

QuickBooks for Agricultural Financial Records

QuickBooks Pro 2010



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QuickBooks for Agricultural Financial Records¹ QuickBooks Pro 2010

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Introduction

Business managers need ready access to a variety of information to support both day-to-day and more strategic decisions including:

- Transactions logs for purchases and sales with prices of items noted along with other details
- Financial statements, including cash flow statements, profit and loss statements, balance sheets.
- Customer lists
- Employee records
- Inventories of items purchased for resale
- Loan status
- Capital assets used in the business.

Records support the planning, implementation and control functions of management. Timely and accurately entered information allows for historical analysis, supports financial decisions and facilitates forward planning. And, certainly a good recordkeeping system must meet legal obligations, for instance, related to tax liabilities and employee records.

QuickBooks is a popular commercial accounting software used by many small businesses and accountants, and tax preparers often recommend it to their clients. Keeping records in software like QuickBooks will build a transaction history that can be sorted and summarized easily to not only meet tax preparation needs but also inform the business manager in decision-making. Becoming familiar with the double-entry accounting system will allow the company to compile information for key financial statements in a few simple steps. While QuickBooks support is available online through Intuit, users may want to improve their understanding of basic or more advanced accounting. The Internet is a good place to search for accounting lessons or online college courses. Check out business colleges, career technology centers and Extension websites plus YouTube.com for additional sources of information and class listings.

Without assistance, individuals may be intimidated by the prospect of starting an accounting program. Our tutorial demonstrates how to set up a company and record basic information. A glossary of terms, screen captures and step-by-step instructions with examples lead users through the process. Modifications can then be made by the user to suit the individual business.

Though QuickBooks is a double-entry accounting system, users with a minimal understanding of accounting should be able to navigate the program as QuickBooks handles most of the journal entries in the background. Still, it is important to understand the basics of the accounting formula ($\text{Assets} - \text{Liabilities} = \text{Equity}$) and understand how different transactions are linked to financial statements such as the Balance Sheet or Profit/Loss Statement. A glossary and a brief introduction to financial statements and what they reveal are included in these instructions; however, additional information

¹ Note: These instructions were written for flower growers. Other agricultural producers may need different details than are required by flower growers to analyze their business finances. Consider what you want to summarize in reports when setting up your chart of accounts, item lists, etc.

can be found by reading OSU Extension Fact Sheets and other publications.² These financial statements are the basis for determining both the financial performance and position of the business and help assess business solvency, liquidity, and profitability.

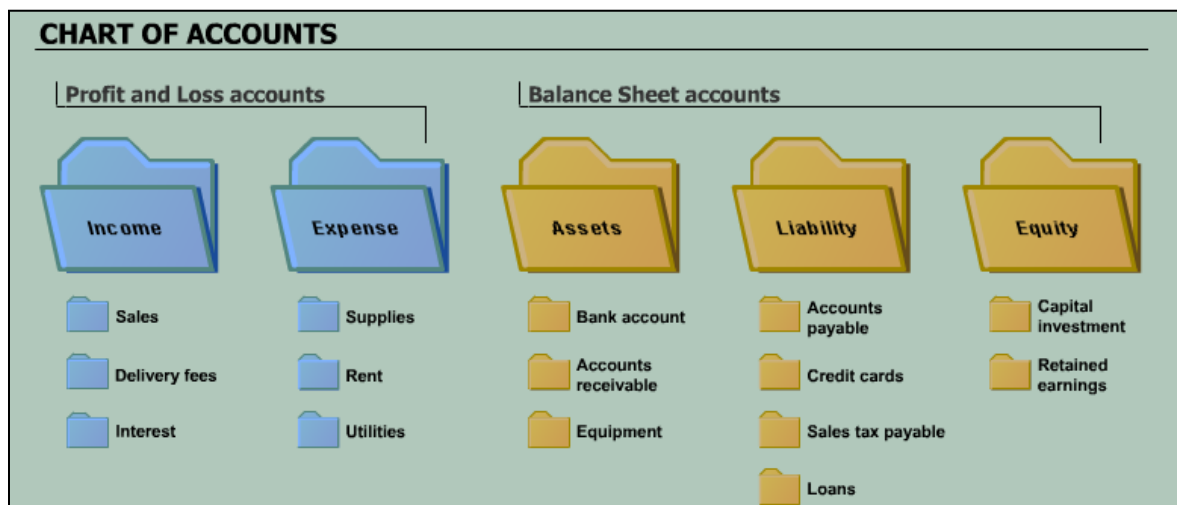
Timely and accurate entry of transactions is important in creating a financial management system that supports ongoing operational and strategic decisions. In addition, a good record-keeping system facilitates reports for tax purposes. In QuickBooks, items for sale and use in the business can be tracked using the Item List feature. Professional-looking sales receipts and invoices can be generated. Vendor and Customer Lists can be maintained for easy access, reduced typing, and mailing lists. QuickBooks Pro also includes the capability to run payroll for businesses with a small number of employees.

Tutorial Instructions

This tutorial will lead you through basic steps in setting up your QuickBooks file. Table 1 provides an overview of the process and highlights information that is best to have at hand when setting up the company file. QuickBooks is flexible in that information and features may be added after the initial setup, but to truly save frustration, the more information that is entered properly as the file is created, the better. Give some thought to the kinds of information that will need to be recorded and summarized. Working with your accountant or tax preparer may be helpful.

Company information

The information needed for the company includes the file name, where it will be stored on the computer or network, how many people will use or have access to the file, the contact information, tax identification number and the tax form that is filed. Selections will determine the types of features that are opened. The fiscal year and the start date for recording transactions determine how much previous information will be recorded. While it is easiest to start at the beginning of a fiscal or calendar year, any date is acceptable. The start date triggers what date account balances are needed. Be prepared with bank statements and financial statements. Several types of accounts will be established in the QuickBooks file:



² AGEC-751, Developing a Cash Flow Plan, AGEC-752, Developing a Balance Sheet, AGEC-753, Developing an Income Statement are available at <http://pods.dasnr.okstate.edu/docushare/dsweb/HomePage>

Chart of Accounts – Income/Expense

The Chart of Accounts is used to classify transactions as income, expense, asset, liability, equity, etc. An established company may have an existing Chart of Accounts for income and expenses and an industry standard may be available for new companies. QuickBooks includes default generic and industry specific Charts of Account, for instance, Schedule F for agriculture. These built-in lists will link to the appropriate tax form lines and may be a good place to start so that the amount of new account creation is minimized. Individual companies can then customize the Chart of Accounts by adding additional accounts or subaccounts, editing account names or deleting unneeded accounts. Although you aren't required to use account numbers in your QuickBooks chart of accounts, your accountant may recommend that you do so.³

Asset/Inventory, Liability and Equity Accounts

Assets are items that you own. Current assets are ones that you can easily turn into cash, such as checking accounts, savings accounts, money market and CD accounts, accounts receivable, and inventory. Fixed assets are items that you expect to have on hand more than one year to use in production. Vehicles, machinery, equipment, and land are examples of fixed assets. Liabilities are debts your business owes. When your business borrows \$60,000 from the bank, proceeds are deposited to the checking account and the deposit is entered in the liability account Bank Loans, not an income account. "Income" or "revenue" is the income you get from your normal day-to-day operations such as product sales and income for services rendered. Expenses are the variable or operating costs. Overhead costs are fixed costs your business incurs even if you aren't operating, including property taxes, insurance, and utilities. Other income is earned outside normal business operations, and includes items such as interest income, gain on the sale of an asset, insurance settlement, or rents from property you own. Similarly, other expense is an expense outside of your normal business, such as a loss on the sale of an asset.

To facilitate account reconciliation, when you set up a financial account such as a bank account in QuickBooks, you need the beginning balance as of the starting date (or prior to) the date you choose to begin the QuickBooks file, typically the start of a fiscal year. The financial statement that has an ending date prior to the company start date is the best place to start. Information can also be obtained by calling the financial institution, but be aware of any outstanding transactions that have yet to clear. For example, a loan payment made on December 28th might not appear on the financial statement or balance obtained on December 31 of that year. The payment transaction may need to be recorded in QuickBooks as the next statement reconciliation will contain the payment made on December 28th.

Short-term or long-term loans will require more information, especially if you use the *Loan Manager* feature to amortize and record payments with interest and principal separated. The original note information is needed including the original balance, loan terms (open date, number of payments, length of loan, interest rate), current balance, next payment date, and payment amount.

Any capital purchases, sales, and gains or losses on sales should be included in financial statements. For an accurate inventory and a comparable benchmark year-to-year, assets and inventoried items should be counted at least once at approximately the same time each year. Not only is this a good way to help manage assets, it will also help maintain an accurate depreciation schedule. And, it offers management a look at aging materials to help plan for replacement purchases.

³ Standard chart of accounts number ranges include: Current assets, 1000 – 1499; fixed assets, 1500 – 1999.

Lists

Vendor, Customer and Employee lists will require at least a name, but you can include things such as address, contact person, contact numbers, e-mail address, notes of interest. Please note that a name can be used only once on any list. However, by modifying the name with a descriptor such as 1st National Bank –Checking, 1st National Bank-Irrigation Loan, 1st National-CD, etc. the repetitive use of one entity can be used within QuickBooks. Additionally, it is important to note that once a name is identified with a specific list, it cannot be changed, for instance, from a customer to a vendor or vice versa. If you are not sure how to classify an entity, use the Other Name list as it can be later modified to Vendor, Customer, or Employee. The Other Name list can also be used to record names of business owners who take withdrawals or distributions for personal use that is not an expense reimbursement or salary. As long as a unique Name is entered, additional information can be added later. However, a contact is more likely to be completely and uniformly entered with due diligence up front.

Item lists include items that will be sold: description, price, quantity on hand, and unit of sale (lbs, each, etc.) and items that are taxable should be noted.

Text Conventions

Instructions for this tutorial will follow a set of text conventions that show when to enter information. At times, screen captures will be used to demonstrate the instructions. Enter the information as it appears in the screen capture. At other times, to save space and reduce repetition, instructions are written using different text formats. Bolded text will show when to take an action such as left clicking the mouse on a menu item, button, or icon or typing in information. For example:

From the main menu line, click on:

File

New Company

In the box, type the file name: **2010 Sample**

Italicized text shows an optional method for performing a task, notes additional information, or lists a file name or QuickBooks feature, for example:

1. File

New Company (*Click on the disc icon*)

Note: Either of these options will display the screen to create a file name for your company.

2. Open the sample file 2010 Sample to review the reports. Click on the **Transactions tab in the Customer List.**

Underlined text is used to show the name of the window that is open or represents information that is automatically or previously entered. Two examples follow:

1 New Customer

Last name: **Striker** First Name: **Earl**

Address: **4020 Fish Pond**

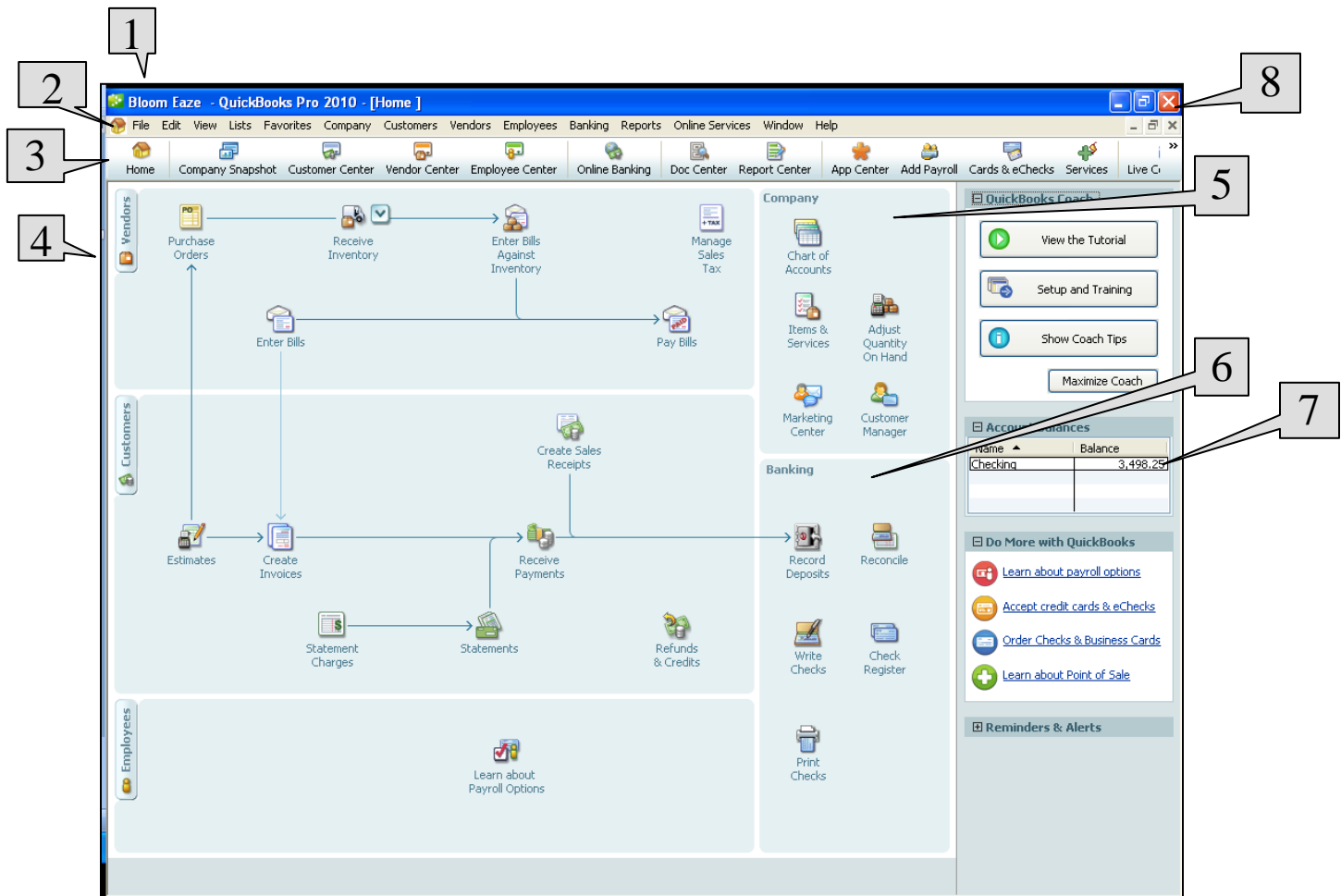
City: **Lunkerville** State: **OK**

2. The Customer List shows Earl Striker as the user types “Ea**” because of the Quickfill feature in QuickBooks.**

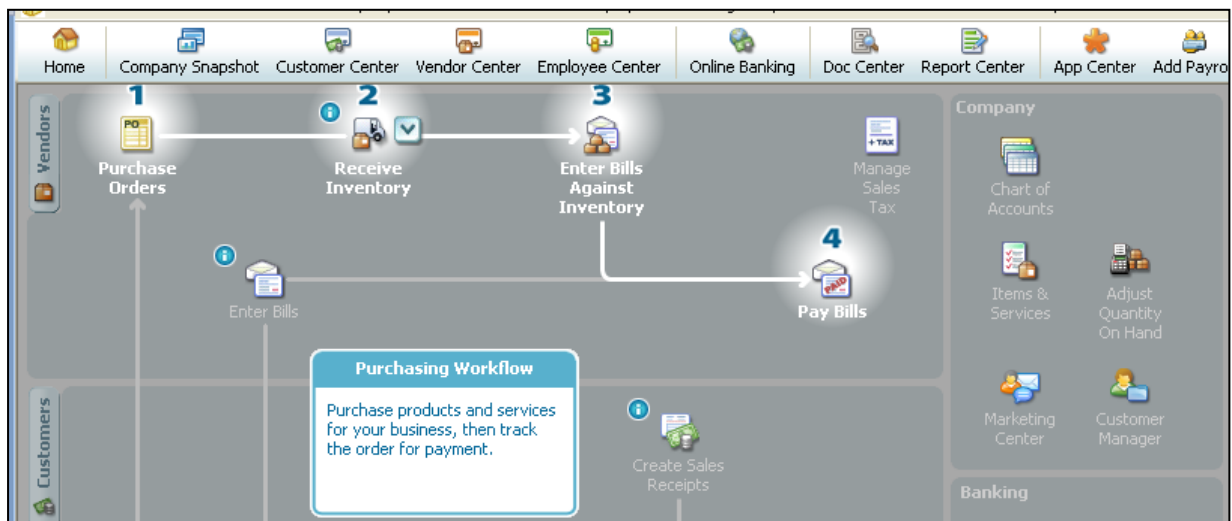
Moving between input fields is accomplished by clicking the left mouse button with the cursor on the field or by pressing the **Tab** key on the keyboard. To return to the previous input field, press and hold both the **Shift** key and the **Tab** key at the same time. At the beginning of the step-by-step instructions, Tabs will be noted but later it is assumed that the user knows to move around using the Tab key or mouse clicking in a field to enter information.

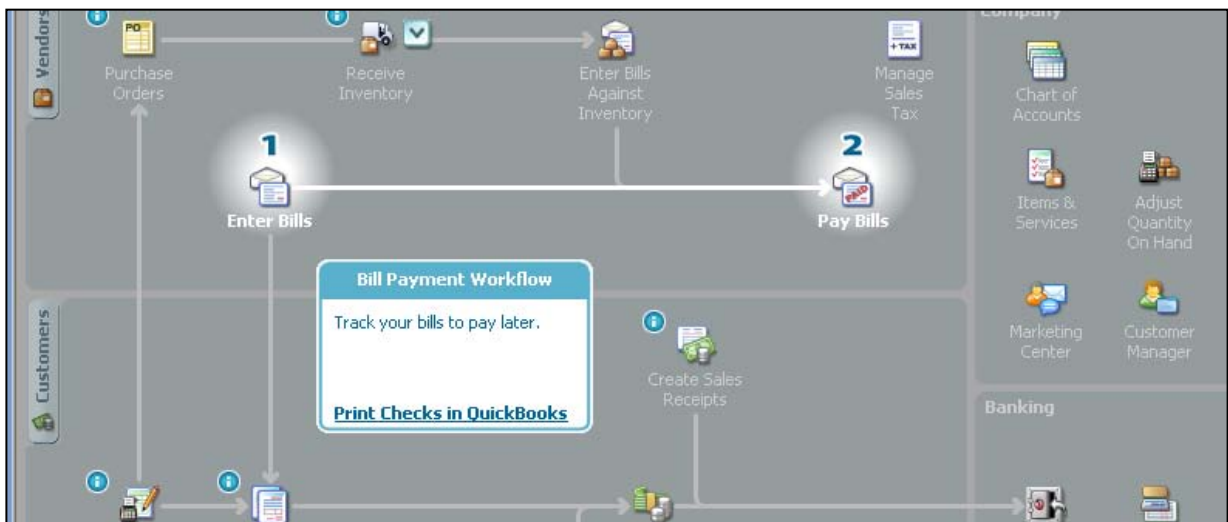
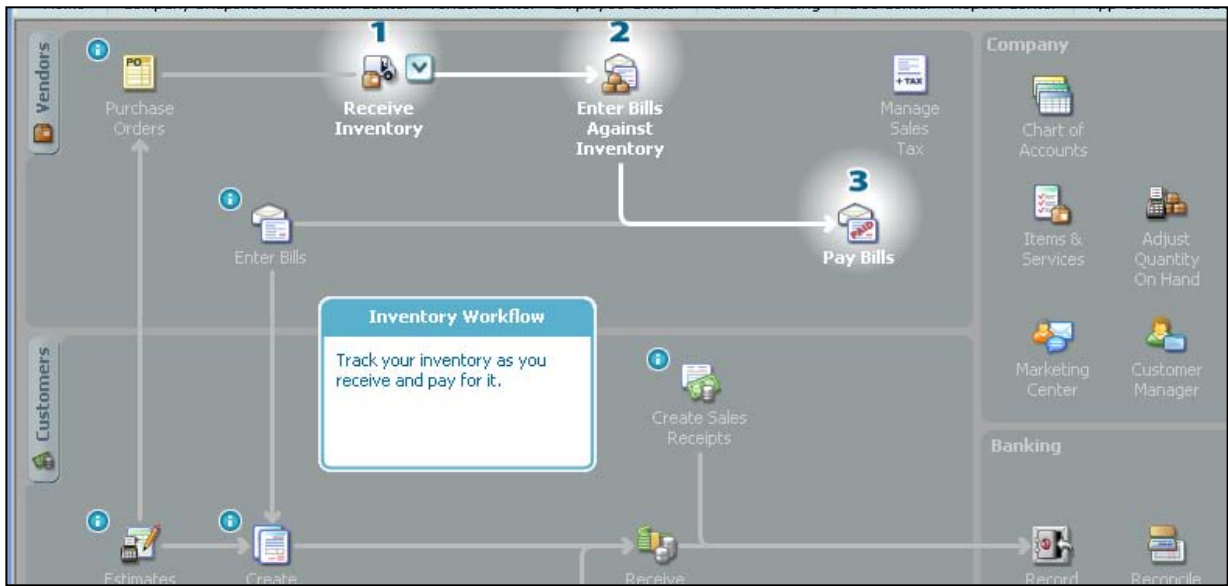
Home Page

The home page provides an overview of how to maneuver through QuickBooks. From this window, QuickBooks features can be accessed through the main menu, icon bar, icon flowchart, account balances box, etc. Most of the tutorial will use the main menu line and the icon flowchart to access features. Users may prefer one type of access or may alternate between access points. A screen capture of the home page with an explanation of these access points follows.



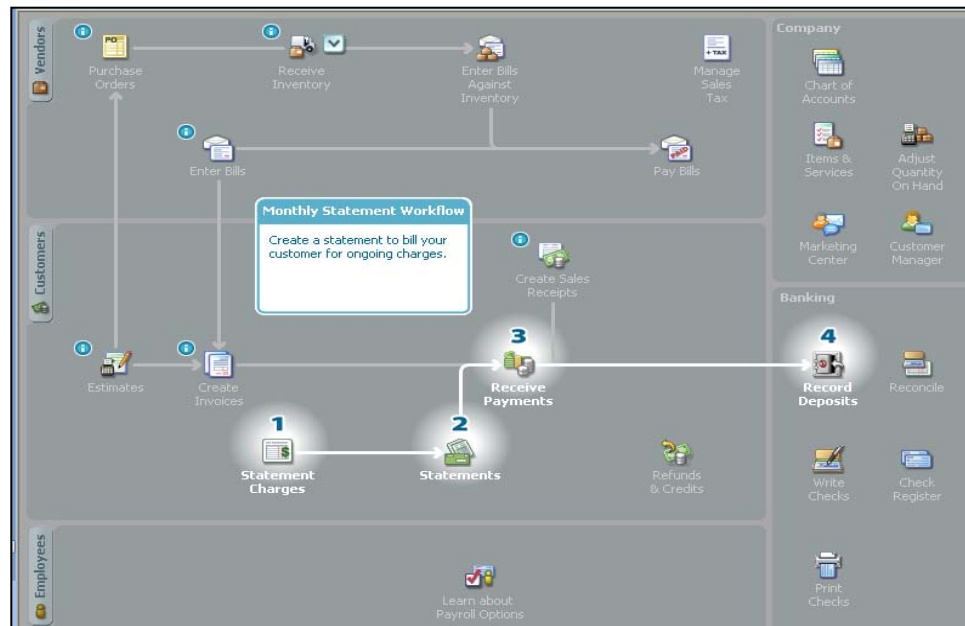
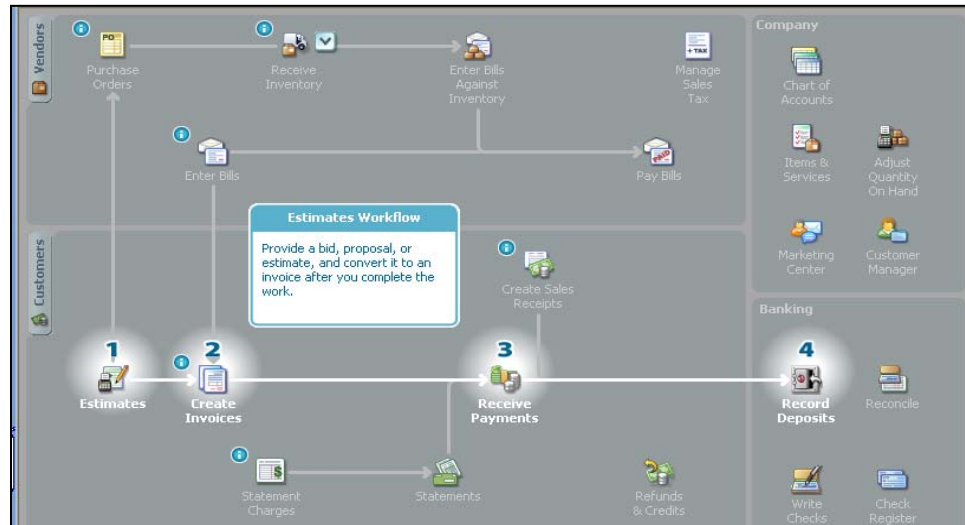
1. **Program bar** – Displays the open company file name and QuickBooks program name
2. **Main menu line** – This top line of menu options offers access to all QuickBooks features. Moving the mouse over a listing reveals other menu items. See Table 2 for a complete list of menu items. Clicking the mouse on an item listed will open the feature.
3. **Icon bar** – These icons represent the most used features in QuickBooks and give quick access to the center windows and things such as Reports and Payroll.
4. **Workflow graphics** – This access feature is helpful as it shows the sequence in which information is entered. (Note: Workflow graphics will vary depending on which features are turned on in the Company Setup process.) For example, in the Customer Center if an *Estimate* is created for a customer and the customer approves it, the next entry is creating the *Invoice* which might include billing for time or materials. If the company sends periodic statements, they are created using *Statement Charges*. Once the company *Receives Payment(s)*, *Record Deposit* is used both to clear the invoice and statement and record the payment (cash, check, or credit card).
 - a. **Vendors** – This workflow deals with purchasing products and services for the business and the bills and bill payments associated with those purchases. Three methods are available for recording bills and payments (graphics follow):
 - 1) Purchasing Workflow in which you *Enter Purchase Orders*, *Receive Inventory*, *Enter Bills Against Inventory*, and *Pay Bills* or
 - 2) Inventory Workflow in which you begin with *Receive Inventory* and follow with *Enter Bills Against Inventory*, and *Pay Bills*, or
 - 3) Bill Payment Workflow in which you *Enter Bills*, *Pay Bills*.





b. **Customers** – This workflow deals with the sales of services and products and the billing process for customers of the business. Again, you have options on how to use the workflow.

- 1) **Estimates Workflow** in which you provide a bid, proposal or estimate and convert it to an invoice once the work is completed by using *Estimates*, *Create Invoices*, *Receive Payments*, and *Record Deposits*, or
- 2) **Monthly Statement Workflow** in which you create a statement to bill a customer for ongoing charges using *Statement Charges*, *Statements*, *Receive Payments* and *Record Deposits*.
- 3) **Payment with Sale Workflow** in which you record a sale when you receive payment at the same time: *Create Sales Receipts*, *Record Deposits*.





c. **Employees** – This workflow deals with payroll processing for employees.

5. **Company Sidebar** – This sidebar provides easy to access to commonly used features, including the *Chart of Accounts*, *Customer Manager*, and *Items List*.

6. **Banking Sidebar** – This sidebar contains links to banking activities such as *Record Deposits*, *Reconcile*, *Write Checks*, and *Print Checks*.


7. **Reminders and Alerts Sidebar** – This gives you quick access to *QuickBooks Coach*, *Account Balances*, and *Alerts and Reminders* that are set plus *QuickBooks* help and online features.

8. **Red Box X** - This X is the icon that closes the QuickBooks Program. If you need to close an open window within QuickBooks, use the smaller X below the red box X.

Workshop attendees will find QuickBooks Pro 2010 has been installed on the computers. At home, the software will need to be installed either from CD or an online download. Follow the on-screen instructions to place the QuickBooks application files. QuickBooks will need to be registered if you wish to receive updates and use online features.

Create Workshop Folder

If the instructor has not previously stored files on computers in a workshop setting, place the CD labeled QB 2010 Sample Files in the appropriate computer drive (for our example, we will use *CD drive, D:*).

Open the Windows Explorer program [ *Windows Key + E*] or right-click on *Start, Explore* or click

Start

All Programs

(You may need to click *Accessories*.)

Windows Explorer

From the options on the left, double-click

My Computer

(D:) QB 2010 Sample Files

File names should be displayed on the right. From the taskbar at the top of Windows Explorer, click

Edit

Select All *(The shortcut for Edit, Select All is to press [Ctrl+A]).*

Then, click

Edit

Copy

Note: The shortcut for Edit, Copy is to press [Ctrl+C]. This works for copying the files in Windows Explorer. However, you will not be able to use this particular command for copying within QuickBooks.

Now, click

Local Disk (C:) (from the menu on the left)

From the Drop-Down Menu Bar, click

File

New

Folder

To name the folder, type **QB 2010 Sample Files** and press **[Enter]**.

Open the **QB 2010 Sample Files** folder by double-clicking it.

Then click **Edit**

Paste *(The shortcut for Edit, Paste is to press [Ctrl+V]).*

Click **X** in the top right corner to close Windows Explorer.

You have completed the task of copying the QuickBooks sample files to your computer. Later in the tutorial, you will be using these files. Now, we will create a new file for your practice.

EasyStep Interview

With QuickBooks installed, move the cursor over the QuickBooks program icon on the Desktop and double click the left mouse button *(or from computer taskbar, go to Start, All Programs, QuickBooks, QuickBooks Pro 2010).*

From the main menu line click on:

File

New Company

The EasyStep Interview window opens.

Welcome to the EasyStep® Interview

GET STARTED

We'll walk you through setting up the basics by asking you questions and giving you guidance along the way. In about 30 minutes you'll be ready to start using QuickBooks—customized just for you!

[Get answers](#)

Start Interview

Other Options...

Have you used Quicken, Peachtree, or Office Accounting for your business?
Click Convert Data if you would like to transfer your financial information to QuickBooks.
[What happens to my converted data?](#)

Are you an accountant or QuickBooks expert?
Click Skip Interview to set up your company information on your own.

Need on-site help?
Local Certified QuickBooks ProAdvisors can set up & customize QuickBooks for your business. (fees may apply) [Learn More](#)

Click on the button **Start Interview**.

[Get answers](#)

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

Legal name
The name you use on your tax and legal forms. Unless you use a DBA name, this will probably be the same as the company name. [Explain](#)

Tax ID
Your Federal Employer Identification Number (EIN) or Social Security Number. Used only on tax forms.

Street address

City State Zip

Country

Phone Fax
Use the format you would like displayed on your forms, e.g. (555) 555-1212

E-mail address

Web site

* required field [What if I have more than one business?](#)

Enter the information as shown in the graphic. Remember to use the **Tab** key to move between entry fields.

Next

The next step is to choose an Industry. The Industry selection helps QuickBooks determine the kinds of feature you may need and establishes an initial Chart of Accounts. We'll choose:

Agriculture, Ranching or Farming

Note: If you sell value-added products, not just agricultural commodities (cut flowers, wheat, cattle), then agriculture and its associated Tax Schedule F may not be the appropriate choice for you. Consult a tax advisor.

Next

The next screen asks about business entity. The main function of this screen is to help match the Chart of Accounts to the proper tax form. Choosing Other/None is an option, but it will not associate tax line items with the Chart of Accounts using the appropriate entity type. If you aren't sure what to choose, you can modify the Chart of Accounts later, but ideally you will have the information to make the correct choice during the setup process for a new company file. Table 3 shows a quick summary of the differences in the default accounts depending on your entity choice.

Note: If your LLC is taxed as an S Corp, you should choose S Corp rather than LLC when making your organization choice.

For our example, we are choosing

LLC

Single Member LLC (Form 1040)

Next

Select the first month of your fiscal year

My fiscal year starts in **January**

Note: If your fiscal year does not align with a calendar year, make a different selection here.

Next

Set up your administrator password.

Note: A password is optional, but if your computer is used by others, it is a good idea to create a password. For our example, we will skip this step so as to leave the file unprotected. The Administrator password sets up full access for the administrative user. Other users can be set up with limited privileges to the file. This step can be added later.

Passwords are case sensitive. Type in the password and then Tab and retype it the same way. Be sure to remember it!

Next

Create your company file

This is the point at which the file is first saved.

Note: If this file is to be used on a network, read the instructions that appear. Otherwise, save the file on the drive where the program is located.

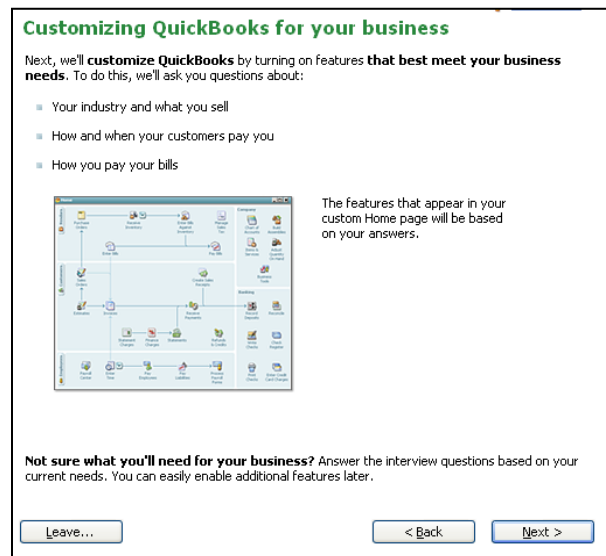
In workshops, we will save the file in the folder created earlier called *QB 2010 Sample Files*.

Enter (or accept) the file name:

Bloom Eaze

Save

In the screens that follow, we will typically choose the option that gives us the most flexibility going ahead.



Next

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 bicycle repair shop that sells bikes, a carpet installation company that sells carpet.

Next

Do you sell products online?

- ☐ I currently sell online.
- ☒ I don't sell online, but I may want to someday.
- ☐ I don't sell online and I am not interested in doing so.

QuickBooks will use this answer to display information about services that can help you sell your products on the Web.

Next

Do you charge sales tax?

- ☒ **Yes** (recommended for your business)
- ☐ No

Note: Agricultural producers of commodities (wheat, cattle, cut flowers) are not subject to sales tax requirements. However, if value-added products are sold (for example, gourds are turned into bird houses or tomatoes into salsa) or products are combined with items bought for resale (for example, flowers are arranged in a vase), then sales taxes are applicable so a payment to the Oklahoma Tax Commission is required. Consult with a tax professional if you have any questions.

Next

Do you want to create estimates in QuickBooks?

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

- ☒ **Yes**
- ☐ No (recommended for your business)

[Why should I use QuickBooks to create my estimates?](#)

Next

Using sales receipts in QuickBooks

Use a **sales receipt** when your **customers pay in full** at the time of sale. This is especially common in retail businesses.

Some examples:

- A bookstore provides a sales receipt when the customer buys a book.
- A TV repair shop provides a sales receipt when a customer picks up and pays for a repaired TV.

Do you want to use sales receipts in QuickBooks?

- ☒ **Yes** (recommended for your business)
- ☐ No

Next

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**
- ☐ No

Next

Using progress invoicing

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

Some examples:

- A flooring 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)

Next

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

Next

Do you print checks?

☐ I print checks.

☒ I don't currently print checks, but I would like to.

☐ I don't currently print checks and I don't plan to.

Next

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

Note: Inventory tracking is designed for items that you buy, sell and restock. It is not well-suited for tracking inventory of products that you raise and use internally.

Next

Do you accept credit cards?

- ☐ I accept credit cards and debit cards. [Examples](#)
- ☒ I don't currently accept credit cards, but I would like to.
- ☐ I don't currently accept credit cards and I don't plan to.

Next

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** (recommended for your business)

Next


Do you have employees?

☒ **Yes**

☒ We have W-2 employees.

☒ We have 1099 contractors.

☐ **No**



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.)

Note: A W-2 employee is someone who works for you: you tell them what to do, when to do it.... A 1099 contractor is someone you hire to do a job for you.

Next

Tracking multiple currencies in QuickBooks

Track multiple currencies in QuickBooks if you buy from vendors or sell to customers in more than one country.

Do you want to track multiple currencies in QuickBooks?

☐ Yes

☒ **No**

Important: Currently, this feature **cannot be turned off** once it's been turned on. **If you're not sure**, you can always **turn on the multiple currencies** preference in your company file later.

Next

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.)

Next

Select a date to start tracking your finances


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

☒ **Beginning of this fiscal year: 01/01/2010**

- 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.

05/20/2010 

[What date should I choose?](#)

Next

Add your bank account

You should add one bank account to the QuickBooks chart of accounts for **each checking, savings, or money market account** your company has. We recommend you add at least one bank account now. You can always add more accounts in QuickBooks later.

Would you like to add an existing bank account?

☒ **Yes.**

☐ **No, I'll add a bank account later.**

Next

Enter your bank account information

This information will help you identify your bank account while using QuickBooks.

* Bank account name

Business checking

Your account name or nickname, such as "State National Bank" or "checking"

Bank account number

1987654

Bank routing number

123456789

[How do I find this?](#)

* When did you open this bank account?

☒ Before

01/01/2010

☐ On or after

01/01/2010

* required fields

Next

Enter your bank statement information

Step 1


Find the **last bank statement** you received with an ending date prior to **01/01/2010** (your start date).

Step 2

Enter the **ending date** of this bank statement:

* Statement ending date

12/31/2009



Step 3

Enter the **ending balance** on this bank statement:

Statement ending balance

3,498.25

* required fields

Next

Review bank accounts

Account Name	Account Number
Checking	1987654

Your bank account(s) are shown above.

Do you want to add another bank account?

☐ Yes.

☒ No. I'm done or will add more later.

Next

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
✓	Business Licenses and Permits	Expense
✓	Car and Truck Expenses	Expense
✓	Charitable Contributions	Expense
✓	Chemicals Purchased	Expense
✓	Computer and Internet Expenses	Expense
✓	Conservation Expenses	Expense
✓	Custom Hire and Contract Labor	Expense
✓	Depreciation Expense	Expense
✓	Dues and Subscriptions	Expense
✓	Equipment Rental	Expense
✓	Feed Purchased	Expense
✓	Fertilizers and Lime	Expense
✓	Freight and Trucking	Expense
✓	Gasoline, Fuel and Oil	Expense
✓	Insurance Expense	Expense

[Restore Recommendations](#)

[Why should I use the recommended accounts?](#)

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

[Leave...](#) [< Back](#) [Next >](#)

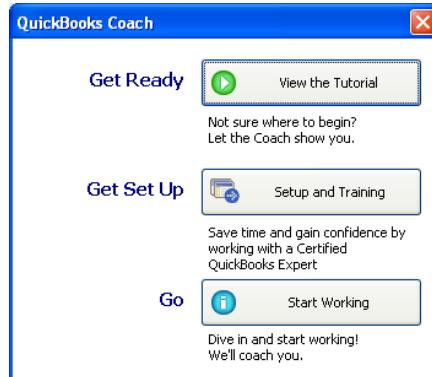
Table 4 shows QuickBooks Chart of Accounts for an agricultural business, LLC single member entity. If you would prefer to import the Chart of Accounts customized for Flower Growers shown in Table 5, you should **uncheck all accounts in this list**. Import instructions are given later in this manual.

Next

Finish

Note: You may get a message regarding your willingness to participate in a QuickBooks usage study. You may also be prompted to register QuickBooks if you have not already done so.

The Tutorial videos are short video clips that show screens with audio to describe QuickBooks functions and are helpful. **We encourage you to View the Tutorial.** Setup and Training is designed to link you with a Certified QuickBooks Expert with a fee for the service.



*Notes: First-time users may see a variety of help/coach windows popup. These can be closed. If you don't want to see them pop-up again, click on the box beside **Don't show this again**. If you don't want to view the QuickBooks Coach, click on the **Hide Coach Tips** button to the right.*

Edit the Chart of Accounts

The Chart of Accounts is a very core part of tracking the details of the business, including Assets, Liabilities, Expenses, and Income. Start with a basic list and then add details sparingly; otherwise, the Chart of Accounts may get lengthy if too many accounts or similar accounts with different names are added. Using the tax form items that are standard for a business is a good starting point. To review the Chart of Accounts created in the Easy Step interview, go to the *Company Sidebar* and click on the **Chart of Accounts** icon. The list can be adapted to suit the purposes of the business as well as the tax preparer. Table 3 highlights the differences in the Chart of Accounts for an agricultural business depending on the organization choice made in the Easy Step Interview.

Note: We recommend printing a copy of your Chart of Accounts to review and reference. Share this with others who will be entering data and/or referring to the reports created from these records. Click on Lists, Chart of Account, Reports, Account Listing, Print.

Customize

By default, the Chart of Accounts shows the:

Active Status

Name –identifies the Parent account and subaccounts, if any

Type - designates how the account is identified and transferred to the financial statements: Bank (cash flow), Fixed Asset, Liability, Equity, Income, Cost of Goods Sold, Expense, or Non-Posting (estimate) account.

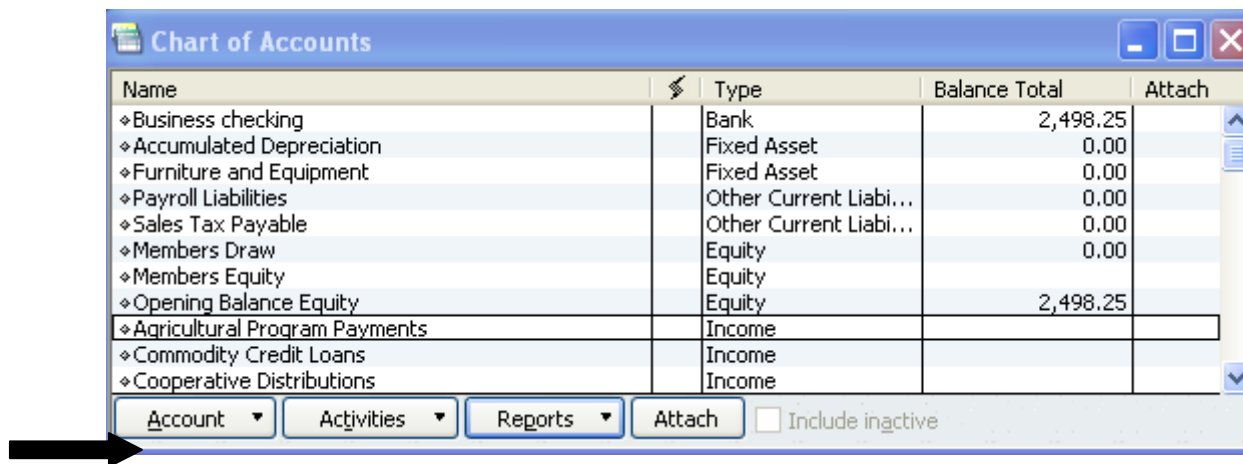
Online – the lightning bolt shows accounts that have online access

Balance Total – shows the current total for that account (parent accounts show the total for all sub accounts and subaccounts show the individual balances).

Attach - allows for documents to be digitally inserted into the company file.

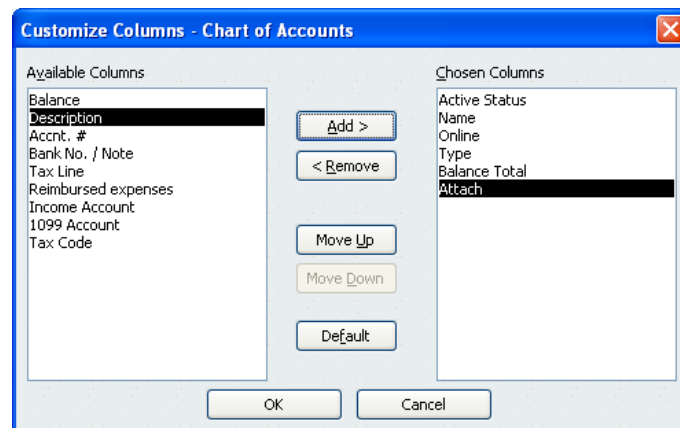
As you can see, the *Checking* account and its opening balance are identified as the *Type: Bank* with the amount included in the *Opening Balance Equity*. To customize what appears in the Chart of Accounts list, click on the

Account button at the bottom left



Now, choose **Customize columns**

To Add a column, click on a label in the Available Columns list, **Description**.



Click on Add

The most recently added name goes to the bottom of the Chosen Columns list. To rearrange the list, click on the **Move Up** button until the *Description* is after the *Name*. Now, add the **Tax Line** column and **Move Up** to follow *Description*.

OK

To modify the Chart of Accounts to better match a flower-growing business, we want to edit the Chart of Accounts. Let's add a Flower Sales income account. Click on

Account

New

Income

Continue

Add New Account

Account Type: Income

Account Name: Cut Flower Sales [Select from Examples](#)

☐ Subaccount of

Optional

Description

Note

Tax-Line Mapping: Schedule F: Sales of livest... [How do I choose the right tax line?](#)

Click on **Save & New**.

A similar process is followed to add a new Expense Account. Click on

Account

New

Expense

Continue

Add New Account

Account Type: Expense

Account Name: Supplies Select from Examples

☐ Subaccount of:

Optional

Description:

Note:

Tax-Line Mapping: Schedule F: Supplies purch... [How do I choose the right tax line?](#)

Add the Expense Account, **Supplies** and map the tax-line to **Schedule F**.

Click on **Save & Close**

Another alternative is to import a chart of accounts created for a horticultural business (Table 5 shows a sample). Choose:

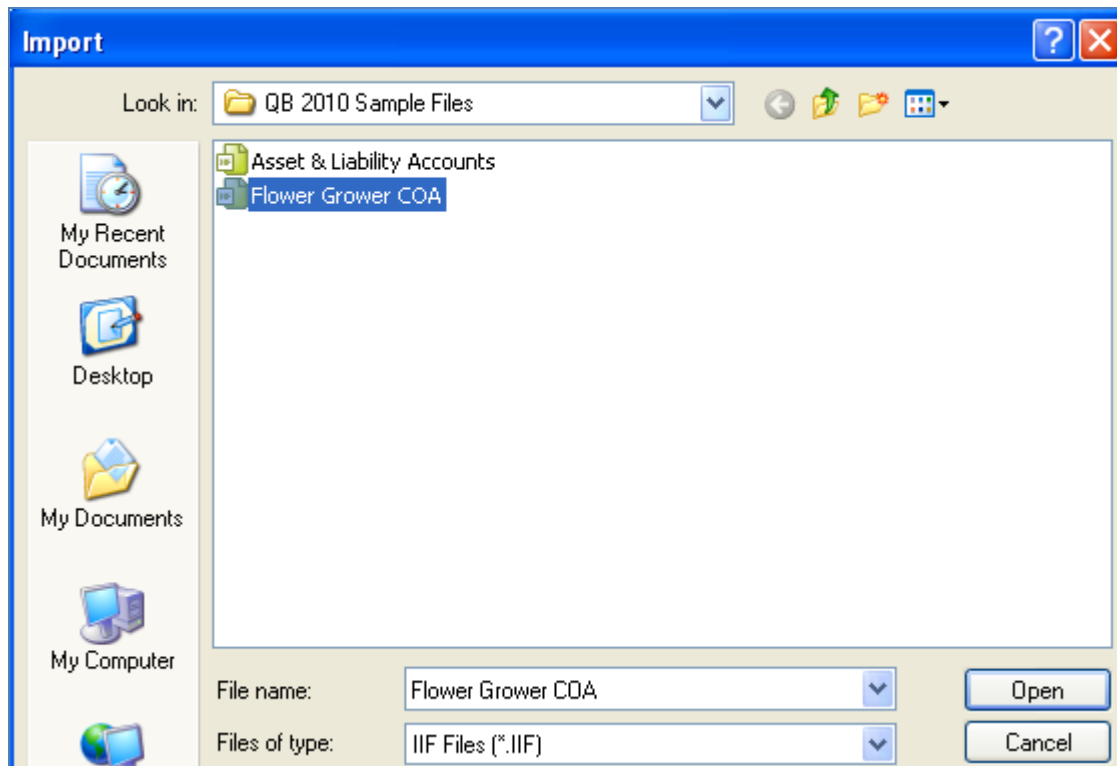
File

Utilities

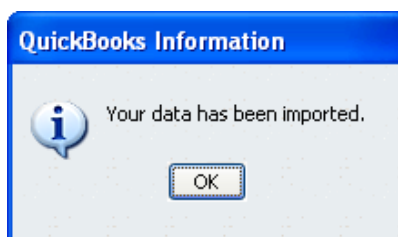
Import

IIF Files

Retrieve the **Flower Grower COA.IIF** file from the QB 2010 Sample Files folder (or Sample Files CD).



OK



OK

Review the Chart of Accounts to see the new list.

Delete or Make Accounts Inactive

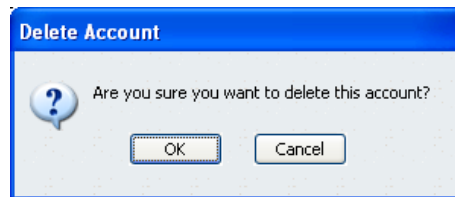
Keep the Chart of Accounts as brief as possible. You may want to delete any accounts that aren't expected to be used. Another option is to hide the account if it might be needed in the future (this is also an option for accounts that were used in the past but no longer needed).

To Delete an account, select the line of the account to be deleted by clicking on it, for example:

Commodity Credit Loans

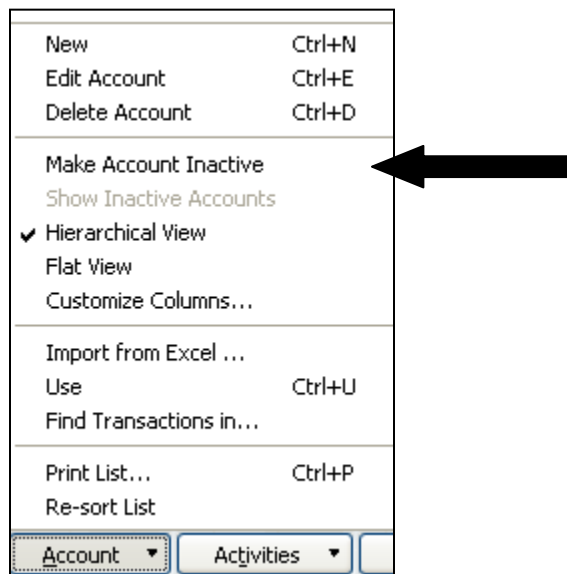
Click on the **Account** button

Delete Account



OK

To make an account inactive, select the account name, right click on it and click on Make Account Inactive.



The list will now show an X in the Active Status column. To hide the inactive accounts, click on

Account

Hide Inactive Accounts

Note: Some accounts cannot be deleted if a feature (for example, Estimates) is turned on. They can be made inactive and hidden.

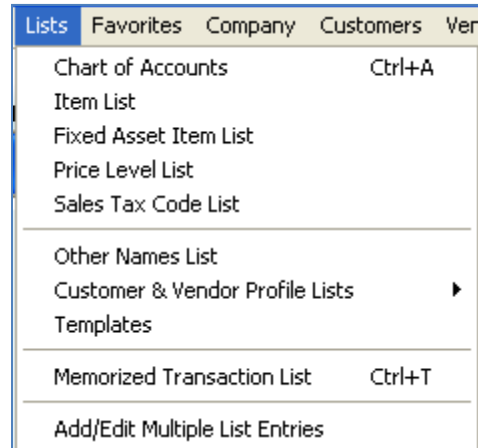
Save and Close

Note: To avoid duplication in your income tax reports, don't assign tax lines to both the parent account and its subaccounts. Assign tax lines only to the subaccounts.

The COA List will be further modified in later sections.

Other Lists

Now that we have established basic income and expense Accounts, it is time to introduce the other lists.



QuickBooks users need to be aware of the uses and limitations of each. For example, the same Vendor Name cannot be used for a checking account, loan, and credit card even though all come from the same bank; however, the Company Name associated with the Vendor, Customer or Other list may remain the same. The reason for the delineation is to keep individual uses separate for financial reporting. The purpose becomes more obvious as additional asset and liability accounts and transactions are entered.

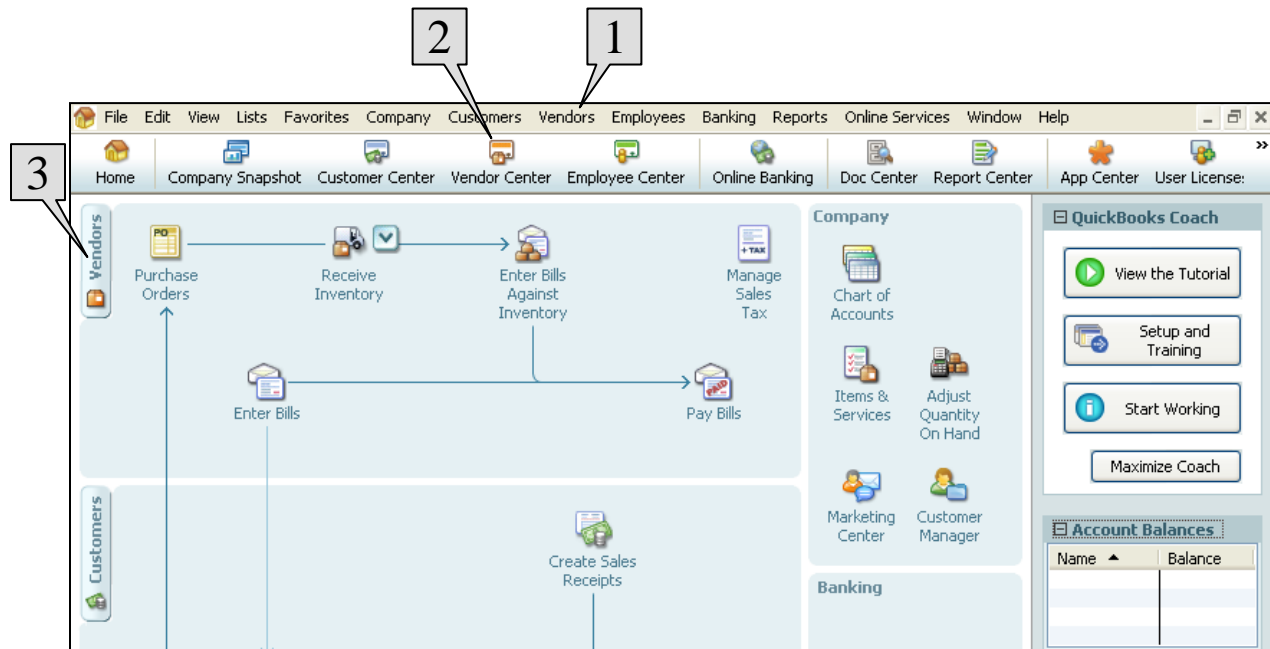
Note: Review existing vendor and customer lists and see where information may need to be split into different names. Existing lists in Excel spreadsheets or other programs may be imported. See additional instructions or the QuickBooks Help menu. We will use this feature to import Items that are flower names. All lists have a limit on the number of items and transactions. Most have the capacity for 10,000 or more, except for the Price levels which max out at 100.

Vendor Center

Add information to vendor list	<ul style="list-style-type: none">• New Vendor: Name, Opening balance• Address info:• Additional info: Account no., type (consultant, service provider, suppliers, supplies, tax agency), terms (due on receipt, net 15, etc.), credit limit, tax ID, vendor eligible for 1099, custom fields• Account prefill
--------------------------------	---

Transactions related to the Vendor Center include purchase orders, bills, bill payments, receiving items into inventory, and loans/notes/accounts payable. To access the Vendor Center, click on Vendors in the main menu line, on the Vendor Center icon in the icon bar or the Vendors button on

the workflow. The Vendor List contains information about the entities (people, companies, lenders) from whom the business purchases things: items (a supplier), licenses (county clerk), services (plumber or bank), etc. The Customer List contains the information about the individuals or entities that purchase items and/or services from the business.



To set up QuickBooks for reporting payments for Form-1099, you must edit preferences so that it can Vendors be marked as eligible for 1099s. **Go to the Edit menu and click**

Preferences

Tax: 1099 in the list on the left

Company Preferences tab

Do you file 1099-MISC forms? **Yes**

OK

Click on **Vendors** (menu line or workflow)

New Vendor

New Vendor

The *Vendor Name* is what differentiates between a vendor with more than one use. The *Opening Balance* shows the balance as of the QuickBooks file start date and is used in the Balance Sheet. Calculate carefully so that transactions from this point forward update the balance (or leave the

balance as zero and enter it later in a different manner). Review Additional Information and Account Prefill tabs to see if entering data is appropriate. The *Additional Info* tab allows specification of the Account No., Billing Rate Level, Type, specific repayment Terms, Credit Limit, Tax ID, and whether the Vendor is eligible for 1099. The *Account Prefill* tab allows you to select three Accounts from the Chart of Accounts that will be used with transactions associated with this vendor.

Note: Vendor Type can relate to industry, product, or location to allow for filtered reports or mailings by vendor type.

If the Company Name is entered, QuickBooks automatically fills in the *Print on Check as:* field.

Vendor Name: Office Max

Opening Balance: 0.00 as of 01/01/2010

[How do I determine the opening balance?](#)

Address Info | Additional Info | Account Prefill

Company Name: Office Max | Contact: |

Mr./Ms./...: | Phone: 405-123-4567 |

First Name: | M.I.: | FAX: |

Last Name: | Alt. Phone: |

Name and Address: Office Max | Alt. Contact: |

E-mail: |

Cc: |

Print on Check as: Office Max

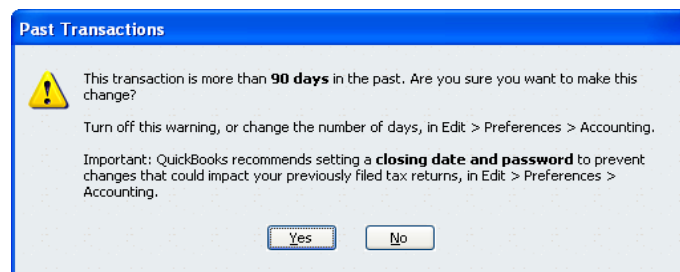
Address Details

☐ Vendor is inactive

OK Cancel Next Help

Next (so we can add another Vendor).

If the company start date is prior to the current date, a reminder window may pop up. This is protection against changing previous records. Since this is being done during our start up, it is not a problem.



Yes

Next

The screenshot shows the 'New Vendor' window with the 'Address Info' tab selected. The 'Vendor Name' field contains 'Quietwater Co-op'. The 'Opening Balance' is '0.00' as of '01/01/2010'. A link 'How do I determine the opening balance?' is visible. The 'Address Info' tab is active, showing fields for 'Company Name' (Quietwater Co-op), 'Mr./Ms./...', 'First Name', 'Last Name', 'Name and Address' (Quietwater Co-op, Rt. 1, Quietwater, OK 74075), 'Contact', 'Phone', 'FAX', 'Alt. Phone', 'Alt. Contact', 'E-mail', 'Cc', and 'Print on Check as' (Quietwater Co-op). There is an 'Address Details' button. On the right, there are buttons for 'OK', 'Cancel', 'Next', and 'Help', along with a checkbox for 'Vendor is inactive'.

Next

Now, add a Vendor eligible for a 1099. Enter the Vendor Name, Opening Balance, Address Info and click on the Additional Information tab:

The screenshot shows the 'New Vendor' window with the 'Additional Info' tab selected. The 'Vendor Name' field contains 'Heppler's Machine Shop'. The 'Opening Balance' is '0.00' as of '01/01/2010'. A link 'How do I determine the opening balance?' is visible. The 'Additional Info' tab is active, showing fields for 'Account No.', 'Categorizing and Defaults' (Type and Terms dropdowns), 'Credit Limit', 'Tax ID' (444-44-4444), and a checkbox for 'Vendor eligible for 1099' which is checked. There is a 'Custom Fields' section on the right.

Check the box next to Vendor eligible for 1099.

OK

Note: An existing list of either Vendors or Customers can be cut and pasted from an Excel Spreadsheet. Click on Lists, Add/Edit Multiple List Entries, Customize Columns if necessary to match the Excel listing (or vice versa). Follow the onscreen instructions and Help button for assistance.

Close the Vendor Center by clicking on the **X** for this window.

Customer Center

Add information to customer list	<ul style="list-style-type: none">• New Customer & Job: Customer name, opening balance• Address info:• Additional info: Type (from advertisement, referral, wholesale, retail), price level, terms (due on receipt, net 15, etc.), rep, preferred send method (e-mail, mail, etc.), tax code, tax item, custom fields• Payment info: Account no., credit limit, preferred payment method (cash, check, debit, VISA, etc.) and related info-• Job info: Job status (pending, awarded, etc.), start date, projected end, end date, description, type
----------------------------------	--

The Customer Center is also accessed either from the main menu, icon bar, or the workflow. Customer transactions involve Estimates, Invoices, Statements, Sale Receipts, Received Payments, Credit Memos, and Refunds. Customers appear in the center of the workflow screen. The screens for Customers are similar to those of the vendors, but if a Vendor is also a Customer for your business, the names must be unique with the entity listed as a Vendor and Customer separately.

Quietwater Country Club purchases cut flowers from us:

Customers (main menu or workflow or Customer Center button)

New Customer & Job

New Customer

Customer Name: Quietwater Country Club

Opening Balance: 0.00 as of 01/01/2010 [How do I determine the opening balance?](#)

Address Info | Additional Info | Payment Info | Job Info

Company Name: Quietwater Country Club | Contact: Dee Daisy

Mr./Ms./...: Mrs. | Phone: 405-345-6789

First Name: Dee | M.I.: | FAX: |

Last Name: Daisy | Alt. Phone: |

Alt. Contact: |

E-mail: |

Cc: |

☐ Customer is inactive

Addresses

Bill To: Quietwater Country Club
Dee Daisy
1000 S. Main
Quietwater, OK 74074

Ship To: Ship To 1
Quietwater Country Club
Dee Daisy
1000 S. Main
Quietwater, OK 74074

[Copy >>](#)

[Edit](#) [Add New](#) [Edit](#) [Delete](#)

☒ Default shipping address

[OK](#) [Cancel](#) [Next](#) [Help](#)

Customer Manager Online

Click on the **Additional Info** tab

Customer Name: Quietwater Country Club

Opening Balance: 0.00 as of 01/01/2010 [How do I determine the opening balance?](#)

Address Info | **Additional Info** | Payment Info | Job Info

Categorizing and Defaults

Type: [Type](#)

Terms: [Terms](#)

Rep: [Rep](#)

Preferred Send Method: Mail

Sales Tax Information

Tax Code: Tax | Tax Item: Out of State

Resale Number: [Resale Number](#)

Price Level: [Price Level](#)

Custom Fields

[Define Fields](#)

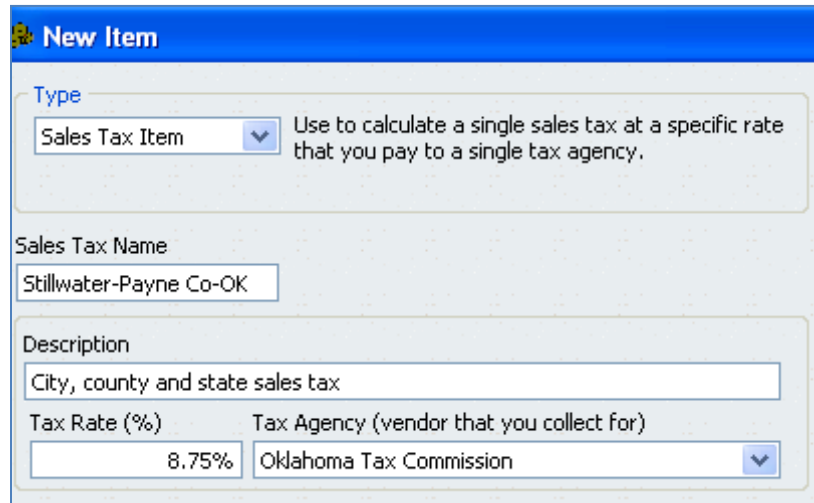
☐ Customer is inactive

[OK](#) [Cancel](#) [Next](#) [Help](#)

Customer Manager Online

Enter any additional information that pertains to the customer. For instance, if they prefer to receive bills by mail rather than e-mail, select that on Preferred Send Method. If Sales Tax is not applicable, click on Non under Tax Code. If Sales Tax is applicable, you will need to add a new Sales Tax Item.

Click on the drop down arrow under Tax Item and select <Add New>:



New Item

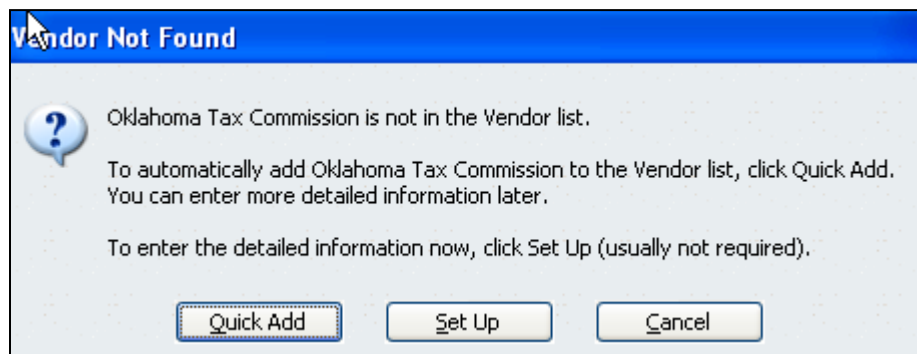
Type
Sales Tax Item Use to calculate a single sales tax at a specific rate that you pay to a single tax agency.

Sales Tax Name
Stillwater-Payne Co-OK

Description
City, county and state sales tax

Tax Rate (%) Tax Agency (vendor that you collect for)
8.75% Oklahoma Tax Commission

And as we had not previously added the Oklahoma Tax Commission as a vendor, we'll get a prompt:



Vendor Not Found

? Oklahoma Tax Commission is not in the Vendor list.

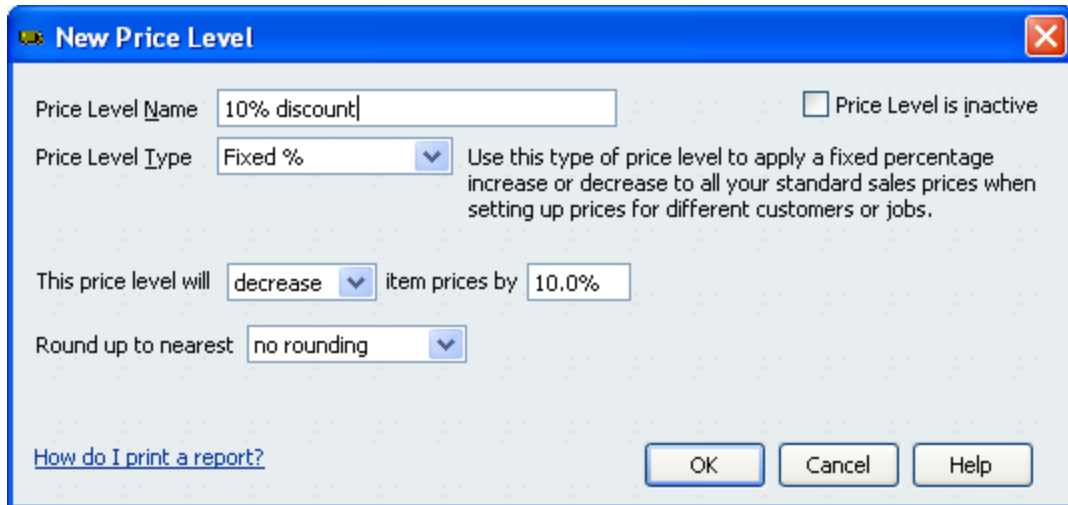
To automatically add Oklahoma Tax Commission to the Vendor list, click Quick Add. You can enter more detailed information later.

To enter the detailed information now, click Set Up (usually not required).

Quick Add Set Up Cancel

We'll choose **QuickAdd** and go back later to add the address and other pertinent information. **Click on OK.**

Price Level (top right of the Additional Info tab) is for customers who receive a special rate different from the base item price. For our example, because they are local customers and always pay timely, we give them a 10% discount from the base price on all purchases. **Click on the drop down arrow by price level and choose <Add New>:**



New Price Level

Price Level Name: 10% discount ☐ Price Level is inactive

Price Level Type: Fixed %
 Use this type of price level to apply a fixed percentage increase or decrease to all your standard sales prices when setting up prices for different customers or jobs.

This price level will decrease item prices by 10.0%

Round up to nearest: no rounding

[How do I print a report?](#)

OK Cancel Help

OK

Click on the **Payment Info** tab.

Specify any Account, Credit Limit, and Preferred Payment Method details. No *Job Info* is needed for this customer but could include Job Status (Pending, Awarded, In progress, Closed, Not awarded), Start Date, Projected End, End Date, Job Description, Job Type.



Customer Name: 1st National Bank - Customer

Opening Balance: 0.00 as of 01/01/2009 [How do I determine the opening balance?](#)

Address Info Additional Info **Payment Info** Job Info

Account No.: 998601

Credit Limit:

Preferred Payment Method: Check

Credit Card No. Exp. Date /

Name on card

Address

Zip / Postal Code

[Can I save the Card Security Code?](#)

☐ Customer is inactive

OK Cancel Next Help

Customer Manager Online

Next

Complete the screens as shown in the following screen captures to add another regular Customer:

Customer Name

Current Balance : 0.00 [How do I adjust the current balance?](#)

Address Info Additional Info Payment Info Job Info

Company Name Contact

Mr./Ms./... Phone

First Name M.I. FAX

Last Name Alt. Phone

Alt. Contact

E-mail

Cc

Addresses

Bill To Ship To

Shelly's Green Garden Floral
Shelly Fox
785 Arena Circle
Quietwater, OK 74075

Shelly's Green Garden Floral
Shelly Fox
785 Arena Circle
Quietwater, OK 74075

☒ Default shipping address

If you want, click on the **Additional Info** tab and **Payment Info** tab and add details.

OK

X (Close the Customer Center.)

Items list

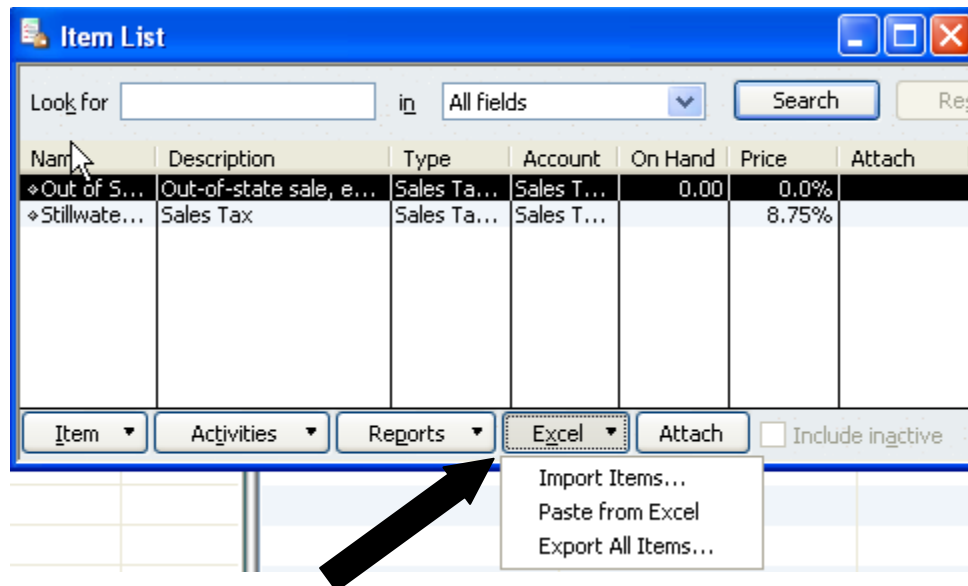
Adding Items follows a process similar to adding vendors and customers. Click on

Lists

Item List

Note: At this point, you could begin to build an item list by clicking on Item, New, and choosing Non-inventory Part for Type.

Rather than create a long list of individual items from scratch, we will import an item list from an Excel spreadsheet. So, **choose:**



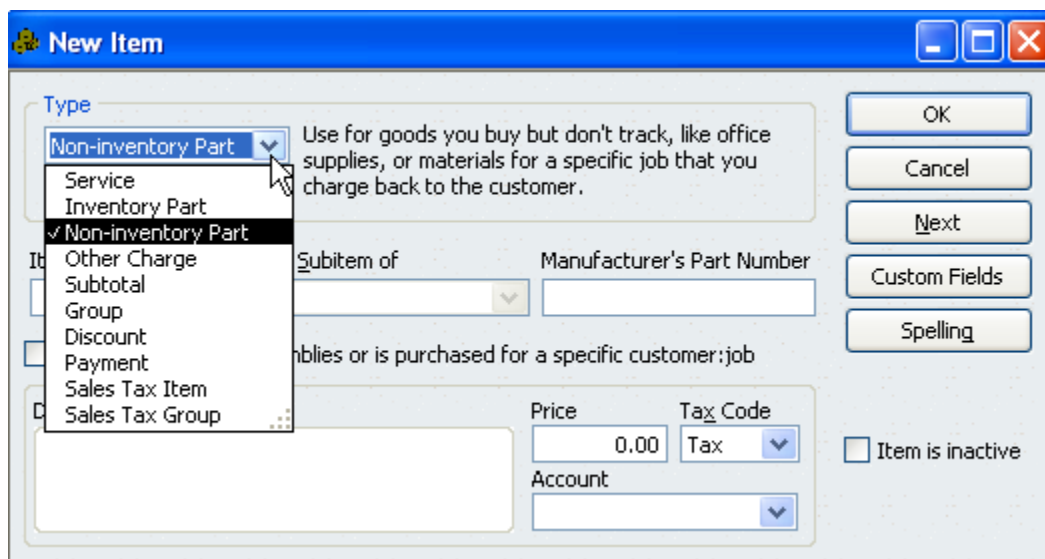
Excel

Paste from Excel

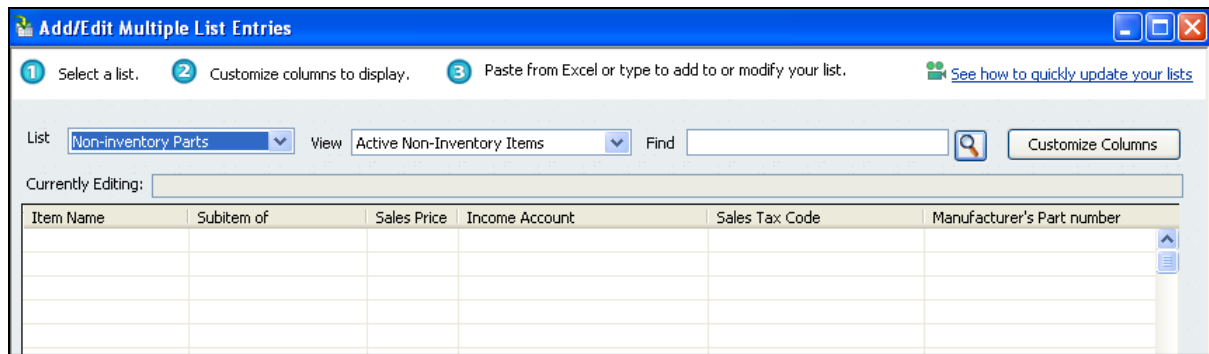
Select a List (service, non-inventory parts, etc.)

Non-inventory Parts is selected for the cut flower list

If you choose the wrong type, it will be time consuming to undo!



The default order for Item columns in QuickBooks is



Customize columns so that the order in which columns appear matches Excel spreadsheet data (or vice versa).

In QuickBooks, **move Income Account up to follow Item Name** and **remove Sales Price and Manufacturer's part number**.

OK

Open the Excel file, Flower Grower Items in the QB 2010 Sample Files folder (make sure the column orders match in Excel and QuickBooks) and **copy and paste the list (excluding the Item label row) to the Add/Edit Multiple List Entries screen**.

Save Changes

Close

Close the Item List.

Enabling Classes

Classes is an additional label that can be attached to transactions that allows sorting and summarizing independently of the Chart of Accounts. This may be helpful, if, for instance, you want to track Farmers Market income and expenses separate from Wholesale Cut Flowers. First, you will need to enable Class tracking. Click on

Edit

Preferences

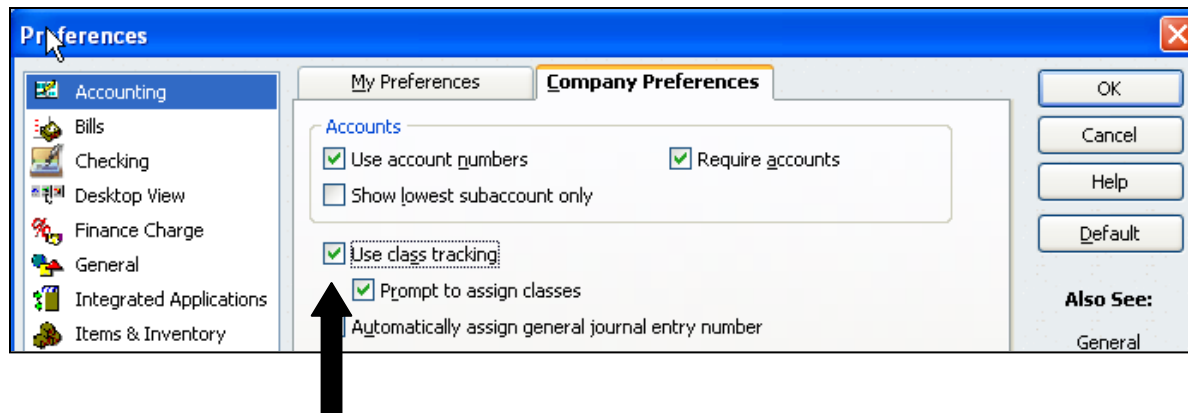
Accounting

Company Preferences tab

Use class tracking

OK

This will allow you to associate income or expenses with specific enterprises within the company, for instance, Farmers Market activities separate from other activities.



Now, think about the kinds of Classes that you want to add.

Click on

Lists

Class List

Class

New

Add Farmers Market; repeat to add classes for **Wholesale Cut Flowers** and **Overhead**.

Close the Class list window.

Other Bank Accounts

Before we begin entering transactions, it will be helpful to add other bank accounts (petty cash is treated as a bank account) and credit accounts the business may have. Click on

Lists

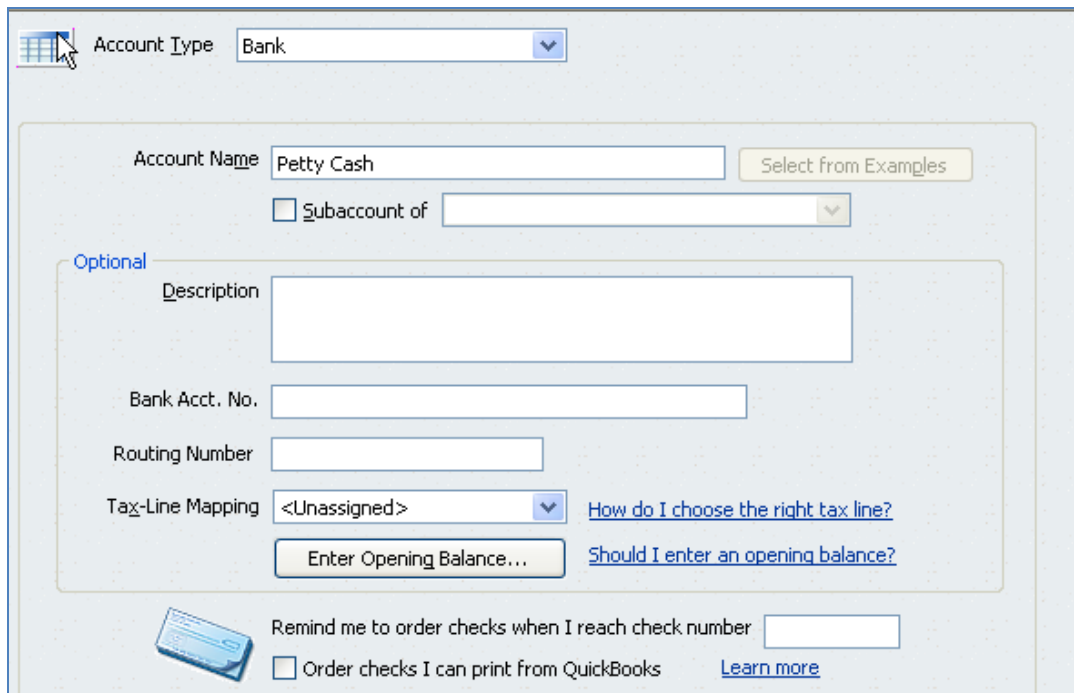
Chart of Accounts

Account

New

Bank

Continue



Account Type: Bank

Account Name: Petty Cash Select from Examples

☐ Subaccount of:

Optional


Description:

Bank Acct. No.:

Routing Number:

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

Enter Opening Balance... [Should I enter an opening balance?](#)

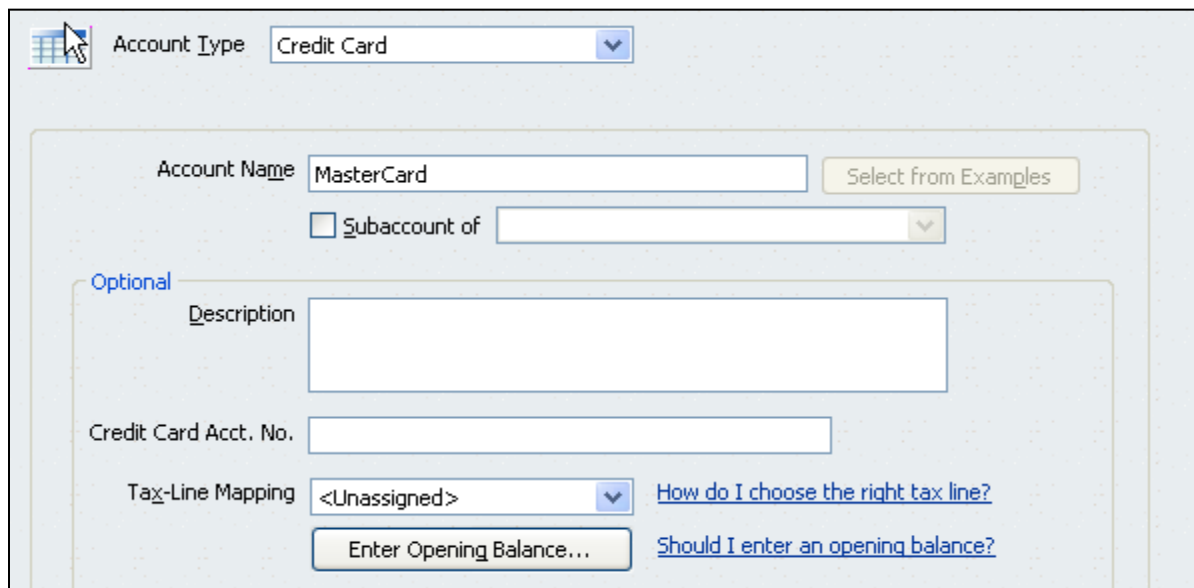
 Remind me to order checks when I reach check number:

☐ Order checks I can print from QuickBooks [Learn more](#)

Click on Enter Opening Balance and note that as of January 1, 2010, cash on hand was \$125.

Note: You may get a warning that the entry is more than 90 days in the past. Click Yes.

Save & New



Account Type: Credit Card

Account Name: MasterCard Select from Examples

☐ Subaccount of:

Optional

Description:

Credit Card Acct. No.:

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

Enter Opening Balance... [Should I enter an opening balance?](#)

If you have a statement at hand from which you can retrieve an ending date and balance, click on Enter Opening Balance and enter the appropriate information for Statement Ending Balance and Statement Ending Date. Here we will assume an Opening Balance of zero so no entry is needed.

Save & Close

Recording Business Transactions

Paying Bills

Once setup is complete, we are ready to begin entering transactions that are incurred in ongoing business operations. Let's start with an example bill entry. On January 1, anxious to get management reports updated, our grower went to Office Max for a new printer cartridge. The expense was assigned to the Overhead class. If the Vendor has been previously established, the Address, etc. will be filled automatically; otherwise, add Vendor information as needed. Modify Terms to show Due on receipt. Click on

Enter Bills, then enter information as shown below:

The screenshot shows the 'Enter Bills' window with a blue title bar and standard window controls. The interface includes a menu bar with 'Previous', 'Next', 'Save', 'Find', 'History', and 'Attach'. Below this is a section with radio buttons for 'Bill' (selected) and 'Credit', and a checked box for 'Bill Received'. The main form area is titled 'Bill' and contains fields for Vendor (Office Max), Address (Office Max), Date (01/01/2010), Ref. No., Amount Due (29.99), Bill Due (01/01/2010), Terms (Due on receipt), and Discount Date. A 'Memo' field is also present. Below the form, a summary bar shows 'Expenses \$29.99' and 'Items \$0.00'. At the bottom is a table with columns: Account, Amount, Memo, Customer:Job, Billa..., and Class.

Account	Amount	Memo	Customer:Job	Billa...	Class
Office Supplies	29.99	printer cartridge			Overhead

Save and New

January 2, our grower went to WalMart and bought potting soil to use in the greenhouse to get early tomato plants established for Farmers Market sales. As WalMart isn't in the Vendor list, you will need to click on

Quick Add

☒ Bill ☐ Credit ☒ Bill Received

Bill

Vendor WalMart Date 01/02/2010

Address WalMart Ref. No. _____

Amount Due 48.49

Bill Due 01/12/2010

Terms _____

Memo _____

Expenses **\$48.49** **Items** **\$0.00**

Account	Amount	Memo	Customer:Job	Billable?	Class
Supplies	48.49	potting soil			Farmers Market

Click on **Save and New**. Next, our grower went to Quietwater Mill & Feed for some fertilizer and herbicides to be used both in the greenhouse and in preparing the outdoor fields for planting. Because they will be used for plants for both Wholesale Cut Flowers and Farmers Market, the expenses are assigned to Overhead and will be prorated at a later date based on estimated use.

☒ Bill ☐ Credit ☒ Bill Received

Bill

Vendor Quietwater Co-op Date 01/02/2010

Address _____ Ref. No. _____

Amount Due 656.47

Bill Due 01/12/2010

Terms _____

Memo _____

Expenses **\$656.47** **Items** **\$0.00**

Account	Amount	Memo	Customer:Job	Billable?	Class
Fertilizers and ...	567.13				Overhead
Chemicals Purcha...	89.34				Overhead

A final stop was made at Ace Hardware for some new hoes and other tools. Click on Quick Add if necessary to add vendors to the list.

☒ Bill ☐ Credit ☒ Bill Received

Bill

Vendor Ace Hardware Date 01/02/2010

Address Ace Hardware Ref. No.

Amount Due 25.18

Bill Due 01/12/2010

Terms

Memo

Expenses	\$25.18	Items	\$0.00
-----------------	----------------	--------------	---------------

Account	Amount	Memo	Customer:Job	Billable?	Class
Supplies	25.18				Overhead

Save & Close

As checks were written at the time of purchase, our grower is ready to

Pay Bills (click on the icon on the home page)

Select the bills to be paid.

For hand-written checks, remember to

click on Assign Check Number at the bottom of the window,

click on Pay Selected Bills.

Assign Check Numbers
✕

Payment Account **Business checking**

How do you want to assign check numbers?

☐ Let QuickBooks assign check numbers.

☒ Let me assign the check numbers below.

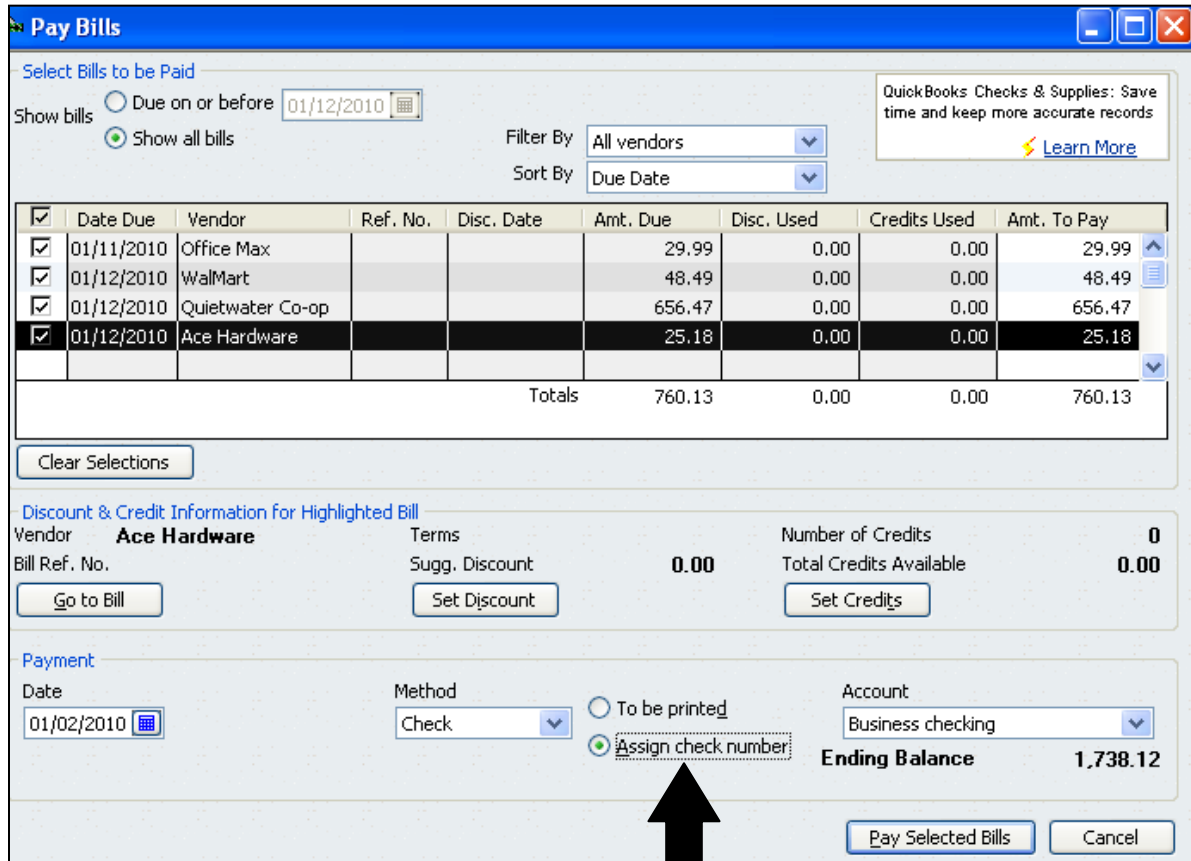
Check No.	Date	Payee	Amount
1001	01/02/2010	Ace Hardware	25.18
1002	01/02/2010	Office Max	29.99
1003	01/02/2010	Quietwater Co-op	656.47
1004	01/02/2010	WalMart	48.49

OK
Cancel
Help

OK

Done

If you are printing checks through QuickBooks, click on To be printed.



Pay Bills

Select Bills to be Paid

Show bills: ☐ Due on or before 01/12/2010 ☒ Show all bills

Filter By: All vendors
Sort By: Due Date

QuickBooks Checks & Supplies: Save time and keep more accurate records [Learn More](#)

<input checked="" type="checkbox"/>	Date Due	Vendor	Ref. No.	Disc. Date	Amt. Due	Disc. Used	Credits Used	Amt. To Pay
<input checked="" type="checkbox"/>	01/11/2010	Office Max			29.99	0.00	0.00	29.99
<input checked="" type="checkbox"/>	01/12/2010	WalMart			48.49	0.00	0.00	48.49
<input checked="" type="checkbox"/>	01/12/2010	Quietwater Co-op			656.47	0.00	0.00	656.47
<input checked="" type="checkbox"/>	01/12/2010	Ace Hardware			25.18	0.00	0.00	25.18
Totals					760.13	0.00	0.00	760.13

Clear Selections

Discount & Credit Information for Highlighted Bill

Vendor: **Ace Hardware** Terms: Sugg. Discount: **0.00** Number of Credits: **0**
Bill Ref. No.: Total Credits Available: **0.00**

Go to Bill Set Discount Set Credits

Payment

Date: 01/02/2010

Method: Check

☐ To be printed
☒ Assign check number

Account: Business checking

Ending Balance: **1,738.12**

Pay Selected Bills Cancel

Our grower went to WalMart on 1/4/10 and bought an item with a credit card. To enter it, click on

Enter Bills

Enter Bills

Previous Next Save Find History Attach

☐ Bill ☒ Credit

Credit

Vendor WalMart Date 01/04/2010

Ref. No. _____

Credit Amount 8.16

Memo _____

Expenses	\$8.16	Items	\$0.00
Account	Amount	Memo	Customer:Job
Supplies	8.16	weed eater string	

Save & Close

Now to pay the bill, click on

Pay Bills

Click on the transaction

At the bottom, change the method to Credit Card and select the appropriate account.

Select Bills to be Paid

Show bills ☐ Due on or before 01/14/2010 ☒ Show all bills

Filter By All vendors Sort By Due Date

Bill Pay: Simplify your accounts payable and record keeping [Learn More](#)

<input checked="" type="checkbox"/>	Date Due	Vendor	Ref. No.	Disc. Date	Amt. Due	Disc. Used	Credits Used	Amt. To Pay
<input checked="" type="checkbox"/>	01/14/2010	WalMart			8.16	0.00	0.00	8.16
Totals					8.16	0.00	0.00	8.16

[Clear Selections](#)

Discount & Credit Information for Highlighted Bill

Vendor **WalMart** Terms _____ Number of Credits **1**

Bill Ref. No. _____ Sugg. Discount **0.00** Total Credits Available **8.16**

[Go to Bill](#) [Set Discount](#) [Set Credits](#)

Payment

Date 01/04/2010 Method Credit Card Account MasterCard

Ending Balance 8.16

Click Pay Selected Bills

Done

Note: In the event that a bill is paid with cash, you will choose Check as the method and choose the Cash account as the account.

Recording Income

Our grower sells cut flowers wholesale to a number of local businesses who pick them up at the greenhouse. An invoice accompanies the order. One customer is the Quietwater Country Club. Click on

Create Invoices and enter the following information:

Create Invoices

Customer: Job [10% discount] Class: Wholesale... Template: Intuit Product Invoice

Quietwater Country Club

Invoice

Bill To: Quietwater Country Club, Dee Daisy, 1000 S. Main, Quietwater, OK 74074

Date: 01/04/2010 Invoice #: 1

Ship To: Ship To 1, Quietwater Country Club, Dee Daisy, 1000 S. Main, Quietwater, OK 74074

Quantity	Item Code	Description	Price Each	Amount	Class	Tax
10	Celosia	10 per bunch	6.00	60.00	Wholesale Cut Flowers	Tax

Customer Message: It's been a pleasure working with you!

Tax: Stillwater-Pa... (8.75%) 5.25

Total: 65.25

☒ To be printed ☐ To be e-mailed

Add Time/Costs... Apply Credits... Payments Applied: 0.00

Customer Tax Code: Tax Balance Due: 65.25

Memo:

[Learn about our payment processing and online invoicing solutions.](#)

Save & Close Save & New Clear

Click on **Save & New**.

You may get a prompt about completing a Paymen Interview. **Click No** unless you want an opportunity for QuickBooks to sign you up for an additional service for a fee.

Now, back to entering the next invoice:

The screenshot shows the 'Create Invoices' window. At the top, there's a toolbar with icons for Previous, Next, Save, Print, Spelling, History, and Attach. Below the toolbar, the 'Customer: Job' dropdown is set to 'Shelly's Green Garden Fl...'. The 'Class' dropdown is empty. The 'Template' dropdown is set to 'Intuit Product Invoice'. The 'Date' is '01/04/2010' and the 'Invoice #' is '2'. The 'Ship To' dropdown is set to 'Ship To 1'. The 'Bill To' section shows the address: 'Shelly's Green Garden Floral, Shelly Fox, 785 Arena Circle, Quietwater, OK 74075'. The 'Ship To' section shows the same address. Below this, there's a table with columns: P.O. Number, Terms, Rep, Ship, Via, and F.O.B. The 'Ship' date is '01/04/2010'. The main table has columns: Quantity, Item Code, Description, Price Each, Amount, Class, and Tax. It lists three items: 'Lavender' (12 units, 5.00 each, 60.00 total), 'Spray Millet' (12 units, 8.00 each, 96.00 total), and 'Birch Branches' (10 units, 4.00 each, 40.00 total). The 'Customer Message' dropdown is empty. The 'Tax' is 'Out of State' (0.0%) with a total of 0.00. The 'Total' is 196.00. At the bottom, there are checkboxes for 'To be printed' (checked) and 'To be e-mailed' (unchecked). There are buttons for 'Add Time/Costs...', 'Apply Credits...', 'Payments Applied', 'Balance Due', 'Customer Tax Code', 'Tax', 'Memo', 'Learn about our payment processing and online invoicing solutions.', 'Save & Close', 'Save & New', and 'Clear'.

Quantity	Item Code	Description	Price Each	Amount	Class	Tax
12	Lavender		5.00	60.00	Wholesale Cut Flowers	Tax
12	Spray Millet		8.00	96.00	Wholesale Cut Flowers	Tax
10	Birch Branches		4.00	40.00	Wholesale Cut Flowers	Tax

P.O. Number	Terms	Rep	Ship	Via	F.O.B.
			01/04/2010		

Customer	Tax	Amount
	Out of State (0.0%)	0.00
Total		196.00

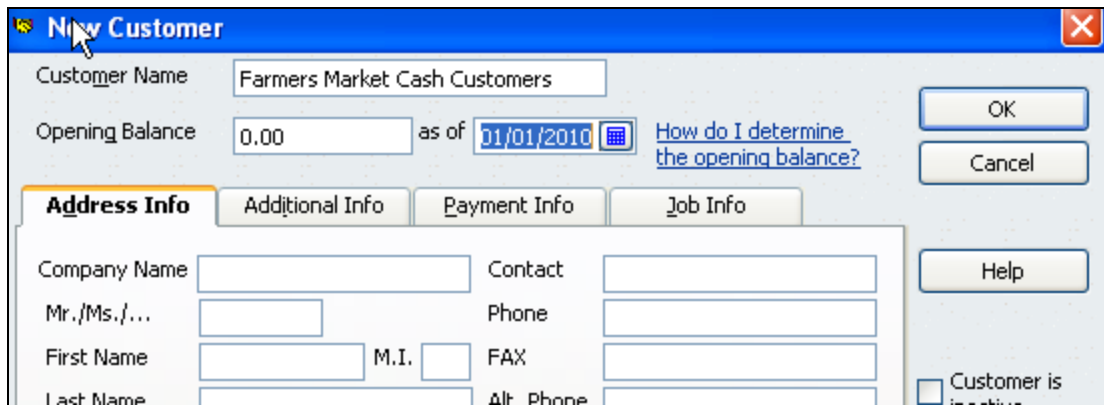
Save & Close

Yes

Next, we'll demonstrate creating a Sales Receipt, which captures payments at the time the sale is made. In our case, we'll use this for our cash sales at the local farmer's market. We'll create a new customer in the process. On the home page, click on

Create Sales Receipt

Click on the down arrow under **Customer: Job** and select **Add New**



New Customer

Customer Name: Farmers Market Cash Customers

Opening Balance: 0.00 as of 01/01/2010 [How do I determine the opening balance?](#)

Address Info | Additional Info | Payment Info | Job Info

Company Name: Contact:

Mr./Ms./...: Phone:

First Name: M.I.: FAX:

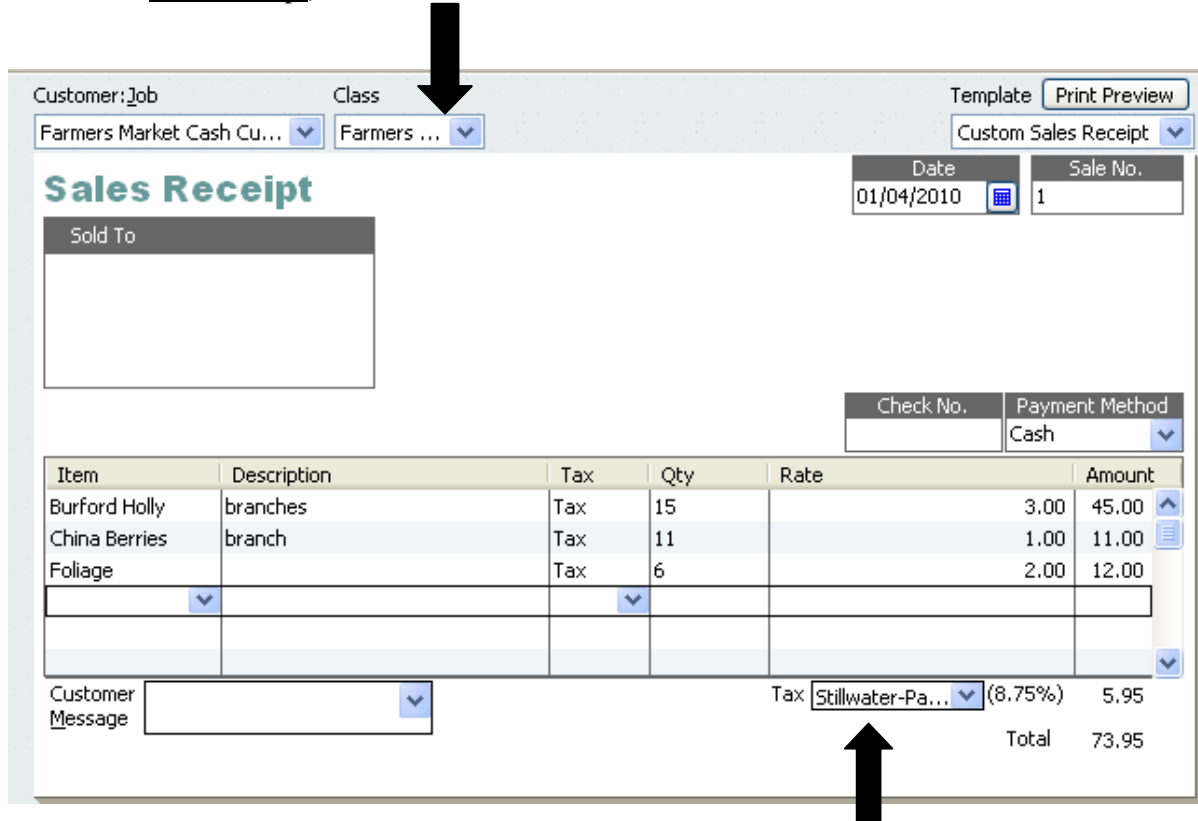
Last Name: Alt. Phone:

☐ Customer is inactive

OK Cancel Help

Click on **OK**.

Now on the Sales Receipt, select the Farmers Market Cash Customers and record the items sold:



Customer: Job Farmers Market Cash Cu... Class Farmers ... Template Custom Sales Receipt

Date 01/04/2010 Sale No. 1

Sold To

Check No. Payment Method Cash

Item	Description	Tax	Qty	Rate	Amount
Burford Holly	branches	Tax	15	3.00	45.00
China Berries	branch	Tax	11	1.00	11.00
Foliage		Tax	6	2.00	12.00

Customer Message:

Tax Stillwater-Pa... (8.75%) 5.95

Total 73.95

Note that only one class can be assigned to a Sales Receipt. Also, note that the appropriate payment method (right) and tax rates (if applicable, bottom) are made here.

Save & Close

When payment is received from the Quietwater Country Club, click on

Receive Payments

and select the Vendor from the Received From list:

Customer Payment

Received From: Quietwater Country Club Customer Balance: **65.25**

Amount: Date:

Pmt. Method: Check Check #:

Memo: [Where does this payment go?](#)

☐ Process payment when saving Find a Customer/Invoice...

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	01/04/2010	1	65.25	65.25	65.25
Totals			65.25	65.25	65.25

Un-Apply Payment

Discount & Credits...

Amounts for Selected Invoices

Amount Due: **65.25**

Applied: **65.25**

Discount and Credits Applied: **0.00**

Enter the amount paid:

Customer Payment

Received From: Quietwater Country Club Customer Balance: **99.36**

Amount: Date:

Pmt. Method: Check Check #:

Memo: [Where does this payment go?](#)

☐ Process payment when saving Find a Customer/Invoice...

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	03/14/2010	1	99.36	99.36	99.36

Click on **Save & New**.

Shelly's Green Garden Floral pays electronically:

Customer Payment

Received From: Shelly's Green Garden Floral Customer Balance: **472.00**

Amount: 472.00 Date: 03/14/2010

Pmt. Method: E-Check Reference #:

Memo: [Where does this payment go?](#)

☐ Process E-Check payment when saving Find a Customer/Invoice...

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	03/14/2010	2		472.00	472.00

Save and Close

Our grower gathers up cash and checks for a trip to the bank. After they've been deposited in the bank, QuickBooks needs to be told they've been deposited as has the e-check.

Click on

Record Deposits

Payments to Deposit

Select View

View payment method type: All types [What are payment method views?](#)

Select Payments to Deposit

✓	Date	Time	Type	No.	Payment Met...	Name	Amount
✓	03/14/2010		RCPT	1		Farmers Market Cash...	233.00
✓	03/14/2010		PMT	3423	Check	Quietwater Country ...	99.36
✓	03/14/2010		PMT		E-Check	Shelly's Green Garde...	472.00

3 of 3 payments selected for deposit **Payments Subtotal** **804.36**

Select All Select None

OK Cancel Help

Click **OK** then

Deposit To	Business checking	Date	03/14/2010	Memo	Deposit	
Click Payments to select customer payments that you have received. List any other amounts to deposit below.						
Received From	From Account	Memo	Chk No.	Pmt Meth.	Class	Amount
Farmers Market Cash Customers	Undeposited Funds				Farmers Market	233.00
Quietwater Country Club	Undeposited Funds		3423	Check		99.36
Shelly's Green Garden Floral	Undeposited Funds			E-Check		472.00

Click on **Save & Close**.

Note that if cash is coming back from a deposit for business use, you should have a Petty Cash account established.

Add Liability Accounts

Depending on your responses in the Easy SetUp Interview, QuickBooks may include some default liability accounts in the Chart of Accounts such as Accounts Payable, Payroll Liabilities and Sales Tax Payable. If not included automatically, Credit Card, Loan, Other Current Liabilities, and Long Term Liability accounts can be added. Other Current Liabilities include lines of credit and short term notes. Before adding loans, gather your loan information, including origination date, payment amount, term, escrow amount (if any), interest rate, etc. For a new loan, you will need to set up a liability account for the loan as well as an expense account for tracking the loan interest if one does not exist. (If you imported the Flower Growers Chart of Accounts, subaccounts for mortgage and other interest expense mapped to Schedule F are included.)

Note: If a liability is incurred after the file start date, leave the account balance at 0 and the transaction will be handled in a different manner.

Line of Credit

Add the existing line of credit at the 1st National Bank with a limit of \$5,000. As of January 1 there was a balance of \$1540.00.

Go to **Lists**

Chart of Accounts

Account

New

Loan

Continue

Note: The Loan preset is for Other Current liability, but the Account Type can be changed by clicking on the down arrow when needed.

Click on the **Enter Opening Balance** button.

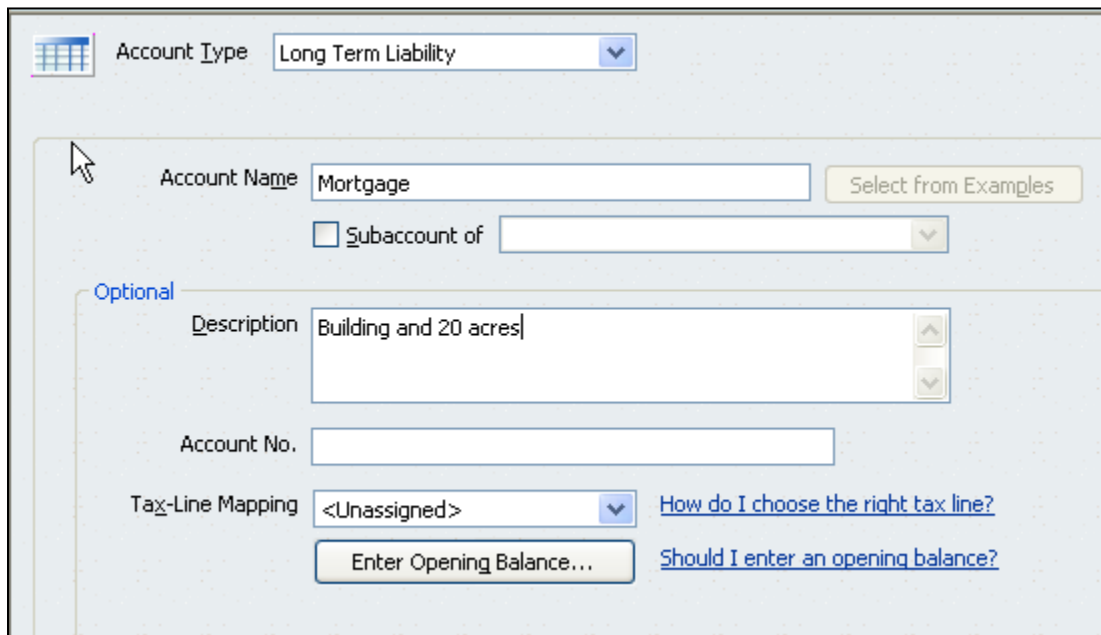
OK

Save and New

Long Term Liability

Now let's enter a long-term liability account for the mortgage on the building and land for the business.

Change the Account Type and add other information:



Account Type: Long Term Liability

Account Name: Mortgage Select from Examples

☐ Subaccount of

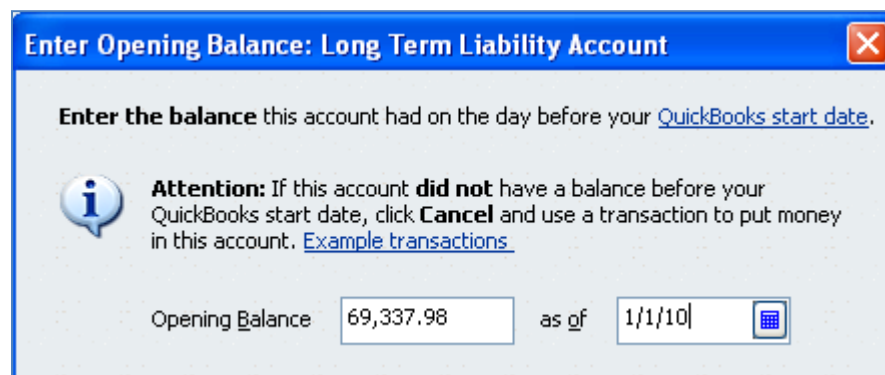
Optional

Description: Building and 20 acres

Account No.

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

Enter Opening Balance... [Should I enter an opening balance?](#)



Enter Opening Balance: Long Term Liability Account

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: 69,337.98 as of: 1/1/10

OK

Save & Close

Loan Manager

To track the balance of an amortized loan, use the Loan Manager. When payments are due, the loan manager splits the transaction; principal payments are applied to the liability account balance and interest expenses are recorded in the appropriate Interest Expense account. Loan terms can be adjusted from within this feature as well. Use of the Loan Manager feature requires that you have appropriate accounts set up for the loan principal, interest, escrow account (if needed), Vendor name,


and loan origination information (origination date, principal amount, interest rate, etc). The lender's name must be in the Vendor list before you add the loan. Click on

Vendor Center


New Vendor

New Vendor

Enter Address Info:

 **New Vendor**

Vendor Name1st National Bank - mortgage

Opening Balance69,337.98 as of01/01/2010[How do I determine the opening balance?](#)

Address Info

Additional Info

Account Prefill


Company Name1st National Bank

Mr./Ms./...

First Name M.I.

Last Name

Name and Address1st National Bank
102 Main Street
Quietwater, OK 74074

 Address Details

ContactLennie Loanshark

Phone405-744-LOAN

FAX

Alt. Phone

Alt. Contact


E-mail

Cc

Print on Check as1st National Bank

Enter Account Prefill information:

Vendor Name1st National Bank - mortgage


Opening Balance69,337.98 as of01/01/2010[How do I determine the opening balance?](#)


Address Info


Additional Info

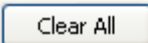
Account Prefill

Select accounts to pre-fill transactions

Interest Expense:Farm M...

Mortgage





OK

Now, we need to return to the Loan Manager to set up the loan payment information. Click on

Banking

Loan Manager

Add a Loan

Add Loan

Enter account information for this loan

Account Name

Mortgage

Current Balance:

69,337.98

Lender

1st National Bank - mortgage

Origination Date

10/15/2007

[Why should I enter an origination date?](#)

Original Amount

75,000.00

Term

20

Years

Next

Enter payment information for this loan

Due Date of Next Payment

10/15/2010

Payment Amount
(Principal + Interest)

7,290.69

Next Payment Number

4

(optional)

Payment Period

Annually

Does this loan have an escrow payment?

☐ Yes

☒ No

Escrow Payment Amount

0.00

Escrow Payment Account

Total Payment:

\$7,290.69

☒ Alert me 10 days before a payment is due

Next

Add Loan [X]

Enter interest information for this loan

Interest Rate: %

Compounding Period: [What is an exact days compounding period?](#)

Compute Period:

Payment Account:

Interest Expense Account:

Fees/Charges Expense Account:

Finish

Loan Manager [Min] [Max] [X]

[What you need to do before you add a loan](#)

Loan List

Name	Balance	Next Payment	Amount
Mortgage	69,337.98	10/15/2010	7,290.69

Summary | **Payment Schedule** | **Contact Info**

Lender Name:	1st National Bank - mortgage	Payment Amount:	7,290.69
Account Number:		Interest Rate:	7.250%
Origination Date:	10/15/2007	Maturity Date:	10/15/2026
Original Amount:	75,000.00	Balloon Payment:	None

Review the information entered. Click on the **Payment Schedule** tab to review the amortization schedule from the point of the next payment forward. The **Contact Info** tab displays the related Vendor information.

Note: If the terms of the loan change, click on Edit Loan Details. Enter the changes and click on OK.

Click on

Set Up Payment (at the right)

This is a regular payment from the Business checking account. The upcoming payment information shows the split between Principal and Interest. The Escrow (if any) is automatically entered.

Set Up Payment

This payment is

A regular payment

[Why should I pay my loans from the Loan Manager?](#)
[What is the difference between a regular and an extra payment?](#)

Account Information

Account Name: Mortgage
Lender: 1st National Bank - mortgage
Bank Account: Business checking

Payment Information

Principal (P)

2,263.69

Fees & Charges

0.00

Payment Number

4

Interest (I)

5,027.00

Escrow

0.00

Total P+I: 7,290.69

Total Payment: 7,290.69

Payment Method

I want to

Write a check

Your selection on Payment Method (Write a check or Enter Bill) brings up the appropriate form. We can add the payment to our check queue by selecting

Write a check:

OK

Bank Account: Business checking Ending Balance: -11,083.13

Print As: 1st National Bank

No. To Print

Date: 05/20/2010

Pay to the Order of: 1st National Bank - mortgage \$ 7,290.69

Seven thousand two hundred ninety and 69/100***** Dollars

Address: 1st National Bank
102 Main Street
Quietwater, OK 74074

Memo: Pmt# 5

Expenses: \$7,290.69 Items: \$0.00 ☒ To be printed

Account	Amount	Memo	Customer:Job	Billa...	Class
Mortgage	2,427.80				Overhead
Interest Expen...	4,862.89				Overhead

Clear Splits Recalculate Save & Close Save & New Revert

If you want to assign the expense to a Class such as Overhead, do it before you save the check.

At the appropriate time, you'll need to select Print Check from the Home page to prepare a check to send to 1st National Bank.

Save and Close

Company Snapshot

To view what has been entered to this point, click on the **Company Snapshot** icon.

Reports

QuickBooks offers many preset reports which offer business insights and facilitate tax reporting. Table 6 highlights the choices. Sample printouts of reports are included in the Appendix.

Because we have only entered a few transactions in this file, we will switch to a sample file with more data. Choose

File

Open or Restore Company

Open a company file

Next

Look in: **C:QB 2010 Sample Files**

File Name: **Bloomies**

Password: **loretta**

Click on the **Report Center** to access reports.

For management purposes, the Profit and Loss report is certainly important. Click on

Reports

Company & Financial

Profit & Loss Standard

Change Dates: **Last Fiscal Year**

Review the report.

Note that if you have multiple years in a single file you can do year to year comparisons by changing

Dates: All (or an appropriate date range—we'll choose Custom and specify 1/1/2007 to 12/31/2009)

Columns: **Year**

In thinking about what to grow next year, our grower reviews the Sales by Item Summary report:

Reports

Sales

Sales by Item Summary

Change Dates: **Last Fiscal Year**

A sales graph is helpful in identifying the seasonality of sales as well as the top 10 items:

Reports

Sales

Sales Graph

By item

Dates: **Last Year**

Our grower is also interested in sales by customer. Simply click on

By Customer

For cash flow reports, click on

Reports

Company & Financial

Profit & Loss Standard

Change Dates: **Last Fiscal Year**

Click on

Modify Report (upper left corner)

Display tab, and

Cash (near the center of the screen)

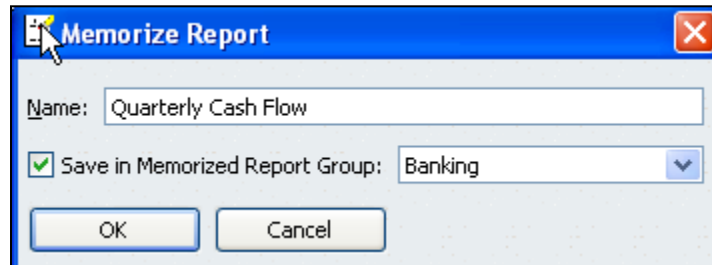
Click on the

Header/Footer tab

Change Report Title to **Cash Flow**

Note: Another alternative for cash flow reports is to choose Reports, Company & Financials, Statement of Cash Flows where are grouped into Operating Activities, Investing Activities and Financing Activities.

To change it to a monthly cash flow, at the Columns prompt, select **Month**. To save this report for future use, click on **Memorize**.



Memorized reports can be retrieved by choosing **Reports, Memorized Reports, Memorized Reports List**.

For a balance sheet,

Reports

Company & Financial

Balance Sheet Standard

Dates: **Last Fiscal Year**

For tax purposes, users will want to click on

Accountant & Taxes

Income Tax Detail.

This report may be requested by your tax preparer to ensure that entries have been made in the correct accounts. View and/or print the Income Tax Detail report. The Income Tax Summary report shows the totals only for individual income and expense accounts.

Also, click on

Vendors & Payables

1099 Summary (or 1099 Detail)

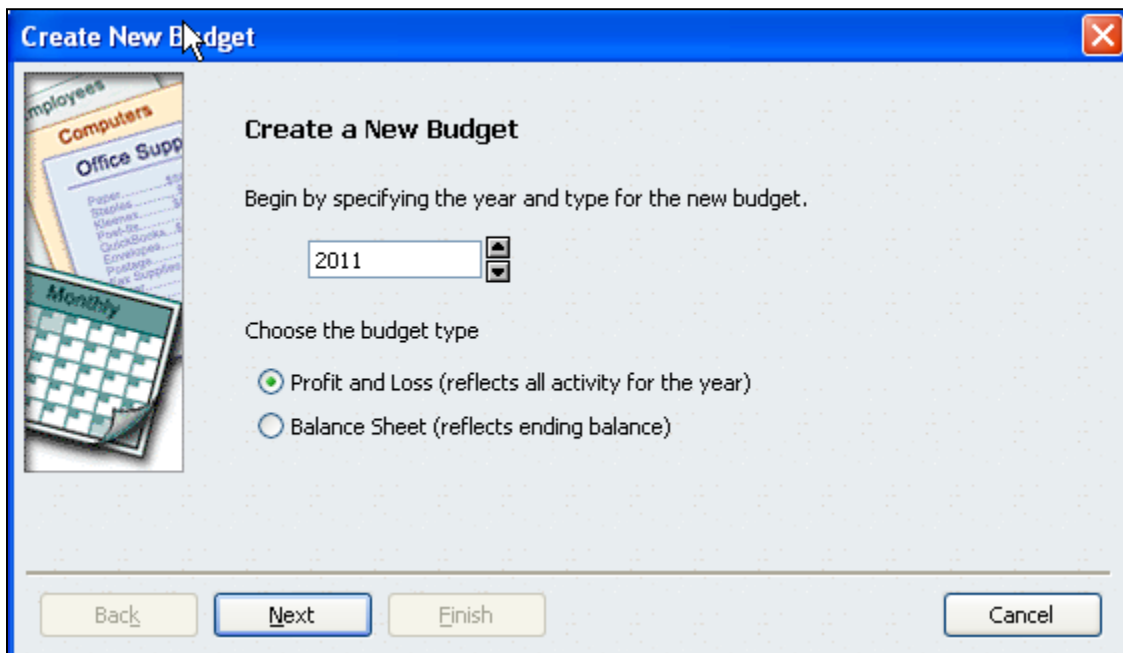
View/print

Planning Ahead: Budget Features

Once there is a year's worth of data in a file, you can create a budget based on actual data. Choose:
Company

Planning & Budgeting

Set Up Budgets



Create New Budget

Create a New Budget

Begin by specifying the year and type for the new budget.

2011

Choose the budget type

☒ Profit and Loss (reflects all activity for the year)

☐ Balance Sheet (reflects ending balance)

Back Next Finish Cancel

Next

Additional Profit and Loss Budget Criteria

No additional criteria

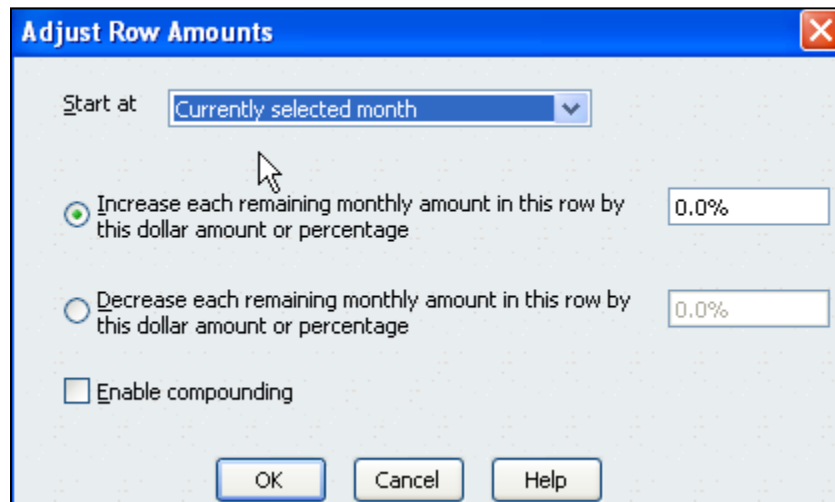
Next

Create budget from previous year's actual data

Finish

Budget amounts can be modified in different ways. For example, highlight a cell. Enter amount. Copy across.

By clicking on Adjust Row Amounts, you can increase/decrease monthly amounts by a dollar amount or percentage:

A screenshot of a software dialog box titled "Adjust Row Amounts". The dialog has a blue title bar with a close button (X) in the top right corner. Inside the dialog, there is a "Start at" label followed by a dropdown menu showing "Currently selected month". Below this, there are two radio button options. The first option, "Increase each remaining monthly amount in this row by this dollar amount or percentage", is selected with a green dot, and has a text input field to its right containing "0.0%". The second option, "Decrease each remaining monthly amount in this row by this dollar amount or percentage", is unselected and also has a text input field to its right containing "0.0%". Below these options is a checkbox labeled "Enable compounding", which is currently unchecked. At the bottom of the dialog are three buttons: "OK", "Cancel", and "Help".

Note: you must enter the % sign if that is your intended adaptation.

Save

Choose Report

Budgets

Budget vs Actual

Select the budget to use, e.g., FY2010-Profit & Loss by Account.

Select a report layout, e.g., Account by Month.

Next

Finish

Table 1. Setting Up Your QuickBooks File Overview

Add a new company	
Add company information	Company name*, legal name, tax ID, street address, city, state, zip, country, phone, e-mail address, web site
Select industry	Agriculture, Ranching or Farming
Company organization	Sole proprietorship, partnership or LLP, LLC (single/form 1040 or multi-member/form 1065), Corporation (regular or C corp), S corp, non-profit, other/none
Fiscal year start	January or other
Administrator password (optional)	
Create new company file	Specify location on computer
What do you sell	Services, products, both
Online sales	Yes, someday , no
Sales tax	Yes , no
Create estimates	Yes , no
Use sales receipts	Yes , no
Use billing statements	Yes , no
Use invoices	Yes , no
Progress invoicing	Yes, no
Bill tracking	Yes , no
Print checks	Yes, would like to , no
Track inventory	Yes, no
Credit cards	Yes, would like to , no
Tracking time	Yes, no
Employees	Yes. W-2 employees, 1099 contractors
Multiple currencies	Yes, no
Chart of accounts	Starting date, balances
Add bank account	Bank account name*, account number, routing number, when account opened, ending date on bank statement*, ending balance
Review the Chart of Accounts	Income and expenses accounts
Easy step interview ends/begin customization	
Edit customer/vendor profiles lists	Defaults <ul style="list-style-type: none"> • Sales rep • Customer type: from advertisement, referral, retail, wholesale

	<ul style="list-style-type: none"> • Vendor type: consultant, service provider, suppliers, supplies, tax agency • Job type: commercial, residential • Terms: 1% 10 Net 30, 2% 10 Net 30, consignment, due on receipt, net 15, net 30, net 60 • Customer message: All work is complete! Thank you for your business, etc. • Payment method: Cash, check, AmEx, Discover, MC, Visa, debit, gift, e-check • Ship via: DHL, Fed Ex, UPS, US Mail • Vehicle list
Add information to customer list	<ul style="list-style-type: none"> • New Customer & Job: Customer name, opening balance • Address info: • Additional info: Type (from advertisement, referral, wholesale, retail), price level, terms (due on receipt, net 15, etc.), rep, preferred send method (e-mail, mail, etc.), tax code, tax item, custom fields • Payment info: Account no., credit limit, preferred payment method (cash, check, debit, VISA, etc.) and related info- • Job info: Job status (pending, awarded, etc.), start date, projected end, end date, description, type
Add information to vendor list	<ul style="list-style-type: none"> • New Vendor: Name, Opening balance • Address info: • Additional info: Account no., type (consultant, service provider, suppliers, supplies, tax agency), terms (due on receipt, net 15, etc.), credit limit, tax ID, vendor eligible for 1099, custom fields • Account prefill
Add items	Type: Service, non-inventory part, other charge, subtotal, group, discount, payment, sales tax item, sales tax group Name/number, rate, tax code (taxable, non-taxable), account
Edit preferences to use classes	Preferences, accounting, company preferences
Set up payroll schedule	Weekly, monthly, etc.
Add information to employee list	<ul style="list-style-type: none"> • Personal info: Mr./Ms., legal name, print on checks as, SS no., gender, date of birth • Address and contact • Additional info: account no. (employee ID), custom fields
Edit templates	Packing slip, product invoice, professional invoice, service invoice, standard statement, custom sales order, SO packing slip, SO pick list

Table 2. Summary of Quick Books Main Menus

File	Lists	Banking	Company	Vendors
New Company	Charts of Accounts	Write Checks	Home Page	Vendor Center
Open or Restore Company	Item List	Order Checks & Envelopes	Company Snapshot	Enter Bills
Open Previous Company	Fixed Asset Item List	Enter Credit Card Charges	Company Information	Pay Bills
Save Copy or Backup	Price Level List	Use Register	Advanced Service Administration	Sales Tax
Close Company	Sales Tax Code List	Make Deposits	Set Up Users and Passwords	Print 1099s/1096
Switch to Multi-user Mode	Payroll Item List	Transfer Funds	Customer Credit Card Protection	Item List
Remote Access	Class List	Reconcile	Set Closing Date	
Utilities	Other Names List	Online Banking	Planning & Budgeting	
Accountant's Copy	Customer & Vendor Profile Lists	Loan Manager	To Do List	
Print Forms	Templates	Other Names List	Reminders	
Printer Setup	Memorized Transaction List		Alert Managers	
Send Forms	Add/Edit Multiple List Entries		Charts of Accounts	
Shipping			Make General Journal Entries	
Update Web Services			Manage Currency	
Exit			Document Management	
			Enter Vehicle Mileage	
			Prepare Letters with Envelopes	
			Email Marketing	

Table 2 (cont.)

Customers	Reports	Online Services	Employees	Edit
Customer Center	Report Center	Customer Manager Online	Employee Center	Use Register
Create Estimates	Company Snapshot	Manage Services	Pay Employees	Use Calculator
Create Invoices	Memorized Reports	Email Marketing	Edit/Void Paychecks	Find
Enter Sales Receipts	Process Multiple Reports	Websites	Payroll Taxes and Liabilities	Preferences
Enter Statement Charges	Company & Financial	Search Advertising	Payroll Tax Forms & W-2s	
Create Statements	Customers & Receivables	Incorporation Services	Payroll Service Options	
Assess Finance Charges	Sales	Expense Reporting	Payroll Setup	
Receive Payments	Jobs, Time & Mileage	Set Up Intuit Sync Manager	Manage Payroll Items	
Create Credit Memos/Refunds	Vendors & Payables			
Add Credit Card Processing	Employees & Payroll			
Add Electronic Check Processing	Banking			
Add Mobile Payment Processing	Accountant & Taxes			
Link Payment Service to Company File	Budgets			
Email Marketing	List			
Item List	Custom Summary Report			
Change Item Prices	Custom Transaction Report			
	Quick Report			
	Transaction History			
	Transaction Journal			

Table 3. Comparison of Default Chart of Accounts for Different Legal Entity Choices

Default Account	Multi-member LLC, Partnership or LLP	Tax Line	
		Regular or C Corp, S Corp	Sole Proprietorship (or Single Member LLC)
Accumulated Depreciation	B/S-Assets: Buildings/oth. depr. assets	B/S-Assets: Buildings/oth. depr. assets	<Unassigned>
Furniture and Equipment	B/S-Assets: Buildings/oth. depr. assets	B/S-Assets: Buildings/oth. depr. assets	<Unassigned>
Payroll Liabilities	B/S-Liabs/Eq.: Other current liabilities	B/S-Liabs/Eq.: Other current liabilities	<Unassigned>
Sales Tax Payable	B/S-Liabs/Eq.: Other current liabilities	B/S-Liabs/Eq.: Other current liabilities	<Unassigned>
Capital Stock	<Unassigned>	<Unassigned>	n/a
Dividends Paid	<Unassigned>	<Unassigned>	n/a
Opening Balance Equity	<Unassigned>	<Unassigned>	<Unassigned>
Retained Earnings	<Unassigned>	<Unassigned>	n/a
Owners (Members) Draw	n/a	n/a	<Unassigned>
Owners (Members) Equity	n/a	n/a	<Unassigned>
Member/Partner 1, 2 Draws	<Unassigned>	n/a	n/a
Member/Partner 1, 2 Equity	<Unassigned>	n/a	n/a
Agricultural Program Payments	Income: Gross receipts or sales	Income: Gross receipts or sales	Schedule F: Agricultural program payments
Commodity Credit Loans	Income: Gross receipts or sales	Income: Gross receipts or sales	Schedule F: CCC loans reported/election
Cooperative Distributions	Income: Gross receipts or sales	Income: Gross receipts or sales	Schedule F: Total co-op. distributions
Crop Insurance Proceeds	Income: Gross receipts or sales	Income: Gross receipts or sales	Schedule F: Crop ins. proceeds received
Crop Sales	Income: Gross receipts or sales	Income: Gross receipts or sales	Schedule F: Sales of livestock/product raised
Fuel Tax Credits and Other Inc.	Income: Gross receipts or sales	Income: Gross receipts or sales	Schedule F: Other farm income
Bank Service Charges	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Other farm expenses
Car and Truck Expenses	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Car and truck expenses

Table 3 (cont).

Chemicals Purchased	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Chemicals
Computer & Internet Expenses	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Other farm expenses
Table 3. (cont)			
Depreciation Expense	<Unassigned>	<Unassigned>	<Unassigned>
Fertilizers and Lime	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Fertilizers and lime
Freight and Trucking	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Freight and trucking
Gasoline, Fuel and Oil	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Gasoline, fuel, and oil
Insurance Expense	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Insurance, other than health
Interest Expense	Deductions: Interest expense	Deductions: Interest expense	Schedule F: Interest expense, other
Office Supplies	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Other farm expenses
Payroll Expenses	Deductions: Salaries and wages	Deductions: Salaries and wages	Schedule C: Wages paid
Professional Fees	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Other farm expenses
Rent Expense	Deductions: Rents	Deductions: Rents	Schedule F: Rent/lease land, animals
Repairs and Maintenance	Deductions: Repairs and maintenance	Deductions: Repairs and maintenance	Schedule F: Repairs and maintenance
Seeds and Plants Purchased	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Seed and plants purchased
Small Tools and Equipment	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Other farm expenses
Storage and Warehousing	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Other farm expenses
Telephone Expense	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Utilities
Utilities	Other Deductions: Other deductions	Other Deductions: Other deductions	Schedule F: Utilities

Table 4. Quick Books Ag Charts of Accounts

LLC Single Member Account Listing

Account	Type	Balance Total	Description	Tax Line
Business checking	Bank	0.00		<Unassigned>
Accumulated Depreciation	Fixed Asset	0.00	Accumulated depreciation on equipment, building...	<Unassigned>
Furniture and Equipment	Fixed Asset	0.00	Furniture and equipment with useful life exceedin...	<Unassigned>
Payroll Liabilities	Other Current Liability	0.00	Unpaid payroll liabilities. Amounts withheld or acc...	<Unassigned>
Sales Tax Payable	Other Current Liability	0.00	Unpaid sales taxes. Amounts charged on sales, b...	<Unassigned>
Members Draw	Equity	0.00	Monies taken out of the business by the member	<Unassigned>
Members Equity	Equity		Monies invested in the business by the member, ...	<Unassigned>
Opening Balance Equity	Equity	0.00	Opening balances during setup post to this accou...	<Unassigned>
Agricultural Program Payments	Income		Government program payments received	Schedule F: Agricultural program payments
Commodity Credit Loans	Income		Commodity credit corporation loans received	Schedule F: CCC loans reported/election
Cooperative Distributions	Income		Patronage dividends received from cooperative or...	Schedule F: Total co-op. distributions
Crop Insurance Proceeds	Income		Crop insurance proceeds/federal disaster paymen...	Schedule F: Crop ins. proceeds received
Crop Sales	Income		Sales of crops	Schedule F: Sales of livestock/product raised
Fuel Tax Credits and Other Inc.	Income		Other income including gasoline/fuel tax refund or...	Schedule F: Other farm income
Bank Service Charges	Expense		Bank account service fees, bad check charges an...	Schedule F: Other farm expenses
Car and Truck Expenses	Expense		Fuel, oil, repairs, and other car and truck mainten...	Schedule F: Car and truck expenses
Chemicals Purchased	Expense		Costs of chemicals used in farming operations	Schedule F: Chemicals
Computer and Internet Expen...	Expense		Computer supplies, off-the-shelf software, online f...	Schedule F: Other farm expenses
Depreciation Expense	Expense		Depreciation on equipment, buildings and improv...	<Unassigned>
Fertilizers and Lime	Expense		Fertilizers and lime purchased for farm operations.	Schedule F: Fertilizers and lime
Freight and Trucking	Expense		Amounts paid for freight or trucking of farm produ...	Schedule F: Freight and trucking
Gasoline, Fuel and Oil	Expense		Gasoline, fuel or oil used for farm machinery	Schedule F: Gasoline, fuel, and oil
Insurance Expense	Expense		Insurance expenses	Schedule F: Insurance, other than health
Interest Expense	Expense		Interest payments on business loans, credit card ...	Schedule F: Interest expense, other
Office Supplies	Expense		Office supplies expense	Schedule F: Other farm expenses
Payroll Expenses	Expense		Payroll expenses	Schedule C: Wages paid
Professional Fees	Expense		Payments to accounting professionals and attorn...	Schedule F: Other farm expenses
Rent Expense	Expense		Rent paid for company offices or other structures ...	Schedule F: Rent/lease land, animals
Repairs and Maintenance	Expense		Incidental repairs and maintenance of business a...	Schedule F: Repairs and maintenance
Seeds and Plants Purchased	Expense		Seeds and plants purchased for producing farm in...	Schedule F: Seed and plants purchased
Small Tools and Equipment	Expense		Purchases of small tools or equipment not classifi...	Schedule F: Other farm expenses
Storage and Warehousing	Expense		Amounts paid to store farm commodities.	Schedule F: Other farm expenses
Telephone Expense	Expense		Telephone and long distance charges, faxing, and...	Schedule F: Utilities
Utilities	Expense		Water, electricity, garbage, and other basic utilitie...	Schedule F: Utilities
Ask My Accountant	Other Expense		Transactions to be discussed with accountant, co...	<Unassigned>
Estimates	Non-Posting		Estimates for jobs or projects. Customer proposal...	<Unassigned>

Table 5. Flower Growers Chart of Accounts

Flower Grower COA Account Listing

Account	Type	Balance Total	Description	Tax Line
Business checking	Bank	0.00		<Unassigned>
Accumulated Depreciation	Fixed Asset	0.00	Accumulated depreciation on equipment, building...	<Unassigned>
Furniture and Equipment	Fixed Asset	0.00	Furniture and equipment with useful life exceedin...	<Unassigned>
Payroll Liabilities	Other Current Liability	0.00	Unpaid payroll liabilities. Amounts withheld or acc...	<Unassigned>
Sales Tax Payable	Other Current Liability	0.00	Unpaid sales taxes. Amounts charged on sales, b...	<Unassigned>
Members Draw	Equity	0.00	Monies taken out of the business by the member	<Unassigned>
Members Equity	Equity		Undistributed earnings of the corporation	<Unassigned>
Opening Balance Equity	Equity	0.00	Opening balances during setup post to this accou...	<Unassigned>
Agricultural Program Payments	Income		Government program payments received	Schedule F: Agricultural program payments
Co-op Distributions	Income			Schedule F: Total co-op. distributions
Commodity Credit Loans	Income		Commodity credit corporation loans received	Schedule F: CCC loans reported/election
Cooperative Distributions	Income		Patronage dividends received from cooperative or...	Schedule F: Total co-op. distributions
Crop Insurance Proceeds	Income		Crop insurance proceeds/federal disaster paymen...	Schedule F: Crop ins. proceeds received
Crop Sales	Income		Sales of crops	Schedule F: Sales of livestock/product raised
Custom Hire Income	Income		Custom work or machine hire income. Income rec...	Schedule F: Custom hire income
Cut Flower Sales	Income			Schedule F: Sales of livestock/product raised
Farmers Market Sales	Income		Sales of crops at farmers markets	Schedule F: Sales of livestock/product raised
Fuel Tax Credits and Other Inc.	Income		Other income including gasoline/fuel tax refund or...	Schedule F: Other farm income
Other Farm Income	Income			Schedule F: Other farm income
Rental Income	Income		Rents received for buildings, grazing lands, or ren...	Schedule F: Other farm income
Advertising and Promotion	Expense		Advertising, marketing, graphic design, and other ...	Schedule F: Other farm expenses
Bank Service Charges	Expense		Bank account service fees, bad check charges an...	Schedule F: Other farm expenses
Business Licenses and Permits	Expense		Business licenses, permits, and other business-re...	Schedule F: Other farm expenses
Car and Truck Expenses	Expense		Fuel, oil, repairs, and other car and truck mainten...	Schedule F: Car and truck expenses
Charitable Contributions	Expense		Contributions to qualifying charitable organizations	<Unassigned>
Chemicals Purchased	Expense		Costs of chemicals used in farming operations	Schedule F: Chemicals
COGS	Expense		Cost of Goods Sold	<Unassigned>
COGS:Dried plant materials	Expense			Schedule C: Purchases, cost of goods
COGS:Fertilizer and chemicals	Expense			Schedule C: Materials/supplies, COGS
COGS:Plants	Expense			Schedule C: Purchases, cost of goods
COGS:Potting materials	Expense			Schedule C: Materials/supplies, COGS
COGS:Seeds, Plants & Bulbs	Expense			Schedule C: Materials/supplies, COGS
Computer and Internet Expen...	Expense		Computer supplies, off-the-shelf software, online f...	Schedule F: Other farm expenses
Conservation Expenses	Expense		Amounts expended for conservation expenses. In...	Schedule F: Conservation expenses
Custom Hire and Contract Lab...	Expense		Amount paid to independent contractors (non-em...	Schedule F: Custom hire expenses
Depreciation Expense	Expense		Depreciation on equipment, buildings and improv...	<Unassigned>
Dues and Subscriptions	Expense		Subscriptions and membership dues for civic, ser...	Schedule F: Other farm expenses
Fertilizers and Lime	Expense		Fertilizers and lime purchased for farm operations.	Schedule F: Fertilizers and lime
Freight and Trucking	Expense		Amounts paid for freight or trucking of farm produ...	Schedule F: Freight and trucking
Gasoline, Fuel and Oil	Expense		Gasoline, fuel or oil used for farm machinery	Schedule F: Gasoline, fuel, and oil
Insurance Expense	Expense		Insurance expenses	Schedule F: Insurance, other than health
Insurance Expense:General Li...	Expense		General liability insurance premiums	Schedule F: Insurance, other than health
Insurance Expense:Health Ins...	Expense		Employee health insurance premiums	Schedule F: Employee benefit programs
Insurance Expense:Life and D...	Expense		Employee life and disability insurance premiums	Schedule F: Employee benefit programs
Insurance Expense:Worker's ...	Expense		Worker's compensation insurance premiums	Schedule F: Insurance, other than health
Interest Expense	Expense		Interest payments on business loans, credit card ...	<Unassigned>
Interest Expense:Farm Mortga...	Expense			Schedule F: Interest expense, mortgage
Interest Expense:Other Farm I...	Expense			Schedule F: Interest expense, other
Marketing Expense	Expense			Schedule F: Other farm expenses

Table 5. (cont.)

Flower Grower COA Account Listing

Account	Type	Balance Total	Description	Tax Line
Meals and Entertainment	Expense		Business meals and entertainment expenses, incl...	Schedule C: Meals and entertainment
Miscellaneous Expense	Expense		Miscellaneous expenses not categorized elsewhe...	Schedule F: Other farm expenses
Office Supplies	Expense		Office supplies expense	Schedule F: Other farm expenses
Payroll Expenses	Expense		Payroll expenses	Schedule F: Labor hired
Pension & Profit Sharing	Expense			Schedule F: Pension/profit sharing plans
Postage and Delivery	Expense		Postage, courier, and pickup and delivery services	Schedule F: Other farm expenses
Professional Fees	Expense		Payments to accounting professionals and attorn...	Schedule F: Other farm expenses
Rent Expense	Expense		Rent paid for company offices or other structures ...	<Unassigned>
Rent Expense:Equipment Ren...	Expense		Rent paid for rented equipment used for business	Schedule F: Rent/lease vehicles, equip.
Rent Expense:Land Rental	Expense			Schedule F: Rent/lease land, animals
Repairs and Maintenance	Expense		Incidental repairs and maintenance of business a...	Schedule F: Repairs and maintenance
Seeds and Plants Purchased	Expense		Seeds and plants purchased for producing farm in...	Schedule F: Seed and plants purchased
Small Tools and Equipment	Expense		Purchases of small tools or equipment not classifi...	Schedule F: Other farm expenses
Storage and Warehousing	Expense		Amounts paid to store farm commodities.	Schedule F: Other farm expenses
Subscriptions	Expense			Schedule F: Other farm expenses
Taxes	Expense		Taxes paid on property owned by the business, fr...	<Unassigned>
Taxes:Other Farm Taxes	Expense			Schedule F: Taxes
Taxes:Property Taxes	Expense			Schedule F: Taxes
Telephone Expense	Expense		Telephone and long distance charges, faxing, and...	Schedule F: Utilities
Travel Expense	Expense		Business-related travel expenses including airline...	Schedule F: Other farm expenses
Utilities	Expense		Water, electricity, garbage, and other basic utilitie...	Schedule F: Utilities
Interest Income	Other Income		Interest earned on bank accounts and loans	Schedule F: Other farm income
Proceeds from Sale of Assets	Other Income		Monies received from sale of fixed assets	Schedule F: Other farm income
Estimates	Non-Posting		Estimates for jobs or projects. Customer proposal...	<Unassigned>

Table 6. Quick Books 2010 Reports

Company and Financial

- Profit and Loss Standard Profit and Loss Detail
- Profit and Loss YTD Comparison
- Profit and Loss Previous Year Comparison
- Profit and Loss by Job
- Profit and Loss by Class
- Profit and Loss Unclassified

- Income by Customer Summary
- Income by Customer Detail
- Expenses by Vendor Summary
- Expenses by Vendor Detail
- Income and Expense Graph

- Balance Sheet Standard
- Balance Sheet Detail
- Balance Sheet Prev Year Comparison
- Net Worth Graph

- Statement of Cash Flows
- Cash Flow Forecast

Customers and Receivables

- A/R Aging Summary
- A/R Aging Detail
- Accounts Receivable Graph
- Collections Report
- Open Invoices
- Customer Balance Summary
- Customer Balance Detail
- Open Invoices
- Unbilled Costs by Job
- Transaction List by Customer
- Customer Phone List
- Customer Contact List
- Item Price List

Sales

- Sales by Customer Summary
- Sales by Customer Detail
- Pending Sales
- Sales Graph
- Sales by Item Summary
- Sales by Item Detail
- Sales by Rep Summary
- Sales by Rep Detail

Jobs, Time and Mileage

- Job Profitability Summary
- Job Profitability Detail
- Job estimates vs. Actuals Summary
- Job estimates vs. Actuals Details
- Item Profitability
- Item Estimates vs. Actuals
- Profit and Loss by Job
- Estimates by Job
- Unbilled Costs by Job
- Open Purchase Orders by Job
- Mileage by Vehicle Summary
- Mileage by Vehicle Detail
- Mileage by Job Summary
- Mileage by Job Detail

(if time tracking enabled)

- Time by Job Summary
- Time by Job Detail
- Time by Name
- Time by Item

Vendors and Payables

- A/P Aging Summary
- A/P Aging Detail
- Vendor Balance Summary
- Vendor Balance Detail
- Unpaid Bills Detail
- A/P by Graph
- Transaction List by Vendor

- 1099 Summary
- 1099 Detail

- Sales Tax Liability
- Sales Tax Revenue Summary
- Vendor Phone List
- Vendor Contact List

Banking

- Deposit Detail
- Check Detail
- Missing Checks
- Reconciliation Discrepancy
- Previous Reconciliation

Accountant and Taxes

- Trial Balance
- General Ledger
- Transaction Detail by Account
- Journal

- Audit Trial
- Customer Credit Card Audit

Trial

- Voided/Deleted Transactions Summary

- Voided/Deleted Transactions Detail
- Transaction List by Date
- Account Listing
- Fixed Asset Listing
- Income Tax Preparation
- Income Tax Summary
- Income Tax Detail

Budgets

- Budget Overview
- Budget vs. Actual
- P&L Budget Performance
- Budget vs. Actual Graph

List

- Account Listing
- Item Price List
- Item Price List for Price Level
- Item Listing
- Payroll Item Listing
- Fixed Asset Listing
- Customer Phone List
- Customer Contact List
- Vendor Phone List
- Vendor Contact List
- Employee Contact List
- Other Names Phone List
- Other Names Contact List
- Term Listing
- To Do Notes
- Memorized Transaction Listing

Table 7.

Profit & Loss

January through December 2009

	Jan - Dec 09
Ordinary Income/Expense	
Income	
Revenues	
Sales	237,748.00
Shipping & Delivery	111.50
Total Revenues	237,859.50
Total Income	237,859.50
Gross Profit	237,859.50
Expense	
Payroll Expenses	5,141.90
Total Expenses	
Consulting Fees	
Accountants	1,125.00
Total Consulting Fees	1,125.00
Cost of Goods Sold	
Fertilizer & Chemicals	784.68
Freight	4,433.39
Fresh Cuts	3,625.00
Mileage & Delivery	2,362.32
Orchids	32,758.10
Packaging	32.70
Peonies	3,290.00
Plant Support Supplies	218.63
Potting Materials	895.61
Seeds, Plants & Bulbs	8,520.13
Total Cost of Goods Sold	56,920.56
Financial Expenses	
Bank Charges	31.00
Interest	7,467.99
Total Financial Expenses	7,498.99
General & Administrative Exp.	
Payroll	
Hourly	58,277.73
Salaries	8,936.54
Total Payroll	67,214.27
Total General & Administrative Exp.	67,214.27
Insurance	
Autos & Trucks Insurance	2,075.04
Wheat Truck	277.93
Total Insurance	2,352.97
Maintenance	
Autos & Trucks	1,251.27
Building & Grounds	2,001.23
Irrigation	1,020.02
Machinery & Equipment	1,492.22
Office Equipment	469.98
Soil Enrichment Supplies	499.00
Total Maintenance	6,733.72
Misc. Expenses	516.08

Table 7. (cont.)

Profit & Loss

January through December 2009

	Jan - Dec 09
Overhead Expenses	
Electric & Water	2,332.75
Mail/Postage	26.80
Memberships/Dues/Subcr.	130.00
Natural Gas	4,405.00
Office Supplies	431.26
Promotation/Pubic Relations	95.50
Telephone	450.00
Total Overhead Expenses	7,871.31
Rents/Leases	
Machinery/Equipment	3,600.00
Truck	1,200.00
Total Rents/Leases	4,800.00
Shipping	
Freight	140.93
Total Shipping	140.93
Taxes(Other)	
Sales Tax(Purchases)	915.46
Total Taxes(Other)	915.46
Travel & Entertainment	
Conference Registration	55.00
Lodging	196.70
Meals	128.92
Transportation	704.60
Total Travel & Entertainment	1,085.22
Total Total Expenses	157,174.51
Total Expense	162,316.41
Net Ordinary Income	75,543.09
Other Income/Expense	
Other Income	
Interest Income	2.75
Total Other Income	2.75
Net Other Income	2.75
Net Income	75,545.84

Table 8.

Profit & Loss

January 2007 through December 2009

	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	TOTAL
Ordinary Income/Expense				
Income				
Revenues				
Sales	256,734.10	350,992.86	237,748.00	845,474.96
Shipping & Delivery	459.50	1,122.39	111.50	1,693.39
Revenues - Other	20.00	18.00	0.00	38.00
Total Revenues	257,213.60	352,133.25	237,859.50	847,206.35
Total Income	257,213.60	352,133.25	237,859.50	847,206.35
Gross Profit	257,213.60	352,133.25	237,859.50	847,206.35
Expense				
Payroll Expenses	5,777.47	5,425.89	5,141.90	16,345.26
Total Expenses				
Charitable Contributions	0.00	4,402.00	0.00	4,402.00
Consulting Fees				
Accountants	1,210.00	1,010.00	1,125.00	3,345.00
Total Consulting Fees	1,210.00	1,010.00	1,125.00	3,345.00
Cost of Goods Sold				
Dried, Willows & Grasses	440.55	1,153.31	0.00	1,593.86
Fertilizer & Chemicals	1,909.21	3,352.40	784.68	6,046.29
Freight	5,295.56	10,448.38	4,433.39	20,177.33
Fresh Cuts	1,070.40	10,725.40	3,625.00	15,420.80
Mileage & Delivery	9,546.28	9,803.51	2,362.32	21,712.11
Orchids	48,888.32	76,997.60	32,758.10	158,644.02
Packaging	606.39	995.31	32.70	1,634.40
Peonies	0.00	2,560.00	3,290.00	5,850.00
Plant Support Supplies	0.00	228.48	218.63	447.11
Potting Materials	2,451.32	1,877.12	895.61	5,224.05
Seeds, Plants & Bulbs	19,624.52	20,474.09	8,520.13	48,618.74
Topiary frames	38.75	0.00	0.00	38.75
Total Cost of Goods Sold	89,871.30	138,615.60	56,920.56	285,407.46
Depreciation				
Autos & Trucks	0.00	0.00	0.00	0.00
Office Equipment	0.00	0.00	0.00	0.00
Depreciation - Other	8,862.00	24,326.00	0.00	33,188.00
Total Depreciation	8,862.00	24,326.00	0.00	33,188.00
Financial Expenses				
Bank Charges	99.00	99.00	31.00	229.00
Interest	20,436.27	16,179.37	7,467.99	44,083.63
Total Financial Expenses	20,535.27	16,278.37	7,498.99	44,312.63
General & Administrative Exp.				
Payroll				
Bonus	1,590.00	0.00	0.00	1,590.00
Hourly	70,599.50	70,926.57	58,277.73	199,803.80
Salaries	0.00	0.00	8,936.54	8,936.54
Total Payroll	72,189.50	70,926.57	67,214.27	210,330.34
Total General & Administrative Exp.	72,189.50	70,926.57	67,214.27	210,330.34
Insurance				
Autos & Trucks Insurance	1,961.39	2,001.97	2,075.04	6,038.40
General Business Insurance	2,056.24	2,050.11	0.00	4,106.35
Wheat Truck	672.59	659.58	277.93	1,610.10
Total Insurance	4,690.22	4,711.66	2,352.97	11,754.85
Maintenance				
Autos & Trucks	18,421.12	5,690.77	1,251.27	25,363.16
Building & Grounds	2,441.00	5,581.27	2,001.23	10,023.50
Furniture & Fixtures	0.00	655.22	0.00	655.22
Irrigation	1,478.41	1,495.18	1,020.02	3,993.61
Machinery & Equipment	1,462.73	1,797.72	1,492.22	4,752.67
Office Equipment	0.00	0.00	469.98	469.98
Soil Enrichment Supplies	369.95	111.00	499.00	979.95
Total Maintenance	24,173.21	15,331.16	6,733.72	46,238.09
Misc. Expenses	693.26	1,097.98	516.08	2,307.32
Overhead Expenses				
Electric & Water	5,679.76	6,391.58	2,332.75	14,404.09
Licenses/Permits	60.00	0.00	0.00	60.00
Mail/Postage	48.00	57.40	26.80	132.20
Memberships/Dues/Subcr.	380.00	690.00	130.00	1,200.00
Natural Gas	8,977.16	6,327.44	4,405.00	19,709.60
Office Supplies	709.28	725.53	431.26	1,866.07
Promotion/Pubic Relations	583.92	295.79	95.50	975.21
Telephone	902.61	881.97	450.00	2,234.58
Total Overhead Expenses	17,340.73	15,369.71	7,871.31	40,581.75
Rents/Leases				
Buildings and Grounds	3,258.40	0.00	0.00	3,258.40
Machinery/Equipment	7,224.51	7,431.60	3,600.00	18,256.11
Truck	2,400.00	2,400.00	1,200.00	6,000.00
Total Rents/Leases	12,882.91	9,831.60	4,800.00	27,514.51
Shipping				
Freight	360.06	490.67	140.93	991.66
Total Shipping	360.06	490.67	140.93	991.66
Taxes(Other)				
Franchise Tax	158.75	0.00	0.00	158.75
Property Tax	461.94	1,096.53	0.00	1,558.47
Sales Tax(Purchases)	1,345.66	3,339.34	915.46	5,600.46
Total Taxes(Other)	1,966.35	4,435.87	915.46	7,317.68
Travel & Entertainment				
Conference Registration	0.00	55.00	55.00	110.00
Lodging	0.00	956.16	196.70	1,152.86
Meals	244.31	75.85	128.92	449.08
Transportation	203.96	21,136.84	704.60	22,045.40
Total Travel & Entertainment	448.27	22,223.85	1,085.22	23,757.34
Total Total Expenses	255,223.08	329,051.04	157,174.51	741,448.63

Table 8. (cont.)

Profit & Loss

January 2007 through December 2009

	Jan - Dec 07	Jan - Dec 08	Jan - Dec 09	TOTAL
Write Off Bad Debts	0.00	3,041.50	0.00	3,041.50
Total Expense	261,000.55	337,518.43	162,316.41	760,835.39
Net Ordinary Income	-3,786.95	14,614.82	75,543.09	86,370.96
Other Income/Expense				
Other Income				
Interest Income	1,918.17	1,108.56	2.75	3,029.48
Total Other Income	1,918.17	1,108.56	2.75	3,029.48
Other Expense				
Amortization Expense	129.78	0.00	0.00	129.78
Total Other Expense	129.78	0.00	0.00	129.78
Net Other Income	1,788.39	1,108.56	2.75	2,899.70
Net Income	-1,998.56	15,723.38	75,545.84	89,270.66

Table 9.

Sales by Item Summary

January through December 2009

Jan - Dec 09				
	Qty	Amount	% of Sales	Avg Price
Parts				
Agapanthus	11	126.00	0.1%	11.45
Ageratum	299.5	2,396.00	1.0%	8.00
Agrostemma	42	336.00	0.1%	8.00
Allium	11	100.00	0.0%	9.09
Alstromeria	7	42.00	0.0%	6.00
Alternanthera	18	144.00	0.1%	8.00
Amaranth-up right	55	338.00	0.1%	6.15
Amaryllis	44	176.00	0.1%	4.00
Artemesia	2	16.00	0.0%	8.00
Arum	1	8.00	0.0%	8.00
Asclepias	330	2,634.00	1.1%	7.98
Bachelors Button	4	32.00	0.0%	8.00
Baptisia	39	383.00	0.2%	9.82
Basil	32	256.00	0.1%	8.00
Bells of Ireland	56	448.00	0.2%	8.00
Billy Balls	8	64.00	0.0%	8.00
Birch Branches	10	120.00	0.1%	12.00
Blue Glitter	11	84.00	0.0%	7.64
Blue Laces	13	104.00	0.0%	8.00
Box Tail Lily	2	20.00	0.0%	10.00
Btrfly Bush	4	32.00	0.0%	8.00
Buck Brush	11	88.00	0.0%	8.00
Calendula	11	74.00	0.0%	6.73
Callas	177	2,835.00	1.2%	16.02
Campanula	93	914.00	0.4%	9.83
Castor Bean	16	148.00	0.1%	9.25
Celosia	396.5	3,479.00	1.5%	8.77
Clematis	4	40.00	0.0%	10.00
Clover	38	250.00	0.1%	6.58
Columbine	19	152.00	0.1%	8.00
Cone Flower	1	8.00	0.0%	8.00
Coreopsis	3	24.00	0.0%	8.00
Curly Willow	115	1,600.00	0.7%	13.91
Daffodils	173	1,346.00	0.6%	7.78
Dahlias	370.5	3,663.00	1.5%	9.89
Delphinium	99	978.00	0.4%	9.88
Dianthus	483	3,843.00	1.6%	7.96
Dill	23	182.00	0.1%	7.91
Dock	24	192.00	0.1%	8.00
Dogwood	171	2,530.00	1.1%	14.80
Drieds				
Celosia	5	40.00	0.0%	8.00
Grasses	3	18.00	0.0%	6.00
Total Drieds		58.00	0.0%	
Dusty Miller	8	64.00	0.0%	8.00
Euphorbia	26	199.00	0.1%	7.65
Fern Baskets	2	16.00	0.0%	8.00
Folaige	2	16.00	0.0%	8.00
Forsythia	2	16.00	0.0%	8.00
Fox Tail Lilly	12	118.00	0.0%	9.83
Frames	2	97.00	0.0%	48.50
Freesia	941	8,304.00	3.5%	8.82
Garden Roses	80	186.00	0.1%	2.33
Geranium- Scented	380.5	3,044.00	1.3%	8.00
Gomphrena	98	772.00	0.3%	7.88
Grains				
German Millet	254	2,034.00	0.9%	8.01
Northern Oats	13	100.00	0.0%	7.69
Purple Millet	33	286.00	0.1%	8.67
Total Grains		2,420.00	1.0%	

Table 9. (cont.)

Sales by Item Summary

January through December 2009

Jan - Dec 09				
	Qty	Amount	% of Sales	Avg Price
Grasses				
Johnson Grass	11	82.00	0.0%	7.45
Lovegrass	1	8.00	0.0%	8.00
Grasses - Other	20	160.00	0.1%	8.00
Total Grasses		250.00	0.1%	
Green Millet	1	8.00	0.0%	8.00
Greenry	12	120.00	0.1%	10.00
Herbs				
Herbs 4" pots	54	206.00	0.1%	3.81
Herbs 6" Pots	2	16.00	0.0%	8.00
Rosemary	1	4.00	0.0%	4.00
Herbs - Other	9	42.00	0.0%	4.67
Total Herbs		268.00	0.1%	
Horsetail Ree	8	64.00	0.0%	8.00
Hydrangea	1,305	3,690.00	1.6%	2.83
Hylander Millet	24	192.00	0.1%	8.00
Indian Paint	21	168.00	0.1%	8.00
Iris	9	72.00	0.0%	8.00
Ivy Branches	-1	4.00	0.0%	-4.00
Jobes Tears	1	8.00	0.0%	8.00
Kale	614	614.00	0.3%	1.00
Larkspur	72	576.00	0.2%	8.00
Lavender	64	508.00	0.2%	7.94
Lilie Pods Dried	5	90.00	0.0%	18.00
Lilies	472.5	8,545.00	3.6%	18.08
Linaria	20	160.00	0.1%	8.00
Lisianthus	665.5	10,480.00	4.4%	15.75
Lobelia	3	24.00	0.0%	8.00
Lupine	120.5	1,202.00	0.5%	9.98
Mint	78	624.00	0.3%	8.00
Monarda	13	104.00	0.0%	8.00
Moss	9	342.00	0.1%	38.00
Okie Branches	58	464.00	0.2%	8.00
Orchids				
Green	595	12,428.00	5.2%	20.89
James Stori	119	3,294.00	1.4%	27.68
Leis	10	100.00	0.0%	10.00
Mokaras	1,244	26,941.00	11.3%	21.66
Oncidium	644	17,724.00	7.5%	27.52
Orchids - Other	2,150	37,310.00	15.7%	17.35
Total Orchids		97,797.00	41.1%	
Penstemon	4	32.00	0.0%	8.00
Pentas	232	1,840.00	0.8%	7.93
Peonies	424	12,406.00	5.2%	29.26
Peppers	3	24.00	0.0%	8.00
Photinia	6	36.00	0.0%	6.00
Physostegia	22	176.00	0.1%	8.00
Poinsettia Plants				
Poinsettias- CUT	24	72.00	0.0%	3.00
Total Poinsettia Plants		72.00	0.0%	
Poppy	20	200.00	0.1%	10.00
Pots	7	16.00	0.0%	2.29
Purple Cone Flower	2	14.00	0.0%	7.00
Queen Anns La	67	528.00	0.2%	7.88
Ranuculus	1,467	13,143.00	5.5%	8.96
Red Hot Poker	24	236.00	0.1%	9.83

Table 9. (cont.)

Sales by Item Summary

January through December 2009

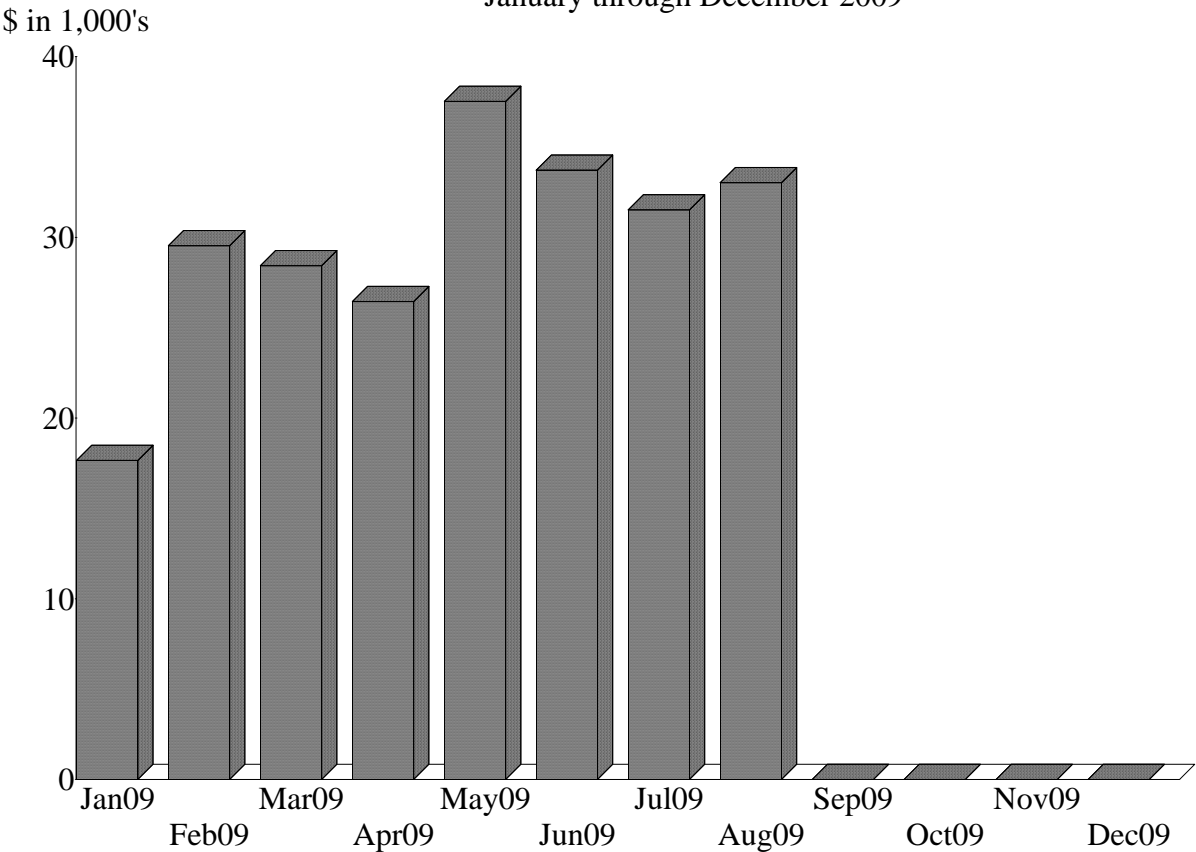
Jan - Dec 09				
	Qty	Amount	% of Sales	Avg Price
Rose's	30	60.00	0.0%	2.00
Rose Hips	8	54.00	0.0%	6.75
Salvia	2	16.00	0.0%	8.00
Sand Plums	10	20.00	0.0%	2.00
Saw Leaf Dais	7	56.00	0.0%	8.00
Sedum	12	96.00	0.0%	8.00
Snaps	637	5,730.90	2.4%	9.00
Snow Drops	7	56.00	0.0%	8.00
Spirea	1	8.00	0.0%	8.00
Stephanotis	28	14.00	0.0%	0.50
Stock	18	132.00	0.1%	7.33
Striped Toga	26	260.00	0.1%	10.00
Sunflowers	1,232.7	9,386.30	3.9%	7.61
Sweet Pea	503	4,501.00	1.9%	8.95
Thistle	12	88.00	0.0%	7.33
Topiaries				
Ball Topiary	16	184.00	0.1%	11.50
Ring Topiary	1	15.00	0.0%	15.00
Round Topiary	1	12.00	0.0%	12.00
Topiaries - Other	4	45.00	0.0%	11.25
Total Topiaries		256.00	0.1%	
Trachelium	73	721.00	0.3%	9.88
Tuberose	279	3,315.00	1.4%	11.88
Tulip	426	4,196.00	1.8%	9.85
Umbrella Plant	1.5	12.00	0.0%	8.00
Verbena	14	112.00	0.0%	8.00
Vervan	35.5	268.00	0.1%	7.55
Vitex	10	80.00	0.0%	8.00
Wheat	5	40.00	0.0%	8.00
Willows				
Pussy, Lg	72	900.00	0.4%	12.50
Total Willows		900.00	0.4%	
Yarrow	247.5	1,931.30	0.8%	7.80
Zinnias				
OK Zinnias	5	30.00	0.0%	6.00
Zinnias - Other	805.5	4,780.50	2.0%	5.93
Total Zinnias		4,810.50	2.0%	
Total Parts		237,732.00	99.9%	
Service				
Ibbeka	2	16.00	0.0%	8.00
Total Service		16.00	0.0%	
Other Charges				
Delivery Charge	18	111.50	0.0%	6.19
Total Other Charges		111.50	0.0%	
TOTAL		237,859.50	100.0%	

Figure 1.

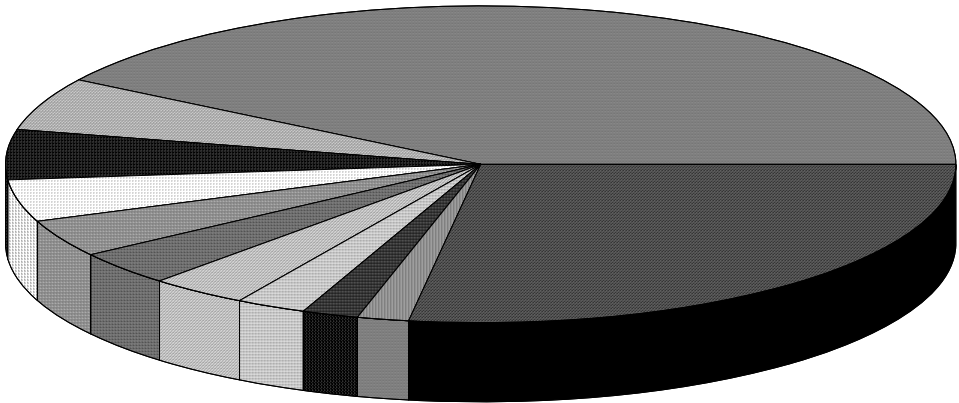
Sales by Month by Item

Dollar Sales

January through December 2009



Sales Summary
January through December 2009



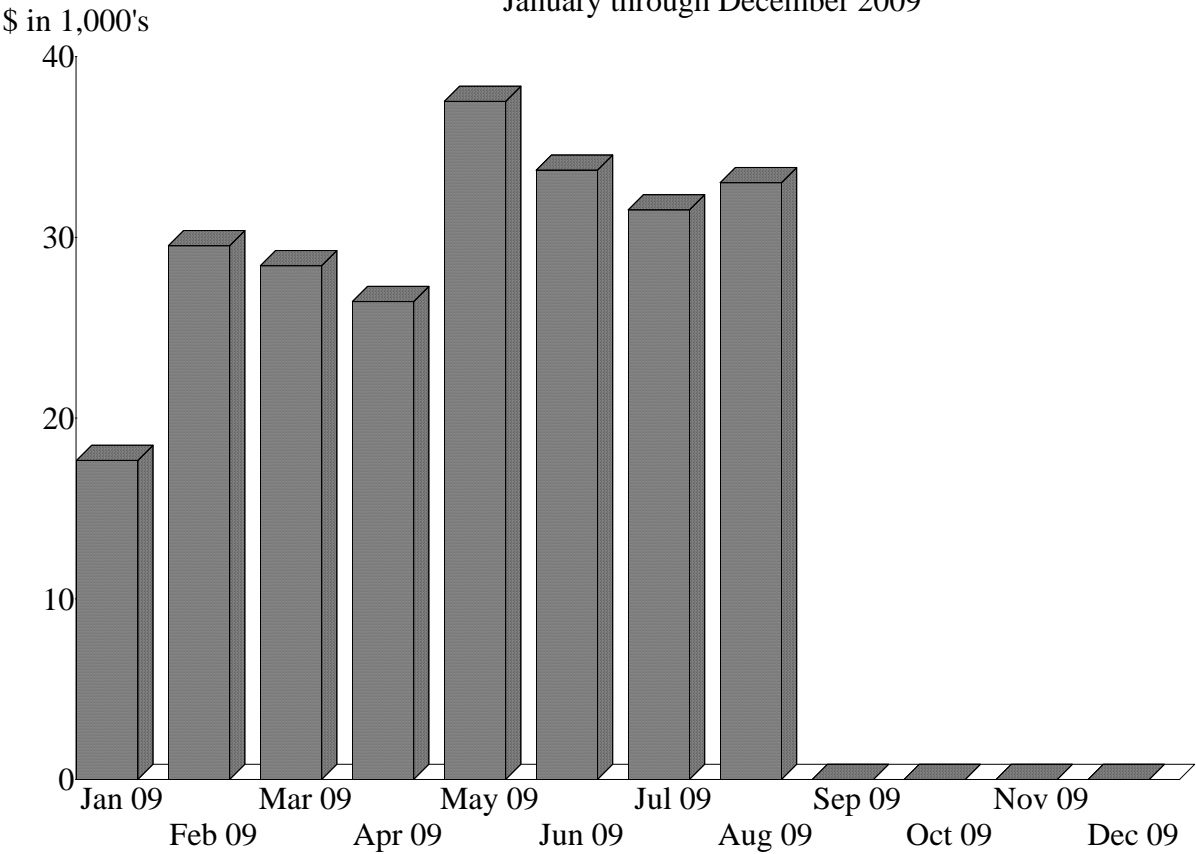
Orchids	%41.12
Ranuculus	5.53
Peonies	5.22
Lisianthus	4.41
Sunflowers	3.95
Lilies	3.59
Freesia	3.49
Snaps	2.41
Zinnias	2.02
Sweet Pea	1.89
Other	26.38
Total	\$237,859.50

Figure 2.

Sales by Month by Customer

Dollar Sales

January through December 2009



Sales Summary
January through December 2009

Tracey's Floral Garden	%28.26
Travis Henderson Design	12.73
Loreen Zinger	7.96
Tonya's Flowers, Inc	5.30
Earleen's Gifts and Floral	4.95
A-Deal Flowers	3.53
Next Season	3.33
Wallace Floral, Inc	3.18
Sheldon's Garden and Supply	2.65
Mason's	2.38
Other	25.73
Total	\$237,859.50

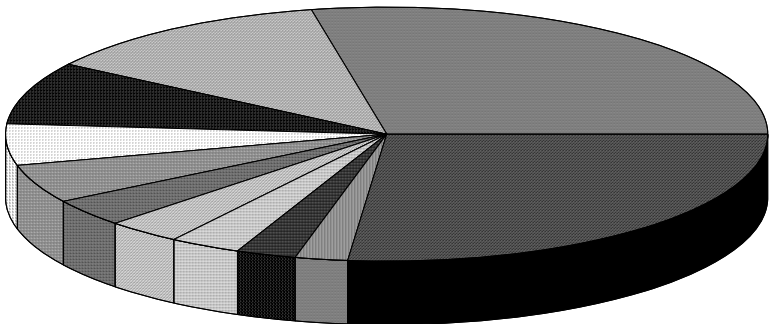


Table 10.

Balance Sheet

As of November 8, 2010

	Nov 8, 10
ASSETS	
Current Assets	
Checking/Savings	
Checking	84,264.22
Current Assets	
Cash in Bank	
Savings	4,500.00
Total Cash in Bank	4,500.00
Checking Account	267.64
Total Current Assets	4,767.64
Total Checking/Savings	89,031.86
Accounts Receivable	
*Accounts Receivable	32,238.80
Total Accounts Receivable	32,238.80
Other Current Assets	
Other Receivables	
Loans to Officers	26,020.09
Total Other Receivables	26,020.09
Undeposited Funds	-133.00
Total Other Current Assets	25,887.09
Total Current Assets	147,157.75
Fixed Assets	
Fixed Assets	
Autos & Trucks	
Accum Dep-Autos & Trucks	-35,354.00
Cost Autos & Trucks	66,558.39
Autos & Trucks - Other	2,375.59
Total Autos & Trucks	33,579.98
Building & Grounds	
Accum Deprec Bldg & Grounds	-98,069.00
Building & Grounds Cost	157,597.52
Total Building & Grounds	59,528.52
Furniture & Fixtures	
Accum Deprec Furniture	-6,003.99
Furniture cost	729.99
Furniture & Fixtures - Other	11,081.23
Total Furniture & Fixtures	5,807.23
Machinery & Equipment	
Accum Deprec Machinery & Equip	-33,732.00
Machinery & Equip. Cost	46,400.75
Total Machinery & Equipment	12,668.75
Total Fixed Assets	111,584.48
Total Fixed Assets	111,584.48

Table 10. (cont.)

Balance Sheet

As of November 8, 2010

	Nov 8, 10
Other Assets	
Deferred Assets	
Organization Expenses	
Accum Amort.	-4,917.78
Original Value Organization Exp	4,917.78
Total Organization Expenses	0.00
Total Deferred Assets	0.00
Total Other Assets	0.00
TOTAL ASSETS	258,742.23
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,096.00
Total Accounts Payable	1,096.00
Other Current Liabilities	
Liabilities	
N/P-LOC	32,023.46
Taxes Payable	
Payroll Taxes Payable	
State Payroll Taxes	-592.00
Total Payroll Taxes Payable	-592.00
Total Taxes Payable	-592.00
Total Liabilities	31,431.46
Payroll Liabilities	5,800.44
Total Other Current Liabilities	37,231.90
Total Current Liabilities	38,327.90
Long Term Liabilities	
N/P #310231	138,186.27
Note Payable - Ford Credit	
Tractor	16,000.00
Total Note Payable - Ford Credit	16,000.00
Total Long Term Liabilities	154,186.27
Total Liabilities	192,514.17
Equity	
Equity	
Common Stock Par Value	1,000.00
Treasury Stock - Common	-3,332.00
Total Equity	-2,332.00
Retained Earnings	68,560.06
Total Equity	66,228.06
TOTAL LIABILITIES & EQUITY	258,742.23