

## **15. Farm Accounting with QuickBooks**

**Mark Dikeman**

**<dikemanm@ksu.edu>**

*Mark Dikeman works as Coordinator of Professional Development and Training for the Kansas Farm Management Association. Before moving to this position, he worked as an Extension Ag Economist in the Holton KFMA office. Mark received a B.S. degree in Animal Sciences and Industry and a M.S. degree in Agricultural Economics from Kansas State University.*

### **Abstract/Summary**

*Accurate farm accounting records are a critical foundation for a variety of farm management tasks. From tax planning and preparation to farm financial evaluation to enterprise analysis, farm managers need accurate accounting records. In this session, we will provide an introduction to farm accounting with QuickBooks, one of the most popular small business accounting systems. We will discuss the advantages and disadvantages of using QuickBooks, getting started with QuickBooks, entering common transactions, and using QuickBooks for enterprise analysis.*

# Farm Accounting with Quickbooks

**Mark Dikeman**  
Coordinator of Professional Development & Training  
Kansas Farm Management Association  
dikemamm@ksu.edu  
785-364-0590 Cell  
785-539-0373 Office



## Notes on This Presentation

- Focus of this section will be advanced use of Quickbooks
  - There are easier ways to do everything shown
- Focus will be on accounting for business performance and financial analysis
  - Accrual accounting
  - Tracking inventory
  - Enterprise analysis

Farm Accounting with Quickbooks



## Notes on This Presentation

- We are forcing Quickbooks to do things it normally doesn't do to fit our needs
  - Failure to follow proper steps may result in unexpected results
- This should really be a day long course!

Farm Accounting with Quickbooks

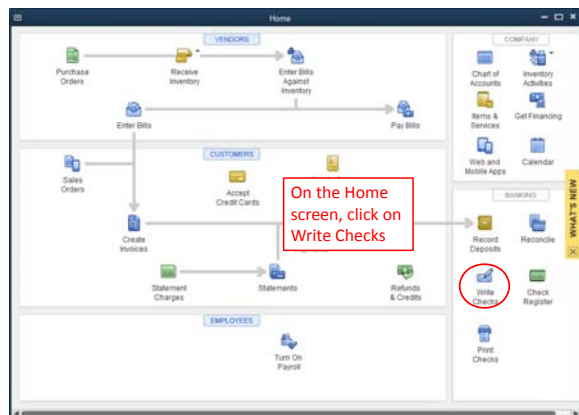


## Quickbooks Transactions

Farm Accounting with Quickbooks



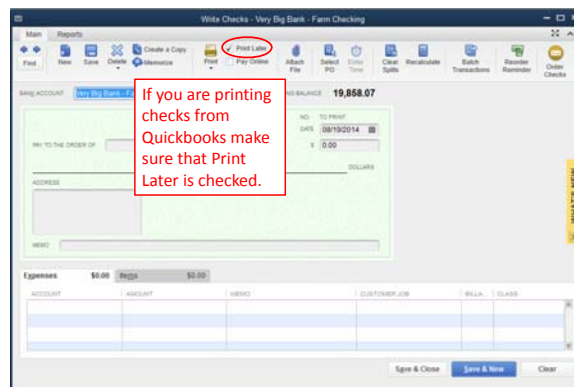
## Recording Expenses



Farm Accounting with Quickbooks



## Recording Expenses



Farm Accounting with Quickbooks



## Recording Expenses

If you entering a handwritten check, remove the Print Later check mark if present

Farm Accounting with Quickbooks

## Recording Expenses

Enter a check number and date

Farm Accounting with Quickbooks

## Recording Expenses

Enter a vendor in the Pay to the Order Of field

Farm Accounting with Quickbooks

## Recording Expenses

The first time that you enter a vendor, Quickbooks will let you know the name is not found in your vendor list. Click Quick Add

Farm Accounting with Quickbooks

## Recording Expenses

Usually you will select Vendor or Customer. Click OK

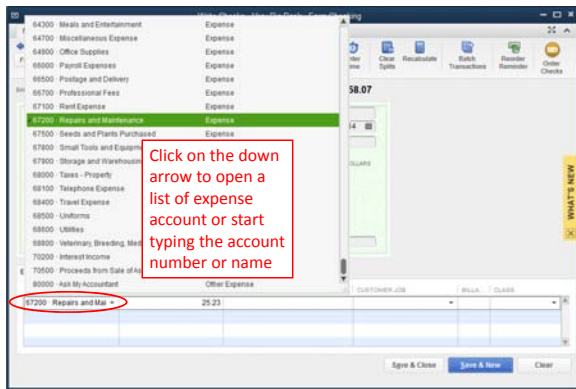
Farm Accounting with Quickbooks

## Recording Expenses

Enter the amount of the check and click in the first row of the Account column

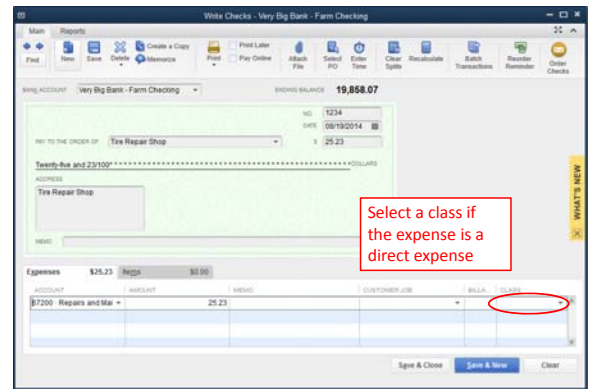
Farm Accounting with Quickbooks

## Recording Expenses



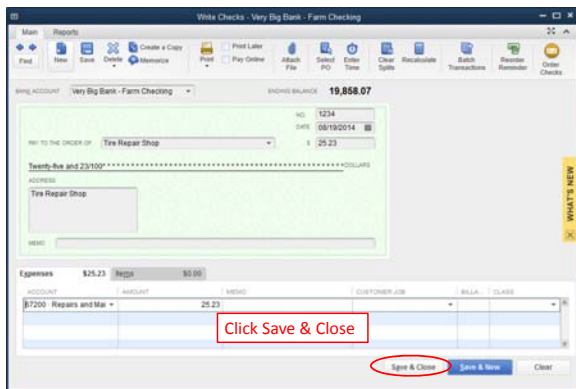
Farm Accounting with Quickbooks

## Recording Expenses



Farm Accounting with Quickbooks

## Recording Expenses



Farm Accounting with Quickbooks

## Recording Debt Financed Capital Asset Purchases

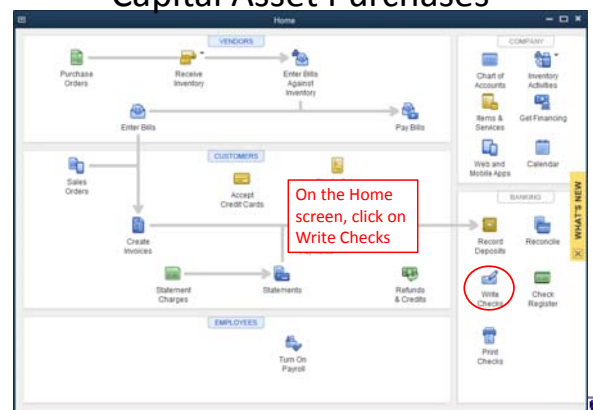
Farm Accounting with Quickbooks

## Recording Debt Financed Capital Asset Purchases

- Capital asset purchases without financing can be recorded like other expenses
- Required:
  - Fixed Asset or Other Expense account  
15000 – Furniture and Equipment
  - Long Term Liability accounts  
New loan: JD Financial – Combine  
Old loan: Very Big Bank – Combine

Farm Accounting with Quickbooks

## Recording Debt Financed Capital Asset Purchases



Farm Accounting with Quickbooks

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235 DATE: 08/19/2014

PAY TO THE ORDER OF: John Deere Dealership

AMOUNT: 10,000.00

Enter the down payment amount

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MESSAGE	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00				

Save & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235 DATE: 08/19/2014

PAY TO THE ORDER OF: John Deere Dealership

AMOUNT: 10,000.00

Enter the trade difference (or full purchase price if no trade)

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MESSAGE	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			

Save & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235 DATE: 08/19/2014

PAY TO THE ORDER OF: John Deere Dealership

AMOUNT: 10,000.00

Enter the proceeds from the new loan as a negative

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MESSAGE	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			
20 Financial - Combine	-44,200.00	New JCF Loan			

Save & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235 DATE: 08/19/2014

PAY TO THE ORDER OF: John Deere Dealership

AMOUNT: 10,000.00

Enter the old loan payoff as a positive

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MESSAGE	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			
20 Financial - Combine	-44,200.00	New JCF Loan			

Save & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235 DATE: 08/19/2014

PAY TO THE ORDER OF: John Deere Dealership

AMOUNT: 10,000.00

Enter the interest portion of the old loan payoff, if known

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MESSAGE	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			
20 Financial - Combine	-44,200.00	New JCF Loan			
63400 Interest Expense	543.22	Interest			

Save & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235 DATE: 08/19/2014

PAY TO THE ORDER OF: John Deere Dealership

AMOUNT: 10,000.00

Enter any loan fees or extra finance charge as a separate line, if applicable

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MESSAGE	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			
20 Financial - Combine	-44,200.00	New JCF Loan			
63400 Interest Expense	543.22	Interest			

Save & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235  
DATE: 06/19/2014

PAY TO THE ORDER OF: John Deere Dealership

Amount: \$ 10,000.00

ADDRESS: John Deere Dealership

MEMO:

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			
JD Financial - Combine	54,200.00	New JCF Loan			
Very Big Bank - Combine	23,456.78	Payoff Bank Loan			
63400 Interest Expense	543.22	Interest			
62500 Dues and Subscriptions	200.00	Fees			

Sign & Close Save & New Clear

## Recording Debt Financed Capital Asset Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 19,832.84

NO: 1235  
DATE: 06/19/2014

PAY TO THE ORDER OF: John Deere Dealership

Amount: \$ 10,000.00

ADDRESS: John Deere Dealership

MEMO:

Expenses: \$10,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	10,000.00	Trade Difference			
JD Financial - Combine	54,200.00	New JCF Loan			
Very Big Bank - Combine	23,456.78	Payoff Bank Loan			
63400 Interest Expense	543.22	Interest			
62500 Dues and Subscriptions	200.00	Fees			

Sign & Close Save & New Clear

## Recording Resale Purchases

Farm Accounting with Quickbooks

## Recording Resale Purchases

- Required:
  - Inventory tracking account
    - Purchased Calves Inventory – Other Current Asset
  - Farm Resale Inventory Part Item
    - PCalvesBought – Purchased Calves Bought
  - Linked accounts:
 

Asset Account	Purchased Calves Inventory
Income Account	Purchased Calves Inventory
COGS	Purchased Calves Inventory

Farm Accounting with Quickbooks

## Recording Resale Purchases

Home

VEHICLES: Purchase Orders, Receive Inventory, Enter Bills Against Inventory, Pay Bills

CUSTOMERS: Sales Orders, Accept Credit Cards, Create Invoices, Statements, Statement Charges

EMPLOYEES: Turn On Payroll

COMPANY: Chart of Accounts, Inventory Activities, Get Financing, Farms & Services, Web and Mobile Apps

BANKING: Record Deposits, Reconcile, Write Checks, Check Register

WHAT'S NEW

On the Home screen, click on Write Checks

Farm Accounting with Quickbooks

## Recording Resale Purchases

Write Checks - Very Big Bank - Farm Checking

ENDING BALANCE: 9,832.84

NO: 1235  
DATE: 06/19/2014

PAY TO THE ORDER OF: Sale Barn

Amount: \$ 5,000.00

ADDRESS: Sale Barn

MEMO:

Expenses: \$5,000.00 Regs: \$0.00

ACCOUNT	AMOUNT	MEMO	CUSTOMER JOB	BILL	CLASS
15000 Furniture and Equipment	5,000.00				

Sign & Close Save & New Clear

Farm Accounting with Quickbooks



## Recording Resale Purchases

Click on Items

## Recording Resale Purchases

Select the appropriate item from the Item list

## Recording Resale Purchases

Enter the quantity and total purchase amount

## Recording Resale Purchases

Quickbooks will ask if you want to update the cost of the item. Check Do not display this message in the future and click No

## Recording Resale Purchases

Enter a unit weight in the description

## Recording Resale Purchases

Click Save & Close

## Recording Raised Grain & Livestock Production

Farm Accounting with Quickbooks



## Recording Raised Grain & Livestock Production

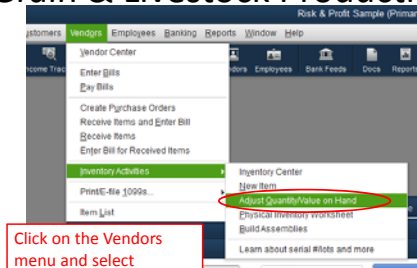
- Required:
  - Inventory tracking account
    - Raised Corn Inventory – Other Current Asset
  - Inventory Part Item
    - R Corn – Raised Corn
  - Linked accounts:
 

Asset Account	Raised Corn Inventory
Income Account	Crop Sales
COGS	Opening Balance Equity

Farm Accounting with Quickbooks



## Recording Raised Grain & Livestock Production

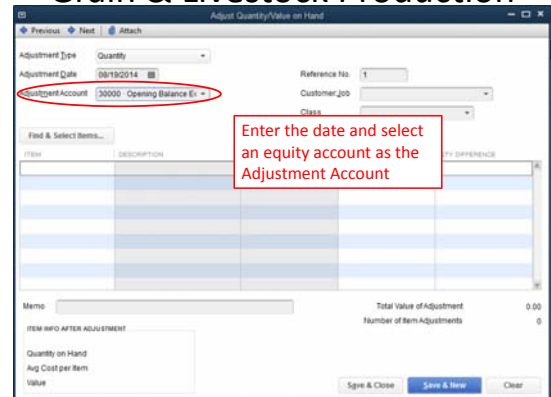


Click on the Vendors menu and select Inventory Activities. Select Adjust Quantity/Value on Hand

Farm Accounting with Quickbooks



## Recording Raised Grain & Livestock Production

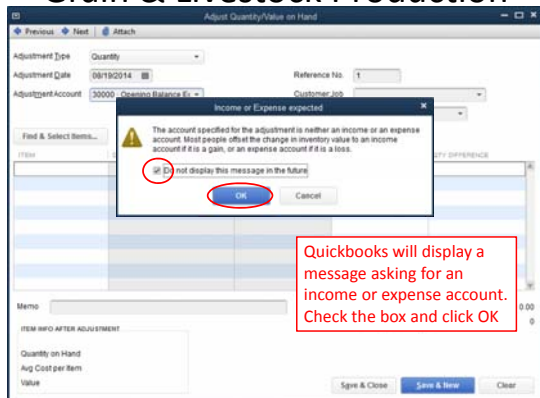


Enter the date and select an equity account as the Adjustment Account

Farm Accounting with Quickbooks



## Recording Raised Grain & Livestock Production

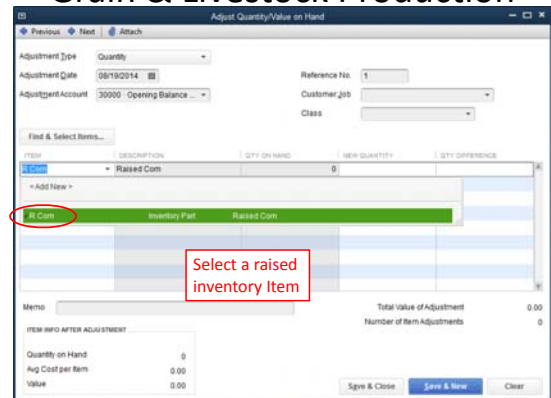


Quickbooks will display a message asking for an income or expense account. Check the box and click OK

Farm Accounting with Quickbooks



## Recording Raised Grain & Livestock Production



Select a raised inventory item

Farm Accounting with Quickbooks





## Recording Raised Grain & Livestock Production

Adjustment Type: Quantity

Adjustment Date: 08/19/2014

Adjustment Account: 30000 - Opening Balance

Reference No: 1

Customer:Job

Class

Find & Select Items...

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE
R Corn	Raised Corn	0		5000

Memo

Total Value of Adjustment: 0.00

Number of Item Adjustments: 0

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand: 0

Avg Cost per Item: 0.00

Value: 0.00

Save & Close Save & New Clear

Farm Accounting with QuickBooks

## Recording Raised Grain & Livestock Production

Adjustment Type: Quantity

Adjustment Date: 08/19/2014

Adjustment Account: 30000 - Opening Balance

Reference No: 1

Customer:Job

Class

Find & Select Items...

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE
R Corn	Raised Corn	0		5000

Memo

Total Value of Adjustment: 0.00

Number of Item Adjustments: 0

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand: 0

Avg Cost per Item: 0.00

Value: 0.00

Save & Close Save & New Clear

Farm Accounting with QuickBooks

## Recording Raised Grain & Livestock Production

Adjustment Type: Quantity

Adjustment Date: 08/19/2014

Adjustment Account: 30000 - Opening Balance

Reference No: 1

Customer:Job

Class

Find & Select Items...

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE
R Corn	Raised Corn	0		5000

Memo

Total Value of Adjustment: 0.00

Number of Item Adjustments: 0

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand: 0

Avg Cost per Item: 0.00

Value: 0.00

Save & Close Save & New Clear

Farm Accounting with QuickBooks

## Recording Raised Grain & Livestock Production

NAME	DESCRIPTION	TYPE	AMOUNT	PRICE	ATTACH
R Corn	Raised Corn	Inventory	43000	5.000	0.00

Farm Accounting with QuickBooks

## Recording Raised Grain & Livestock Sales

## Recording Raised Grain & Livestock Sales

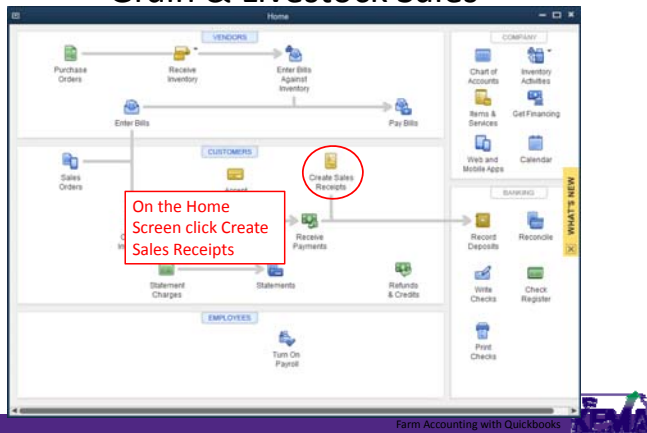
- Required:
  - Inventory Part Item (R Corn)
    - Linked accounts:
 

Asset Account	Raised Corn Inventory
Income Account	Crop Sales
COGS	Opening Balance Equity

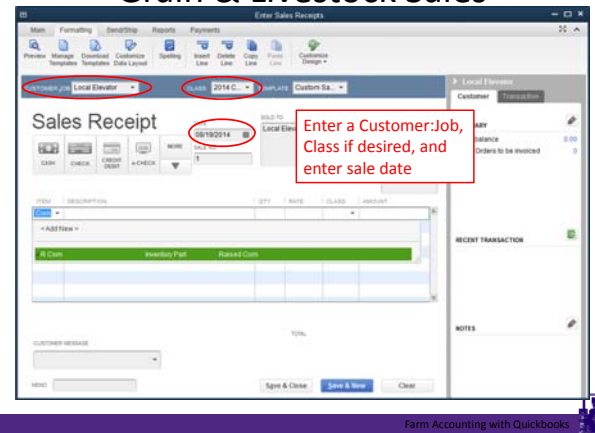
Farm Accounting with QuickBooks

Farm Accounting with QuickBooks

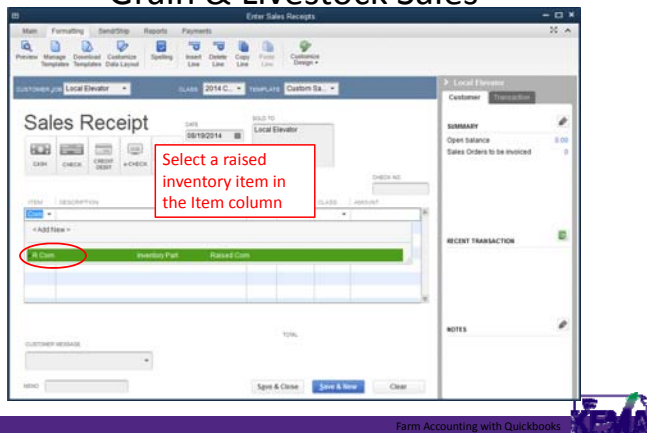
## Recording Raised Grain & Livestock Sales



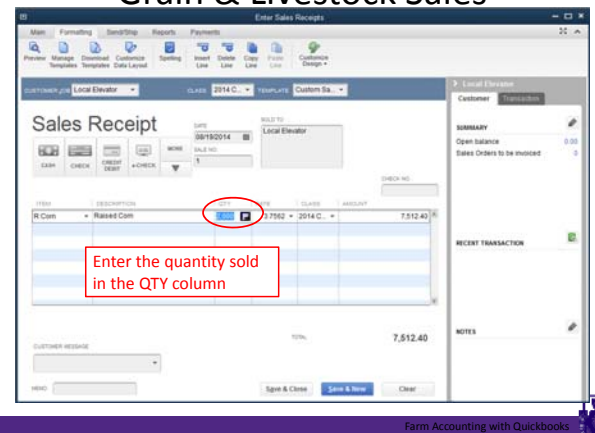
## Recording Raised Grain & Livestock Sales



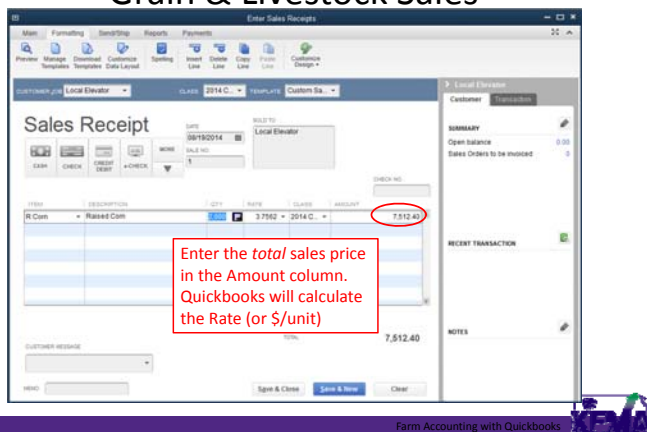
## Recording Raised Grain & Livestock Sales



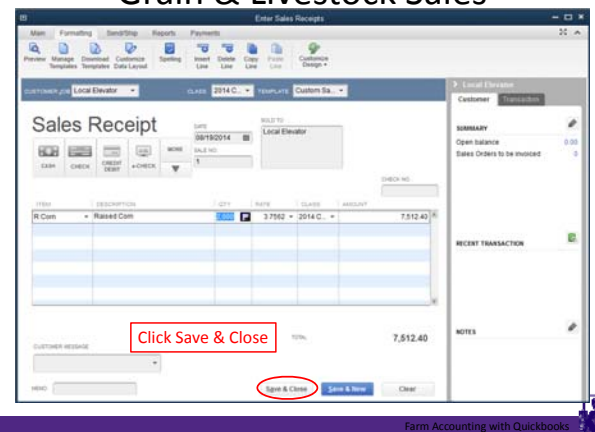
## Recording Raised Grain & Livestock Sales



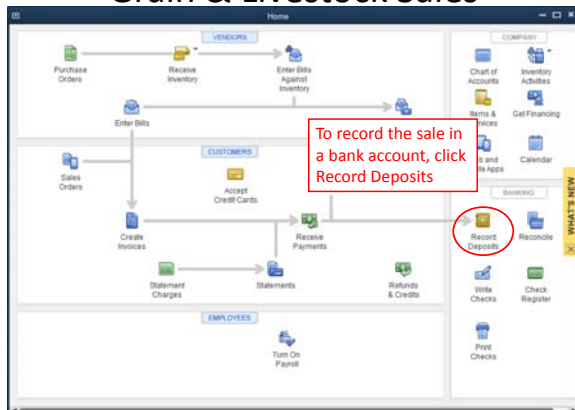
## Recording Raised Grain & Livestock Sales



## Recording Raised Grain & Livestock Sales

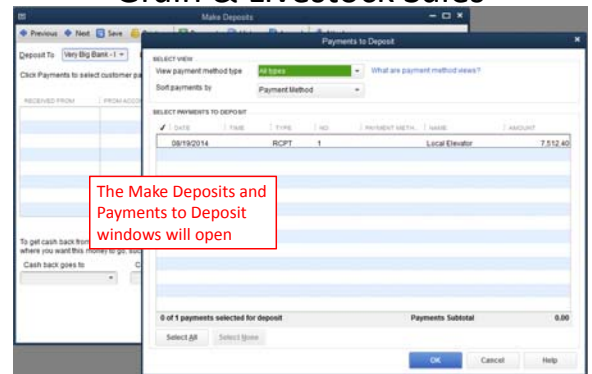


## Recording Raised Grain & Livestock Sales



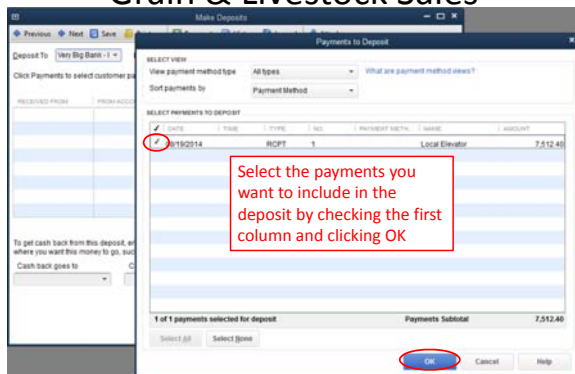
Farm Accounting with Quickbooks

## Recording Raised Grain & Livestock Sales



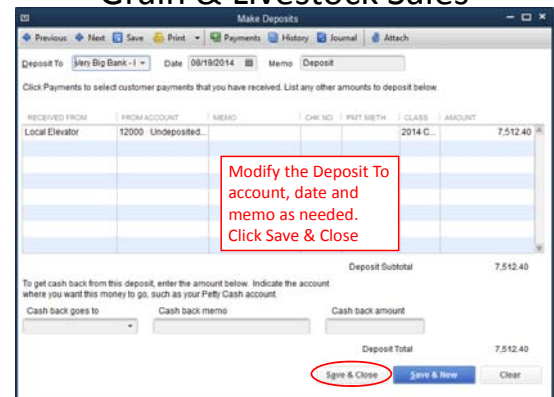
Farm Accounting with Quickbooks

## Recording Raised Grain & Livestock Sales



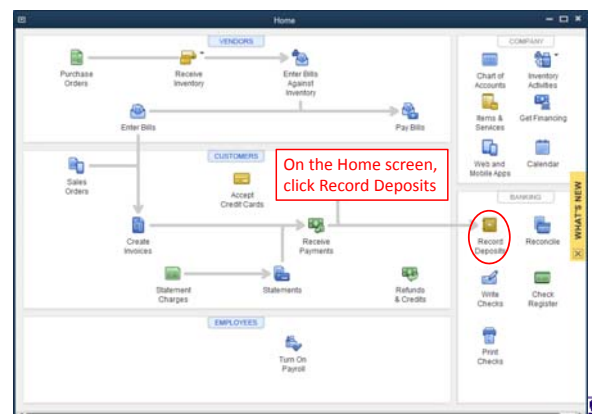
Farm Accounting with Quickbooks

## Recording Raised Grain & Livestock Sales



Farm Accounting with Quickbooks

## Recording Other Income



Farm Accounting with Quickbooks

## Recording Other Income

Modify the Deposit To account, date and memo as needed

Farm Accounting with Quickbooks

## Recording Other Income

Select a Customer or Vendor in the Received From column. Or type a name if a new Customer.

Farm Accounting with Quickbooks

## Recording Other Income

Select an income account in the From Account column

Farm Accounting with Quickbooks

## Recording Other Income

Enter the deposit amount and class, if desired

Income received from multiple customers can be added to the same deposit

Farm Accounting with Quickbooks

## Recording Other Income

Click Save & Close

Farm Accounting with Quickbooks

## Recording Resale Sales

Farm Accounting with Quickbooks

## Recording Resale Sales

- Required:

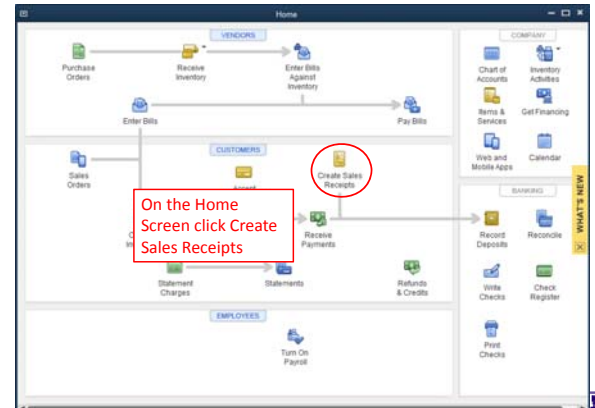
- Resale Non-Inventory Part Item  
PCalvesSold – Purchased Calves Sold

- Linked accounts:

Income Account      Purchased Calves Inventory

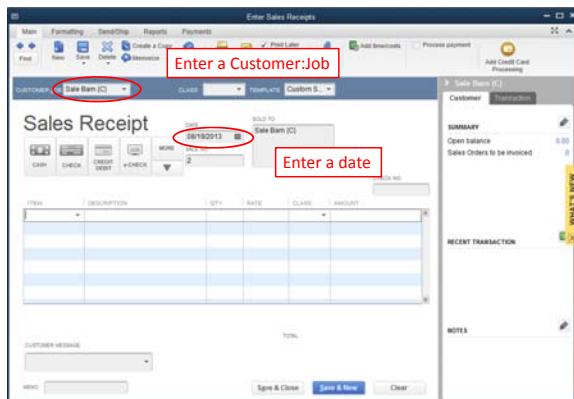
Farm Accounting with Quickbooks

## Recording Resale Sales



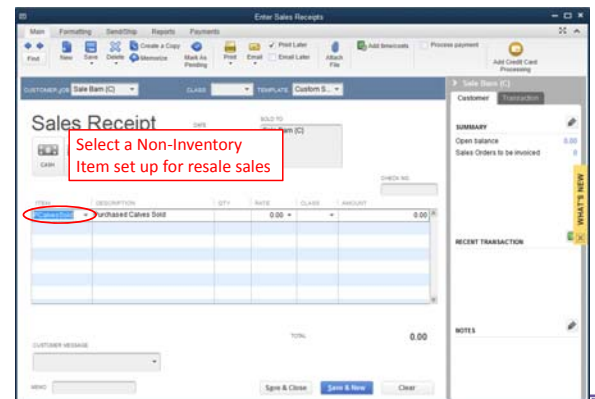
Farm Accounting with Quickbooks

## Recording Resale Sales



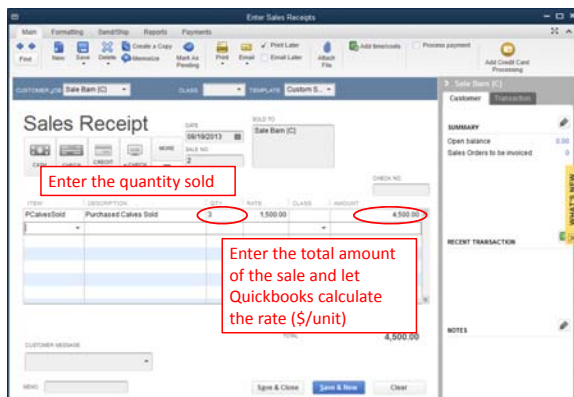
Farm Accounting with Quickbooks

## Recording Resale Sales



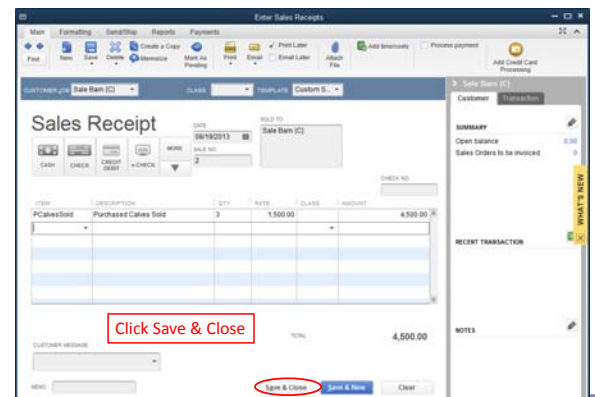
Farm Accounting with Quickbooks

## Recording Resale Sales



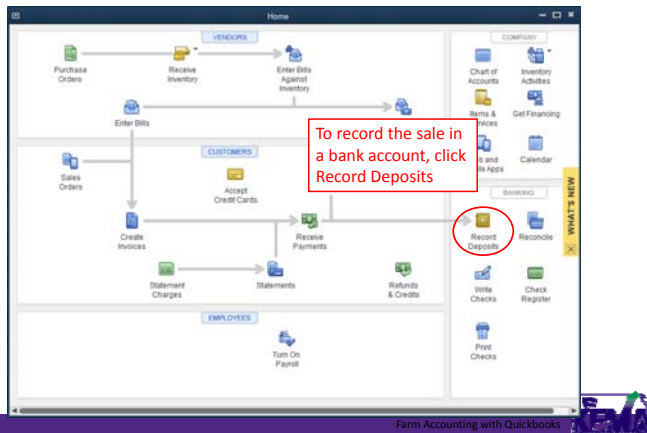
Farm Accounting with Quickbooks

## Recording Resale Sales

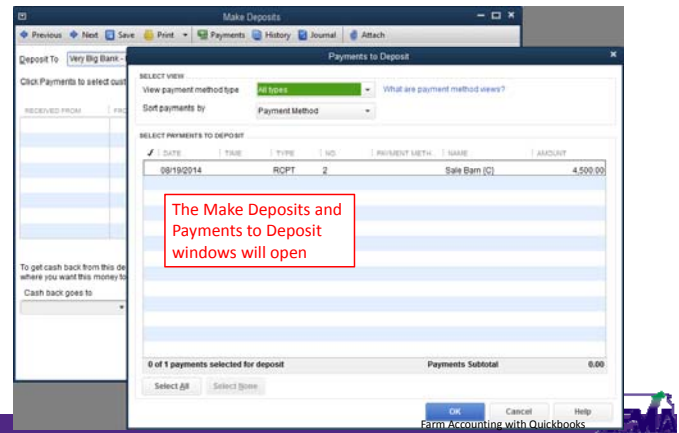


Farm Accounting with Quickbooks

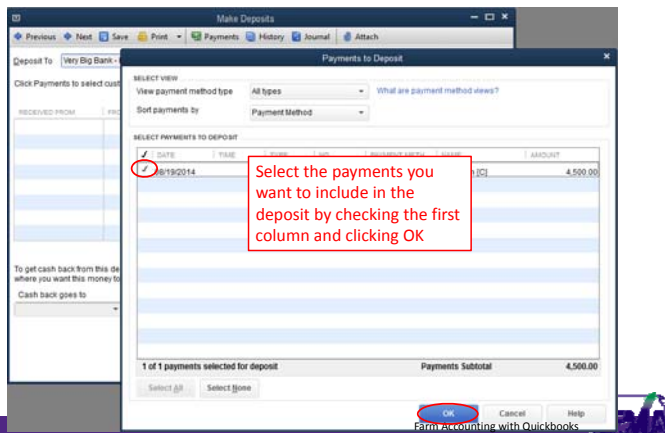
## Recording Resale Sales



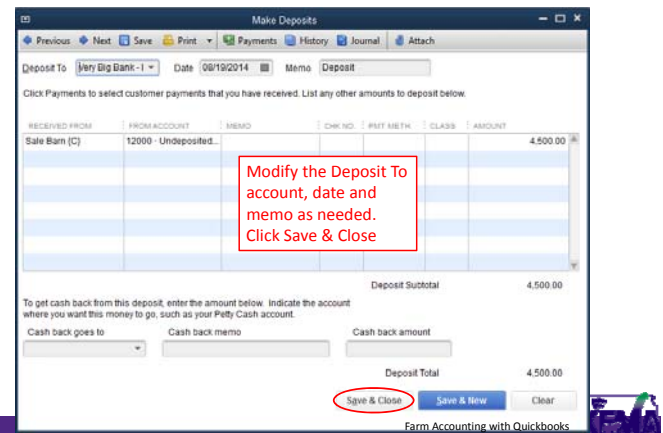
## Recording Resale Sales



## Recording Resale Sales



## Recording Resale Sales



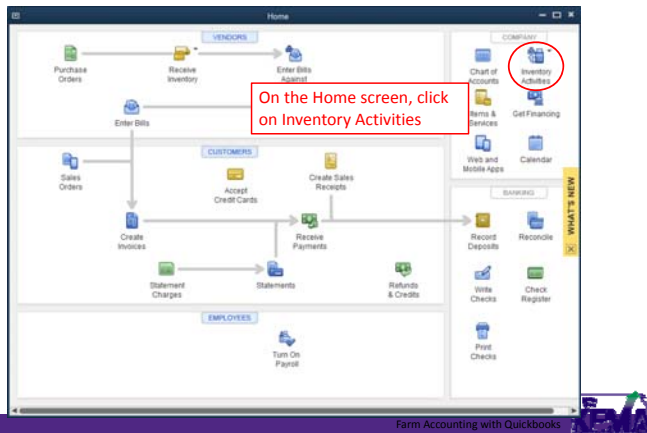
## Recording Resale COGS

## Recording Resale COGS

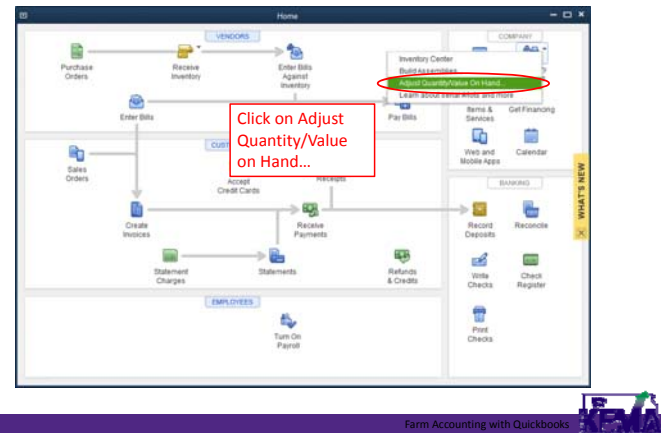
- Caution!! Errors here could have a significant impact on taxable income
  - Consult with your tax preparer before making resale COGS entries
  - Required:
    - COGS account
- Resale Cattle Cost – Cost of Goods Sold Account



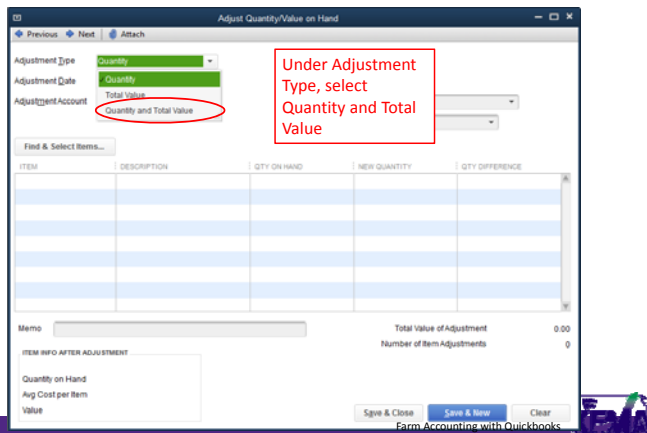
## Recording Resale COGS



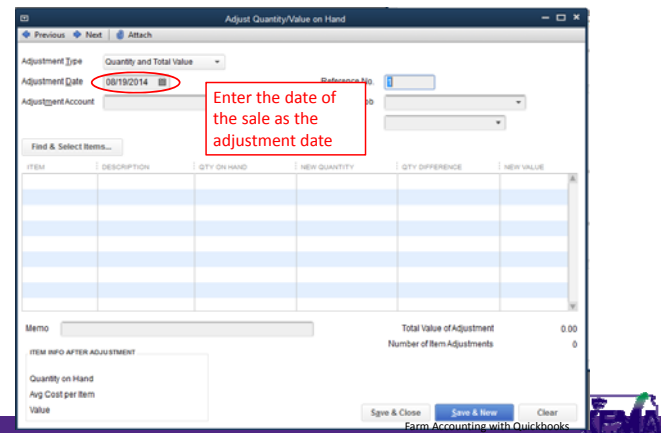
## Recording Resale COGS



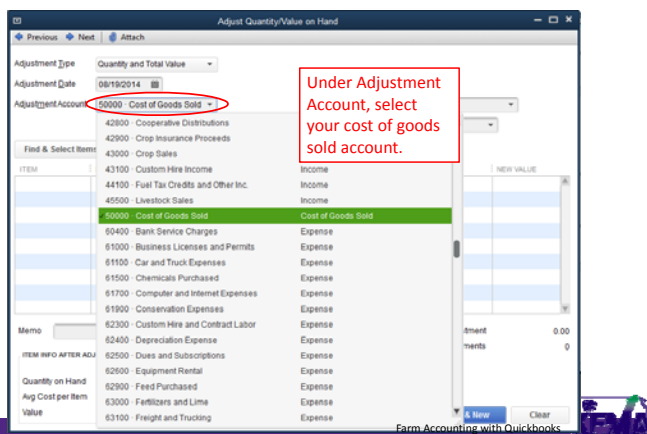
## Recording Resale COGS



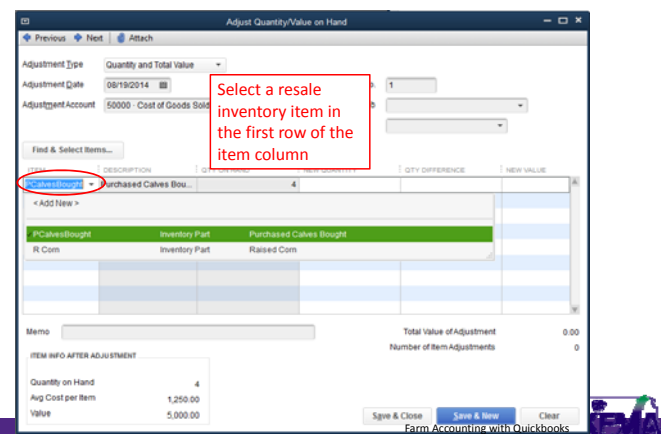
## Recording Resale COGS



## Recording Resale COGS



## Recording Resale COGS



## Recording Resale COGS

Adjust Quantity/Value on Hand

Adjustment Type: Quantity and Total Value

Adjustment Date: 08/19/2014

Adjustment Account: 50000 - Cost of Goods Sold

Reference No: 1

Customer Job: Cattle Cost

Class:

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE	NEW VALUE
PCakesBought	Purchased Cakes Bos...	4	1	-3	1,250.00

Memo:

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand

Avg Cost per Item

Value

Save & Close

Farm Accounting with Quickbooks

## Recording Resale COGS

Adjust Quantity/Value on Hand

Adjustment Type: Quantity and Total Value

Adjustment Date: 08/19/2014

Adjustment Account: 50000 - Cost of Goods Sold

Reference No: 1

Customer Job: Cattle Cost

Class:

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE	NEW VALUE
PCakesBought	Purchased Cakes Bos...	4	1	-3	1,250.00

Memo:

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand

Avg Cost per Item

Value

Save & Close

Save & New

Clear

Farm Accounting with Quickbooks

## Recording Resale COGS

Adjust Quantity/Value on Hand

Adjustment Type: Quantity and Total Value

Adjustment Date: 08/19/2014

Adjustment Account: 50000 - Cost of Goods Sold

Reference No: 1

Customer Job: Cattle Cost

Class:

ITEM	DESCRIPTION	QTY ON HAND	NEW QUANTITY	QTY DIFFERENCE	NEW VALUE
PCakesBought	Purchased Cakes Bos...	4	1	-3	1,250.00

Memo:

ITEM INFO AFTER ADJUSTMENT

Quantity on Hand

Avg Cost per Item

Value

Save & Close

Save & New

Clear

Farm Accounting with Quickbooks

## Recording Patronage Dividends

## Recording Patronage Dividends

- Required:
  - Patronage income account
    - 42800 – Patronage Dividends
  - LT Receivable account
    - Coop Deferred Patronage – Other Asset Account

## Recording Patronage Dividends

Home

VENDORS

Purchase Orders

Receive Inventory

Enter Bills Against Inventory

Pay Bills

Enter Bills

CUSTOMERS

Sales Orders

Create Sales Receipts

Accept Credit Cards

Reversal Payments

Create Invoices

Statement Charges

EMPLOYEES

Turn On Payroll

BANKING

Record Deposits

Reconcile

Write Checks

Check Register

Print Checks

WHAT'S NEW

On the Home screen, click Record Deposits

Farm Accounting with Quickbooks

## Recording Patronage Dividends

Select the bank account where you would like to record the deposit

Enter the deposit date

Farm Accounting with Quickbooks

## Recording Patronage Dividends

Enter the cash portion of patronage (as a positive) on the first detail line. For the From Account column, select a patronage dividend income account.

Farm Accounting with Quickbooks

## Recording Patronage Dividends

Enter the deferred portion of patronage (as a positive) on the second detail line. For the From Account column, select the same patronage dividend income account as you did in the first detail line.

Farm Accounting with Quickbooks

## Recording Patronage Dividends

Enter the deferred portion of patronage again (this time as a negative) on the third detail line. For the From Account column, select a deferred patronage other asset account.

Farm Accounting with Quickbooks

## Recording Patronage Dividends

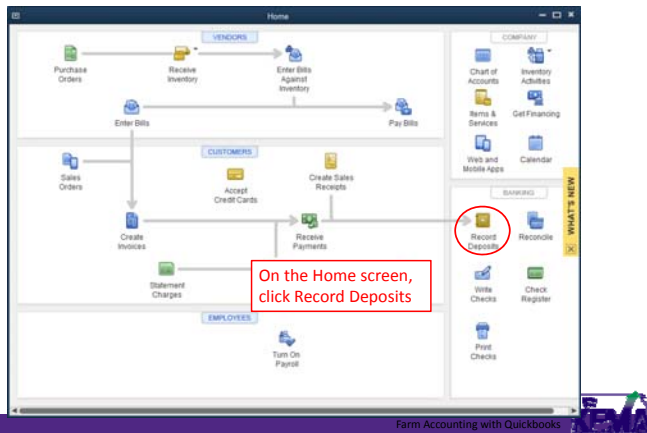
Click Save & Close

Farm Accounting with Quickbooks

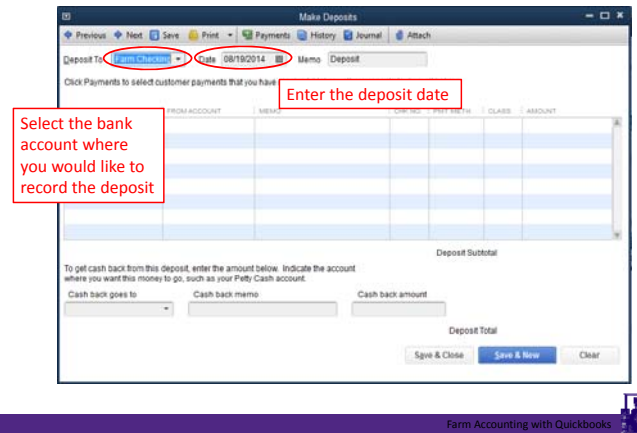
## Recording Landlord Refunds

Farm Accounting with Quickbooks

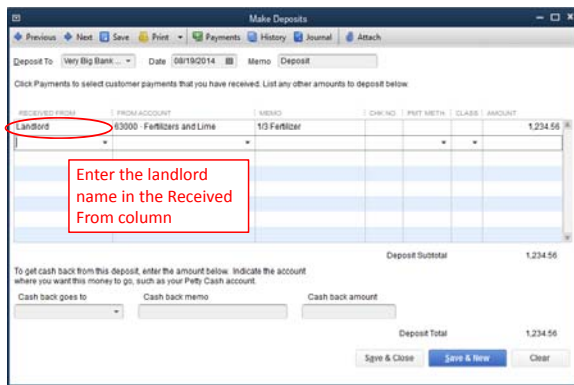
## Recording Landlord Refunds



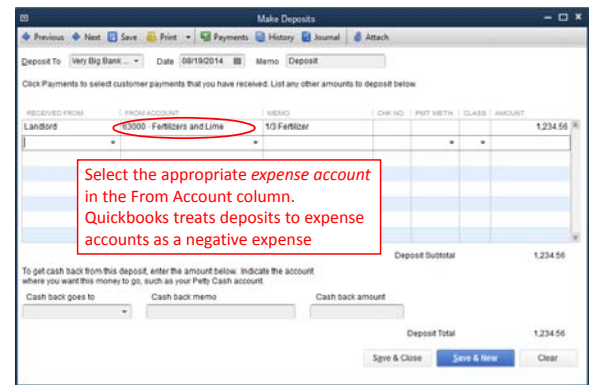
## Recording Landlord Refunds



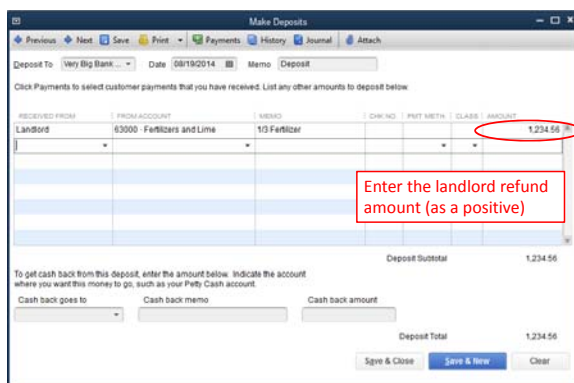
## Recording Landlord Refunds



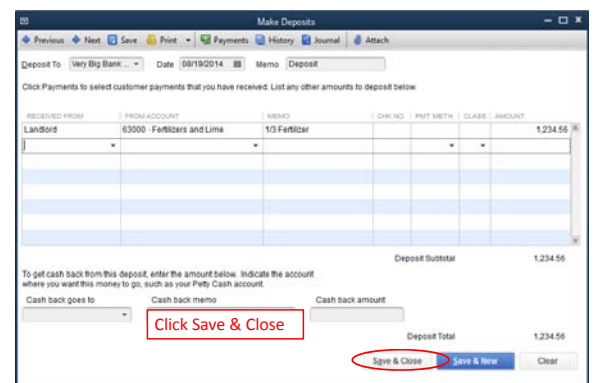
## Recording Landlord Refunds



## Recording Landlord Refunds



## Recording Landlord Refunds



## Questions?

**Mark Dikeman**

Coordinator of Professional Development & Training  
Kansas Farm Management Association  
dikemanm@ksu.edu  
785-364-0590 Cell  
785-539-0373 Office



## An Introduction to Farm Accounting with Quickbooks

**Mark Dikeman**

Coordinator of Professional Development & Training  
Kansas Farm Management Association  
dikemanm@ksu.edu  
785-364-0590 Cell  
785-539-0373 Office



## What is Quickbooks?

- Quickbooks is double entry accounting software designed for small businesses
- Relatively difficult to learn
- Relatively easy to use
- Relatively powerful

Farm Accounting with Quickbooks



## Quickbooks Strengths

- Low purchase price (≈\$175)
- Quickbooks is very good at:
  - Double entry accounting
  - Tracking invoices and accounts receivable
  - Tracking bills and accounts payable
  - Calculating *non-farm* cost of goods sold (COGS)
  - Payroll – If you pay annually (≈\$300)
- Keyboard shortcuts
- Quickbooks is flexible

Farm Accounting with Quickbooks



## Quickbooks Weaknesses

- Quickbooks is flexible
  - Follow steps exactly on the Home Screen!
- Advertising “stuff”
- Farm accounting differs from accounting for other small businesses
  - Cash vs accrual
  - Cost of goods sold

Farm Accounting with Quickbooks



## Quickbooks Weaknesses

- Farm cost of goods sold (COGS)
  - Quickbooks only uses Average Cost in COGS calculations
  - Farmers must use First In First Out (FIFO) for resale livestock
- Payroll add-on may be overpriced for the average farm employer

Farm Accounting with Quickbooks



## Is Quickbooks right for you?

- What is your accounting objective?
- How much time are you willing to spend?



## Is Quickbooks right for you?

- What is your accounting objective?
  - Tax records?
  - Reports for banker?
  - Business performance and financial analysis?



## Is Quickbooks right for you?

- What is your accounting objective?
  - Tax records?
    - Quickbooks handles tax records with ease but is extreme overkill for tax records alone
  - Reports for banker?
  - Business performance and financial analysis?



## Is Quickbooks right for you?

- What is your accounting objective?
  - Tax records?
  - Reports for banker?
    - Quickbooks reports include
      - Income statements
      - Inventory quantities on hand
      - Balance sheets
    - All are *tax basis*!
      - Quickbooks will not create fair market value balance sheets
      - Reports can be exported to Excel and modified
  - Business performance and financial analysis?



## Is Quickbooks right for you?

- What is your accounting objective?
  - Tax records?
  - Reports for banker?
  - Business performance and financial analysis?
    - This is where Quickbooks really shines!
    - Financial analysis requires
      - Accurate accounting
      - Tracking inventory
      - Tracking A/R & A/P



## Is Quickbooks right for you?

- How much time are you willing to spend?
  - Accurate accounting requires work in Quickbooks weekly, if not daily
    - Accounting entry once or twice per year is not adequate
    - Financial analysis requires considerable effort





## Quickbooks Setup

Farm Accounting with Quickbooks

## Quickbooks Setup

No Company Open  
Select a company that you've previously opened and click Open

COMPANY NAME	LAST MODIFIED	FILE SIZE
R&P Sample QBW	08/17/2014, 08:22 AM	112.14 MB

Open Edit List

LOCATION: C:\Users\Mark\MyDrive\Documents\QMAR\Training & Presentations\Risk & Profit 2014\

Create a new company Open or restore an existing company Open a sample file

Farm Accounting with Quickbooks

## Quickbooks Setup

Let's get your business set up quickly!

Answer some basic questions and we'll do the rest. You can always make changes later. (Recommended for new users)

Express Start

Control the setup and fine-tune the company file. Create a new company file based on an existing one. Convert data from Quicken or other accounting software.

Detailed Start Create Other Options

Need help? Give us a call

Farm Accounting with Quickbooks

## Quickbooks Setup

EasyStep Interview

Enter your company information

QuickBooks uses this information on your tax forms and forms you use to communicate with your customers and vendors.

Company name: Risk & Profit Sample

Legal name: Risk & Profit Sample

Tax ID: 48-1234567

Street address: 1234 Fake Street

City: Manhattan State: KS Zip: 66502

Country: U.S. Phone: 785-555-0373 Fax: Use the format you would like displayed on your forms, e.g. (303) 555-1212

E-mail address: Web site:

What if I have more than one business?

Enter appropriate company information. Company name is all that is required. Click Next.

Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with Quickbooks

## Quickbooks Setup

EasyStep Interview

Select your industry

Tell us your industry and we'll customize QuickBooks to work best for you. You will be able to review our recommendations and change them in this interview. And, you can always change each of these settings later. Click on:

Don't see your industry? Choose an industry that is similar to yours. Examples

Select an industry from the list

- Accounting or Bookkeeping
- Advertising or Public Relations
- Architecture, Engineering, or Farming
- Art, Writing, or Publishing
- Automotive Sales or Repair
- Church or Religious Organization
- Construction General Contractor
- Construction Trades (Plumber, Electrician, HVAC, etc.)
- Design, Architecture, or Engineering

How does QuickBooks use my industry selection?

Leave... < Back Next >

Farm Accounting with Quickbooks

## Quickbooks Setup

EasyStep Interview

How is your company organized?

Your selection will help QuickBooks create the correct accounts for your business entity and assign tax form lines to those accounts.

Sole Proprietorship

Partnership or LLP

LLC

Corporation (also known as Regular or C Corporation)

S Corporation

Non-Profit

Other None

Which business entity should I choose?

Leave... < Back Next >

Select your business organization. If you are not sure, ask your tax preparer.

Farm Accounting with Quickbooks

## Quickbooks Setup

EasyStep Interview

Select the first month of your fiscal year

Your fiscal year is typically the same as your income tax year. Explain

My fiscal year starts: January

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with Quickbooks

Select the beginning month of your fiscal year. If you are not sure, ask your tax preparer. Usually January.

## Quickbooks Setup

EasyStep Interview

Set up your administrator password (optional)

We recommend you set up a password to protect your company file. You will be prompted for this password whenever you open this file. It is optional to set up a password.

Administrator password: [text box]

Repeat password: [text box]

What is an "administrator"? Entering a password sets up the administrator user, who has full access to all activities and information in QuickBooks. When you are ready, you can set up other users with more limited privileges.

Note: You can also set up or change your administrator password later.

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with Quickbooks

If several people are using your computer, you may want an administrator password. Click next without entering a password if you don't want one. It is not required and can be added later if desired.

## Quickbooks Setup

EasyStep Interview

Create your company file

Your QuickBooks information is stored in a file called the company file. Click Next to choose a file name and location to save your company file.

Where should I save my company file?

Click Next. You will be asked where you would like to save the QuickBooks company file.

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with Quickbooks

## Quickbooks Setup

Filename for New Company

Select a location to save your company file that will be easy to find. QuickBooks' default location is somewhat hidden.

Quickbooks defaults to using the business name as the company file name. Change the name as needed.

File name: [text box] Save

Save as type: QuickBooks File (\*.QBW;\*.QBA)

Farm Accounting with Quickbooks

## Quickbooks Setup

EasyStep Interview

Customizing QuickBooks for your business

Next, we'll customize QuickBooks by turning on features that best meet your business needs. To do this, we'll ask you questions about:

- Your industry and what you sell
- How and when your customers pay you
- How you pay your bills

The features that appear in your custom Home page will be based on your answers.

Click Next

Not sure what you'll need for your business? Answer the interview questions based on your current needs. You can easily enable additional features later.

Leave... < Back Next >

Farm Accounting with Quickbooks

## Quickbooks Setup

EasyStep Interview

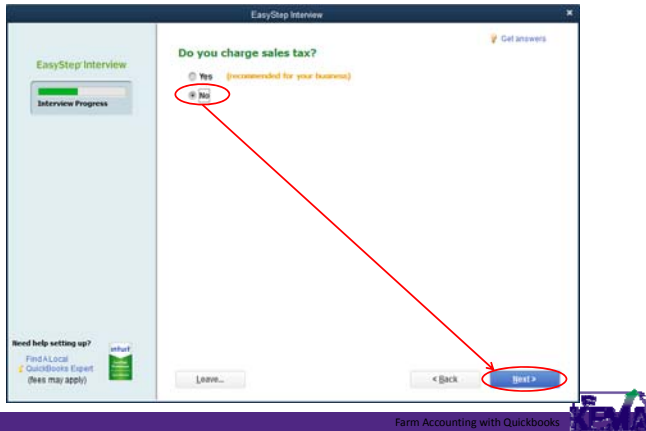
What do you sell?

- Services only: Such as consulting, rentals, gym memberships, hair styling services, event services, construction and labor.
- Products only: Such as lamps, fertilizer, books, hardware, tickets, insurance policies. Manufacturers and distributors should also select this option.
- Both services and products: Such as a home repair shop that sells tools, a carpet installation company that sells carpet.

Click Next

Farm Accounting with Quickbooks

## Quickbooks Setup



EasyStep Interview

Do you charge sales tax?

☒ Yes (recommended for your business)

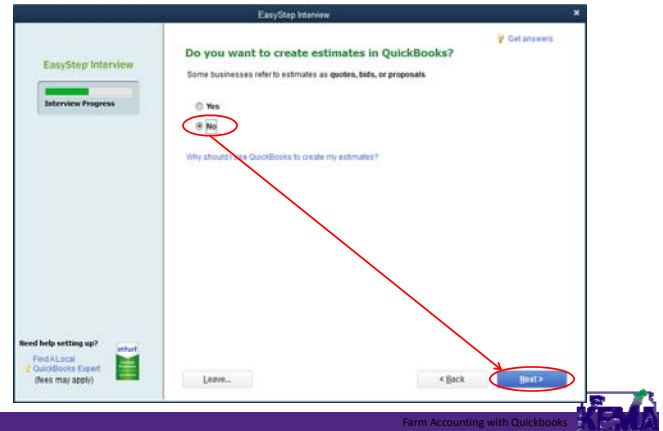
☐ No

Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with QuickBooks

## Quickbooks Setup



EasyStep Interview

Do you want to create estimates in QuickBooks?

Some businesses refer to estimates as quotes, bids, or proposals.

☒ Yes

☐ No

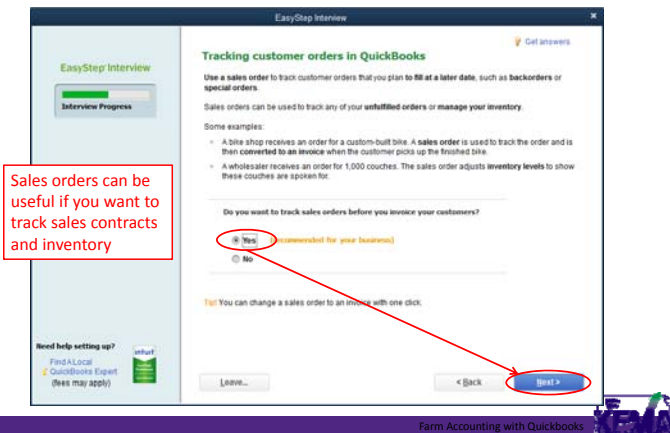
Why should I use QuickBooks to create my estimates?

Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with QuickBooks

## Quickbooks Setup



EasyStep Interview

Tracking customer orders in QuickBooks

Use a sales order to track customer orders that you plan to fill at a later date, such as backorders or special orders.

Sales orders can be used to track any of your unfulfilled orders or manage your inventory.

Some examples:

- A bike shop receives an order for a custom-built bike. A sales order is used to track the order and is then converted to an invoice when the customer picks up the finished bike.
- A wholesaler receives an order for 1,000 couches. The sales order adjusts inventory levels to show these couches are spoken for.

Do you want to track sales orders before you invoice your customers?

☒ Yes (recommended for your business)

☐ No

Tip: You can change a sales order to an invoice with one click.

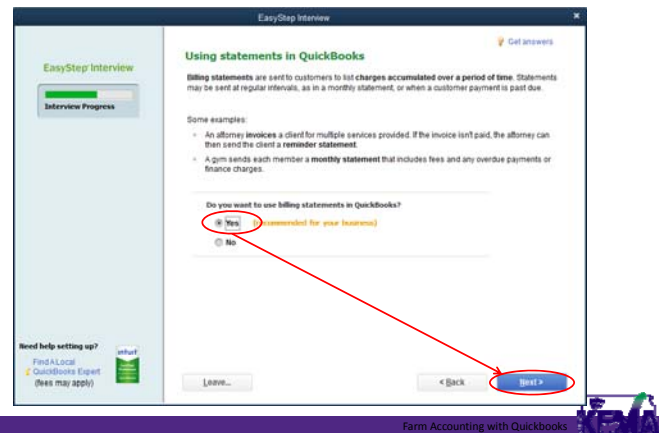
Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with QuickBooks

Sales orders can be useful if you want to track sales contracts and inventory

## Quickbooks Setup



EasyStep Interview

Using statements in QuickBooks

Billing statements are sent to customers to list charges accumulated over a period of time. Statements may be sent at regular intervals, as in a monthly statement, or when a customer payment is past due.

Some examples:

- An attorney invoices a client for multiple services provided. If the invoice isn't paid, the attorney can then send the client a reminder statement.
- A gym sends each member a monthly statement that includes fees and any overdue payments or finance charges.

Do you want to use billing statements in QuickBooks?

☒ Yes (recommended for your business)

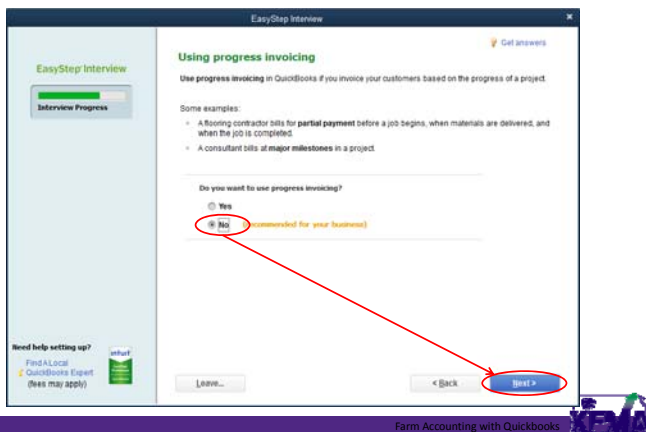
☐ No

Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with QuickBooks

## Quickbooks Setup



EasyStep Interview

Using progress invoicing

Use progress invoicing in QuickBooks if you invoice your customers based on the progress of a project.

Some examples:

- A roofing contractor bills for partial payment before a job begins, when materials are delivered, and when the job is completed.
- A consultant bills at major milestones in a project.

Do you want to use progress invoicing?

☒ Yes

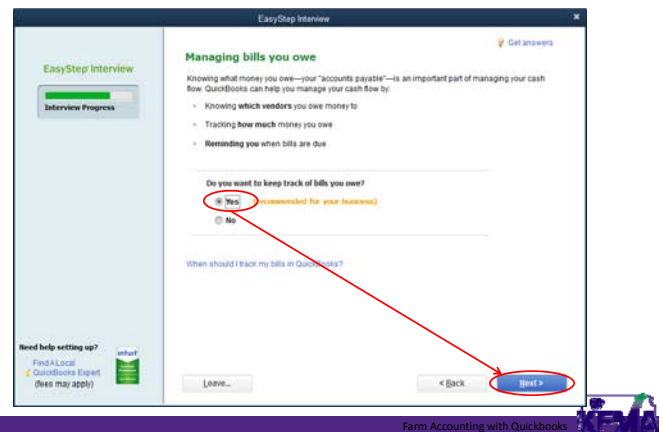
☐ No (recommended for your business)

Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with QuickBooks

## Quickbooks Setup



EasyStep Interview

Managing bills you owe

Knowing what money you owe—your "accounts payable"—is an important part of managing your cash flow. QuickBooks can help you manage your cash flow by:

- Knowing which vendors you owe money to
- Tracking how much money you owe
- Reminding you when bills are due

Do you want to keep track of bills you owe?

☒ Yes (recommended for your business)

☐ No

When should I track my bills in QuickBooks?

Need help setting up? Find a Local QuickBooks Expert (fees may apply)

Leave... < Back Next >

Farm Accounting with QuickBooks

## Quickbooks Setup

**EasyStep Interview**

**Tracking inventory in QuickBooks**

Use inventory in QuickBooks to keep track of items in stock, items on order from vendors, or items to be built for customers.

Some examples:

- An importer stocks and resells products, and tracks items on order from vendors.
- An electronics manufacturer keeps inventory for both raw materials and finished products, and tracks products to be built for customer orders.
- A construction contractor purchases materials, as they are needed. Because no items are kept in stock, there is no need to track inventory in QuickBooks.

QuickBooks uses average costing to determine the value of your inventory.

Do you want to track inventory in QuickBooks?

☒ Yes

☐ No

Should I track inventory in QuickBooks?

Leave... < Back **Next >**

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Farm Accounting with QuickBooks

## Quickbooks Setup

**EasyStep Interview**

**Tracking time in QuickBooks**

QuickBooks can help you track time spent by you, your partners, your employees, or your contractors, so you can:

- Bill customers for time spent on a project.
- Analyze time spent on the project for planning and job costing.
- Pay hourly employees and contractors.

Do you want to track time in QuickBooks?

☐ Yes

☒ No

Leave... < Back **Next >**

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Farm Accounting with QuickBooks

## Quickbooks Setup

**EasyStep Interview**

**Do you have employees?**

☒ Yes

☐ No

☒ We have W-2 employees

☐ We have 1099 contractors

QuickBooks Payroll makes your payroll hassle-free. Quickly generate paychecks and download the latest tax tables. Do payroll calculations and fill out forms automatically. (Subscription required.)

Leave... < Back **Next >**

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Select W-2 employees (assuming you have employees) even if you will calculate payroll by hand. Selecting 1099 contractors adds a few useful features that may be useful at year end.

Farm Accounting with QuickBooks

## Quickbooks Setup

**EasyStep Interview**

**Using accounts in QuickBooks**

Next, we'll help you set up your Chart of Accounts, which are categories of income, expenses and more that you'll use to track your business.

Why is the chart of accounts important?

To set up your chart of accounts, you'll need to:

- Decide on a date to use as the starting point to track your business finances in QuickBooks (e.g., beginning of fiscal year, first of this month, etc.)
- Understand how you want to categorize your business' income and expenses. (You may want to discuss this with your accountant, if you have one.)

Leave... < Back **Next >**

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Click Next

Farm Accounting with QuickBooks

## Quickbooks Setup

**EasyStep Interview**

**Select a date to start tracking your finances**

The date you select will be your start date in QuickBooks.

☒ Beginning of this fiscal year: 01/01/2014

☐ In order to complete this year's tax returns, you'll need to enter transactions from the beginning of this fiscal year to today.

☐ Use today's date or the first day of the quarter or month.

You'll need to enter transactions from this date forward.

01/01/2014

What date should I choose?

Leave... < Back **Next >**

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Unless you have a really good reason, start at the beginning of your fiscal year. Entering transactions starting mid-year will create confusion for you and your tax preparer.

Farm Accounting with QuickBooks

## Quickbooks Setup

**EasyStep Interview**

**Review income and expense accounts**

Income and expense accounts categorize money your business earns from, or spends on, normal business operations.

Recommended accounts for your industry are typically all you need for income tax purposes. Explain

ACCOUNT NAME	TYPE
Agicultural Program Payments	Income
Commodity Credit Loans	Income
Cooperative Distributions	Income
Crop Insurance Proceeds	Income
Crop Sales	Income
Custom Hire Income	Income
Farmer's Market Sales	Income
Fuel Tax Credits and Other Inc.	Income
Livestock Sales	Income

Restore Recommendations

You can modify your chart of accounts anytime after completing this interview.

Leave... < Back **Next >**

Need help setting up? Find A Local QuickBooks Expert (fees may apply)

Select all accounts that might apply to your operation. It is easy to remove an account later if you find you don't use it.

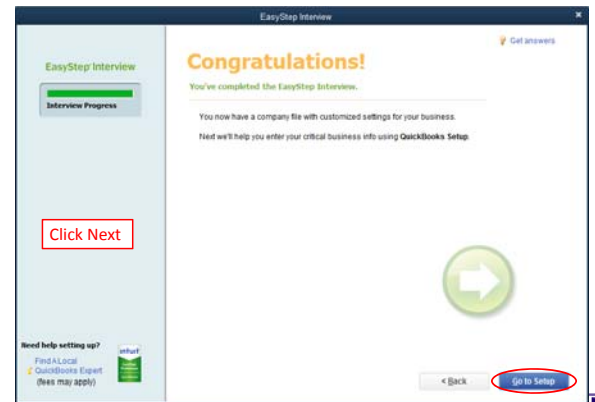
Farm Accounting with QuickBooks

## Quickbooks Setup

- The Quickbooks default chart of accounts for agriculture is the minimum needed for tax preparation
- This is usually not adequate for business analysis
- Work with your tax preparer or KFMA Economist to develop a chart of accounts that works for both of you

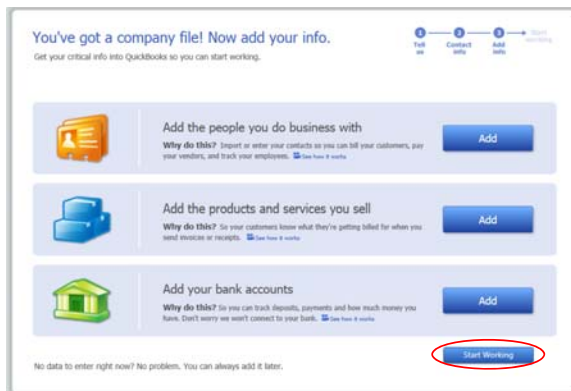
Farm Accounting with Quickbooks

## Quickbooks Setup



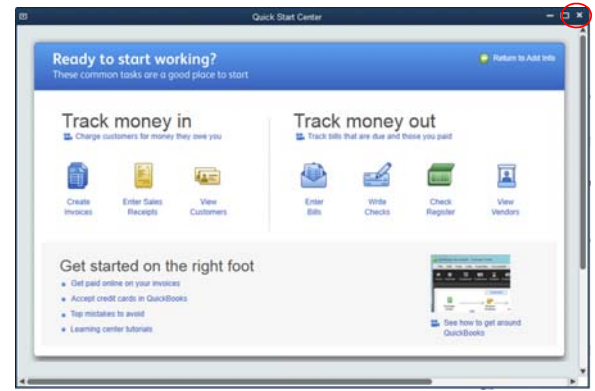
Farm Accounting with Quickbooks

## Quickbooks Setup



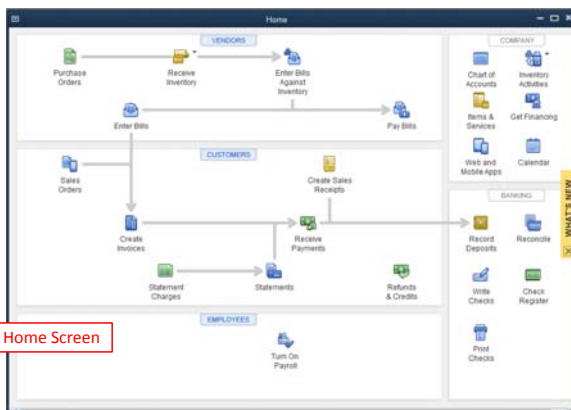
Farm Accounting with Quickbooks

## Quickbooks Setup



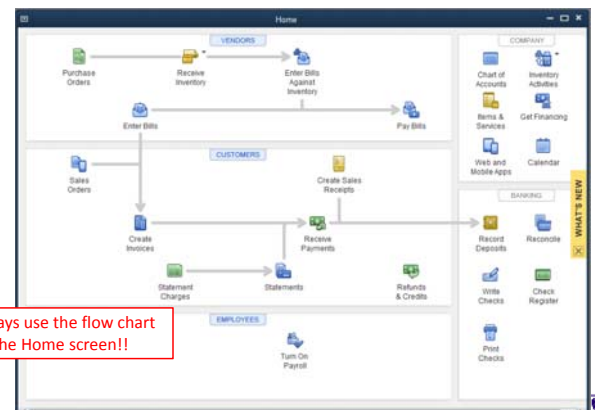
Farm Accounting with Quickbooks

## Quickbooks Setup



Farm Accounting with Quickbooks

## Quickbooks Setup

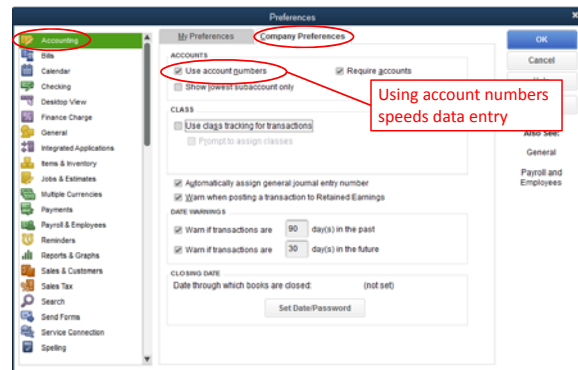


Farm Accounting with Quickbooks

## Suggested Quickbooks Preferences

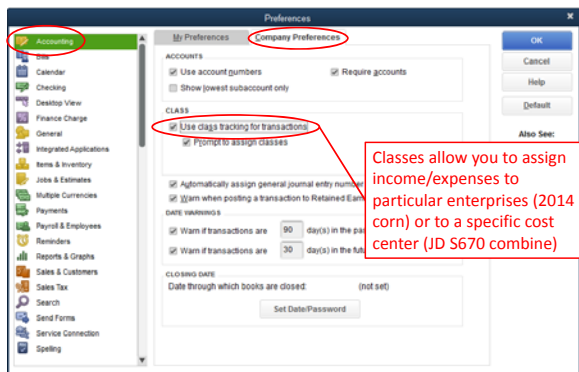
Farm Accounting with Quickbooks

## Suggested Quickbooks Preferences



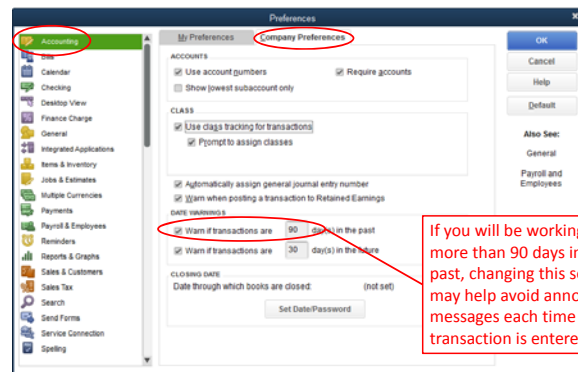
Farm Accounting with Quickbooks

## Suggested Quickbooks Preferences



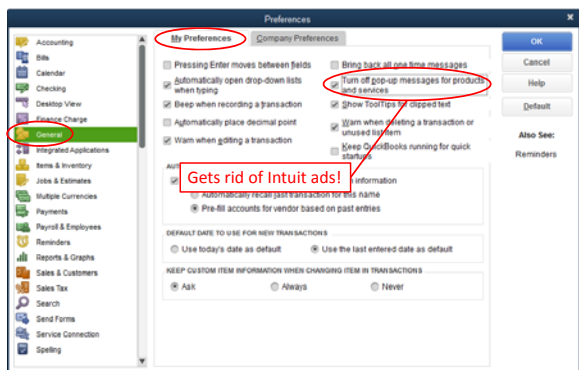
Farm Accounting with Quickbooks

## Suggested Quickbooks Preferences



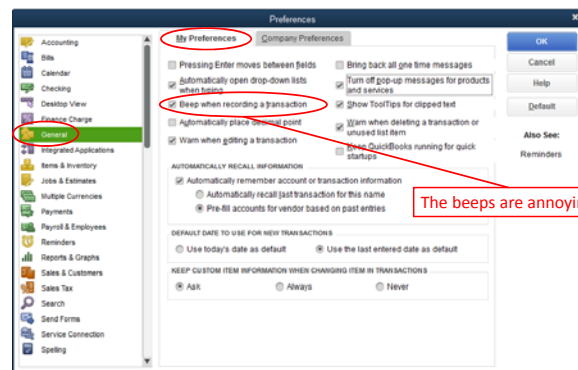
Farm Accounting with Quickbooks

## Suggested Quickbooks Preferences



Farm Accounting with Quickbooks

## Suggested Quickbooks Preferences



Farm Accounting with Quickbooks



## Adding Accounts to the Chart of Accounts

Farm Accounting with Quickbooks



## Add a Bank Account

Farm Accounting with Quickbooks



## Add a Bank Account

- You will need:
  - Beginning statement balance from the first bank statement that *ends in* the first month of the fiscal year
  - Total of all outflows from prior year that did not clear the bank until the current year (may come from several bank statements)
  - Total of all inflows from prior year that did not clear the bank until the current year

Farm Accounting with Quickbooks



## Add a Bank Account

- Beginning Quickbooks balance:

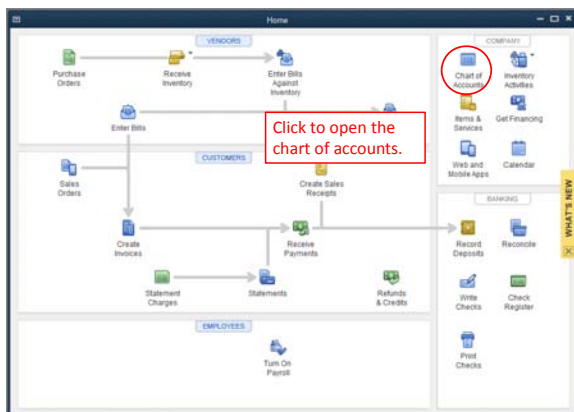
Beginning Statement Balance

$$\begin{array}{r} - \text{Total Outstanding Outflows} \\ + \text{Total Outstanding Inflows} \\ \hline = \text{Beginning Quickbooks Balance} \end{array}$$

Farm Accounting with Quickbooks



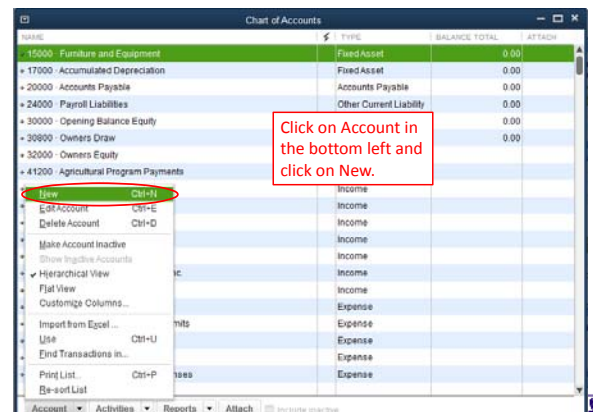
## Add a Bank Account



Farm Accounting with Quickbooks



## Add a Bank Account



Farm Accounting with Quickbooks



## Add a Bank Account

Choose one account type and click Continue.

Categorize money your business earns or spends

- Income
- Expense
- Fixed Asset (major purchases)
- Loan
- Credit Card
- Equity

Or, track the value of your assets and liabilities

Bank Account

- Checking
- Savings
- Money market

More...

Help me choose the right account type.

Continue Cancel

Farm Accounting with Quickbooks

## Add a Bank Account

Account Type: Bank

Account Name: Very Big Bank - Farm Checking

Subaccount of: [Dropdown]

OPTIONAL

Description: [Text Field]

Bank Acct. No.: [Text Field]

Routing Number: [Text Field]

Tag-Line Mapping: -Unassigned-

Enter Opening Balance... [Text Field]

Remind me to order checks when I reach check number [Text Field]

Order checks I can print from QuickBooks [Text Field]

Save & Close Save & New Cancel

Farm Accounting with Quickbooks

## Add a Bank Account

Enter the ending date and balance from the last bank statement you received before your QuickBooks start date.

Attention: If this account did not have a balance before your QuickBooks start date, click Cancel and use a transaction to put money in this account. Example transactions

Statement Ending Balance: 12,345.67

Statement Ending Date: 12/31/2013

OK Cancel Help

Enter the Quickbooks beginning balance you calculated and enter the last day of the prior accounting period. Click OK.

Farm Accounting with Quickbooks

## Add a Bank Account

Account Type: Bank

Account Name: Very Big Bank - Farm Checking

Subaccount of: [Dropdown]

OPTIONAL

Description: [Text Field]

Bank Acct. No.: [Text Field]

Routing Number: [Text Field]

Tag-Line Mapping: -Unassigned-

Enter Opening Balance... 12,345.67 as of 12/31/2013

Remind me to order checks when I reach check number [Text Field]

Order checks I can print from QuickBooks [Text Field]

Save & Close Save & New Cancel

Click on Save & Close

Farm Accounting with Quickbooks

## Add a Loan

Home

VENDORS

- Purchase Orders
- Receive Inventory
- Enter Bills
- Create Sales Receipts
- Receive Payments
- Refunds & Credits
- Turn On Payroll

CUSTOMERS

- Sales Orders
- Create Invoices
- Statements
- Statements Changes

EMPLOYEES

- Enter Bills Against Inventory
- Create Sales Receipts
- Receive Payments
- Refunds & Credits
- Turn On Payroll

COMPUTER

- Chart of Accounts
- Inventory Activities
- Get Financing
- Web and Mobile Apps
- Calendar

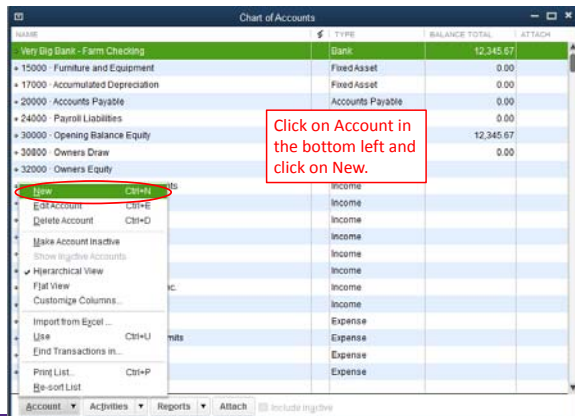
BANKING

- Record Deposits
- Reconcile
- Write Checks
- Check Register
- Print Checks

Click to open the chart of accounts.

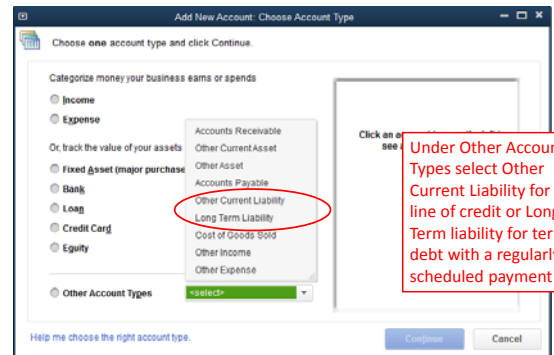
Farm Accounting with Quickbooks

## Add a Loan



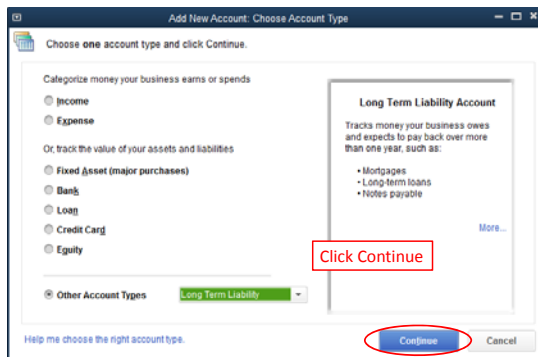
Farm Accounting with Quickbooks

## Add a Loan



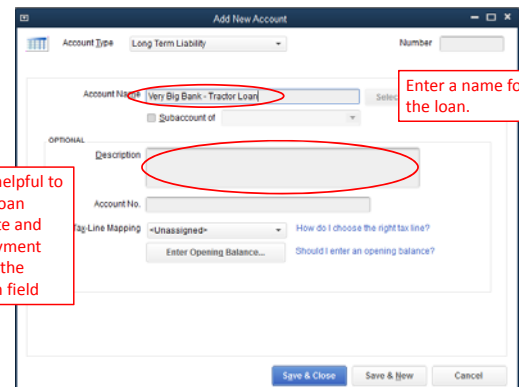
Farm Accounting with Quickbooks

## Add a Loan



Farm Accounting with Quickbooks

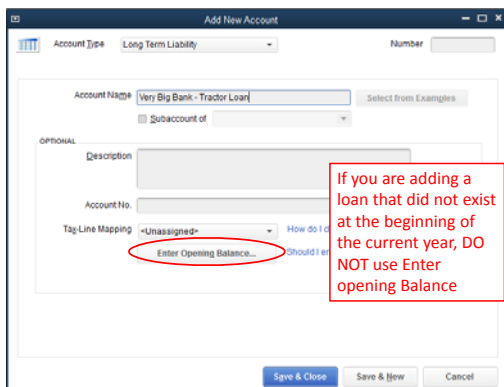
## Add a Loan



It may be helpful to enter the loan interest rate and regular payment amount in the description field

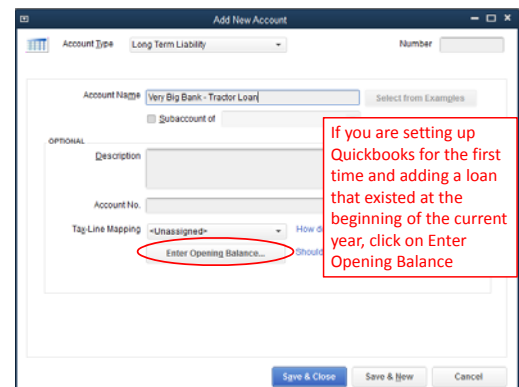
Farm Accounting with Quickbooks

## Add a Loan



Farm Accounting with Quickbooks

## Add a Loan



Farm Accounting with Quickbooks

## Add a Loan

Enter the balance this account had on the day before your QuickBooks start date.

Attention: If this account did not have a balance before your QuickBooks start date, click Cancel and use a transaction to put money in this account.  
Example transactions

Opening Balance: 123,456.78 as of: 12/31/2013

OK Cancel Help

Click OK

Farm Accounting with QuickBooks

## Add a Loan

Account Type: Long Term Liability Number:

Account Name: Very Big Bank - Tractor Loan Select from Examples

Subaccount of:

OPTIONAL

Description:

Account No.:

Tag-Line Mapping: -Unassigned- How do I choose the right tax line?

Enter Opening Balance... 123,456.78 as of 12/31/2013

Save & Close Save & New Cancel

Click Save & Close

Farm Accounting with QuickBooks

## Add an Income or Expense Account

Farm Accounting with QuickBooks

## Add an Income or Expense Account

Home

Chart of Accounts

Click to open the chart of accounts.

Farm Accounting with QuickBooks

## Add an Income or Expense Account

NAME	TYPE	BALANCE TOTAL	ATTACH
Very Big Bank - Farm Checking	Bank	12,345.67	
15000 - Furniture and Equipment	Fixed Asset	0.00	
17000 - Accumulated Depreciation	Fixed Asset	0.00	
20000 - Accounts Payable	Accounts Payable	0.00	
24000 - Payroll Liabilities		0.00	
30000 - Opening Balance Equity		12,345.67	
30800 - Owners Draw		0.00	
32000 - Owners Equity		0.00	

New Create Edit

Equalize Accounts Ctrl+E

Delete Account Ctrl+D

Make Account Inactive

Show Inactive Accounts

Hierarchical View

Flat View

Customize Columns...

Import from Excel...

Use Ctrl+U

End Transactions in...

Print List...

Re-sort List...

Account Activities Reports Attach Include Inactive

Click on Account in the bottom left and click on New.

Farm Accounting with QuickBooks

## Add an Income or Expense Account

Choose one account type and click Continue.

Categorize money your business earns or spends

Income Expense

Or, track the value of your assets and liabilities

Fixed Asset (major purchases)

Bank

Loan

Credit Card

Equity

Other Account Types -select-

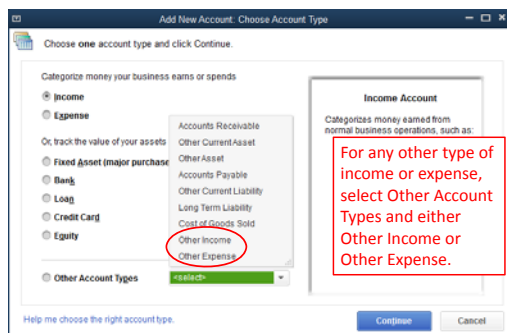
Help me choose the right account type.

Continue Cancel

Select Income for Schedule F income. Select Expense for Schedule F expense.

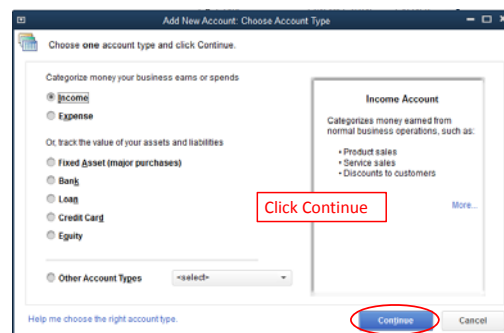
Farm Accounting with QuickBooks

## Add an Income or Expense Account



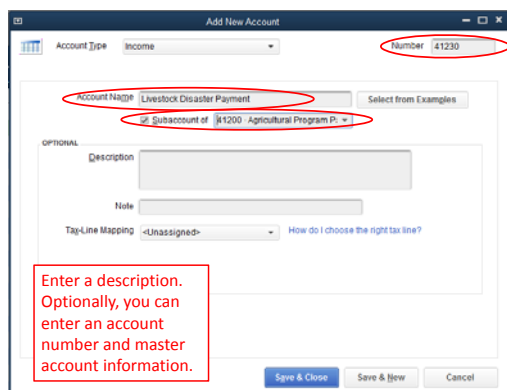
Farm Accounting with Quickbooks

## Add an Income or Expense Account



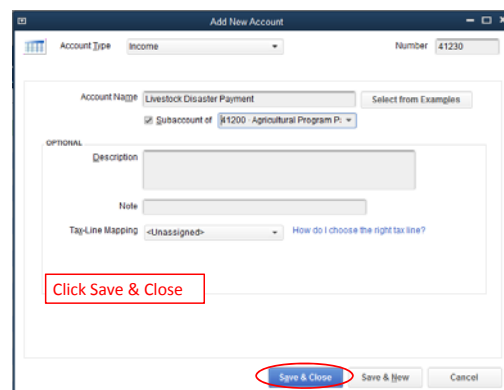
Farm Accounting with Quickbooks

## Add an Income or Expense Account



Farm Accounting with Quickbooks

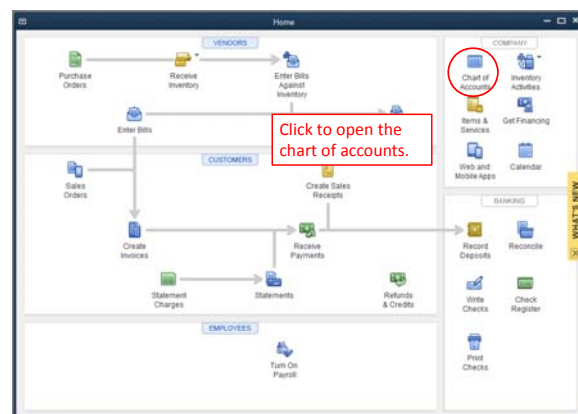
## Add an Income or Expense Account



Farm Accounting with Quickbooks

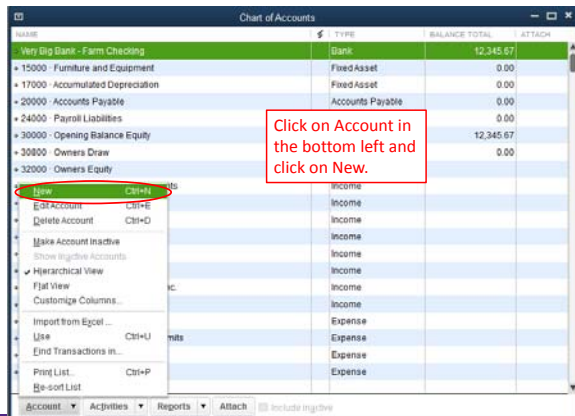
## Add an Inventory Account

## Add an Inventory Account



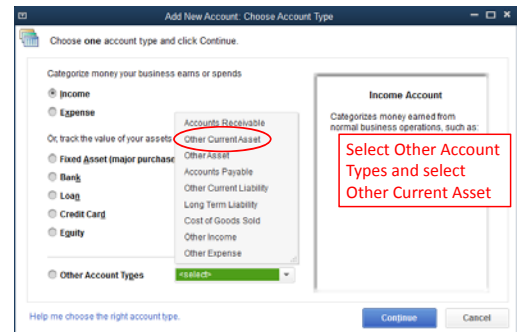
Farm Accounting with Quickbooks

## Add an Inventory Account



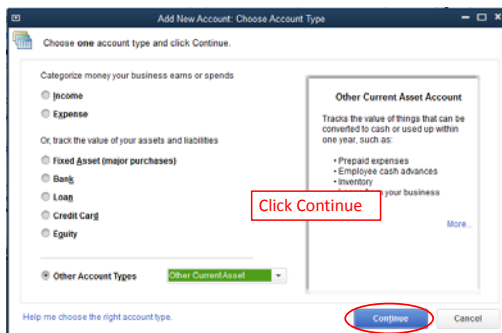
Farm Accounting with QuickBooks

## Add an Inventory Account



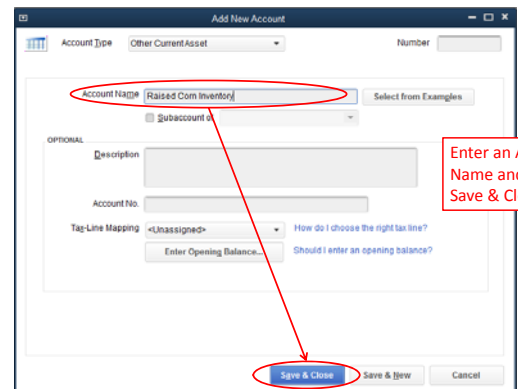
Farm Accounting with QuickBooks

## Add an Inventory Account



Farm Accounting with QuickBooks

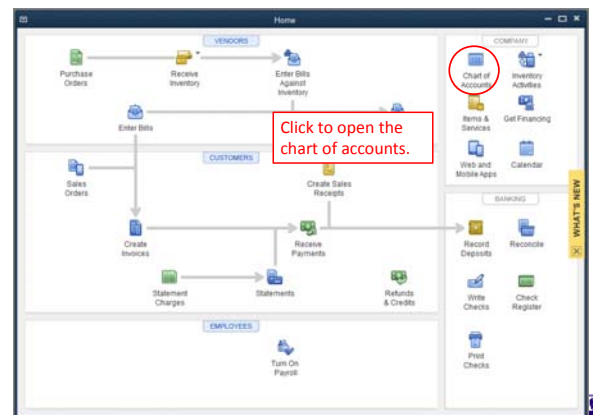
## Add an Inventory Account



Farm Accounting with QuickBooks

## Add a LT Receivable Account

## Add an LT Receivable Account

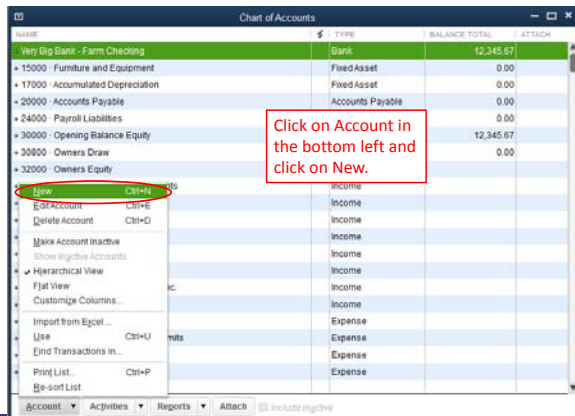


Farm Accounting with QuickBooks

Farm Accounting with QuickBooks

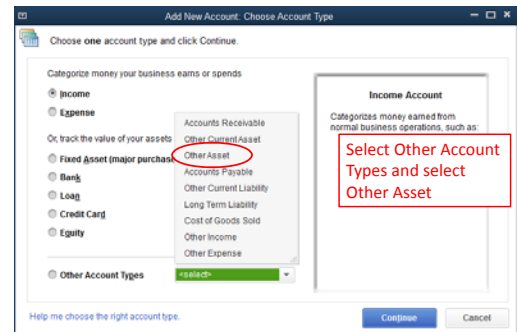


## Add an LT Receivable Account



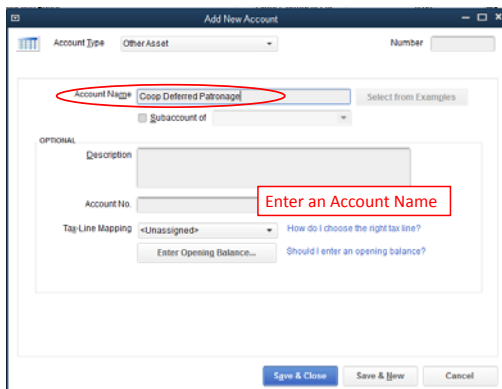
Farm Accounting with QuickBooks

## Add an LT Receivable Account



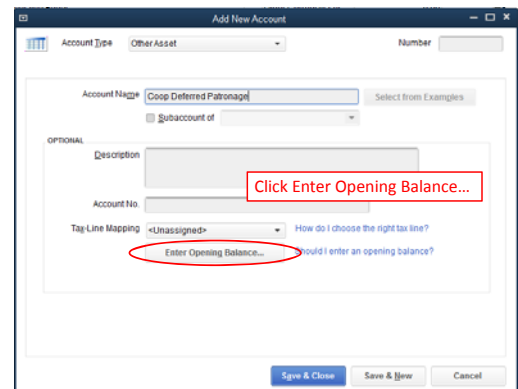
Farm Accounting with QuickBooks

## Add a LT Receivable Account



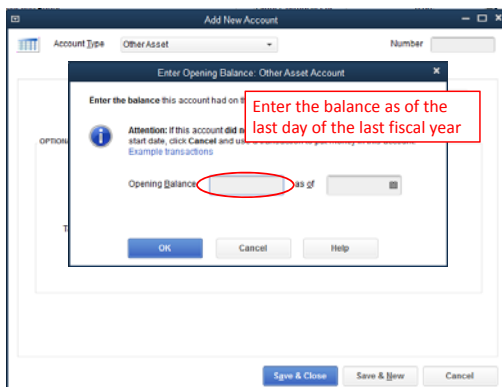
Farm Accounting with QuickBooks

## Add a LT Receivable Account



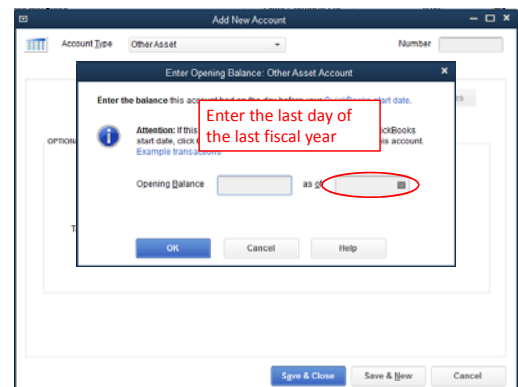
Farm Accounting with QuickBooks

## Add a LT Receivable Account



Farm Accounting with QuickBooks

## Add a LT Receivable Account



Farm Accounting with QuickBooks

## Add a LT Receivable Account

Account Type: Other Asset

Account Name: Coop Deferred Patronage

Subaccount of: [Empty]

OPTIONAL

Description: [Empty]

Account No.: [Empty]

Tag-Line Mapping: -Unassigned- [How do I choose the right tax line?](#)

Enter Opening Balance... 2,255.33 as of 12/31/2013

Click Save & Close

Save & Close Save & New Cancel

Farm Accounting with Quickbooks



## Adding Items

Farm Accounting with Quickbooks



## Quickbooks Items

- Items are used to detail purchase orders, sales receipts, and invoices and link them to inventory, income, and expense accounts
- Quantities are not available without the use of purchase orders, sales receipts, or invoices
- Several item types are available, we will use:
  - Inventory Part
  - Non-Inventory Part

Farm Accounting with Quickbooks



## Add an Inventory Part Item

- Inventory part items require links to 3 different accounts in the chart of accounts
  - Purchase account – used to “hold” the cost of the asset until it is sold
  - Sale account – used to record income from the sale of the asset
  - COGS account – used to record cost of the asset consumed by the sale

Farm Accounting with Quickbooks



## Add an Inventory Part Item

- Quickbooks utilizes the Average Cost method to calculate resale cost which is not available to farmers
- We must force Quickbooks to do what we want to track resale inventory
- For farm assets purchased for resale (feeder cattle), link the inventory part item to the same account

Farm Accounting with Quickbooks

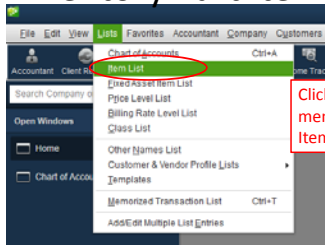


## Add a *Farm Resale* Inventory Part Item

Farm Accounting with Quickbooks



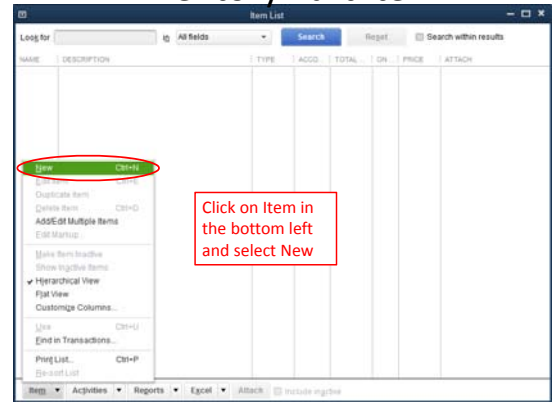
## Add a Farm Resale Inventory Part Item



Click on the Lists menu and select Item List

Farm Accounting with QuickBooks

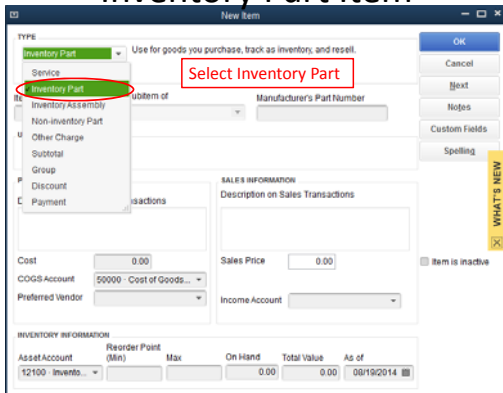
## Add a Farm Resale Inventory Part Item



Click on Item in the bottom left and select New

Farm Accounting with QuickBooks

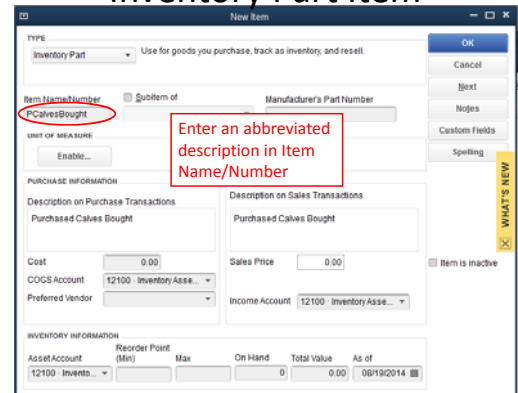
## Add a Farm Resale Inventory Part Item



Select Inventory Part

Farm Accounting with QuickBooks

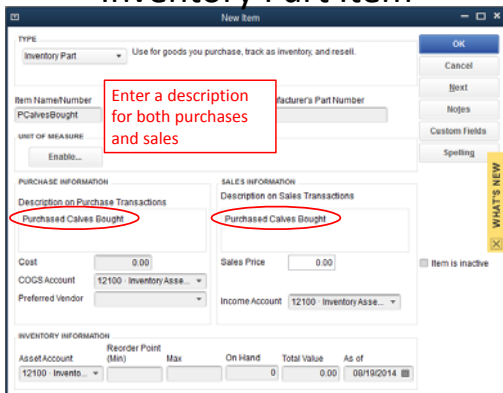
## Add a Farm Resale Inventory Part Item



Enter an abbreviated description in Item Name/Number

Farm Accounting with QuickBooks

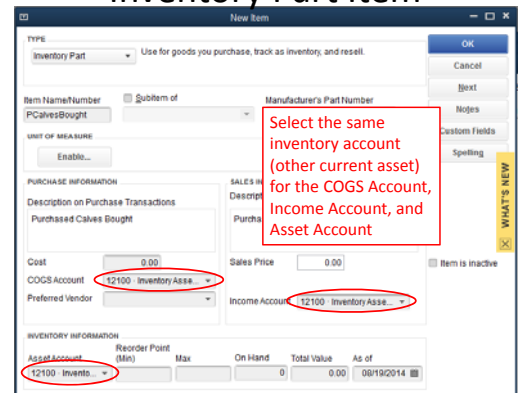
## Add a Farm Resale Inventory Part Item



Enter a description for both purchases and sales

Farm Accounting with QuickBooks

## Add a Farm Resale Inventory Part Item



Select the same inventory account (other current asset) for the COGS Account, Income Account, and Asset Account

Farm Accounting with QuickBooks

## Add a Farm Resale Inventory Part Item

Farm Accounting with Quickbooks

## Add a Farm Resale Inventory Part Item

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

## Add a Raised Inventory Part Item

Click on the Lists menu and select Item List

Farm Accounting with Quickbooks

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

TYPE: Inventory Part (Use for goods you purchase, track as inventory, and resell.)

Item Name/Number: **R Corn** (Enter an abbreviated Item Name/Number)

UNIT OF MEASURE: Enable...

PURCHASE INFORMATION: Description on Purchase Transactions: Raised Corn

SALES INFORMATION: Description on Sales Transactions: Raised Corn

Cost: 0.00

COGS Account: 30000 - Opening Balance

Preferred Vendor:

INVENTORY INFORMATION: Asset Account: 12100 - Invento...

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

TYPE: Inventory Part (Use for goods you purchase, track as inventory, and resell.)

Item Name/Number: R Corn

UNIT OF MEASURE: Enable...

PURCHASE INFORMATION: Description on Purchase Transactions:

SALES INFORMATION: Description on Sales Transactions: **Raised Corn** (Enter a description under Sales Information)

Cost: 0.00

COGS Account: 30000 - Opening Balance

Preferred Vendor:

INVENTORY INFORMATION: Asset Account: 12100 - Invento...

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

TYPE: Inventory Part (Use for goods you purchase, track as inventory, and resell.)

Item Name/Number: R Corn

UNIT OF MEASURE: Enable...

PURCHASE INFORMATION: Description on Purchase Transactions:

SALES INFORMATION: Description on Sales Transactions: Raised Corn

Cost: 0.00

COGS Account: **30000 - Opening Balance** (Select an equity account for the COGS Account)

Preferred Vendor:

INVENTORY INFORMATION: Asset Account: 12100 - Invento...

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

TYPE: Inventory Part (Use for goods you purchase, track as inventory, and resell.)

Item Name/Number: R Corn

UNIT OF MEASURE: Enable...

PURCHASE INFORMATION: Description on Purchase Transactions:

SALES INFORMATION: Description on Sales Transactions: Raised Corn

Cost: 0.00

COGS Account: 30000 - Opening Balance

Preferred Vendor:

INVENTORY INFORMATION: Asset Account: 12100 - Invento...

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

TYPE: Inventory Part (Use for goods you purchase, track as inventory, and resell.)

Item Name/Number: R Corn

UNIT OF MEASURE: Enable...

PURCHASE INFORMATION: Description on Purchase Transactions:

SALES INFORMATION: Description on Sales Transactions: Raised Corn

Cost: 0.00

COGS Account: 30000 - Opening Balance

Preferred Vendor:

INVENTORY INFORMATION: Asset Account: **12100 - Invento...** (Select the appropriate inventory account under Asset Account)

Farm Accounting with Quickbooks

## Add a Raised Inventory Part Item

TYPE: Inventory Part (Use for goods you purchase, track as inventory, and resell.)

Item Name/Number: R Corn

UNIT OF MEASURE: Enable...

PURCHASE INFORMATION: Description on Purchase Transactions:

SALES INFORMATION: Description on Sales Transactions: Raised Corn

Cost: 0.00 (DO NOT enter an amount in Cost or Sales Price!)

COGS Account: 30000 - Opening Balance

Preferred Vendor:

INVENTORY INFORMATION: Asset Account: 12100 - Invento...

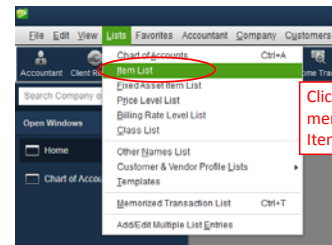
Farm Accounting with Quickbooks

## Add a Non-Inventory Part Item

Farm Accounting with Quickbooks



## Add a Non-Inventory Part Item

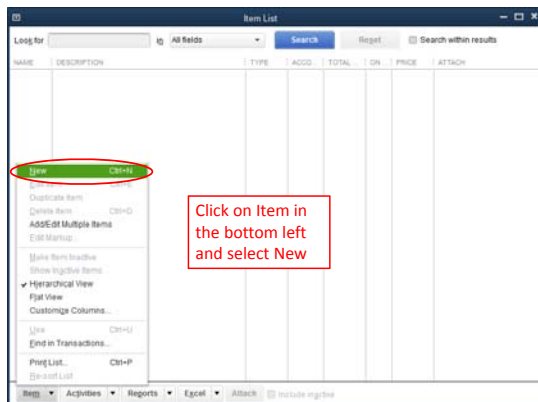


Click on the Lists menu and select Item List

Farm Accounting with Quickbooks



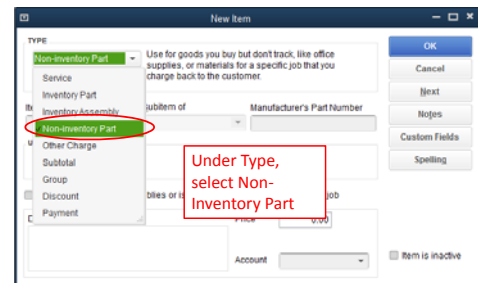
## Add a Non-Inventory Part Item



Farm Accounting with Quickbooks



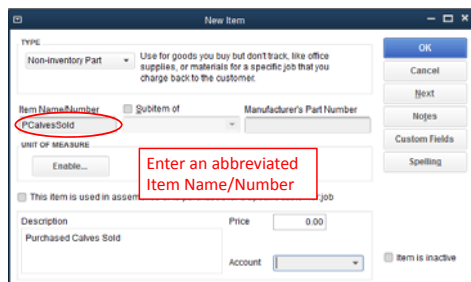
## Add a Non-Inventory Part Item



Farm Accounting with Quickbooks



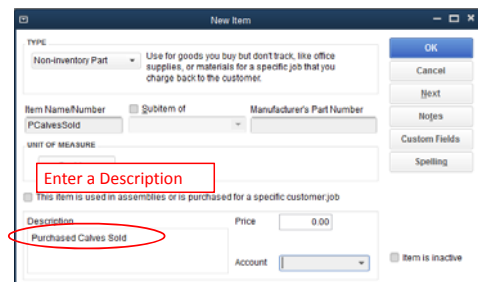
## Add a Non-Inventory Part Item



Farm Accounting with Quickbooks



## Add a Non-Inventory Part Item



Farm Accounting with Quickbooks





## Add a Non-Inventory Part Item

TYPE: Non-Inventory Part

Item Name/Number: PCalvesSold

UNIT OF MEASURE: Enable...

Price: 0.00

Account: [Dropdown]

Item is inactive

DO NOT enter a price

Farm Accounting with QuickBooks



## Add a Non-Inventory Part Item

TYPE: Non-Inventory Part

Item Name/Number: PCalvesSold

UNIT OF MEASURE: Enable...

Price: 0.00

Account: 41100 - Resale Livestock Sold

Item is inactive

Select an income account to record sales

Farm Accounting with QuickBooks



## Add a Non-Inventory Part Item

TYPE: Non-Inventory Part

Item Name/Number: PCalvesSold

UNIT OF MEASURE: Enable...

Price: 0.00

Account: 41100 - Resale Livestock Sold

Item is inactive

Click OK

Farm Accounting with QuickBooks



## Questions?



**Mark Dikeman**  
 Coordinator of Professional Development & Training  
 Kansas Farm Management Association  
 dikemamm@ksu.edu  
 785-364-0590 Cell  
 785-539-0373 Office

