memorized.

You wrote a check to Rural Electric Coop for an electric bill. You have one meter on the farm. Home use and farm use are on the same bill. You have determined that 75% of every bill is for farm use and 25% is for home use.

Enter the following information:



Date: 7/19/2015

Check #: 106

Payee: Rural Electric Coop

Payment: \$235.68

Category: Click the Split Icon and see screen shot below

Sub Category: See screen shot below

Tag: See screen shot below

Memo: See screen shot below

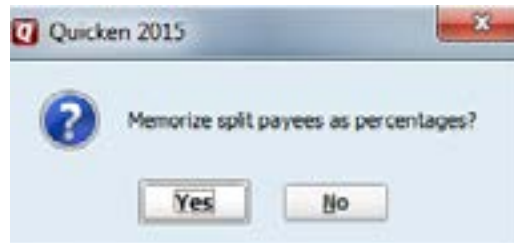
	Category	Tag	Memo	Amount
1.	<input checked="" type="checkbox"/> Farm Utilities:Electric	Overhead	\$0.10 per KWatt 75%	176.76
2.	<input type="checkbox"/> Bills & Utilities:Utilities	Family Living	\$0.15 per KWatt 25%	58.92
3.				
4.			Next	Edit
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				

Split Total: 235.68
Remainder: 0.00
Transaction Total: 235.68



Click OK

To memorize the transaction to apply the percentage split the next time the payee is used, Click the Gear Icon beside the Save button on the transaction line. Click Memorize payee...



Click Yes

Quicken will confirm that the payee is about to be memorized: Click OK

Press Enter Key or Click Save

Example 10: Recalling a Memorized Transaction - Percentages

You wrote another check to Rural Electric Coop for \$277.13 for an electric bill. You previously memorized this transaction.

Enter the following information:



Date: 8/19/2015

Check #: 107

Payee: Rural Electric Coop

The *PERCENTAGE SPLIT* window appears, Type \$277.13



Click OK.

Note: To check if the transaction has been recorded correctly, Click on any field in this transaction,

Click the Split Icon, you will see that this transaction has been split in the following manner:

Farm Utilities: Electric/Overhead	\$207.85
Bills:Utilities: Electric/Family Living	\$69.28

Memo fields may need to be adjusted if you add specific usage for each month

Press Enter Key or Click Save

Note: In [“Example 9: Memorizing a Transaction as Percentages” on page 14](#) you memorized this transaction with a split of 75% farm use and 25% home use. Therefore, when you recall a memorized transaction memorized as a percentage, Quicken will automatically split future transactions with the same percentages.



Example 11: Adding a Loan Account

Quicken can track loans that are business and personal in nature. The loans can be for land, home, vehicles, equipment, etc. The Quicken loan account will show a liability balance and as payments are made, the liability balance will decrease. As new debt is added, the liability balance will increase. Quicken can be used to maintain a balance sheet so all liabilities and assets would need to be included into Quicken for the balance sheet to be accurate.

Adding a liability account:

We have a land loan with a remaining balance of \$132,885.64. The land note originated with a beginning balance of \$206,000 to be repaid over 15 years at 6.25% interest with annual payments (11 years of payments remain).



From the main menu bar, click **Tools**

Add Account

Loan

Click **create a manual loan account** (the bottom of the window)

Using the details about the loan, complete the **Loan Details** window.

Field	Value	Description
Name of this loan in Quicken	Smith Farm	
Loan Type	Loan	
Opening date	10/1/2007	Date this loan started
Original balance	206,000.00	Amount of this loan on the opening date
Current interest rate	6.250%	
Original length	15 Years	
Compounding period	Semi-Annually	
Payment schedule	Annually	
Current balance	132,885.64	
Annual Payment	21,694.76	Principal + Interest amount only

Quicken will calculate a payment amount and it now appears in the Annual Payment field.

This amount includes principal and interest.

Click Next

Loan Details

Smith Farm

Annual Payment

Next payment due: 10/1/2015 (required)

Principal	\$14,335.41
Interest	\$7,355.35
Other	0.00
Extra principal paid Annual	0.00
Total Payment:	21,694.76

Extra principal determines total ?
 Total determines extra principal ?

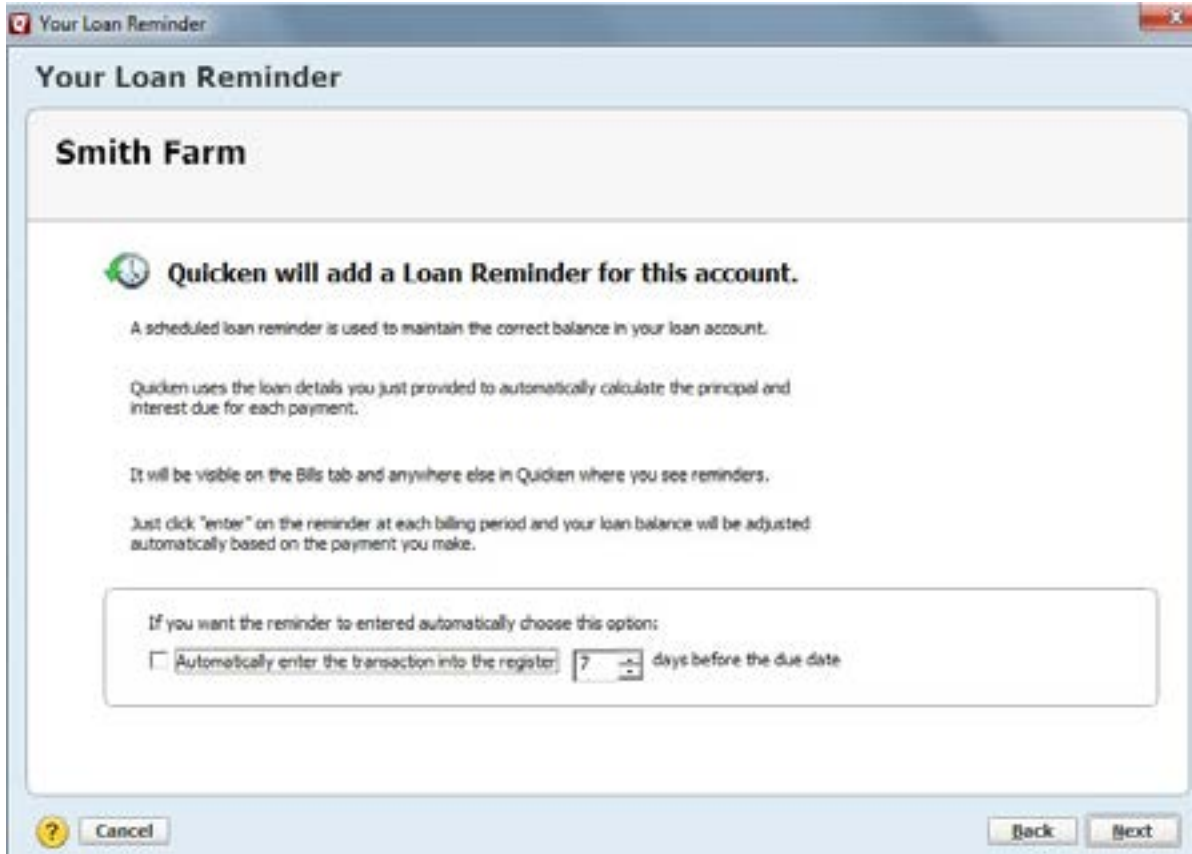
Buttons: Cancel, Back, Next

On the right side of the screen there are two options: Extra principal determines total or Total determines extra principal. This is a preference you can choose. Paying extra principal to a loan can reduce the time of the loan and the total cost of interest paid.

For this example, select Extra principal determines total.

Click Next

Quicken has a reminder default of 7 days prior to the due date. For now, leave the box empty next to: Automatically enter the transaction into the register. Click Next



In this case, the Smith Farm loan should be paid out of the Farm Checking account. Use the following screen to confirm or change the account source of payment:

There are two parts to the loan payment to the bank, and each should be tracked with separate categories. The principal portion will be tracked to reduce the liability balance of the loan. The interest paid will be tracked as a tax deductible expense.

Click Edit (blue type) to view the Split Transaction screen.

Confirm the correct category and subcategory (Interest Exp:Farm Interest, other) and add a Tag.

Click OK and Done

Loan Payment Reminder

Pay to:

Due Next On: Once per year on October 1

Amount due: **\$21,694.76** [Edit](#)

From account:

Details:

Category: **Y Split**

Tag: **Overhead**

Memo: *no memo*

Optional Settings

Split Transaction

Enter multiple categories to itemize this transaction; use the Memo field to record more details.

Category	Tag	Memo	Amount
1. [Smith Farm]			14,339.41
2. Interest Exp:Farm Interest,...	Overhead		7,355.35
3. [Smith Farm]		next Edit	0.00
4. Loan Payment			0.00
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			

Split Total: 21,694.76
 Remainder: 0.00
 Transaction Total: 21,694.76

Quicken will ask if you would like to create an asset account associated with this liability account. This is important if you'd like to create an accurate balance sheet with Quicken. If you do not link an account now, you can add asset information later. For now, no asset account will be selected.

Click Done

Quicken will show you the following screen below as a summary of the loan account:



Click on the Payment Details tab in the loan summary window.

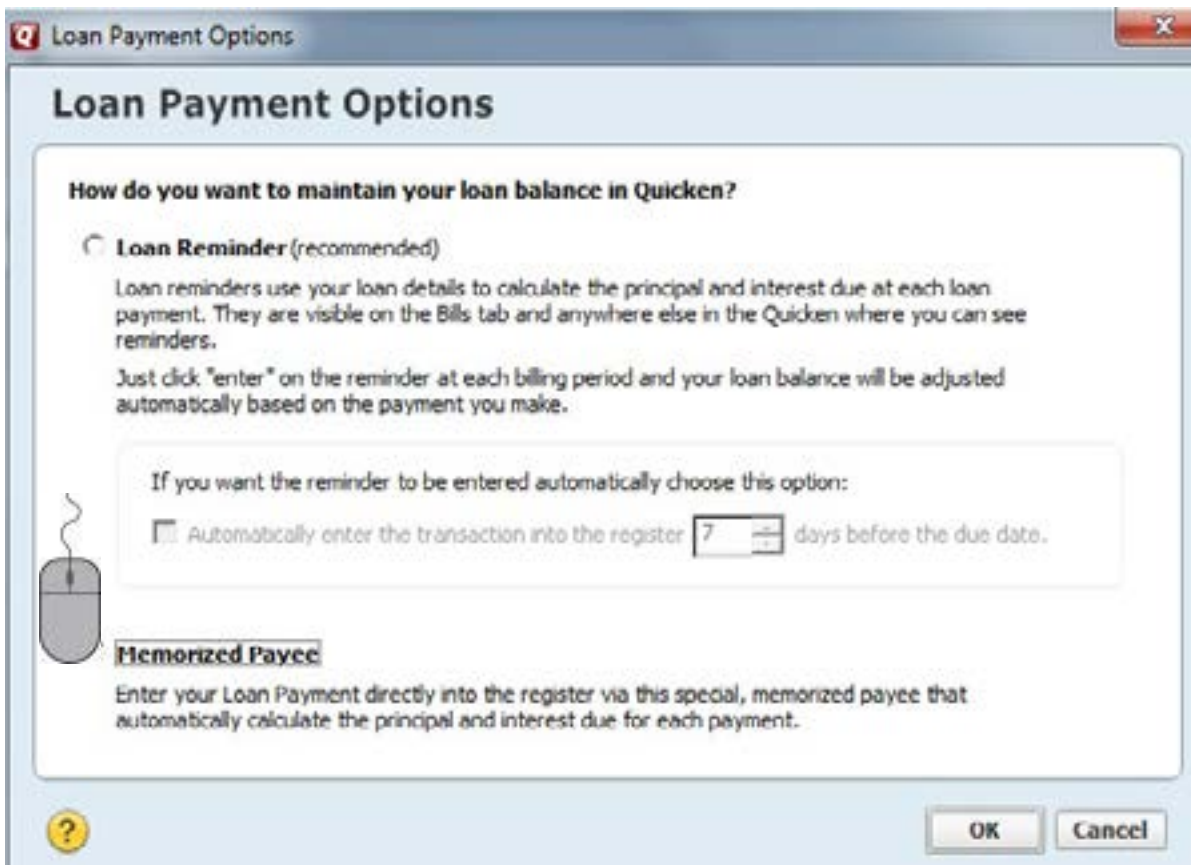


Note: the Balance Adjustment deducted from the original loan balance to bring it to the current balance.

Now we want to memorize the Payee so when you enter the Payee name Quicken will remember the principal and interest amounts as well as the categories and tags when recording the payment. The Payee would be the name of the bank or institution that holds the loan.



Click Edit payment details
Select Payment Options at the bottom left corner
Select Memorized Payee.



With that loan payment option set, we need to make the Payee (Farmers Bank & Trust) memorized to know the payment is related to the loan. This will be helpful for downloaded transactions in the name of the Payee.

Adding Payee name to the loan payment



Click Tools

Memorized Payee List

Smith Farm (to highlight it)

Merge/Rename

Memorized Payee List

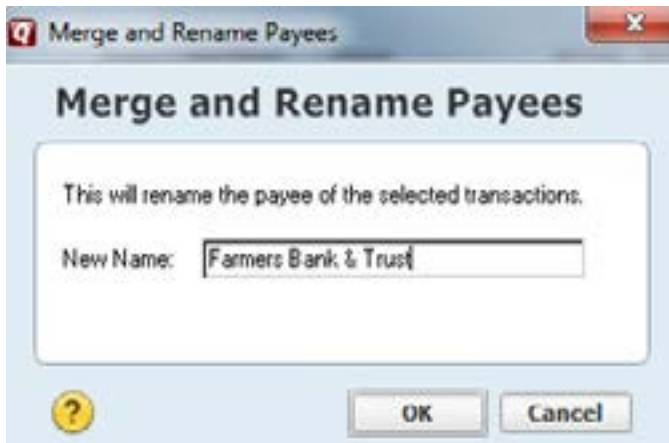
Description ▲	Never Auto-categorize	Type	Category	Tag	Memo	Amount	
AmeriChem	<input type="checkbox"/>	Dep	Chemicals/Herbicide	Soybean	\$8.00 per gallon of...	800.00	
Farm Supply Co.	<input type="checkbox"/>	Spl	Fertilizer & Lime...			-7,475.00	
Grabill Feed Mill	<input type="checkbox"/>	Pmt	Feed Purchased	Finish Hogs	17 Ton	-3,524.36	
Opening Balance	<input type="checkbox"/>	Dep				100.00	
		Pmt				-206,000.00	
Robert Roads	<input type="checkbox"/>	Dep	Raised Sales:Straw	Wheat	80 bale, 45 lbs ea...	200.00	
Rural Electric Coopera...	<input type="checkbox"/>	%Spl	Bills & Utilities:Util...			-145.63	
		%Spl	Farm Utilities:Electric			-235.68	
		%Spl	Farm Utilities:Electric			-235.68	
Smith Farm	<input type="checkbox"/>	Loan	[Smith Farm]			-21,694.76	Edit Delete
Unified Livestock, LLC	<input type="checkbox"/>	Spl	Capital Sales, Farm			15,859.57	

New Payee Options Merge / Rename Delete Done

Type the Name of the loan payee (Farmers Bank & Trust) as shown in the window below.

Note: if you have more than one loan with the bank/institution name, you should add a specific payee name for each loan (i.e. Farmers Bank & Trust Smith Farm and Farmers Bank & Trust Equipment).

Click OK



Type the Name of the loan payee (Farmers Bank & Trust) as shown in the window below.

Note: if you have more than one loan with the bank/institution name, you should add a specific payee name for each loan (i.e. Farmers Bank & Trust Smith Farm and Farmers Bank & Trust Equipment).

Click OK

By adding the Loan Name (Smith Farm) to the renaming rule, when the transaction is downloaded or typed into the payee field, Quicken will remember that the payee is associated with the loan and remember the principal and interest amounts and the categories and tags to use.

Click OK and Done



Let's assume it is now October 2015 and time to record a payment on the Smith Farm loan.

Go to the Farm Checking register and enter the following information:



Date: 10/1/2015

Check #: 108

Payee: Farmers Bank & Trust

Quicken will remember the Payee is associated with the Smith Farm loan and ask you to Confirm Principal and Interest.



At this time you can also change the principal and interest amounts to match your loan statement or add an additional amount to the principal, if needed.

Click OK

In the Farm Checking register, click to show the categories in the split transaction and confirm.

Click OK and Save

You may also look in the Smith Farm loan account to see the payment made that reduced the loan liability amount by the principal paid.

Example 12: Adding an Operating Line of Credit

You obtain a loan from the local Midwest Bank and place money in your checking account to buy farm production inputs. The loan increases the balance in your checking account. It also increases your loan balance or liabilities. We will set up a liability account, called Operating Line.

From the main menu bar:



Click Tools

Add account...

Credit Card

Advanced Setup: I want to enter my transactions manually

Click Next

Account Name/Nickname: Operating Line

Click Next

Enter the following Information:

Statement Ending Date: 1/1/15

Statement Ending Balance: \$18545.95

Click Next

Finish

The Operating Line of Credit from Midwest Bank has a credit limit that was established when the account was set up at the bank. In this instance, the credit limit is \$100,000.

To enter the limit into the Quicken account complete the following steps:

Open the register for the Operating Line account

Click on Actions (*the gear icon in the upper right corner with the drop down arrow*).



Click Edit Account Details

Set the Credit Limit at \$75,000.

Click OK

If you open the Operating Line account register, you will now see the credit remaining

relative to the maximum limit of the account. In this instance, the credit remaining is \$56,500.00.

Quicken can warn you when the liability of the Operating Line is nearing the credit limit. To turn on this feature complete the following steps:



Click Tools

Click Alerts Center

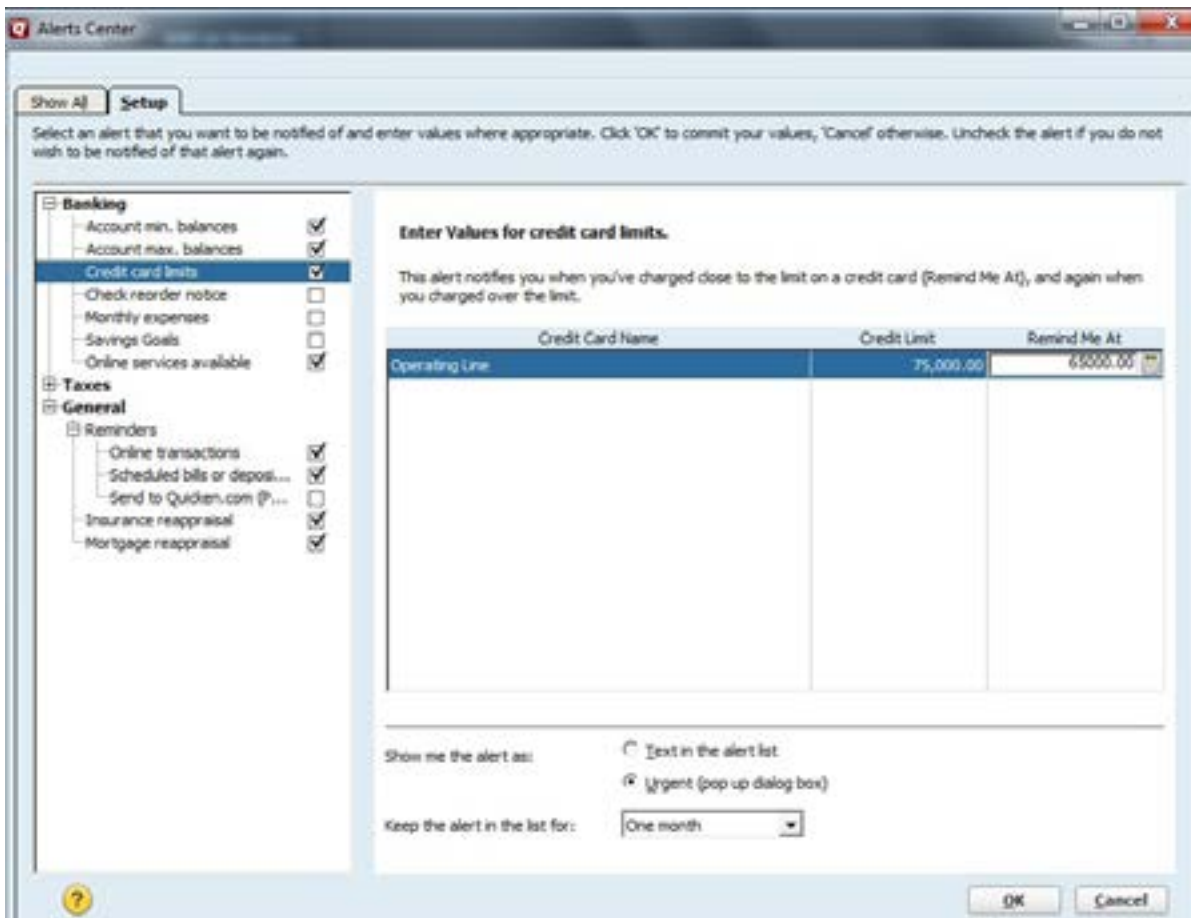
Click Setup tab

Select the + next to Banking

Click Credit card limits

In the Remind Me At field enter: \$65,000

Click OK



Let's record a transfer of money from the Operating Line account into the Farm Checking account. Remember, the actual transfer of funds has to happen at the bank for the money to be available in the Farm Checking account.

In the Operating line account register, make the following transaction:



Date: 8/1/2015

Check #: TXFR

Payee: Farm Checking

Charge: \$4500.00

Category: [Farm Checking]

Tag:

Memo: Operating Line

Placing [Farm Checking] in the category field designates this transaction as a 'transfer.' A transfer is neither an income nor expense transaction. It is a transfer of money from one account to another. In this transaction, money was transferred from the loan account to the farm checking account. The transfer increases the loan balance in the liability account, and the balance in the farm checking account.

To see how this transfer affected the balance in your operating line of credit account:

Click *Operating Line* in the account bar

This takes you to the register in the liability account. You can see a loan balance after the transfer of \$23,000.00.

With the borrowed funds in the Farm Checking account, expenses are purchased and recorded in the checking account register and assigned categories, tags and memos.

Example 13: ATM Withdrawal

On your way through town, you stop by the ATM machine and withdraw \$50.00 from your farm checking account.

To record this transaction, open the Farm Checking account from the tool bar and enter the following information:



Date: 8/5/2015

Check #: ATM

Payee: Cash

Payment: \$50.00

Category: [Cash]

Tag:

Memo:

Press Enter Key or Click Save

Example 14: Cash Purchase

You pay cash for oil filters at Tractor Farm & Supply Co.

To record this transaction, open the Cash account from the tool bar and enter the following information:



Date: 8/5/2015

Payee: Tractor Farm & Supply Co.

Payment: \$28.43

Category: Repairs and Maintenance

Tag: Overhead

Memo: Filters for farm truck

Press Enter Key or Click Save

Note: Go to your Cash account to check your current cash balance. The ATM transaction increased the Cash account balance and the Cash Purchase lowered the account balance. The purchased items have been categorized and tagged so they will be shown in reports later.

Example 15: Multiple Deposits and a Cash Withdrawal

While at the bank you make 2 deposits and withdraw cash using the same deposit slip. If the deposits are coming from two different sources, It's recommended to record separate transactions in Quicken. While a deposit can be split by categories, Quicken does not give the option of naming two Payees for the source of the deposit on one transaction line. So even though the bank teller may have one gross deposit amount, it's best to record each deposit in separate transactions in Quicken. This will allow you to run reports by Payee and identify the sources of income and expenses by Payee.

Enter the following information:



Date: 8/10/2015

Payee: Central Local School District

Deposit: \$651.76

Category: Net Salary Spouse

Tag: Family Living

Memo:

Press Enter Key or Click Save

Date: 8/10/2015

Payee: Northern Ethanol Refinery

Deposit: \$8492.38

Category: See screen shot below

Sub Category: See screen shot below

Tag: See screen shot below

Press Enter Key or Click Save

Split Transaction

Enter multiple categories to itemize this transaction; use the Memo field to record more details.

	Category	Tag	Memo	Amount
1.	<input checked="" type="checkbox"/> Raised Sales:Grain	Corn	2,462 bu @ \$3.49/bu	8,592.38
2.	<input type="checkbox"/> [Cash]			-100.00
3.				
4.			Next Edit	
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				

Split Total: 8,492.38
 Remainder: 0.00
 Transaction Total: 8,492.38

Example 16: Making an Operating Loan Payment

You write a check to Farmers Bank & Trust \$5,345 for payment on the operating loan.

To record this transaction, open the Cash account from the tool bar and enter the following information:



Date: 11/5/2015

Payee: Farmers Bank & Trust

Payment: \$5345.00

Category: See screen shot below

Tag: See screen shot below

Memo: See screen shot below

Press Enter Key or Click Save

	Category	Tag	Memo	Amount
1.	[Operating Line]		Principal	5,000.00
2.	Farm Interest Expense:Fa...			345.00
3.			Next Edit	
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				

Split Total: 5,345.00
Remainder: 0.00
Transaction Total: 5,345.00

Press Enter key or Click Save

Note: To see how this payment affected the balance in your operating line liability account, Click **Operating Line** in the account bar to open the register. You can see after making this payment your balance is now \$18,000.00.





CHAPTER 6: REPORTS

Using a computer to keep your farm records makes record keeping easier and enhances your farm record data. Time savings may be the greatest benefit. While you may not save time during the data entry stage, the time savings and improved accuracy in the report stage will be significant. The examples in this chapter show some of the common business reports useful in analyzing your farm business.

Creating Reports

Quicken has several preset reports that can be generated. Reports help the record-keeper summarize spending and income, identify data entry errors and analyze the performance of the farm business. Reports can be generated across accounts within a Quicken file. So if farm related transactions occurred in the farm checking, home checking, cash, and/or credit card accounts, a customized report can pull all the necessary transactions into a report if the transactions were entered with the correct category/subcategory, and/or tag. Likewise, if the farm and family share one checking account, it is helpful to have all the family related income and expenses tagged as *Family Living* so they can be excluded when generating a farm report.

On the main menu bar:



Click Reports

You will see a list of the Quicken Standard Reports

List of the Quicken Standard Reports

Banking

- Banking Summary (Income/expenses/transfers, by category)
- Cash Flow (Cash in and cash out, grouped by category)
- Cash Flow by Tag (Income and expense by Tag)
- Missing Checks (missing/duplicate checks)
- Reconciliation (transactions from the last reconciliation)
- Transactions (Transactions from accounts)

Comparison (for two time periods)

- Current Spending vs. Average Spending by Category
- Current Spending vs. Average Spending by Payee
- Cash Flow Comparison
- Income/Expense Comparison by Category

- Income/Expense Comparison by Payee

Net Worth & Balances

- Account Balances
- Net Worth (assets and liabilities based on account balances)

Spending

- Itemized Categories (transactions, grouped by category)
- Itemized Payee (transactions, grouped by payee)
- Itemized Tag (transactions, grouped by tag)
- Spending by Category
- Spending by Payee
- Current Spending vs. Average Spending by Category
- Current Spending vs. Average Spending by Payee
- Income and Expense by Category
- Income and Expense by Payee
- Current Budget
- Historical Budget

Tax

- Tax Schedule
- Transactions subtotaled by tax schedule and tax line item.
- Tax Summary
- All tax-related transactions subtotaled by income/expenses category.

Easy Answer (answer common questions)

- Where did I spend my money during the period ...?
- How much did I spend on...?
- How much did I pay to...?
- Am I saving more or less?
- Has my spending changed in this category?
- What am I worth?
- Did I meet my budget?
- What taxable events occurred?

Graphs

- Spending by Category
- Spending by Payee
- Current Spending vs. Average Spending by Category
- Current Spending vs. Average Spending by Payee
- Income and Expenses by Category
- Income and Expenses by Payee
- Current Budget
- Historical Budget
- Account Balances
- Net Worth

Report & Graphs Center

Credit Score

- Credit Report Summary
- Credit Monitoring Alerts

Customizing Reports

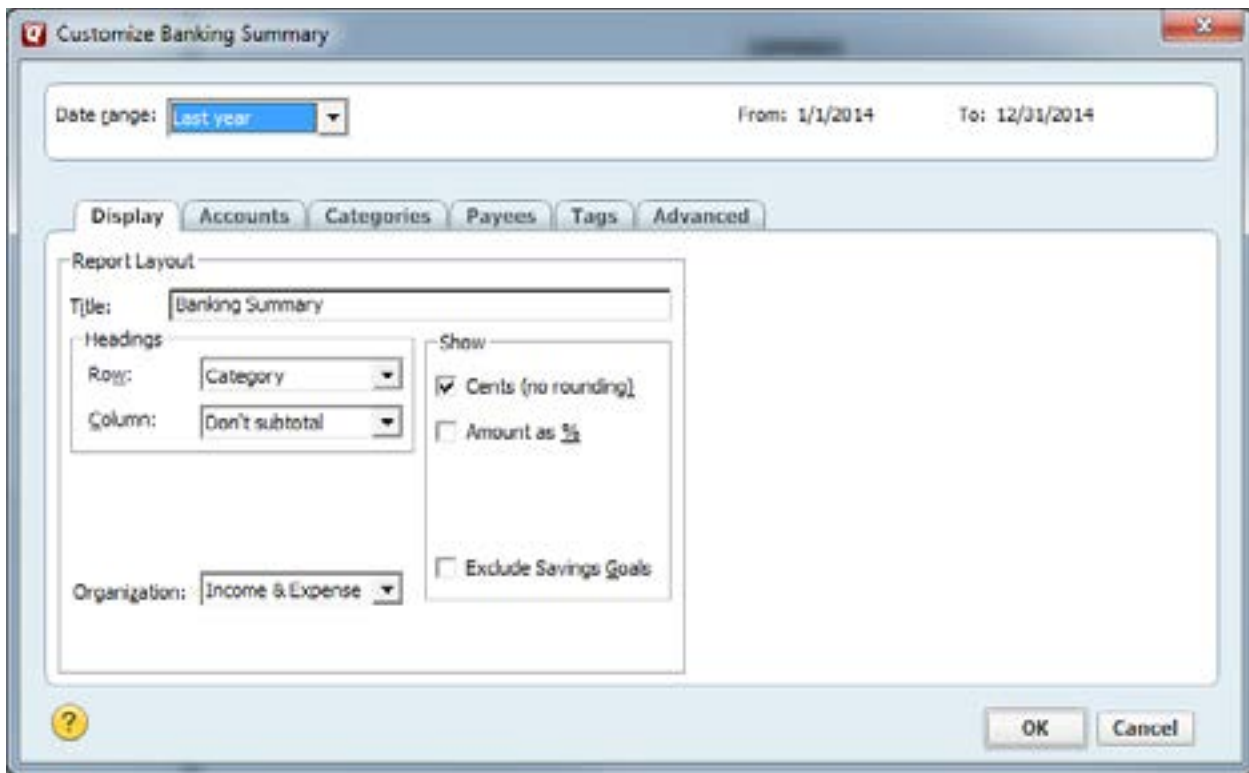
Quicken gives you great flexibility in customizing your reports. You can change the layout, date range, accounts to include, and various other settings. You can also filter the report, for example, to include transactions with only certain payees or categories. The first item to customize on any report is the date range because selecting *year-to-date* provides a totally different report than selecting *last year*.

Your reports can be customized once the report has been created by completing the following steps:



Click the Customize button in the report toolbar

Choose from one of the following tabs in the Customize Report window:



Display - this tab allows you to change the report layout. You can change report title, change row and column headings, show cents and percents and change report organization.

Accounts - this tab allows you to select which accounts to include or exclude from the report.

Categories – this tab allows you to select which categories to include in your report. You may also Match transactions containing certain Payees, Memos or Categories.

Payees – This tab allows you to select which payees to include in your report. You may also Match transactions containing certain categories, payees, or memos.

Tags – This tab allows you to select which tags to include in your report. You may also Match transactions containing certain Payees, Memos or Classes. This tab is only visible if you have created or imported tags.

Advanced - this tab allows you to sort transactions by dollar amounts, check status, tax status, transaction type and to include or exclude transfers or subcategories.

Navigating in Reports

Once a report is open, Quicken provides a **Back** and **Forward** button in the Report Window Toolbar. As you explore and use reports, these buttons should be used to navigate, especially to back up.



Quick Zoom

This feature allows you to examine the detail in some reports, such as a Banking Summary.

Complete the following steps to create a Quick Zoom Report:

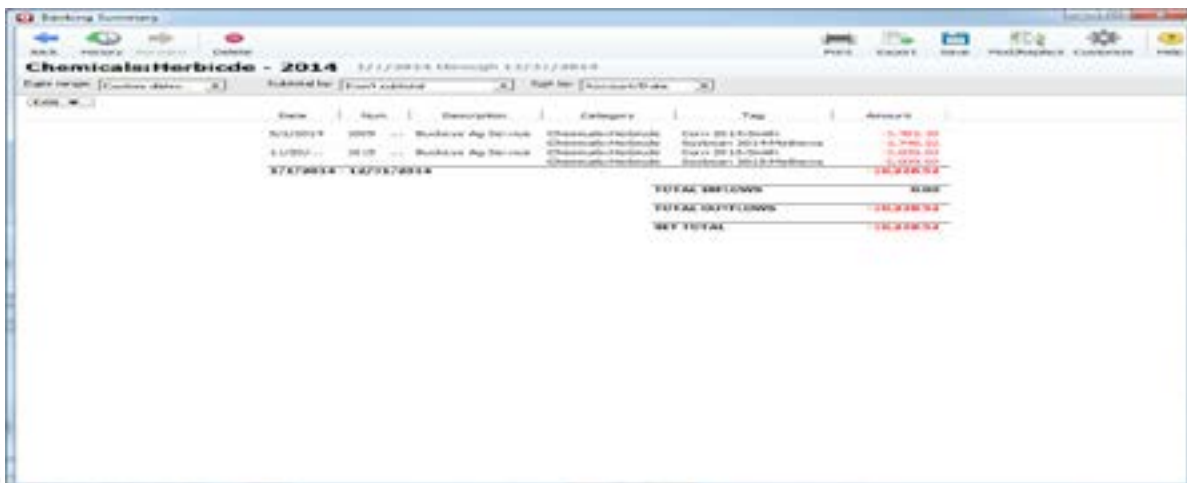


Double Click on the amount in question when the arrow pointer becomes a magnifying glass.



Complete the following steps to examine the transaction in the original register:

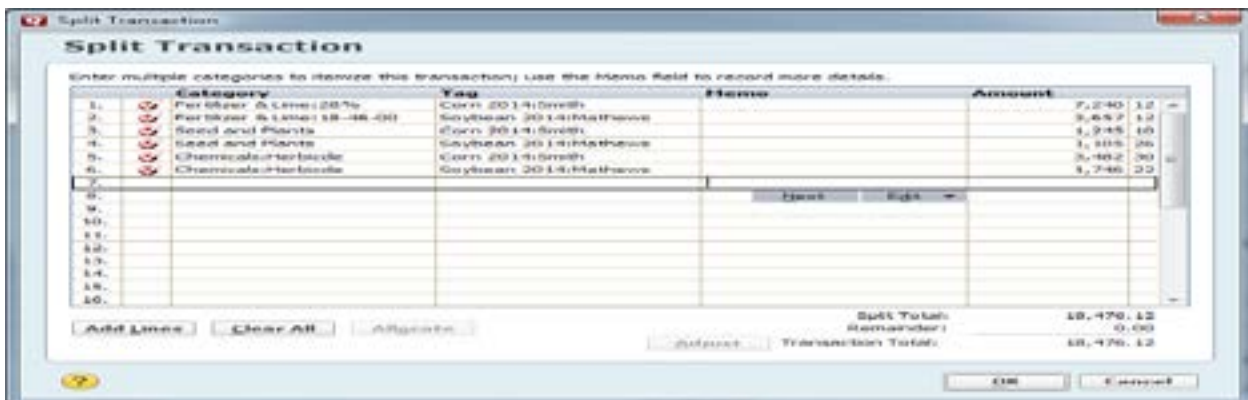
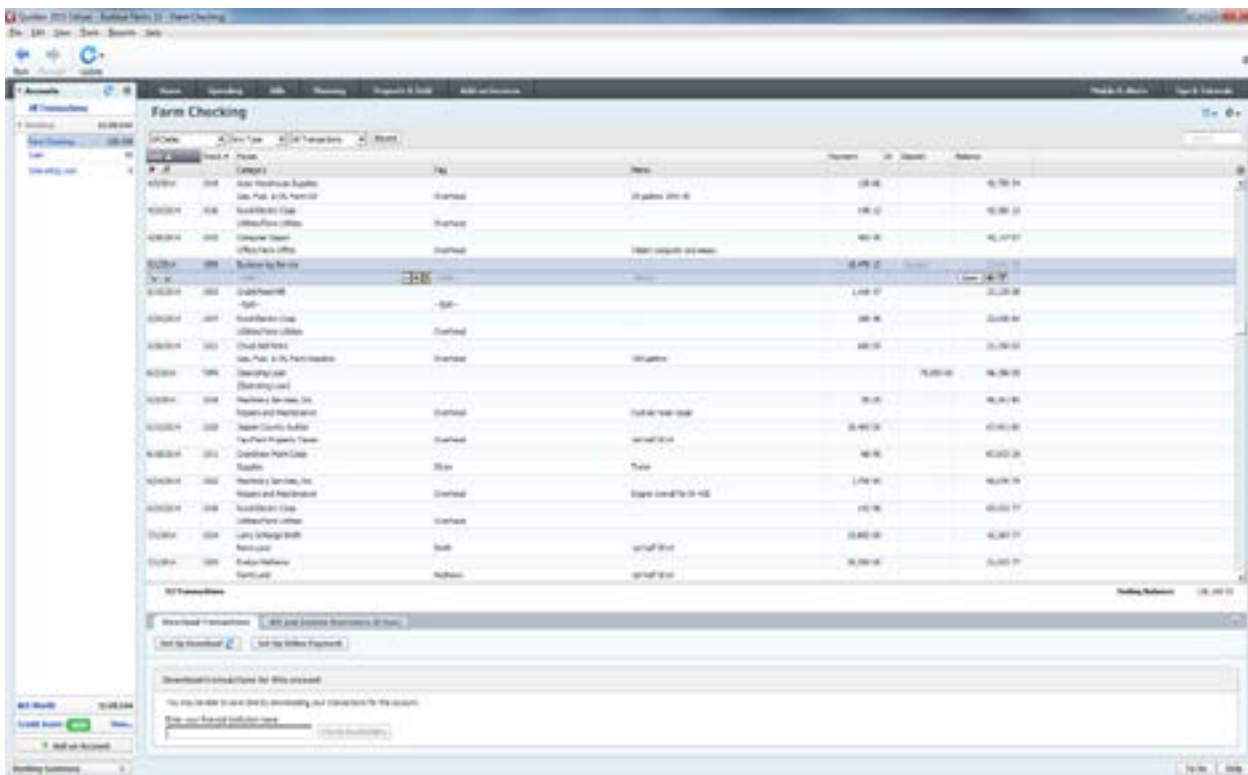
Double Click the transaction in question in the Quick Zoom Report.



The account Register where the transaction was first recorded will open.]

If the transaction was split, **Click the Split Icon** to open the Split Transaction window

Amounts can be reviewed, errors can be corrected, edits can be made and saved



To return from the Register to the Report:

Click the Report Name such as Banking Summary icon at the left hand, bottom below the account bar.

Saving Reports

While the report is on screen:



Click the Save Report button on the report toolbar

Type a title

Select where Quicken should save the report

Click OK

We recommend that you add a check mark in the box next to Save report history. If you took several steps to customize the report, it will save your history (steps) as to how you customized the report.

To access your list of saved reports and graphs, from the menu bar:

Click Reports

Choose Reports & Graphs Center

A list of saved report will be shown on the right half of the Reports and Graphs window.

If changes have occurred in your categories, tags, or accounts since memorizing a report, the next time you use that saved report you will get a warning message. Review the categories, tags and accounts included in the saved report, make any necessary changes to the categories, tags and accounts to be included in the report, save and replace the saved report.

Printing Reports

To print a report:



Click the Print icon in the upper right corner of the *Report window* to open the *Print window*.

Quicken has several print options regarding selecting a printer, export options, page scaling, what to print, page orientation, ink color and adjust margins. We recommend that you Preview the print job to check for layout and readability of the report.

Types of Reports and Example Reports

The following are types of reports and their descriptions that would be used in a farm business. Examples of these reports and the keystrokes needed to create them follow after the report descriptions.

Note: We will use the following reports can be created using the sample file, Buckeye Farms 15



Click File

Open Quicken File

Click the small arrow next to the Look in: box to reveal the drop-down list.

Click Local Disk (C:), (or the location where you saved the sample file)

Click Buckeye Farms 15

OK

With the sample file open, we will run a few reports that are common for farm businesses.

Transactions Report

This is a detailed report listing transactions from one or more registers showing individual transactions. You can sort and subtotal transactions by payee, category, class, account, or time period.

From the menu bar:



Click Reports

Banking, Click *Transaction*

Set report date range as: Last year

Date	Account	Num	Description	Memo	Category	Tag	Cr	Amount
BALANCE 12/31/2013								50,000.00
1/15/2014	Farm Checking	1002	Grabl Feed ...		-Split-	-Split-		-1,476.74
1/23/2014	Farm Checking	1003	Rural Electr...		Utilities/Pa...	Ovt...		156.45
2/3/2014	Farm Checking	1004	Protective ...		-Split-	-Split-		-745.36
2/10/2014	Farm Checking	1005	Farm Suppl...	Replaceme...	Repairs an...	Steers		-415.99
2/14/2014	Farm Checking	1011	Computer ...	Laptop	Office/Par...	Ovt...		-1,139.22
2/25/2014	Farm Checking	1004	Rural Electr...		Utilities/Pa...	Ovt...		-167.88
2/27/2014	Farm Checking	1008	Hometown ...		-Split-	-Split-		-65.25
3/1/2014	Farm Checking	ATM	Cash		[Cash]			-200.00
3/6/2014	Farm Checking	0000	AllFax	Far Tags	Supplies	Steers		-47.99
3/15/2014	Farm Checking	1002	Grabl Feed ...		-Split-	-Split-		-1,282.19
3/25/2014	Farm Checking	1005	Rural Electr...		Utilities/Pa...	Ovt...		-155.36
3/28/2014	Farm Checking	1000	Chuck Bel P...	300 gallons	Gas, Fuel, ...	Ovt...		-1,250.67
4/3/2014	Farm Checking	1029	Auto Ware...	25 gallons...	Gas, Fuel, ...	Ovt...		-128.66
4/25/2014	Farm Checking	1036	Rural Electr...		Utilities/Pa...	Ovt...		-148.12
4/26/2014	Farm Checking	1012	Computer ...	Tablet co...	Office/Par...	Ovt...		-462.45
5/1/2014	Farm Checking	1009	Buckeye Ag...		-Split-	-Split-		-38,476.12
5/15/2014	Farm Checking	1003	Grabl Feed ...		-Split-	-Split-		-1,416.47
5/25/2014	Farm Checking	1037	Rural Electr...		Utilities/Pa...	Ovt...		-186.49
5/28/2014	Farm Checking	1011	Chuck Bel P...	165 gallons	Gas, Fuel, ...	Ovt...		-680.55
6/2/2014	Farm Checking	TNFR	Operating ...		[Operating...			75,000.00
6/3/2014	Farm Checking	1028	Machinery ...	hydraulic h...	Repairs an...	Ovt...		-56.25
6/18/2014	Farm Checking	1008	Jasper Co...	1st half 2014	Tax/Farm P...	Ovt...		-38,900.00
6/18/2014	Farm Checking	1011	Grandview ...	Twine	Supplies	Straw		-68.55
6/24/2014	Farm Checking	1022	Machinery ...	Engine ove...	Repairs an...	Ovt...		-1,756.50
6/25/2014	Farm Checking	1038	Rural Electr...		Utilities/Pa...	Ovt...		-142.99
7/1/2014	Farm Checking	1024	Larry & Mar...	1st half 2014	Rent/Land	Smith		-23,650.00
7/1/2014	Farm Checking	1025	Evelyn Ma...	1st half 2014	Rent/Land	Mac...		-20,350.00
7/15/2014	Farm Checking	1004	Grabl Feed ...		-Split-	-Split-		-1,594.03
7/25/2014	Farm Checking	1039	Rural Electr...		Utilities/Pa...	Ovt...		-196.58
7/28/2014	Farm Checking	1026	Buckeye Ag...		-Split-	-Split-		-1,146.32
7/28/2014	Farm Checking	1011	Chuck Bel P...	425 gallons	Gas, Fuel, ...	Ovt...		-1,615.00
8/7/2014	Farm Checking	1023	Standley A...		-Split-	-Split-		-11,967.00
8/25/2014	Farm Checking	1040	Rural Electr...		Utilities/Pa...	Ovt...		-385.91
9/15/2014	Farm Checking	1005	Grabl Feed ...		-Split-	-Split-		-1,278.49
9/25/2014	Farm Checking	1042	Rural Electr...		Utilities/Pa...	Ovt...		-149.32
10/1/2014	Farm Checking	1029	Myers Buld...	Waterway...	Conservation	Ovt...		-2,850.00
10/23/2014	Farm Checking	1043	Rural Electr...		Utilities/Pa...	Ovt...		-116.20

Transaction Report - Grain Sales by Tag

Shows transactions sorted by category and class. Use the memo line to help record desired detail in the transactions.

With the previous Transaction report open:

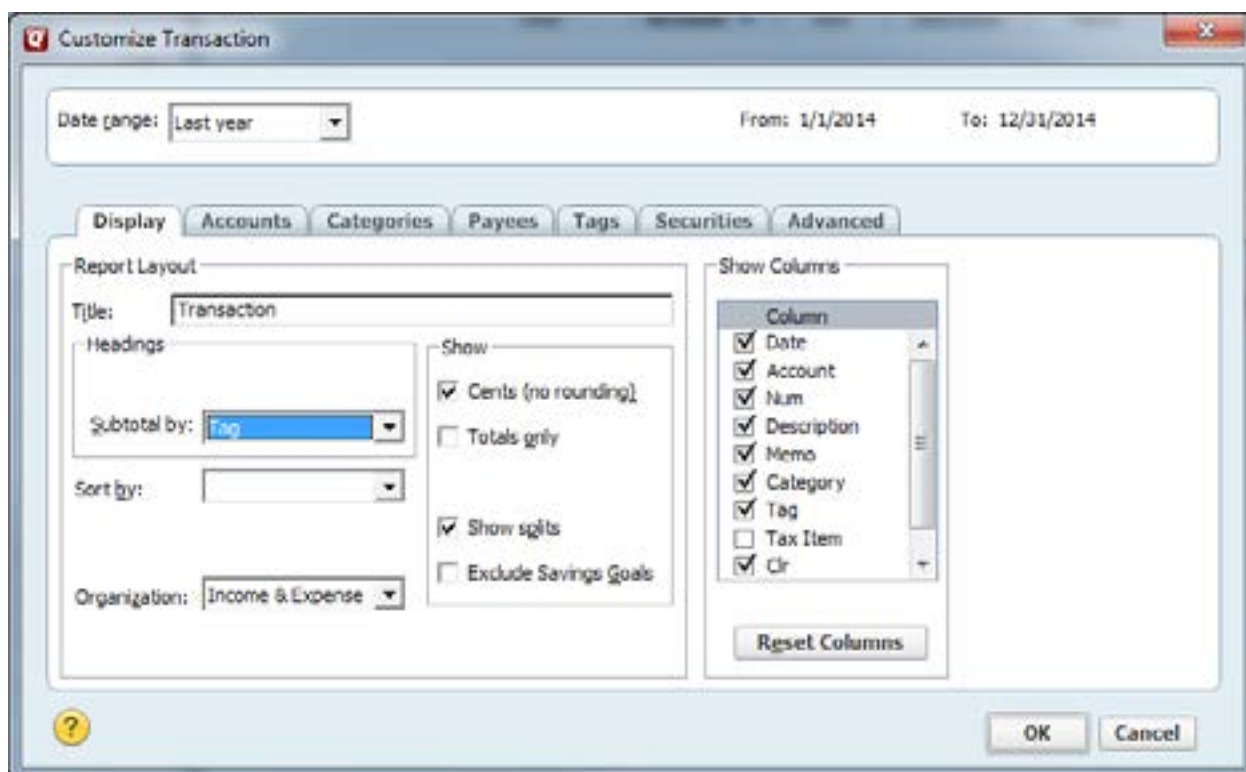


Click Customize (upper right corner of report window)

In the Display tab

Click the down arrow in the Subtotal By box

Click Tag

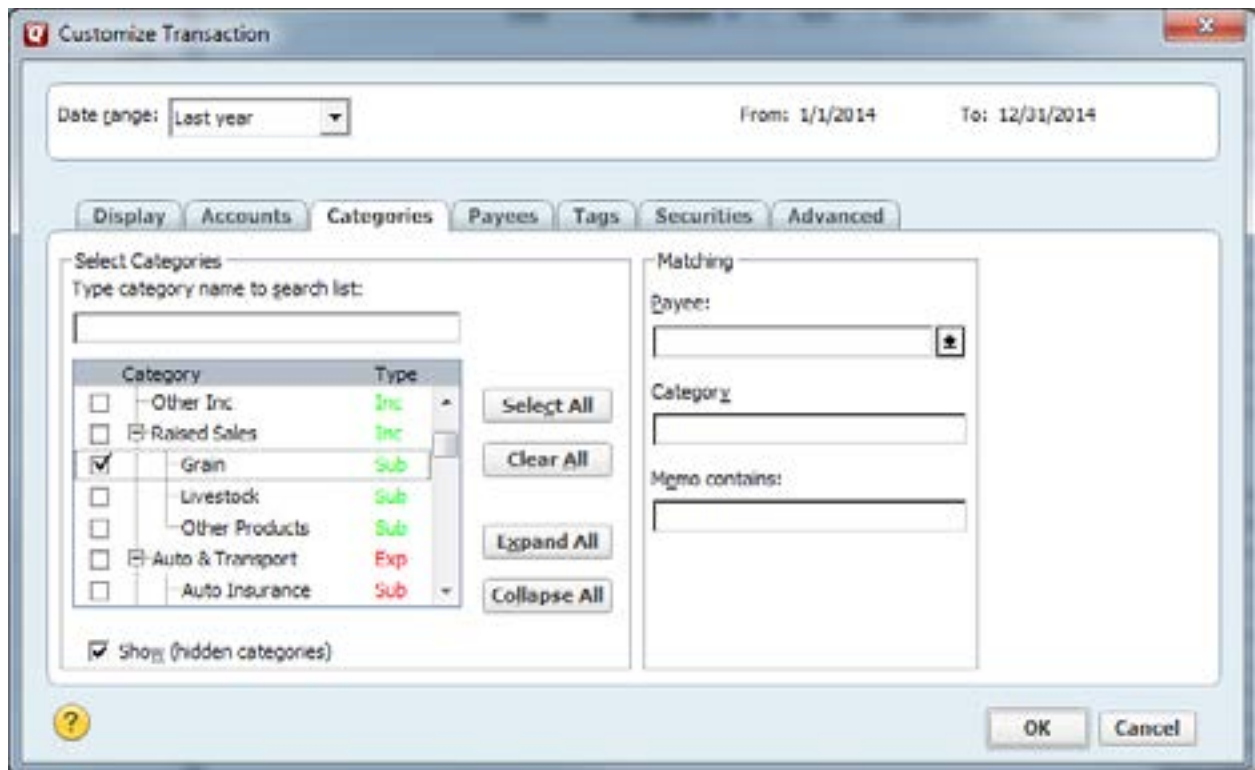


Click Categories tab

Clear All

Click in the box next to the Grain category to add a check mark

Click OK



Transaction - Last year 1/1/2014 through 12/31/2014

Date range: Last year Subtotal for: Tag Sort by: Account/Date

Date	Account	Item	Description	Memo	Category	Tag	CP	Amount
Jan 2014								
1/25/2014	Parm Checking	DDP	Grain	1,000.00	Grain	Sub		94,328.00
Feb 2014								
2/12/2014	Parm Checking	DDP	Grain	1,000.00	Grain	Sub		94,330.00
May 2014								
5/12/2014	Parm Checking	DDP	Grain	700.00	Grain	Sub		73,892.00
5/13/2014	Parm Checking	DDP	Grain	824.00	Grain	Sub		76,716.00
OVERALL Y...								
								309,663.00

Cash Flow

This preset report summarizes your income and expenses by category. It covers all bank, cash, and credit card accounts.

A cash flow report initially excludes transfer transactions that occur between the accounts included in the report (i.e., between bank, cash, and credit card accounts.) For example, Quicken does not include a transfer of funds from checking to savings. However, this can be changed by customizing the report.



Click Reports

Banking, Click *Cash Flow*

Set report date range as: Last year

Click Customize

Choose the Advanced tab

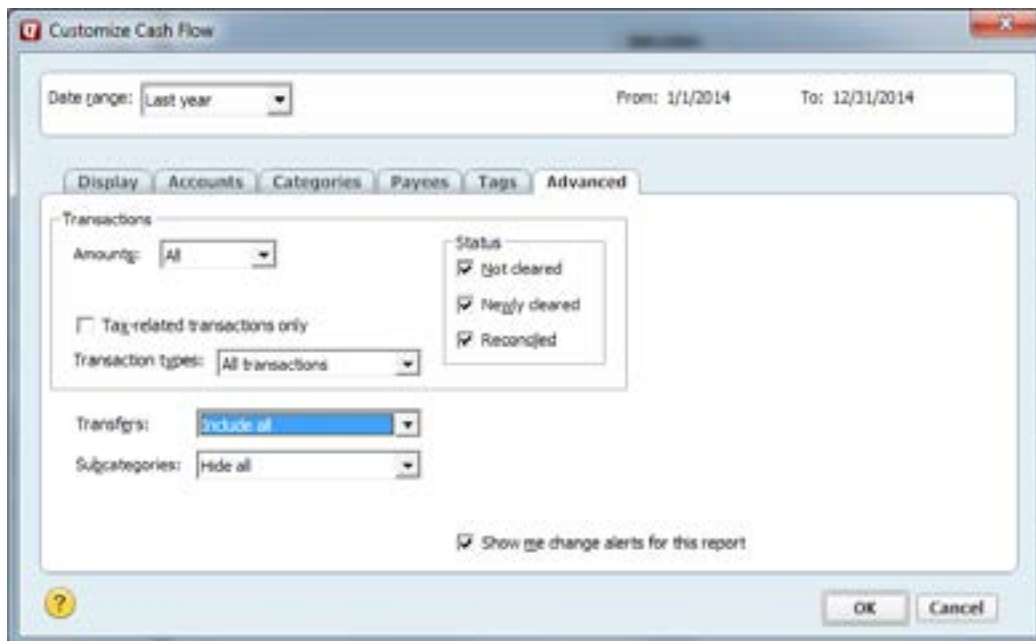
Click the down arrow in the Transfers box

Click Include all

Click the down arrow in the Subcategories box

Click Hide all

Click OK



Cash Flow	
Cash Flow - Last year 1/1/2014 through 12/31/2014	
Category	1/1/2014-12/31/2014
INFLOWS	
Government Payments	2,380.00
Raised Sales	309,863.00
Self Paid Cash	0.00
FROM Farm Checking	75,000.00
FROM Operating Loan	75,000.00
TOTAL INFLOWS	462,343.00
OUTFLOWS	
Auto & Transport	24.75
Chemicals	20,841.84
Conservation	2,850.00
Consultants, Farm	5,862.50
Custom Hire	3,300.00
Farm Interest Expense	2,412.50
Feed Purchased	8,842.11
Fertilizer & Lime	30,897.24
Gas, Fuel, & Oil, Farm	3,674.88
Insurance	2,255.26
Office	1,636.66
Rent	88,000.00
Repairs and Maintenance	2,128.74
Seed and Plants	12,350.26
Supplies	221.66
Tax	56,800.00
Utilities	2,255.49
Veterinary	85.25
Self Paid Operating Loan	0.00
TO Farm Checking	75,000.00
TO Operating Loan	75,000.00
TO Cash	200.00
TOTAL OUTFLOWS	384,479.34
OVERALL TOTAL	77,863.66

Cash Flow - by Quarter

This report is sorted by quarter, but can be sorted with other parameters.

With the previous Cash Flow report open:



Click Customize (upper right corner of report window)

In the Display tab

Click the down arrow in the Column box

Click Quarter

Click OK

Customize Cash Flow

Date range: Last year From: 1/1/2014 To: 12/31/2014

Display Accounts Categories Payees Tags Advanced

Report Layout

Title: Cash Flow

Headings

Row: Category

Column: Quarter

Organization: Cash Flow Basis

Show

Cents (no rounding)

Amount as \$

Exclude Savings Goals

OK Cancel

Category	1/1/2014-3/31/2014	4/1/2014-6/30/2014	7/1/2014-9/30/2014	10/1/2014-12/31/2014	OVERALL TOTAL
INFLOWS					
Government Payments	0.00	0.00	0.00	2,280.00	2,280.00
Raised Sales	0.00	0.00	0.00	309,863.00	309,863.00
Bal Fwd Cash	0.00	0.00	0.00	0.00	0.00
FROM Farm Checking	200.00	0.00	0.00	75,000.00	75,200.00
FROM Operating Loan	0.00	75,000.00	0.00	0.00	75,000.00
TOTAL INFLOWS	200.00	75,000.00	0.00	387,143.00	462,143.00
OUTFLOWS					
Auto & Transport	34.75	0.00	0.00	0.00	34.75
Chemicals	0.00	5,228.52	9,813.32	5,000.00	20,041.84
Conservation	0.00	0.00	0.00	2,890.00	2,890.00
Consultants, Farm	0.00	0.00	0.00	5,062.50	5,062.50
Custom Hire	0.00	0.00	3,300.00	0.00	3,300.00
Farm Interest Expense	0.00	0.00	0.00	2,812.50	2,812.50
Feed Purchased	2,758.93	1,416.47	2,872.52	1,794.19	8,842.11
Fertilizer & Lime	0.00	10,897.24	0.00	10,000.00	20,897.24
Gas, Fuel, & Oil, Farm	1,250.67	889.21	1,615.00	0.00	3,674.88
Insurance	745.36	0.00	0.00	2,510.00	3,255.36
Office	1,174.21	462.40	0.00	0.00	1,636.61
Rent	0.00	0.00	44,000.00	44,000.00	88,000.00
Repairs and Maintenance	415.96	1,812.75	0.00	0.00	2,228.71
Seed and Plants	0.00	2,390.36	0.00	10,000.00	12,390.36
Supplies	94.11	127.53	0.00	0.00	221.64
Tax	0.00	28,400.00	0.00	28,400.00	56,800.00
Utilities	479.69	477.58	731.81	506.41	2,195.49
Veterinary	85.25	0.00	0.00	0.00	85.25
Bal Fwd Operating Loan	0.00	0.00	0.00	0.00	0.00
TO Farm Checking	0.00	75,000.00	0.00	0.00	75,000.00
TO Operating Loan	0.00	0.00	0.00	75,000.00	75,000.00
TO Cash	200.00	0.00	0.00	0.00	200.00
TOTAL OUTFLOWS	7,228.96	120,962.13	62,332.65	187,935.60	384,479.34
OVERALL TOTAL	-7,028.96	-51,962.13	-62,332.65	100,207.40	77,663.66

Cash Flow by Tag

This preset report summarizes your income and expenses by tag. Farms may think of this report as an enterprise report for various profit centers in the farm business. Tags can be considered what is produced or where it is produced. The report covers all bank, cash, and credit card accounts.



Click Reports

Banking

Click Cash Flow by Tag

Set report date range as: Last year

It is recommended to exclude transfer transactions that occur between the accounts. While the transfers are important when looking at cash flow, this report is more helpful to compare farm enterprises.

If the report shows an Untagged Transaction column:

Customize the report using the Advanced tag

Choose Exclude all beside transfers.

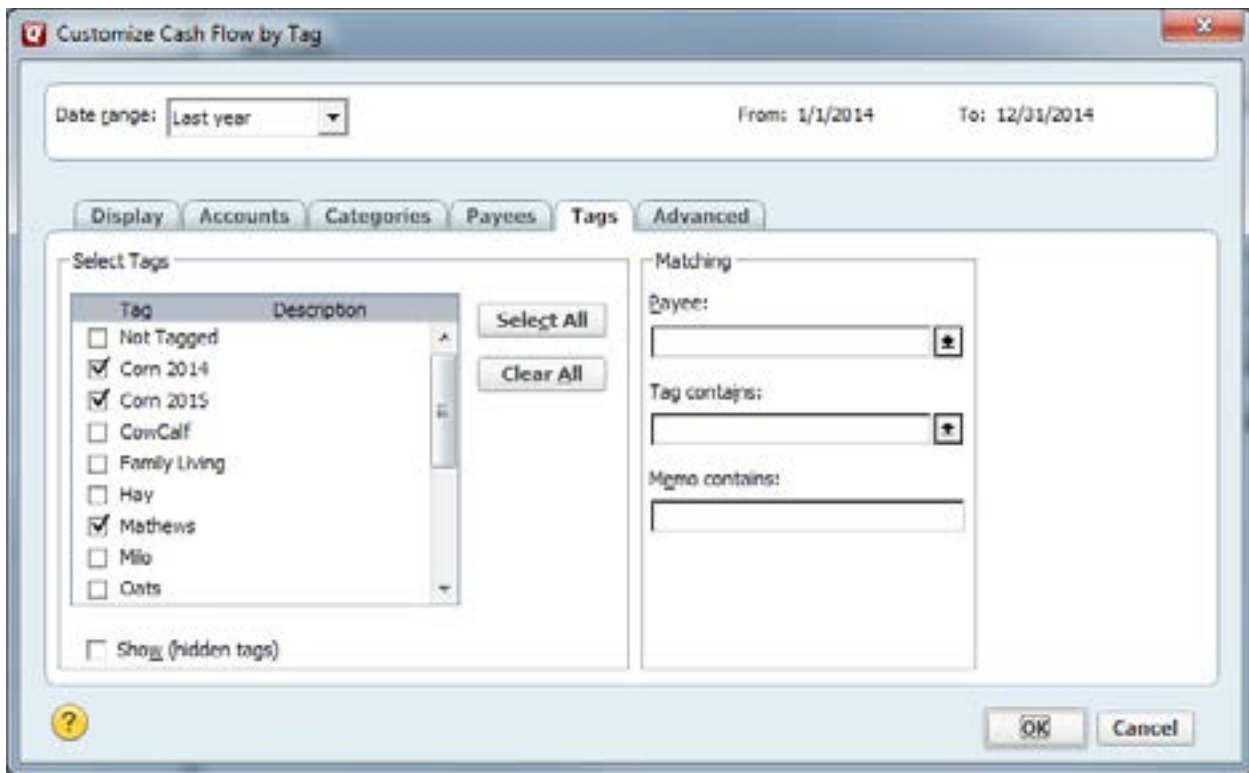
The report can be customized to show all or just a few of the tags.

Click Customize

Tags tab

Clear All

Add **check mark in the box** beside the following tags: Corn 2014, Corn 2015, Mathews, Smith, Soybean 2014, and Soybean 2015



Click OK

Category	Corn 2014 Mathews	Corn 2014 Smith	Corn 2015 Smith	Baybean 2014 Mathews	Baybean 2014 Smith	Baybean 2015 Mathews	OVERALL TOTAL
INFLOWS							
Basest Cash	64,916.00	54,320.00	0.00	71,407.00	76,748.00	0.00	309,463.00
TOTAL INFLOWS	64,916.00	54,320.00	0.00	71,407.00	76,748.00	0.00	309,463.00
OUTFLOWS							
Chickens	0.00	12,149.30	3,000.00	2,010.00	493.48	3,000.00	20,752.78
Custom Hire	0.00	3,300.00	0.00	0.00	0.00	0.00	3,300.00
Forfeitor & Land	0.00	7,285.12	0.00	3,437.12	0.00	0.00	10,722.24
Insurance	198.33	248.15	0.00	151.64	150.22	0.00	748.34
Rent	20,000.00	20,000.00	0.00	20,700.00	27,300.00	0.00	88,000.00
Seed Purchases	0.00	2,216.10	2,300.00	1,105.00	0.00	2,800.00	8,421.10
TOTAL OUTFLOWS	20,198.33	44,978.45	5,300.00	27,652.76	28,323.67	5,800.00	144,334.00
OVERALL TOTAL	44,717.67	9,341.55	-5,300.00	43,754.24	48,424.33	-5,800.00	165,129.00

Tax Schedule Report

This preset report gathers information to use with your tax preparer or when filing your own tax return. Quicken has two preset, tax related reports that have a significant difference. The first is the **Tax Schedule** report that will list transactions that are categorized as a tax related item. The report has an extended line listed that is associated with an IRS tax form. Farmers use the IRS Schedule F to report income and expenses annually. The second report is the **Tax Summary** report. The Tax Summary report includes transactions with categories that have been assigned tax-related, whether or not a specific IRS tax schedule has been assigned. There are some transactions that are tax related but not directly placed on a Schedule F, such as capital sales. Transactions related to capital sales are important to calculate capital gains, but are not directly recorded to a tax schedule.

Complete the following steps to review the tax status of your categories:



Click Tools

Click Category List

The tax status of your categories is shown in the column **Tax Line Item**. If changes are needed, right click the category name and use the **Tax Reporting** tab to make modifications. Additional information can be found the Categories & Tags chapter of this manual.

Click Reports

Tax

Click Tax Schedule

Set report date range as: Last year

Date	Account	Num	Description	Mens	Category	Tag	Cr	Amount
Schedule F								
Sales livestock/product raised								309,863.00
10/21/2014	Farm Checking	DEP	5 Grandview ...	8524 bu	Raised Sales Grain	Soybean 201...		76,716.00
				7988 bu	Raised Sales Grain	Soybean 201...		71,892.00
11/20/2014	Farm Checking	DEP	5 Grandview ...	28864 bu	Raised Sales Grain	Corn 2014Smith		94,528.00
				23387 bu	Raised Sales Grain	Corn 2014M...		66,955.00
Agricultural program payments								2,280.00
12/15/2014	Farm Checking	DEP	USDA - NRCS	80% cost s...	Government Payments	Overhead		2,280.00
Chemicals								-20,041.84
5/1/2014	Farm Checking	3009	...	Budeye Ag...	Chemicals-Herbicide	Corn 2014Smith		-1,481.30
					Chemicals-Herbicide	Soybean 201...		-1,746.22
7/28/2014	Farm Checking	3016	...	Budeye Ag...	Aphid	Chemicals-Insecticide		-881.45
					Aphid	Chemicals-Insecticide		-203.67
8/7/2014	Farm Checking	3023	...	Stanley A...	\$25.25 per ...	Chemicals-Fungicide		-6,667.00
11/20/2014	Farm Checking	3015	...	Budeye Ag...	Chemicals-Herbicide	Corn 2014Smith		-3,008.00
					Chemicals-Herbicide	Soybean 201...		-1,008.00
Conservation expenses								-2,850.00
10/1/2014	Farm Checking	3029	...	Myers Bldg...	Waterway ...	Conservation	Overhead	-2,850.00
Custom hire expenses								-3,300.00
8/7/2014	Farm Checking	3023	...	Stanley A...	6k per acre	Custom Hire		-3,300.00
Feed purchased								-8,842.31
1/15/2014	Farm Checking	3002	...	Grabb Feed ...	1677 lbs	Feed Purchased:3...	Steers	-66.78
					201 bu	Feed Purchased:3...	Steers	-1,025.94
3/15/2014	Farm Checking	3002	...	Grabb Feed ...	900 lbs	Feed Purchased:3...	Steers	-256.23
					201 bu	Feed Purchased:3...	Steers	-1,023.96
5/15/2014	Farm Checking	3003	...	Grabb Feed ...	980 lbs	Feed Purchased:3...	Steers	-473.91
					228 bu	Feed Purchased:3...	Steers	-1,340.56
7/15/2014	Farm Checking	3004	...	Grabb Feed ...	1200 lbs	Feed Purchased:3...	Steers	-335.12
					251 bu	Feed Purchased:3...	Steers	-1,258.91
9/15/2014	Farm Checking	3005	...	Grabb Feed ...	800 lbs	Feed Purchased:3...	Steers	-226.36
					216 bu	Feed Purchased:3...	Steers	-1,052.10
11/15/2014	Farm Checking	3006	...	Grabb Feed ...	3480 lbs	Feed Purchased:3...	Steers	-415.97
					279 bu	Feed Purchased:3...	Steers	-1,176.22
Fertilizers and lime								-20,897.24
5/1/2014	Farm Checking	3009	...	Budeye Ag...	Fertilizer & Lime:38%	Corn 2014Smith		-2,246.12
					Fertilizer & Lime:38%	Soybean 201...		-1,657.12

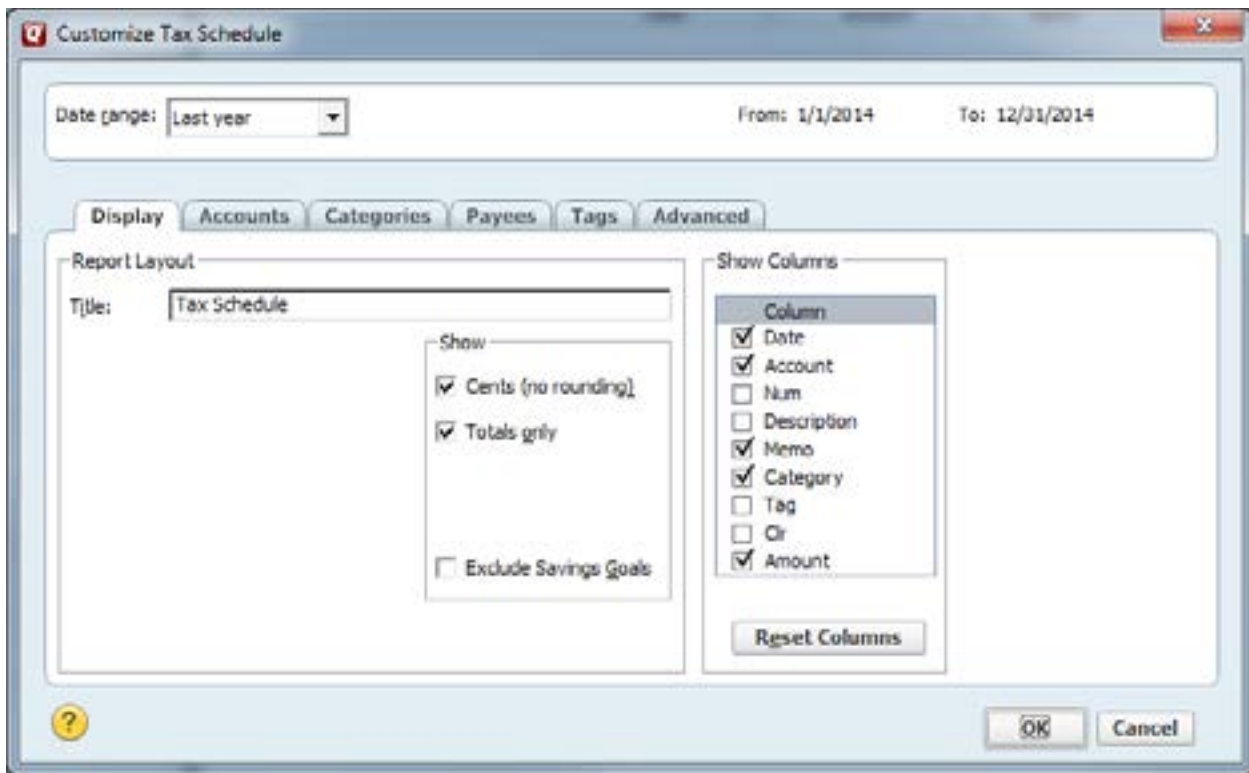
This report can be reviewed for accuracy and corrections can be made with Quickzoom on transaction amounts. Eventually, a final report can be generated with only totals to use as the Schedule F amounts.

Click Customize

Add check mark beside Totals Only

You may also want to remove some check marks in the Show Column list. This will simplify the report to show the essential information.

Click OK



Profit & Loss Statement

The P & L (Profit and Loss) Statement report summarizes the revenue and expenses of a business by category. It includes all your accounts.



Click Reports

Banking, Click Banking Summary

Set report date range as: Last year

Click Customize

In the Display Tab, Modify the title: *Profit & Loss Statement*

Click the Advanced tab

Click the down arrow in Transfers box, Click Exclude All

Click the down arrow in Subcategories box, Click Hide All

Click Ok

Customize Banking Summary

Date range: Last year From: 1/1/2014 To: 12/31/2014

Display Accounts Categories Payees Tags Advanced

Report Layout

Title: Profit & Loss Summary

Headings

Row: Category

Column: Don't subtotal

Organization: Income & Expense

Show

Cents (no rounding)

Amount as $\frac{\$}{\$}$

Exclude Savings Goals

OK Cancel

Banking Summary

Back History Forward Delete Print Export Save Find/Replace Customize Help

Profit & Loss Summary - Last year 1/1/2014 through 12/31/2014

Date range: Last year Column: Don't subtotal

Category	1/1/2014-12/31/2014
INCOME	
Government Payments	2,380.00
Raised Sales	309,863.00
TOTAL INCOME	312,243.00
EXPENSES	
Auto & Transport	24.75
Chemicals	20,041.84
Conservation	2,850.00
Consultants, Farm	5,062.50
Custom Hire	3,300.00
Farm Interest Expense	2,812.50
Feed Purchased	8,342.11
Fertilizer & Lime	20,897.24
Gas, Fuel, & Oil, Farm	3,674.88
Insurance	3,255.36
Office	1,636.66
Rent	88,000.00
Repairs and Maintenance	2,228.74
Seed and Plants	12,790.36
Supplies	221.66
Tax	56,800.00
Utilities	2,195.49
Veterinary	85.25
TOTAL EXPENSES	234,279.34
OVERALL TOTAL	77,963.66

P&L Statement Report - With Percents

This report is the same as previous report, but shows percentage breakdown of income and expenses.

With the previous Cash Flow report open:



Click Customize

In the Display tab:

Add a check mark in the box next to Amount as %

Click OK

Customize Profit & Loss Summary

Date range: Last year From: 1/1/2014 To: 12/31/2014

Display Accounts Categories Payees Tags Advanced

Report Layout

Title: Profit & Loss Summary

Headings

Row: Category

Column: Don't subtotal

Organization: Income & Expense

Show

Cents (no rounding)

Amount as %

Exclude Savings Goals

OK Cancel

Banking Summary

Back History Forward Delete Print Export Save Find/Replace Customize Help

Profit & Loss Summary - Last year 1/1/2014 through 12/31/2014

Date range: Last year Column: Dont subtotal

Category	1/1/2014-12/31/2014	% of Total
INCOME		
Government Payments	2,280.00	0.73 %
Raised Sales	309,863.00	99.27 %
TOTAL INCOME	312,143.00	100 %
EXPENSES		
Auto & Transport	24.75	0.01 %
Chemicals	20,041.84	6.55 %
Conservation	2,850.00	1.22 %
Consultants, Farm	5,062.50	2.36 %
Custom Hire	3,500.00	1.41 %
Farm Interest Expense	2,812.50	1.30 %
Feed Purchased	8,842.11	3.77 %
Fertilizer & Lime	20,897.24	6.92 %
Gas, Fuel, & Oil, Farm	3,674.88	1.57 %
Insurance	3,255.36	1.39 %
Office	1,636.46	0.70 %
Rent	88,000.00	37.56 %
Repairs and Maintenance	2,228.74	0.95 %
Seed and Plants	12,350.36	5.27 %
Supplies	221.66	0.09 %
Tax	56,800.00	24.24 %
Utilities	2,195.49	0.94 %
Veterinary	85.25	0.04 %
TOTAL EXPENSES	234,279.34	100 %
OVERALL TOTAL	77,863.66	100 %

Spending by Payee Report - 1099's

This report lists all the people and businesses you have made tax-related payments to during the year. From this list, you can determine which ones need to be furnished with 1099 information forms. Form 1099-Misc. is issued to persons or non-incorporated businesses who are not your employees and who you paid \$600 or more during the year for business expenses. Typical expenses reported would be cash rents, custom work, building repairs, accounting and legal fees and other expenses paid to individuals or non-incorporated businesses. Expenditures for seed, feed, fertilizer and lime, parts, fuel, livestock and other supplies are not reported. If you are paying more than \$600 in business interest to an individual, you would report that interest on Form 1099-Int.



Click Reports

Spending, Click Spending by Payee

Set report date range as: Last year

Click Customize

Type Title - Form 1099 Report

Click the Advanced tab

For Transaction Amounts:

Click the drop down arrow to select Greater than

Type in the box: 599.99

Add a check mark in the box next to Tax-related transactions only

Customize Form 1099 Report

Date range: Last year From: 1/1/2014 To: 12/31/2014

Display Accounts Categories Payees Tags **Advanced**

Transactions

Amount: Greater than 599.99

Tag-related transactions only

Transaction types: All transactions

Transfers: Exclude internal

Status

Not cleared

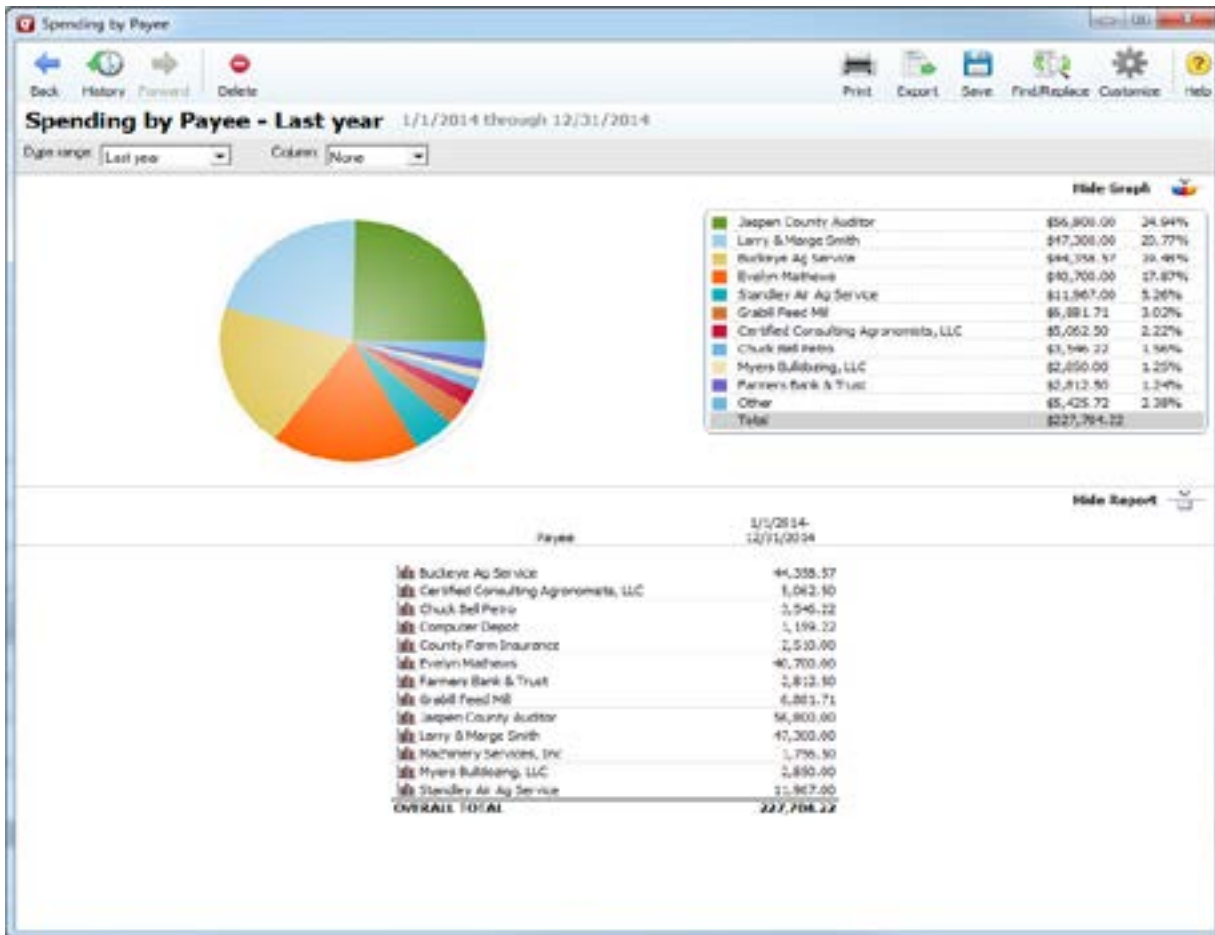
Highly cleared

Reconciled

Show me change alerts for this report

OK Cancel

Click OK











CHAPTER 7: RECONCILING

Reconciliation guarantees that the amounts entered into your farm records correspond with the amounts entered into your checkbook. Each month you should reconcile your Quicken checking account with the bank statement. If you have more than one account, you should reconcile each, but you can do only one account at a time. Be sure to review your bank statement for any errors that may have occurred. To reconcile your account, follow the steps outlined below.



Open the account to be reconciled, e.g., the farm checking account.

Make sure all checks and deposits up through the date of the bank statement have been entered into the checking account register.

From the menu bar Click Tools

Click Reconcile. This will take you to the *“Reconcile Details”* window.

The prior ending statement date: N/A

Enter the following from your bank statement

Ending Statement Date: * 6/30/2014

Prior Balance: * 75,000.00

Ending Balance: * 65,933.77

Categorize your interest and bank charges, if any

Service Charge: 0.00 Date: 6/30/2014

Category: *

Interest Earned: 0.00 Date: 5/31/2014

Category: Interest Inc *

OK Cancel

Accept the Bank Statement Opening Balance. The first time you reconcile in Quicken, the opening balance should be the balance you entered when you set up the account originally. If not, go back to the Accounts chapter and review Creating

Your First Account.

Enter the Bank Statement Ending Balance.

Service charges and interest earned can be entered next, if desired, categories assigned and the actual date posted. An alternative is to enter them directly into the register. Be sure to enter them into your checkbook also.

Click OK to open the second “*Statement Summary* account window”. The toolbar buttons in this window are:

New - Enter a missing transaction in the register

Edit - Change the selected transaction in the register

Delete - Delete the selected transaction

Back to Statement Summary - Modify the reconcile information

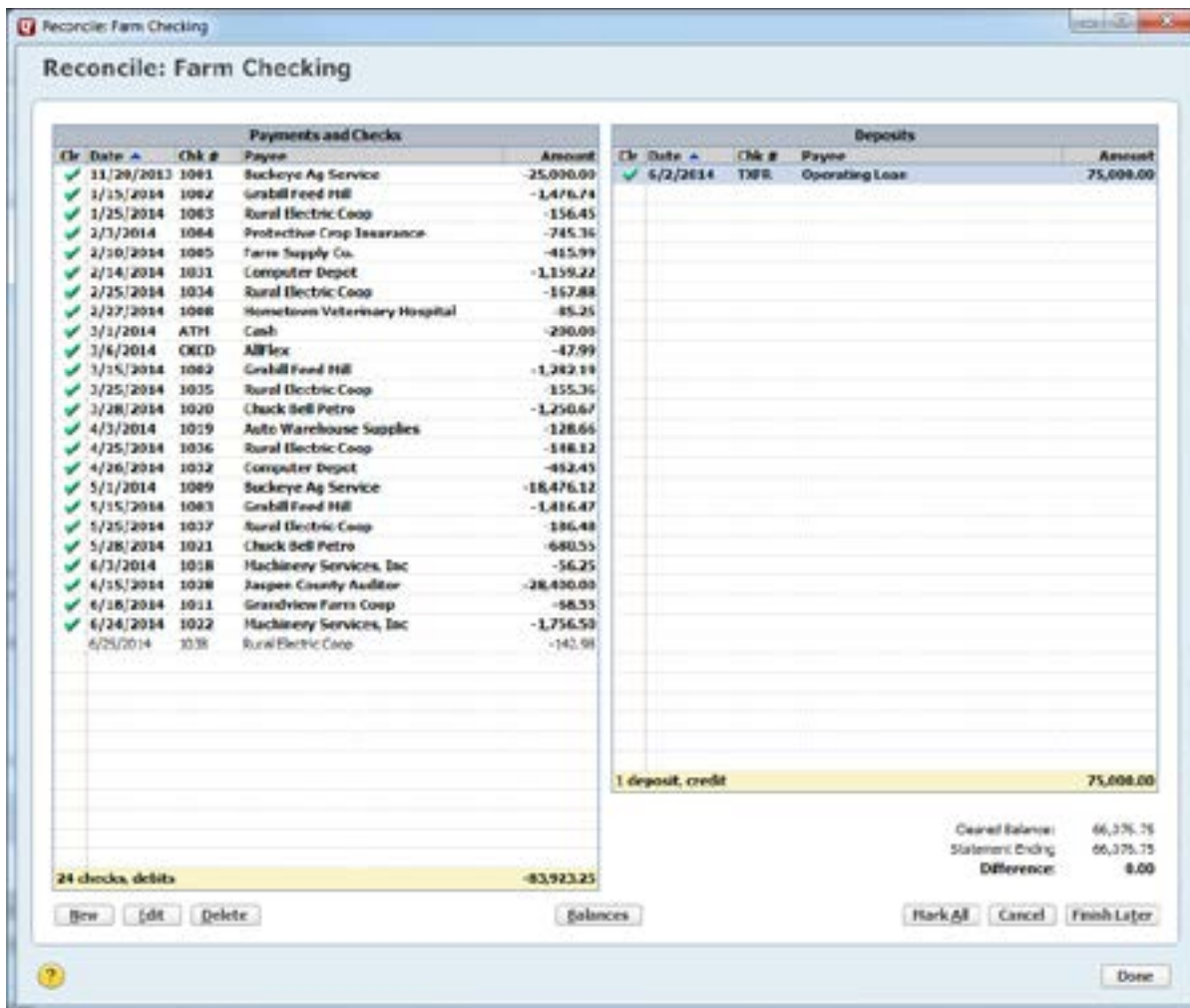
View - Change reconcile settings

How Do I - Get help or submit feedback

The second “*Statement Summary* account window” contains outstanding deposits and checks. The service charge, and interest earned just entered will show as cleared transactions with a check mark in the CLR column to the left of the item.



Return to the Reconcile window by clicking the minimized box in the lower left corner of Quicken called Reconcile: account name.



Mark each check and deposit that has cleared the bank, as indicated on your statement, by Clicking on the check or deposit. The space bar also acts as a toggle to clear or unclear transactions.

Quicken records a “c” (R after the reconciliation process is finished) in the check register as you mark transactions as cleared.

To view a transaction in the register or to edit a transaction, Click the transaction from the list

Click Edit in the lower left corner of the Reconcile window.

Make changes and Save the transaction in the register.

Return to the Reconcile window by clicking the minimized box in the lower left corner of Quicken called Reconcile: account name.

If the bank statement contains transactions not in the register, you can enter them into the register by Clicking New in the Reconcile: account name window.

Enter the transaction in the register.

Click Save.



Return to the Reconcile window by clicking the minimized box in the lower left corner of Quicken called Reconcile: account name.

When you are done marking cleared transactions, check the Difference: at the bottom right-hand corner of this window. If the Difference: between the Cleared Balance and the Statement Ending Balance is \$0.00, the account is balanced. If differences remain, check dollar amount on each entry, the number and amount of debits and credits with bank statement.

If you are unable to reconcile the difference, see Quicken Help for finding and correcting a difference.

When the Difference: is 0.00, Click Done and you will be congratulated. You will also be able to print a Reconciliation Report. This is the only chance to print the report, but you should determine if you need the report printed. Click Yes at least until you are able to reconcile your accounts with ease.







CHAPTER 8: CHECK WRITING AND PRINTING

The ability to write and print checks with the computer is one of the features of a computerized record keeping program like Quicken. The program also allows the payee's name and address to be printed on the check so window envelopes can be used to further simplify the process of paying bills. Writing checks with the computer allows the bills to be paid, the transaction information (date, payee, amount, category, tag and memo) to be recorded in the check register and the checks printed all at one time. Plus your farm records are constantly up-to-date.

The ability to write checks represents one of the biggest time saving features associated with computerized record keeping. You should consider computerized check writing if your business requires you to write a large number of checks and/or you spend a significant amount of time on bookkeeping for the business. To write checks with Quicken follow the steps outlined below:



Open the check account register you want to write checks from.

From the menu bar

Click Tools

Click Write and Print Checks, to open the *Write Checks*: account name window.

Date	Type	Payee	Category	Amount

Complete the check just as you would a hand-written check by entering the date, payee and the amount. If you plan to use window envelopes, enter the payee's

name and address in the address field. When the check is recorded, Quicken will add the address to the Memorized Payee list.

Enter a memo as needed in the field provided below the Bill Pay Address.

Enter a Category/Subcategory in the box provided below the Memo field. The check can have multiple categories and tags recorded.

Click the Split icon and make the appropriate entries. The Tag can only be added here by entering in the Split Transaction window.

The final step is to Click Record Check. When the check is recorded, it is added to the list of Checks to Print at the bottom of the screen.

Checks can be edited until they are printed. To edit a check complete the following steps:

Click on the check in the Checks to Print list and it will come back into the check writing screen.



After making the correction(s), Click Record Check.

To bring a blank check into the check writing screen, Click on the New Check button.

Checks are memorized and used at a later time without having to re-enter all the information. Memorized checks can be edited in the “Memorized Payee List” window like another memorized transaction. Click Tools, Memorized Payee List will open the “Memorized Payee List” window.

Note: By choosing Recall memorized payees under the QuickFill section in the main menu bar Edit, Preferences, you will be able to save time when writing checks. A Memorized Check filled out with Payee, amount, address, etc. will be recalled the next time you type in that payee name. QuickFill will bring in the information memorized and you simply need to change any fields that need changed.

Printing Checks with Quicken

Checks must be ordered from your bank, Intuit or another supplier.

Before printing checks the first time, go to the menu bar:

Click File, Printer Setup, Click For Printing Checks.



This opens the “Check Printer Setup” window where you select the printer to be used, whether your checks are continuous (used with a dot matrix printer) or page oriented (used with a ink jet or laser printer) and the type of checks you will be using.

Checks can be printed at any time after they have been written in the check writing window.

In the number column of the check register, the word Print will appear until the check is printed at which time a check number will be placed in the Num column.

Checks can be printed from the *“Write Checks: account”* window

Click Print on the toolbar to open the *“Select Checks to Print: account”* window.

If you are not in the *“Write Checks: account”* name window

Click File, Print Checks to open the *“Select Checks to Print: account”* window.

In the *“Select Checks to Print: account”* window name window, specify the number of the first check to be printed, what checks to print, the style of checks being used and how many checks are on the first page.

Once the necessary information has been specified, Click OK to print the checks selected.

Note: print several fictitious checks on a blank piece of paper to determine that all the printer and check settings are correct before using the pre-printed checks. After printing the fictitious checks, be sure to delete them from the checking account register.







CHAPTER 9: YEAR END FILE MANAGEMENT

With the increased capacity and power of today's computers, five years of data or more can easily be kept in the data file while adding the current year's transactions. For instance, data from 2011, 2012, 2013 and 2014 can be kept in the same file while transactions for 2015 are being added. Keeping several years of data in the same file allows you to make comparison reports, graphs, etc. It also makes it easier to go back to find an earlier income or expense transaction. However, at some point you may decide to reduce the number of years of data in your data file.

Note: Make sure that your current file is backed up before beginning any year-end file management.

Making an Archive of a data file

From the main menu bar complete the following task:



Click File

Click File Operations

Click Year-End Copy to open the "Year-end Copy" window.

There are two sections of the Create a Year End Copy window.

The first is the Current Data File section, for now select Do nothing so your current file will remain unchanged.

The second section of the window is Archive Data File.

Use the Browse and field to change the file name and location of this archive data file to be created but keep the portion BKP.QDF in the file name (FarmName BKP.QDF).

Note: Archiving is a good idea to consider and save the archive file in a different place than your backups.



Click OK



Click OK to return to using the Current file.

The difference between Archiving and making a Backup is Archiving gives you control over the dates included in the Archive file. As with a Backup, the Archive saves transactions first, and attachments are included if space is available.

Reducing the Size of a Data File

A Quicken file may contain data for multiple years. Let's say there are 10 years (2005-2014) plus the current year 2015. The farm manager now does not use or review all those years because the farm has changed enough that comparisons are not as useful from 7-10 years ago to recent years. Now we can modify the current data file.

From the main menu bar complete the following steps:



Click File

Click File Operations

Click Year-End Copy

Because 2013 and newer transactions are now important to this farm:

Click on "I only want transactions"

Enter the date 1/1/2013.

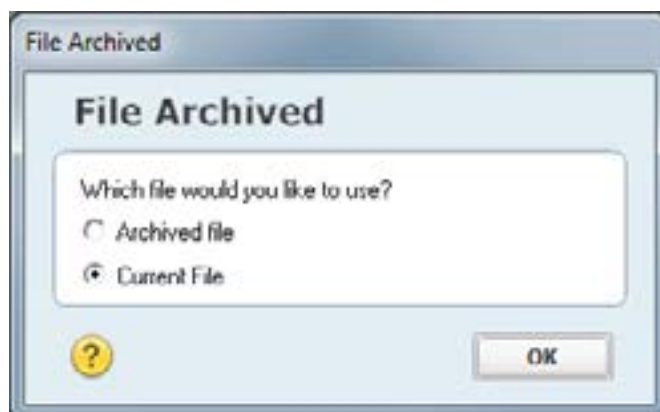


The new file created will be reduced to transactions for the data selected and forward and

will be given a new name that matches the archive file name. An archive file will automatically be created at the same time with the name and location you choose. The archive file includes everything in the current file.

Click OK

Quicken will ask which file to use. By selecting Current File, you'll use the modified (shorted) data file that contains the most important years of transactions for comparison reports.



Click OK

Note: It is not recommended to start a new data file when the current one is large. If the farm business went through a name change or major shifts, then a new data file may be appropriate.







CHAPTER 10: CREDIT CARDS

Financial credit is used by many farm operations to pay operating and other expenses during periods when cash outflows exceed cash inflows. Credit cards used for the same purpose are common in farming operations. Credit can be tracked within your Quicken farm records to help you know where you are financially at anytime.

Setting Up Your Accounts

It is recommended that you create a credit card account for each credit card you have. Follow the instructions in the [“Chapter 3: Accounts” on page 1](#) to set up your new credit card account(s). The information required to create your credit card account is the same as the information needed to create a checking account, except that you can enter the credit limit established for each line of credit or credit card. While the credit limit is optional, it is recommended that you enter this information. With the limit established and the register for a credit card account opened, the balances shown at the bottom of the register include the amount of credit used and the amount of credit remaining for this particular account.

Making Entries

Credit card transactions are entered into the appropriate register just like making entries into a checking account register. Each farm related transaction should be entered into the credit card register. Just like in a checking account register, credit card transactions can also be entered as split transactions if necessary. For credit card transactions that are for only personal expenses, it is optional if this type of transaction is entered into the register.

Note: When you use a credit card to pay business expenses, those expenses are deductible at the time of the charge rather than when the credit card statement is actually paid. To make sure these expenses are deducted in the correct year, you need to enter the business related charges in your credit card account as soon as possible after the transaction is made.

Example:

You and your spouse are going out to dinner for your anniversary. On the way to the restaurant you stop at the Farm & Ranch Store to pick up a few things for the farm. You use your Credit Card to pay for the items at the store. At the restaurant, the bill for dinner is \$50 and you charge it to your Credit Card. The following split transaction is entered into your *Farm Credit Card* account.

<u>Date</u>	<u>Payee</u>	<u>Memo</u>	<u>Category</u>	<u>Amount</u>
1/15/ XX	Farm & Ranch Store		--SPLIT--	\$607.50
Split Screen Detail				
	<u>Category & Tag</u>	<u>Memo</u>		<u>Amount</u>
	1. Gas, Fuel & Oil & Overhead	Oil for truck		75.00
	2. Supplies & Cow Calf	Cattle supplies		400.00
	3. Repairs and Maintenance & Overhead	Chisel plow shank		125.00
	4. Misc. & Family Living	Candy for grandkids		7.50

Note: This transaction was entered as a split transaction since there are multiple categories. The personal transaction was included since it was part of the transaction at the Farm & Ranch Store.

Note: Since it is not mandatory that transactions of a personal nature are entered in the *Farm Credit Card* account, the restaurant transaction was not entered. Without the personal transactions entered, the account balance will not be correct. The correct outstanding balance is \$657.50, but only \$607.50 has been actually entered into the register.

Paying Your Credit Card Bill

When you write the check to pay your credit bill, you transfer money between your checking and credit card accounts if all transactions have been entered. If personal transactions have not been entered, the payment to pay off the account balance will be a split transaction that includes a line(s) for the family living (personal) portion of the payment.

Example:

You pay your credit card bill from your farm checking account. In your farm checking account, you write a check to the Credit Card Company for \$657.50 to pay off your monthly credit card balance in full.

<u>Date</u>	<u>Num</u>	<u>Payee</u>	<u>Memo</u>	<u>Category</u>	<u>Amount</u>
2/5/XX	101	Master Card, Inc.		--SPLIT--	\$657.50
		Split Screen Detail			
		<u>Category</u>	<u>Memo</u>		
		1. [Farm Master Card]			600.00
		2. Hfood	Anniversary dinner		57.50

After the above payment is made, the outstanding balance in the *Farm Master Card* account will be zero.

Note: If the restaurant charge of \$50 had been entered in the *Farm Master Card* account register, the payment would have been a single line (rather than a split transaction) with the category being **[Farm Master Card]** and the amount paid \$657.50.

Note: Even though the farm credit card paid for the candy for the grandkids, the end of year report will show it as a family living expense because of the category and tag used.

Note: Transactions and payments associated with a bank line of credit would be identical to the example above using a credit card account.

Reconciling Your Credit Card Account

If you enter all your credit card transactions into your credit card account, you can reconcile the account. The procedure is similar to reconciling a checking account.



With the credit card account window open, Click the Reconcile button in the account register tool bar.

Fill in the required information about your credit card statement in the “Credit Card Statement Information: credit card window.

Click OK.

Click every transaction that appears on your statement. Missing transactions can be added and transactions can be edited.

Click Finished.

Note: If desired, Quicken will make an entry into a selected bank (checking) account to make a payment on the credit balance. Click Yes if you want this option. Otherwise, Click No.

Credit Card Transactions In Reports

If you are using a credit card account to record expenses be sure to include your credit card account(s) in the reports that you use to generate tax-related reports and P&L statements.

When generating any of these reports:



Click the Customize button after the report has been created to open the “Customize Report” window.

Click the Accounts tab and select the credit card account(s), along with the other accounts, to be included in the report.

Debit Cards

Debit cards are not credit cards, even though they often carry the name of a major credit card company. When you make a purchase with a debit card, the money is withdrawn from your bank account as if you had written a check. It is different from a credit card in that it is not a loan or advance, but a deduction from your checking account. In Quicken, you record debit card transactions in a bank account register associated with that debit card, not in a credit card account. Debit cards are used to withdraw cash from a checking or savings account. Like the debit card, ATM transactions are recorded directly in the account associated with the Debit card.

USING DOUBLE TAGS

Farmers commonly rent cropland or pasture and may own multiple parcels of land. Tags can be used to track expenses and income by enterprise such as corn, soybeans, cow/calf, and alfalfa. Using double tags can add a location such as a farm or landlord. For example, double tags will allow the analysis the cash flow of corn at the Smith farm compared to the cash flow of corn on the Mathews farm.

Begin practice by adding new tags to your Quicken file



Click Tools

Tag List

New

Add the following Tags (if needed):

- Corn 2015
- Soybean 2015
- Mathews
- Smith
- Bradner

Date: **3/22/2015**
Check Number: **1016**
Payee: **Buckeye Seed Dealer**
Payment: **5,000**
Category: **Seed and Plants**
Tags: **Corn 2015:Mathews**
Memo: **\$250/unit, Hybrid A, 32K/ac**

Date: **4/23/2015**
Check Number: **1017**
Payee: **Buckeye Seed Dealer**
Payment: **7,200**
Category: **Seed and Plants**
Tags: **Corn 2015:Smith**
Memo: **\$225/unit, Hybrid B, 32K/ac**

Date: **5/20/2015**
Check Number: **1018**
Payee: **Buckeye Ag Service**
Payment: **9,240**
Category: **Fertilizer and Lime: 28% N**
Tags: **Corn 2015:Smith**
Memo: **80 acres, 50 gal/ac, 22 ton @\$420/ton**

Date: **6/21/2015**

Check Number: **1019**
Payee: **Buckeye Ag Service**
Payment: **7,425**
Category: **Fertilizer and Lime: 28% N**
Tags: **Corn 2015:Mathews**
Memo: **50 acres, 60 gal/ac, 16.5 ton @\$450/tons**

Date: **7/28/2015**
Check Number: **1020**
Payee: **Country Service Exchange**
Payment: **834**
Split Category: **Chemicals:Insecticide 444**
Custom Hire:Chem Appl 390
Tags: **Soybean 2015:Bradner**
Split Memo: **37 acres Insecticide A @ \$12/ac**
37 acres @ \$10.54/ac

To run a report using double tags

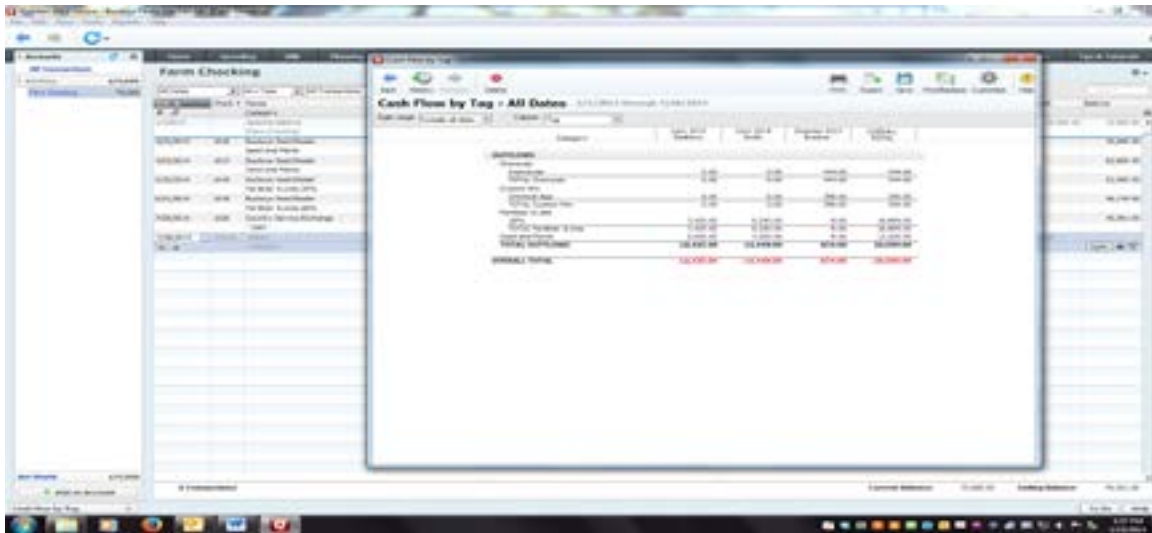


Click Report

Banking

Cash Flow by Tag

Note: Make sure report date range includes the necessary enterprise date range



Click Next

Customize this report to only include Tag Corn 2015. It will include all Tags Corn 2015 and any attached Double Tags such as Mathews and Smith.



Click Customize

Click the Tag tab

Click Clear All

Click the tag named "Corn 2015" in tag list







ANALYZING QUICKEN FARM RECORDS WITH FINPACK

FINPACK is a computerized farm financial planning and analysis system. It will help you evaluate your financial situation, explore alternatives, and make informed decisions about the future direction of your farm. It is not a record keeping system. Instead, FINPACK gives you the tools to effectively use your Quicken records in managing your farm.

FINPACK includes three programs to help you manage your farm finances:

FINLRB - for long range planning

FINFLO - for cash flow planning

FINAN - for year end analysis

FINAN is a year end financial analysis that answers the question “Where am I?” It provides an in-depth look at financial progress over the previous year and helps identify strengths and weaknesses. FINAN can provide a whole farm analysis and individual enterprise analyses.

FINLRB, or financial long range budgeting, helps chart the financial performance of a farm business under different future courses of action. It answers the “What If?” or “Where do I want to be?” types of questions in terms of liquidity, solvency, profitability, repayment capacity and financial efficiency. Future plans such as expansion, new enterprises, different enterprise combinations or debt restructuring are compared against the current operation or “Base Plan.”

FINFLO projects monthly cash flows for future years based on projected or current production, marketing and financial plans. Once you have determined where you want to be, FINFLO helps to answer the question “How am I going to get there?” In addition to cash flow projections, FINFLO can be used to prepare projected income statements and balance sheets for up to 15 years.

These FINPACK programs allow you to analyze past performance, make financially informed future plans and prepare monthly or multiple year cash flow projections for your farm business in terms of solvency, liquidity, profitability, repayment capacity and financial efficiency. All FINPACK programs generate ratios and measures that are consistent with the recommendations of the Farm Financial Standards Council.

The first step in doing any type of analysis on your farm business is the completion of the **balance sheet** at the end of the business year. The balance sheet shows as of a given date (usually December 31 or January 1) what you own (your assets), what you owe (your liabilities) and your net worth, the difference between assets and liabilities. A complete set of Quicken farm records that includes all your asset and liability accounts will help in providing the financial information needed for your balance sheet.

Critical to the completion of the balance sheet is the need to take inventories at the end (or beginning) of the year. These inventories should include all supplies on hand that are used in the farm business, all market and breeding livestock on hand, all stored and purchased feeds, all grain held for sale and all machinery and equipment. The market value of these current and intermediate assets are added to the market value of your land and buildings (long term assets) to give the market total value of your assets. Other assets that might be included

would be the value of non-farm assets including non-farm investments and real estate. These assets will add to your net worth, but will not be included in any analysis of the farm business.

On the liabilities side of the balance sheet will be all your loan balances, the principal due on those balances in the next 12 months plus any accrued interest, accrued real estate taxes and any accounts payable as of the date of the balance sheet. Again, you can include any non-farm or personal liabilities, as these will affect your net worth.

FINPACK includes a balance sheet so that the numbers can be transferred into any of the various programs. The FINLRB and FINFLO programs require a single balance sheet and the FINAN program requires a beginning and an ending balance sheet for the year being analyzed.

The output of the FINPACK programs is primarily financial in nature and includes the sixteen ratios and measures recommended by the Farm Financial Standards Council. These sixteen ratios and measures and their interpretation, in most cases, is based on the market value of the assets included on the balance sheet. The FINPACK output also shows how most of the measures are calculated. Each of the sixteen measures fall into one of the following five categories: liquidity, solvency, profitability, repayment capacity and financial efficiency.

Liquidity is the ability of your farm business to meet financial obligations as they come due, to pay family living expenses and taxes and make debt payments. The ratios measuring liquidity are calculated from the balance sheet and include:

- Current ratio - is the ratio of current assets to current liabilities. It measures the extent to which current farm assets, if sold tomorrow, would pay off current farm liabilities.
- Working capital - indicates the amount of working capital for the short term from the business. Working capital is the difference between current assets and current liabilities.
- Solvency - the ability of your business to pay all its debts if it were sold tomorrow. Solvency is important in evaluating the financial risk and borrowing capacity of the business. These ratios are calculated from the balance sheet and include:
 - Farm debt-to-asset ratio - is the lender's share of the business. It compares total farm debt to the total value of farm assets. The higher the ratio the greater the financial risk and the lower the borrowing capacity.
 - Farm equity-to-asset ratio - is your share of the business. It compares farm equity to the total value of farm assets. Adding the debt-to-asset ratio and the equity-to-asset ratio must equal 100%.
 - Farm debt-to-equity ratio - compares the lender's ownership of the business to your ownership. It also indicates how much the owner(s) have leveraged the equity in the business.
- Profitability - the difference between the value of goods produced and the cost of the

resources used in their production. Over time, profits drive the liquidity and solvency of a farm business. Without adequate profits, future growth in net worth from the farm operations is not possible. The following profitability measures come from the income statement:

- Net farm income - represents a return to unpaid labor and management and equity invested in the business. Any net farm income not withdrawn from the business for family living and taxes is retained earnings and increases your farm net worth.
- Rate of return on farm assets - is the average interest rate earned on the total investment in the farm business. Unpaid labor and management are assigned a value before the return on total farm assets is calculated.
- Rate of return on farm equity - is the interest rate being earned on your equity investment in the farm. This return can be compared to returns available if your equity were in alternative investments with a comparable risk.
- Operating profit margin - shows how effectively funds are spent on operating expenses to generate business income. If the operating expenses are low relative to the value of farm production, the business will have a good operating margin. A low profit margin can be caused by low product prices, high operating expenses or inefficient production.
- Repayment capacity shows your ability to repay all term debts on a timely basis. Repayment capacity includes non-farm income and is not a measure of business performance alone. These ratios and measures come from the cash flow statement and are:
 - Term debt coverage ratio - tells whether your business generated enough cash to cover all (farm and non-farm) intermediate and long term debt payments. A ratio less than 100% indicates that the business had to run up open accounts, borrow money or sell assets to meet scheduled loan payments.
 - Capital replacement margin - is the amount of money remaining after all operating expenses, taxes, family living costs and scheduled debt payments have been made. It represents the money available for purchasing or financing new capital assets or paying off additional debt.
 - Financial efficiency - shows how effectively your business uses assets to generate income. Financial efficiency ratios help answer the questions - is each asset being used to the fullest potential? and what are the effects of production, pricing, financing and marketing decisions on gross income?

- Asset-turnover ratio - measures capital productivity or capital efficiency. Generating a high level of production with low capital investment will give a high asset-turnover ratio. If the turnover is low, you will want to consider alternatives to use capital invested more efficiently or sell low return investments.
- Operating expense ratio - shows the proportion of gross farm income used to pay operating expenses, not including depreciation and interest.
- Depreciation expense ratio - indicates how fast the business wears out capital assets and what proportion of gross farm income is needed to maintain the capital used in the business. This ratio should be looked at over time since it can be misleading during major expansions or contractions or if you use depreciation from Schedule F.
- Interest expense ratio - shows what percentage of gross farm income is used to pay for the use of borrowed capital.
- Net farm income ratio - compares net farm income (profit) to gross income. It shows what percentage of gross farm income is left after all farm expenses are paid.

FINAN, FINLRB and FINFLO generate the above mentioned 21 ratios and measures to serve as guidelines for making decisions about your farm business. The following table, **Farm Finance Scorecard**, developed by K. Becker, K. Kauppila, G. Rogers, R. Partsons, D. Nordquist, and R. Craven, University of Vermont Extension, and the Center for Farm Financial Management, University of Minnesota lists all the 21 measures and the suggested guidelines for each of them.

