

This training manual is not intended to be viewed and followed on screen.
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Getting Started

This manual is divided as follows:

A) Open and Manage a Client File

- 1) Create 'New Client' File
- 2) Create Beginning List of Vendors
- 3) Create Cash Accounts
- 4) Create Creditor File
- 5) Create Labor File
- 6) Create Employment File
- 7) Edit Preset Entry Codes
 - a) Quantity
 - b) SubCode
 - c) Production Link
 - d) Accrual

C) Using the Inventory System

- 1) Inventory Setup
- 2) Create the 'Current' Inventory
- 3) Calculate Accrued Interest

D) Crop Production Screen

- 1) Location File
- 2) Entry Code Settings
- 3) Crop Production Locations
- 4) Crop Expenses
- 5) Warehouse

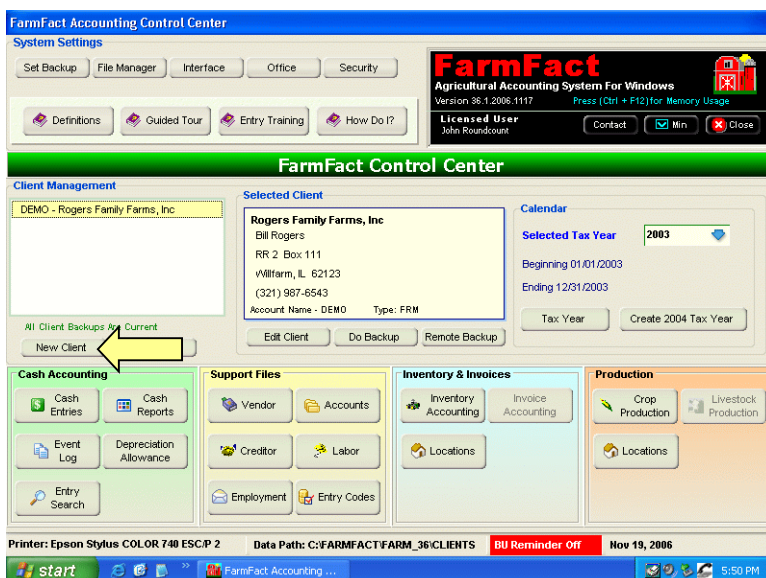
B) Entry Shortcuts

A) Open and Manage a Client File

Best advice in the beginning is to be patient and go slow, ask questions, and keep it simple for at least the first year. Learn the software by observation and experience over time.

The basic client setup steps are these:

- 1) Create 'New Client' file.
- 2) Vendors - Create a beginning list of vendors.
- 3) Accounts - List Cash Account(s) such as bank, investment, supplier, etc.
- 4) Creditor - List each loan.
- 5) Labor - List each employee.
- 6) Employment - List each source of employment.
- 7) Entry Codes - Edit the preset chart of entry codes as necessary.



1) Create 'New Client' file:

At the "FarmFact Control Center" Click on **<New Client>** under the File Management window.

To create a New Client File the following information is required:

Create New Client

Client Identification

Client ID (8 chars Max)
MyFarm

First Date Of Accounting
01/01/2006

Client Details

Business Name

Client Address Name (Line 1)

Client Address Name (Line 2) Optional

Address

City

State

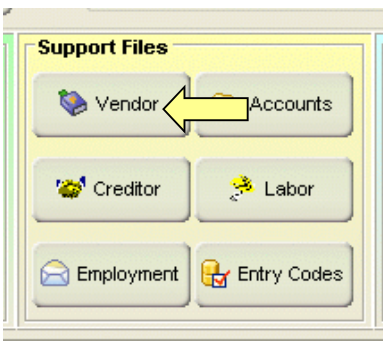
Zip Code

Telephone

Cancel Next

- Enter a unique Client ID (8 Characters Max) such as “MyAcctnt” or “MyFarm” or use the provided default.
- Enter the tax year beginning date (first date of accounting).
- Enter client name, address, and phone number.
Note - ‘Client Name (Line 2)’ is Optional.
- Click **<Next>** to view a proofing screen before creating the new client file.
- At the “Verify New Client” screen, review the entered information.
- Click **<Finish>** to create the new client file.

Note - Vendors, Creditors, Employees, Employment, and Subcode items can be edited or added while making cash entries but it would be easier if these items were listed before cash entries begin.



2) Vendors - Create a beginning list of vendors:

At the “FarmFact Control Center”, In the ‘Support Files’ panel, click on **<Vendor>**.

Note - To add elements to any list, press the keyboard ‘Insert’ key or click on ‘Insert’.

Vendors can be added during the entry process. However, at this point, we recommend that you, at least, add the names of all accounts and creditors (banks, suppliers, equipment creditors, etc), name(s) of employees, and the name(s) of any employers. After a vendor has been added to the list you may edit the vendor’s information by selecting a default entry code or adding the vendor’s address. Add as many names to the vendor list as you want.

3) Accounts - List Cash Accounts(s) such as bank, investment, supplier, etc:

Users who desire to use only direct entries for basic record book style accounting may skip this section.

Entries can be made directly without any reference to a cash account. However, for the most accurate entry system possible, entering from a bank register or statement, and then balancing with that register or statement, has no equal for accuracy and simplicity. To this end, it is necessary to setup your cash accounts before you make entries.

At the “**FarmFact Control Center**”, In the ‘Support Files’ panel, click on **<Accounts>**.

Insert as many accounts as necessary. Minimum required information is Account Name (selected from the Vendor list), Account ID#, Account Type, and Beginning Balance (Beginning Balance can be added or corrected later). Telephone Number, and Opening Date are optional.

‘Loan To’ Account - Money loaned to another person or entity can be tracked by creating a ‘Loan To’ account for that person or entity. Loans made or principal received would be entered as account transfers. The ‘Loan To’ account is treated like any other current asset. The current value of the account would be the current amount of the loan.

‘Supplier’ Account - Materials purchased from a supplier can be accounted for in two ways. The payment to the supplier can be entered as any other check with the purchase details coded into the check. However, for a more active supplier you may find it handy to create a ‘Supplier’ account. Using this method checks written to the supplier from a bank account are entered as an account transfer (transfer out of the bank account into the supplier account). Supplier invoices are entered into the supplier account as account debits. Enter each invoice by number (most invoice numbers are very large, let FarmFact begin with number 1) and date. Use as many code lines as necessary to account for the invoice items. This way, at the end of the year, all invoice transactions with that supplier will be listed in the supplier account register instead of scattered throughout a bank account. A ‘Supplier’ account with a positive balance will be listed in the inventory as a ‘Cash Asset’. However, a ‘Supplier’ account with a negative balance will be listed in the inventory as an ‘Account Payable’.

4) Creditors - List each loan:

At the “**FarmFact Control Center**” In the ‘Support Files’ panel, click on **<Creditor>**.

List all preexisting loans by lender name (selected from the Vendor list), loan description, tax type, and year beginning balance. The cash entry system will allow you to create loans as they are encountered, however, more complete loan details can only be entered through the creditor screen. Creditor file detail can be added or edited at any time (including beginning loan balance, interest rate, etc.).

5) Labor - List each employee:

At the “**FarmFact Control Center**”, In the ‘Support Files’ panel click on **<Labor>**.

List all employees by name (selected from the Vendor list) and position. If payroll is a major entry feature, and entries will be made using the ‘Payroll Check’ document procedure, employee defaults can be added at this time for automatic calculation of gross wages and withholdings by the ‘Payroll Check Entry Screen’. If labor entries will be made using the standard Check entry procedures (Check - previously written, or Check - to be written) and by selecting the category of Labor and the expense code ‘Net Wages Paid’ from the code picker panel, name and position are all that is required at this time.

6) Employment - List each source of employment:

At the “**FarmFact Control Center**”, In the ‘Support Files’ panel click on **<Employment>**.

List each source of employment income by place of employment (selected from the Vendor list) and position.

7) Entry Codes - Edit the preset chart of entry codes as necessary:

At the “**FarmFact Control Center**”, in the ‘Support Files’ panel, click on **<Entry Codes>**.

FarmFact installs 10 code categories 200 ledger codes when a new client account is created. Before any accounting can begin, the user must first become familiar with the preset codes. Click on **<Print Code File>**, select “**Print All Possible Codes**” to print the complete chart of installed categories and codes. Review each section of entry codes and use a highlighter to mark all codes that you will be using for this client file. Codes that are of no use to you may be disabled or edited to become something else.

To customize the chart of codes, first use the mouse to select or deselect (by check mark) each category. Then use the space bar (or ‘Active’ check box in lower left corner) to select or deselect individual codes as required for your accounting needs. By deselecting you are limiting the number of categories and codes you will have to pick from during the entry process. Edit any code word or schedule F assignment as desired, and click on desired properties as outlined below. When finished, click on **<Print Code File>** and make sure that ‘**Print Active Codes Only**’ is marked to print a chart of only the selected codes.

To select and edit any code property, click once on the code name in the yellow income or expense panel. This will open the lower portion of the screen for edit of the selected code’s properties.

a) Quantity (Optional):

To activate the quantity property of certain codes, check the box next to ‘Quantity’ and enter a 2 digit quantity unit such as Lb Gl Tn Bu Oz, etc.

b) Subcoded Setup (Optional):

Most ordinary expense codes and general operating revenue codes can be setup for subcoding. Click on the Subcode box to open a subcode file for the selected code. Click on the **<Edit Subcodes>** button to create a list of subcode elements. The subcode list can be added to or edited during entry.

c) Production Link (Optional):

This option allows you to combine a location file and the income codes to create a production line (Home Farm - Corn). Similar to subcode, a location list must be created for entry selection however, locations can also be added or edited during entry.

d) Accrual (Optional):

Select accrual by checking the box. Accrual connects the cash entries to the inventory and the production warehouse. Only recommended for users who understand and specifically want accrual accounting.

The basic Client setup process is now complete and you are ready to make cash entries. We hope that you have completed the ‘Entry Training’ manual. The amount of time it takes to complete entry training can easily be made up in the first month of use because of all the hints and shortcuts that are taught.

FarmFact does not require an inventory to begin basic income and expense accounting. However, inventory will have to be completed before an accurate balance sheet can be generated.

For Crop Production Records, continue on with Part C - Crop Production Screen.

Entry Shortcuts

FarmFact has a number of default and convenience settings. How you use these settings will simply be a matter of personal choice.

Register Check

Document # 1130

Date 09/20/2003

Vendor A1 Machine Shop

Amount \$ 560.00

Default Amount

Set Clear

Set Default Vendor Amount:

When making an entry, just after the document amount field, there is a frame titled 'Default Amount'. This feature is for recurring payments to a vendor which are always of the same amount. After selecting the document vendor and entering the vendor amount, click the set button.

The next time this vendor is selected, the default amount will be entered for you. Handy for such things as employee paychecks, fixed loan payments, etc.

New Document: Accounting Code Selector - A1 Machine Shop

Repair & Upkeep

Categories: Crop Production, Lvstck Production, Labor, Loans & Banking, Personal, Tax, Misc, Unknown, Property, All Active Codes

Expense Codes: Seed, Fertilizer, Chemical, Fuel-Oil, Repair & Upkeep, Drying & Storage, Hauling, Misc Supply, Land Rent, Machine Rent, Custom Hire, Pro Service, Farm Insurance, Farm Prprty Tax, Farm Utility, Farm Vehicle

Repair & Upkeep

Subcode: Combine [Active]

Accrual: Ordinary Expense [Change]

Location: Not Selected [Active]

Income Link: Not Selected

Amount: \$ 560.00

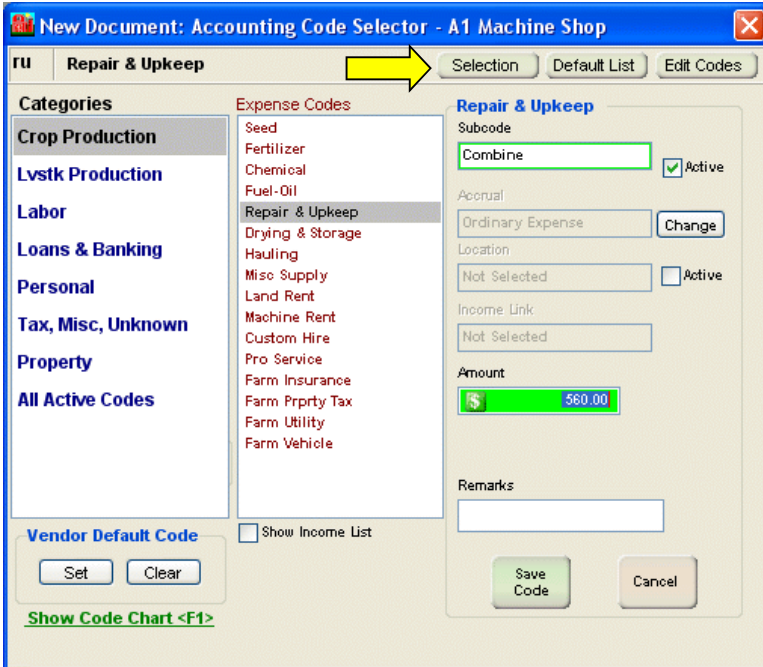
Remarks:

Vendor Default Code: Set Clear

Show Code Chart <F1>

Set Default Vendor Code:

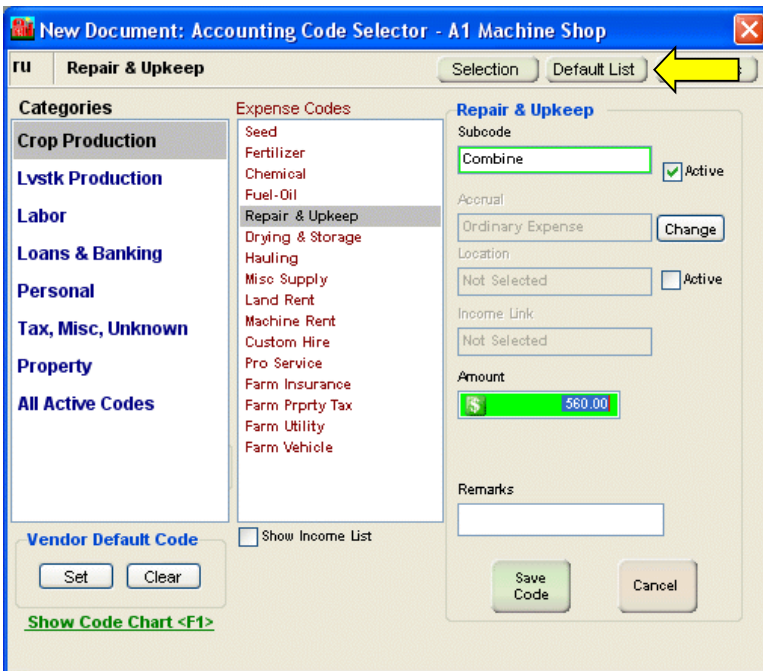
Found on the code selection form and similar in function to 'Set Vendor Amount'. After selecting the proper code for the vendor, click the Set button. The next time this vendor is selected, the default code will be selected.



Code Selection Method:

The 'Selection' button at the top of the code selection form gives you the choice of 2 code selection methods, Visual or 2 Digit Quick Code.

All codes have a 2 digit quick code such as sd for seed, cm for chemical, etc. Quick codes can be changed on the code editor screen and are a much faster method of making a code selection, however, 2 digit does requiring memorizing the 2 digit short cuts. You can select '2 Digit Quick Code' to see the difference, then set it back to Visual.



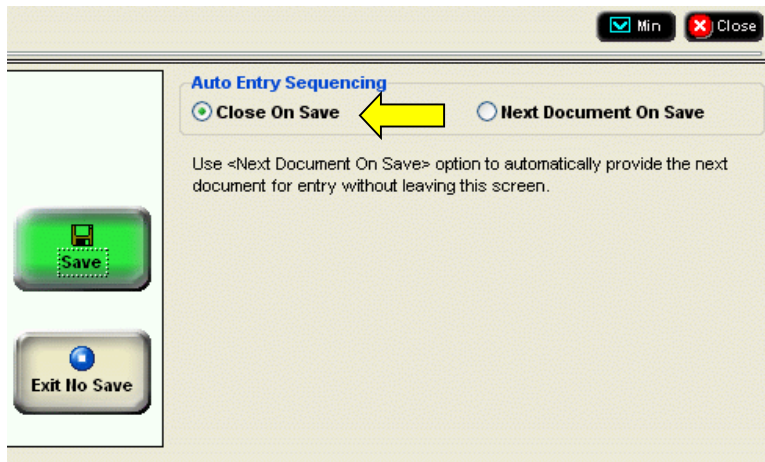
Default List:

Also at the top of the code selection form is a button labeled 'Default List'.

If the Code Selection method is visual, when the code selection form shows, the 'Category' list is normally selected first. However, for clients without a lot of codes, it may be simpler to show all the codes in a single list and have that list selected on show. In this mode, as codes are selected from the single list, the selected code's category will be highlighted in the categories list.

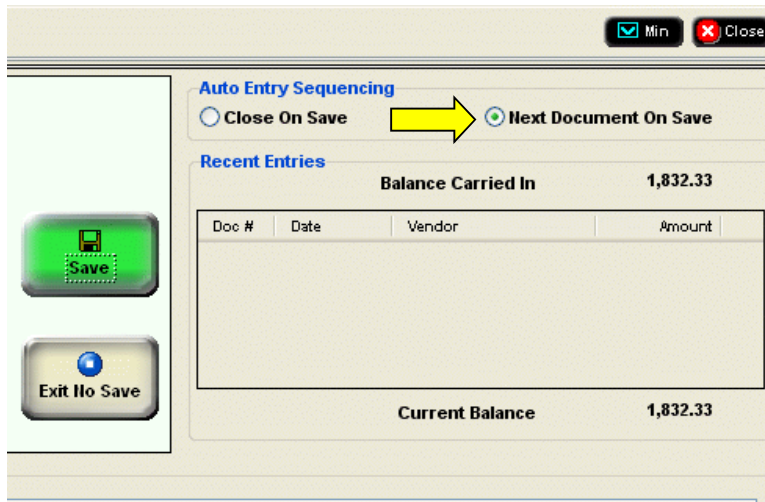
Auto Entry Sequencing:

When a new check or cash payment is saved, FarmFact can be set to return to the register screen or clear the current screen and make ready for the next entry.



Close On Save:

When the current document is saved, this screen will close and you will be returned to the register control screen.



Next Document On Save:

When the current document is saved, the saved document will be listed in the 'Recent Entries' frame. Then the screen will clear, and be made ready for the next check or cash payment. To return to the register control screen, press the Escape key or click the Close button.

Once set this way, all single vendor document screens will work the same way. Deposit, Payroll, and Transfer forms always return to the register control screen.

Use of the Keyboard:

FarmFact entries and edits can be accomplished by any combination of keyboard and mouse, however, users are encouraged to use the keyboard especially the 'Enter' key. New entries work best if the <Enter> key is pressed after each data field is keyed. Edits, on the other hand, are best accomplished by using point and click or <Tab> to highlight the field to be edited.

C) Using the Inventory System

1) Inventory Setup:

There is one main purposes for an inventory, and that is to generate an accurate balance sheet with schedule attachments.

The current year of accounting will have an inventory file which reflects the current inventory for the day it is accessed. When the next tax year is created, the inventory file from the old year is copied to the new year, creditor current loan balances become the new year beginning balances and the current inventory continues. The inventory file in the old year is now a static inventory that will always reflect the inventory, and accrued interest, as it was on the last day of that tax year.

At some point it may be useful to save a copy of the current balance sheet and active schedules (such as for a special balance sheet on a specific date). This is the purpose of "Save Snapshot". The user can save a static copy of the inventory locked to any date in the current tax year.

2) Creating the 'Current' Inventory:

FarmFact does not require a complete inventory before cash accounting begins. In fact, the user may do several years of cash accounting before deciding to make use of the inventory system.

Complete all schedules such that the balance sheet is accurate and includes all assets and liabilities, including accrued interest. Some schedules, such as 'Farm Equipment', may take some time to complete accurately, and others, such as prepaid expenses or supplies on hand, may require just one line added. However, once completed, all schedules will remain static in this tax year inventory and will be copied to the next tax year inventory just as you entered them.

Property schedules need to be reviewed before a new balance sheet is printed to correct for current market values. Because the inventory is static, other schedules, such as prepaid expenses or supplies on hand, may require lines to be added or deleted before the balance sheet is correct. FarmFact does allow for accrual cash entry (dynamic inventory), that is, entries from the cash side will report to the inventory side. Accrual accounting (dynamic Inventory) is optional by code, and not necessarily a labor saving improvement. Static inventory entry is normally less confusing, gives the user better control, and can actually take less time over a 1 year period, than dynamic (accrual) inventory.

The creditor file is always dynamic, that is, it is always updated from cash entries. All other schedules are static, unless accrual is selected for any eligible code. With static inventory, required schedule lines, such as prepaid expenses or supplies on hand, are manually created the first year and manually updated at the end of each subsequent year. Accrual accounting (dynamic inventory) is very complex and time consuming. The benefits rarely out way the time required since at the end of the year accrual entry and static update both provide the same balance sheet. You are able to switch on a link to inventory for any eligible code. Later, if accrual accounting gets to be too much trouble, you can selectively switch it off.

Note: Accrual accounting, as mentioned above, is not necessary for an accurate balance sheet. However, for accurate and complete crop production accounting, accrual accounting may be required.

3) Calculate Accrued Interest:

Within the Creditor File edit area is the 'Accrued Interest' frame. Double click on the desired loan to open the edit area. At the top of the 'Accrued Interest' frame, select the Auto-Calculate or Manual Insert button. Auto-Calculate works well for fixed loans with annual payments. Manual Insert is for variable loans such as lines of credit or monthly installment loans. Manual is the simplest in that you simply insert the estimated accrued interest. Auto-Calculate will figure accrued interest given the correct interest rate and anniversary date. 'Manual Insert' accrued interest does not change until updated by the user, however, 'Auto-Calculate' will update the amount of accrued interest each time the inventory file is opened.

Note: Auto-Calculate assumes that all accrued interest is paid up on each anniversary date. If the actual amount of accrued interest is different because of delinquent interest or prepaid interest, use manual insert.

D) Crop Production Screen

This screen creates a set of detail lines made up of a location and crop grown at that location. These 'Production Location' lines can be created at this screen or will be created by FarmFact through the entry process. If an entry is made that references any combination of location and crop, such as a sale of corn from the North Farm, and the production location line 'North Farm - Corn' does not exist, FarmFact will create the line.

1) Location File:

At the "FarmFact Control Center", in the 'Production' panel, click on **<Locations>**.

Create a list of Crop locations. This list is intended to be a listing of production farms. Future plans for FarmFact include expanding the list to include fields located within each farm.

2) Entry Code Settings:

At the "FarmFact Control Center", in the 'Support Files' panel, click on **<Entry Codes>**.

Any active income code, of the Crop Production category (there are 22 available codes and any code can be renamed), can be designated as a 'Production Crop' by activating 2 properties across the lower part of the screen for that code. The required code property settings are: Quantity - Checked On and Location Link - Checked On. These Production Crop codes, along with the location list, will now be available for selection during a crop sale or crop expense entry and for creating production location lines on the Crop Production screen.

Likewise, any active expense code, of the Crop Production category (there are 16 available codes and any code can be renamed), can be designated as a 'Crop Production Expense' by setting 3 properties across the lower part of the screen for that code. The required properties are: Quantity - Checked On, Production Link - Checked On, and Accrual - Checked On. These crop expense codes will now be available during an expense entry for assignment as prepaid or supplies on hand (assigned to the warehouse) or growing crop or consumed (assigned directly to a Production Crop location). Although not required, subcode should also be activated and completed with a product list. Seed could be listed by variety, fertilizer and chemical listed by product name, custom hire listed by application method, etc.

3) Crop Production Locations:

The screenshot shows the 'Crop Production - Rogers Family Farms, Inc. - 2003 Tax Year' window. It features a 'Crop Locations' table, a 'Farm Name' and 'Crop' form, a 'Cash Accounting Data' section with a 100% gauge, and a 'Production Log' section with a table of production data.

Farm Name	Crop	Acres	Share %
Home Farm	Corn	0	100 %
	Soybean	0	100 %
North Farm	Corn	0	100 %
	Soybean	0	100 %
South Farm	Corn	0	60 %
	Soybean	0	75 %
Whole Farm	Wheat	0	100 %

Total Production	Acres	Yield/Acre	My Share	My Bu Prod
15,000	0	0	100	15,000
My Year Beg Bu	My Bu Prod	My Bu Sold	My Bu On Hand	Unit Value
10,000	15,000	2,500	22,500	2.00

At the "FarmFact Control Center", in the 'Production' panel, click on **<Crop Production>**.

Create as many Production Location Lines as necessary. The right side of the screen is made-up of 3 tabs. The Production and Expense tabs are unique to each production location line. The Warehouse tab is common to all production location lines.

The Production tab is divided into **Field Notes** at the top and **Production Log** at the bottom. Use the field notes to record any field activity or crop observations. In the production log, record the total bushels produced. FarmFact will calculate your share of the produced bushels based on the crop share.

4) Crop Expenses:

On the “**Crop Production Screen**”, click on the **<Expenses>** tab.

The Expense tab is divided into Growing Crops and Consumed / Ordinary Expenses list boxes. These list boxes will be populated with detail lines taken from entries or as assigned from the warehouse. Ordinary Expense refers to expenses that do not have the Accrual property checked on and have been entered and assigned to the crop location only from an entry made this tax year. The arrows between the list boxes allow manipulation of the expenses as necessary.

5) Warehouse:

On the “**Crop Production Screen**”, click on the **<Warehouse>** tab.

The warehouse is a listing of product available for distribution directly to any production location. Product lines can be added to the warehouse by either of 2 methods. When the purchase of a product is entered and the accrual is set to Prepaid or Supplies On Hand, a product line will be created in the warehouse. Product lines can also be created from the Inventory screen. Lines inserted in the Crop Inventory 'Crop Prepaid Expenses' schedule or 'Crop Supplies on Hand' schedule will also be listed in the warehouse. Use this technique to account for product purchase the year before accounting began.