PcMars

Farm Accounting Software

GUIDE
TO PCMARS
FOR WINDOWS

Advanced Booklet

**Iowa Farm
Business
Association**

Table of Contents

This <u>Advanced Booklet</u> will cover some of the more complicated entries such as "Special" transactions such as sealed grain, coop dividends, crop insurance, detailed payroll, budget/Cash Flow and inventory/net worth.

Like most Windows programs and accounting programs, there is always more than one way to do things. We hope to show you a standard, simple way to accomplish your record keeping goals by providing these examples.

It is hard to design a booklet that will help those with very limited experience without making the "experts" feel like they are being talked down to. Hopefully, everyone will find the information we have provided helpful. For copies of all the PcMars booklets go to www.pcmars.com .

TIP
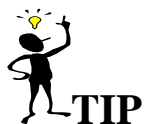
Throughout our booklets we use the symbol "⇒" which means "go to". So if we say "click on <u>Setup⇒Business Information"</u>, that means to **first** click on Setup and **second** click on Business Information.

Special Transactions

"Special Transactions" are usually difficult-to-enter transactions that need special treatment. Currently they consist of sealed grain transactions, crop insurance proceeds and coop dividends. Special entry screens or wizards are provided to simplify the process of entering these transactions. Click on Setup⇒Special Transactions to setup the wizards.
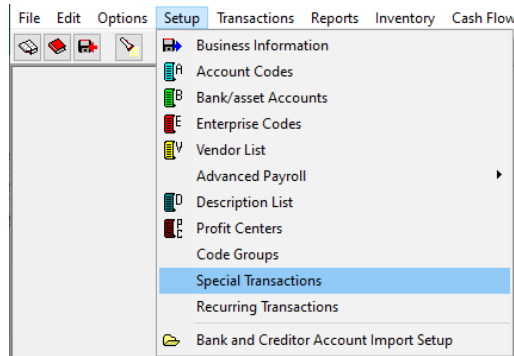

Sealed Grain:

To use the "Special Transactions" under "Transactions", first you must set up which account codes are to be used with those "special transactions". Be sure you discuss this with your consultant before you choose the account codes to use! The appropriate account codes are different depending on which state you are in and the particular account codes you are using. You can find this by clicking on Setup and then choosing Special Transactions.

The first tab is the setup for Sealed Grain. The example below lists the IFBA account codes we used. Again, be sure to discuss this with your financial consultant.

        353 = Sealed Grain Proceeds
        481 = Sealed Grain Repayments
        221 = CCC Loans
        354 = Sealed Grain Market Gain
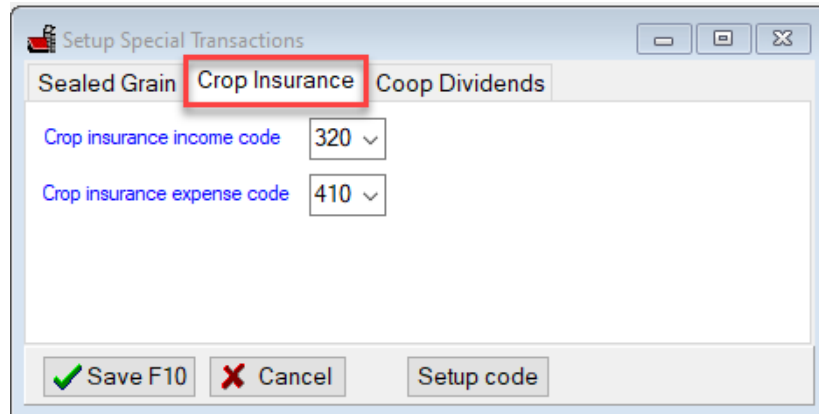   409 = Interest Expense
        482 = CCC Origination Fees
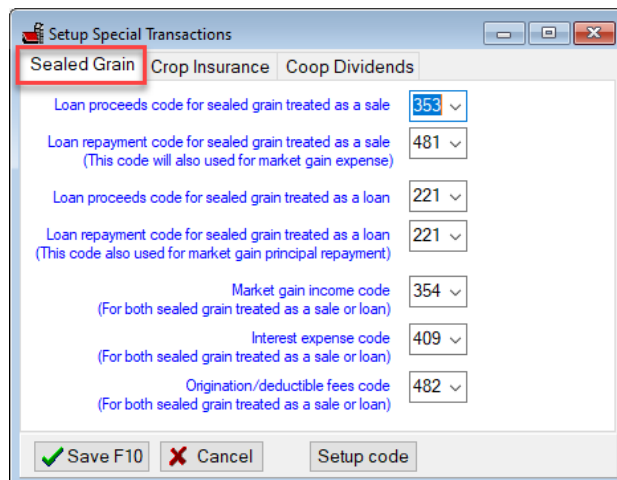
Crop Insurance:

Select the second tab for "Crop Insurance" in the Setup Special Transactions. Choose the account code for crop insurance income and expense on this screen. You can activate and/or change code description spellings by clicking the "Setup code" button.

In the example below we used codes:

320 = Crop Insurance Income
410 = Insurance Expense

Coop Dividends:

Select the third tab for "Coop Dividends" in the Setup Special Transactions. Choose the account code for coop dividend income and expense in this spot. You can activate and/or change code description spellings by clicking the "Setup code" button.
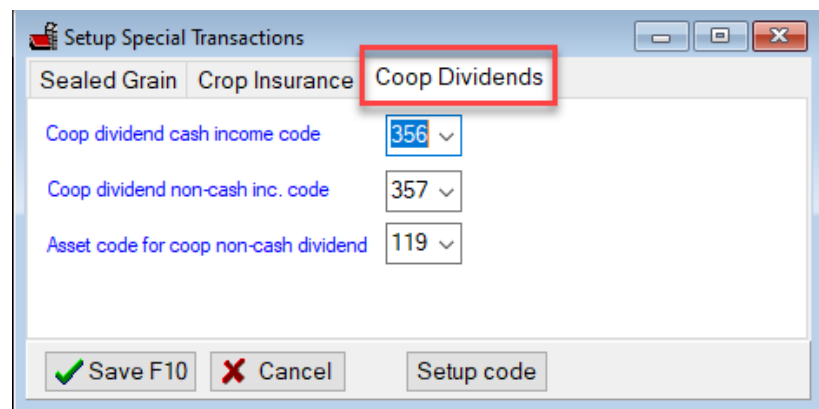
In the example below we used codes:

356 = Patronage Dividend (cash)
357 = Patronage Dividend (Deferred)
119 = Deferred Coop Dividends

NOTE: If you use Asset code 119 to hold the non-cash value of the dividend, the balances will carry over from year to year.
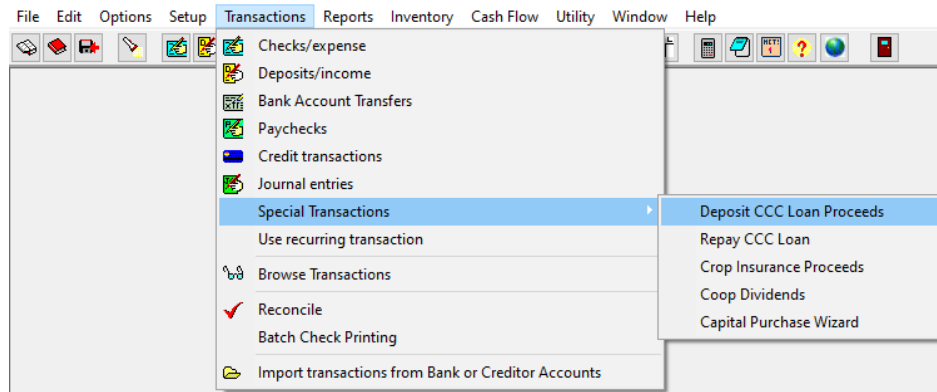

When you have completed filling out the "Special Transaction" wizards, you will then be able to enter these special transactions easily.

Sealed Grain Deposits

Deposit CCC Loan Proceeds:

Click on Transactions⇒Special Transactions⇒Deposit CCC Loan Proceeds. An example of how to handle this type of transaction is shown below.

CCC loans are tracked by their CCC number, which would have been set up on your vendor list. You must provide the unique number for the loan in question.

Enter the bushels and gross loan proceeds from the FSA paperwork. The origination fees, etc. will be deducted from this to give you the "net". Check this against the amount actually deposited.

In this example, Joe Farmer took out a new CCC loan, #956781, on 15,000 bushels. The gross loan proceeds were $27,750 with origination fees of $100. The net loan proceeds deposited were $27,650. If everything is accurate, click on "Make deposit" or press F10.

NOTE: The "Summary" describes your <u>exact</u> transaction. <u>Be sure to read this</u>.
The resulting transaction will look something like this. The above example is assuming you are treating sealed grain as a loan (tax wise). If you are not certain, check the particular CCC Loan status on the vendor list. The option of treating it as a loan or income is determined when you added this CCC Loan to your vendor list.

A screen preview of the loan report will now show all this information to you.

Pc Mars Version 3.0.3.1 / IA IFBA (Cash)
Licensed To: IFBA
Print Date 8/6/2020 10:37 am

Bus. I.D. = Sample Farms
Fiscal Year = 2019

DETAIL REPORT - SELECTED ITEMS
(Bank account and credit transactions)

Selection: Vendor = CCC #956781

LIABILITIES

Code	Ent	PC	C/D #	Date	T	Bnk	Vendor	Description	Units	Weight	Amount
221	CRN	OP	5	12/31/19	D	100	CCC #956781	CCC loan proceeds	1500		27,750.00
								SUBTOTAL CCC Loans	**1500**		**27,750.00**

| **INCREASE/DECREASE IN LIABILITIES** | | | | | | | | | **1500** | | **27,750.00** |

FARM EXPENSE

Code	Ent	PC	C/D #	Date	T	Bnk	Vendor	Description	Units	Weight	Amount
482	CRN	OP	5	12/31/19	D	100	CCC #956781	Origination/deduct fees			100.00
								SUBTOTAL CCC origination fees			**100.00**

| **FARM EXPENSE TOTAL** | | | | | | | | | | | **100.00** |

```
******************** AUDIT SUMMARY ********************
$$ IN TOTALS          (+)        27,750.00
$$ OUT TOTALS         (-)           100.00
$$ NET (CHANGE)       (=)        27,650.00
```
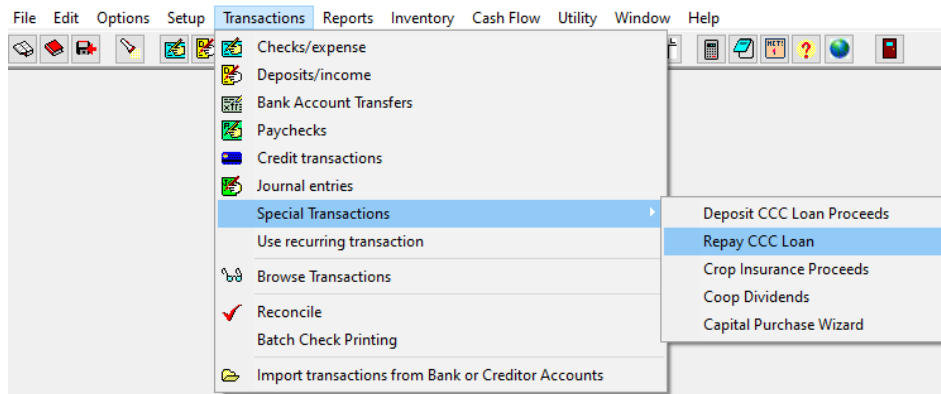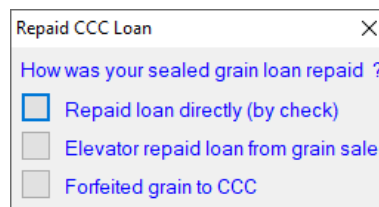
Paying Back CCC Loans

Paying Off CCC Loans:

Click on Transactions⇒Special Transactions⇒Repay CCC Loan.

When you select the option to "Repay CCC Loan", the following dialog box will appear. There are three options to repay your CCC Loan.

Repaid loan directly (by check):

The first option is "Repaid loan directly (by check). Depending on whether or not you had a market gain, the screen will vary.

In this example, Joe Farmer repaid a portion of his CCC loan directly. He redeemed 5000 bushels with direct payments of $8500 and a $750 market gain for a total of $9250.

After completing all the information in the wizard, click on "Make Check" and the check will be entered for you. This transaction should look like this. You can either print or record the transaction.

Elevator repaid loan from Grain Sale:

If the loan was repaid from the sale of the grain, the following screen will appear. If you want to enter grain deductions such as check offs, drying, etc., click on the "Enter" box next to that line and another detail screen will appear where you can enter the account code for the appropriate deduction and the amount.

In this example, Joe Farmer repaid a portion of his CCC loan from a grain sale. He sold 4800 bu. for $10,560. After subtracting the drying charges of $225, the elevator paid the CCC $9550 ($9250 in principal & $300 in interest) for the 5000 bushels that he had redeemed. This left a net balance of $785.00 which was deposited.

After completing all the information in the wizard, click "Make deposit" and your deposit slip will be entered.

Forfeited Grain to CCC:

If you have to forfeit your grain on the CCC loan, you would choose "Forfeited grain to CCC". This will bring up the following screen.

In this example, Joe Farmer had to forfeit the balance of his CCC loan. The bushels sealed were 5000, and the loan balance forfeited was $9250.00.

Once you have entered all the information, click on the "Make deposit" button and your deposit slip will be entered. You may either edit/print/record this deposit slip as shown in the previous examples.

NOTE: If you would like to make corrections on any of the "special transactions", click "Edit special" box on the check/deposit to take you back to the previous screen. Once everything is correct, you may either print/record the transaction.

If you decide to change the tax treatment of CCC Loan during the year:

On the "Vendor List" screen/CCC loan vendors, there is a box labeled "Change".

If you click on this, you can change from "Treated as Loan" to "Treated as Income" or vice versa. You will get a warning screen. WE HIGHLY RECOMMEND PRINTING THE CONTROL REPORT. It will print everything that gets done. PcMars combs through your files (for that set of books) looking for CCC loan transactions entered in the Special Transaction wizard only. It will make the necessary changes to them according to the method displayed on the warning screen.

Crop Insurance Proceeds

Click on Transactions⇒Special Transactions⇒Crop Insurance Proceeds. An example of how to handle this type of transaction is shown below.
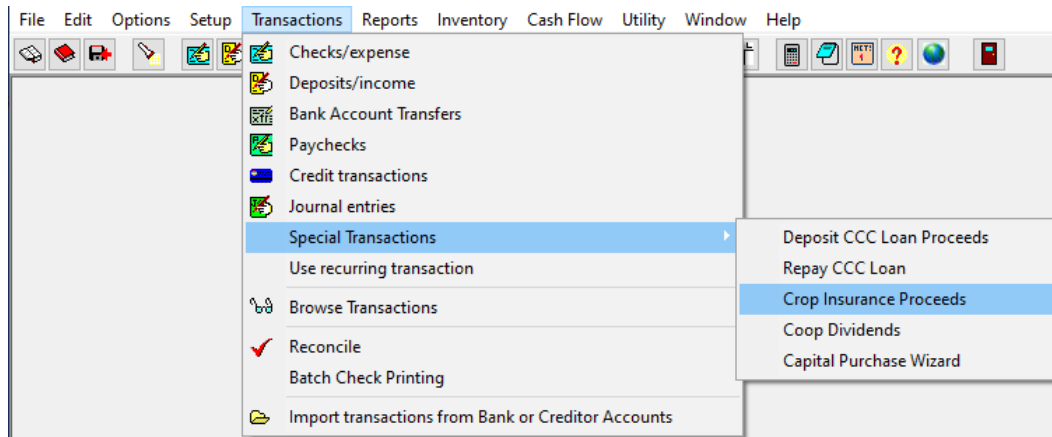
Fill out the insurance company, enterprise, date of loss, cause of damage, amount of damage, any unpaid premiums deducted and the net amount of the check. After everything is filled out, click "Make deposit" button.

The information you entered in the "wizard" will automatically be entered into the deposit slip. You may now either edit/print/record this transaction.

Coop Dividends

Click on Transactions⇒Special Transactions⇒Coop Dividends. An example of how to handle this type of transaction is shown below.
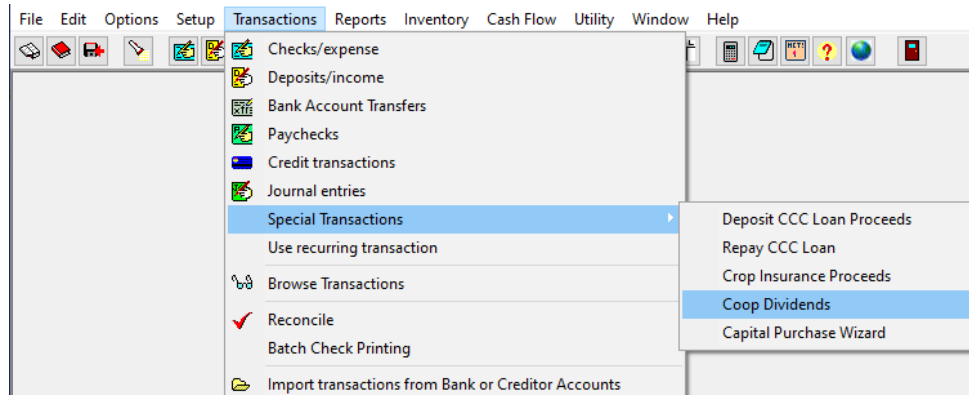
A Coop Dividend would be entered into the "Special Transactions" screen as shown below. After entering all the required information, you would click on "Make deposit" button.

The information you entered in the "wizard" will automatically be entered into the deposit slip. You may now either edit/print/record this transaction.

Capital Purchase

These capital purchase "wizards" were designed to help prompt users for all the needed information for the various scenarios such as cash purchase, trading existing equipment and financing options.

To use the capital purchase wizard go to <u>Transactions</u> ⇒ <u>Special Transactions</u> ⇒ <u>Capital Purchase Wizard</u> (see screen shot below).
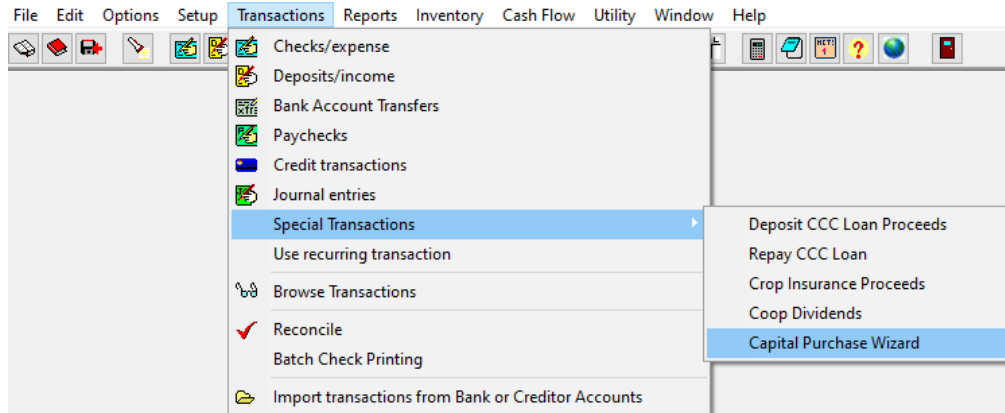
After you have selected the "Capital Purchase Wizard" option, the following dialog box will appear. There are three options to use when making a capital purchase.

A. Used when the capital asset is purchased only by cash using a check.
B. Used when the capital asset is purchased only by financing using a loan.
C. Used when the capital asset is purchased by a combination of **both** cash and loan financing.

Here is a list of the examples included on the following pages:

       A.   Purchased with Check (or cash)

       A(1). Purchased with Check (or cash); and assets traded as part of the purchase

       B. Purchased by Financing (Loan)

       B (1). Purchase by Financing (Loan); with assets traded and an existing loan is being rolled into the new loan

       C.   Purchased with Check (or cash) AND Financing (Loan)

       C(1). Purchased by Check AND Financing; with assets traded and an existing loan is being rolled into the new loan.

To help illustrate, let's review an example using each option.

A. Purchased with Check (or cash)

The facts for this example are; Joe purchased a new tractor from Phillips Implement for $200,000; below is the completed wizard for this transaction.

1. Select the date of the transaction.

2. There were no assets to trade, so the "no" radio button was selected.

3. Select the bank account used to purchase the tractor.

4. Enter the check number here.

5. Enter the amount of cash paid for the new asset.

6. The tractor is being purchased from Phillips Implement.

7. The account code, enterprise, dollar amount and description are entered here.

8. After completing all the information in the wizard, click on "Make Check F10". PcMars will enter the wizard information into a check screen (see picture below).

Now you can either "Save" or "Print" the transaction; just as if you had entered the check yourself.

A(1). Purchased with Check (or cash); and assets traded as part of the purchase

The facts for this example are; Joe purchased a tractor from Phillips Implement for a "boot" of $150,000 and traded in his old tractor. Below is the completed wizard for this transaction. (Also, you can select more than one traded asset, by simply clicking on the appropriate number of assets being traded.)

1. Select the date of the transaction.

2. Joe traded assets, so he selected the "yes" radio button. This Traded Asset Information is added to the bottom of the wizard window.

3. If assets were traded, select the type of property. Under the new tax law of 2018, traded assets are handled differently depending if they are "Real" or "Personal" property. No traded value needs to be entered for "Real" property (just like it was previously done for ALL property) traded in before 1/1/18. However, for personal property traded in after 1/1/18, a trade-in value must be entered for all personal property items traded. Click on the question mark for further explanation.

4. Only one asset is being traded in this example.

5. Select the bank account used to purchase the tractor.

6. Enter the check number

7. Enter the amount of cash paid for the new asset.

8. The tractor is being purchased from Phillips Implement.

9. The account code, enterprise, dollar amount and description are all entered here.

10. Enter the description of the traded asset.

11. After completing all the information in the wizard, click on "Make Check F10". PcMars will enter the wizard information into a check screen (see picture below).

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Now you can either "Save" or "Print" the transaction just as if you had entered the check yourself.

B. Purchased by Financing (Loan), Capital Purchase Wizard

The facts for this example are; Joe purchased a new tractor and financed the entire purchase cost of $200,000 with Phillips Financial.

1. Select the date of the transaction.

2. There were no assets were traded in this example.

3. The creditor would be entered here. (If this were a new loan you would click on "new loan" and fill in the vendor list loan information.

4. If the default liability code was not correct, you can change the code here.

5. Enter the transaction number here.

6. Enter the amount financed for the new asset.

7. The tractor is being purchased from Phillips Implement.

8. The account code, enterprise, dollar amount and description are entered here.

9. After completing all the information in the wizard, click on "Make transaction F10". PcMars will enter the wizard information into the credit transaction screen so that a check can be printed, (see picture below).

Credit transaction

Creditor	Phillips Financi ▾
Balance	200,000.00
Liability code	282 ▾ ⦿ **Expense** ○ Income

Credit
(Capital purch)

Number	1	☐ Cleared
	Date	Total Amount
Pay to the Order of	Phillips Impl. ▾	12/31/19 ▾	$200,000.00
Address	Phillips Impl. 1800 East Hwy 100 Story City, IA 50248	☐ **Paycheck** Edit capital purch. ☐ Batch Print
Memo	▾	** **Editing**

Vendor	Code	Entprise	Amount	Description	PC	Units	Weight	
▶ Phillips Impl.	156	GEN	$200,000.00	New John Deere Tractor	OP	0	0	

Amount Left $0.00

Buttons: ✔ Save F10 | ✖ Cancel | Add new | Next | Prior | Setup item | Print F9 | Blank row | Insert row | Close

B(1). Purchased by Financing (Loan), Capital Purchase Wizard – with assets traded and an existing loan is being rolled into the new loan

The facts for this example are, Joe purchased a new tractor, traded in an old tractor (with an existing loan), and financed the entire amount of $275,000 (which includes $75,000 of the traded tractor loan).

1. Select the date of the transaction.

2. Joe traded assets, so he selected the "yes" radio button. This Traded Asset Information is added to the bottom of the wizard window.

3. If assets were traded, select the type of property. Under the new tax law of 2018, traded assets are handled differently depending if they are "Real" or "Personal" property. No traded value needs to be entered for "Real" property (just like it was previously done for ALL property) traded in before 1/1/18. However, for personal property traded in after 1/1/18, a trade-in value must be entered for all personal property items traded. Click on the question mark for further explanation.

4. Only one asset is being traded in this example.

5. There is an existing loan that is being rolled into the new loan.

6. The creditor would be entered here.

7. If the default was not correct, you can change the code here.

8. Enter the transaction number here.

9. Enter the amount financed for the "new" loan.

10. The tractor is being purchased from Phillips Implement.

11. The account code, enterprise, dollar amount and description are entered here.

12. Here is where you enter the description of the traded asset.

13. The details of the existing loan should be entered here.

14. After completing all the information in the wizard, click on "Make transaction F10". PcMars will enter the wizard information into the credit transaction screen so that a check can be printed. (see picture below).

C. Purchased with Check (or cash) AND Financing (Loan)

The facts for this example are, Joe purchased a new tractor. He paid $15,000 cash and financed the remaining $185,000.00 with Phillips Financial.

1. Select the date of the transaction.

2. There were no assets traded in this example.

3. Select the bank account used to purchase the tractor.

4. Enter the check number here.

5. Enter the amount of cash paid for the new asset.

6. The creditor would be entered here. (If this were a new loan, you would click on "new loan" and fill in the vendor list loan information).

7. If the default liability code was not correct, you can change the code here.

8. Enter the amount financed for the new asset.

9. The tractor is being purchased from Phillips Implement.

10. The account code, enterprise, dollar amount and description are entered here.

11. After completing all the information in the wizard, click on "Make Check F10". PcMars will enter the wizard information into a check screen (see picture below).

C(1). Purchased with Check (or cash) AND Financing (Loan) – with assets traded and an existing loan is being rolled into the new loan

The facts for this example are, Joe purchased a new tractor, traded in an old tractor (with an existing loan), Joe paid $10,000.00 cash, and financed the remaining amount of $265,000 (which includes $75,000 of the traded tractor loan).

1. Select the date of the transaction.

2. Joe traded assets, so he selected the "yes" radio button. This Traded Asset Information is added to the bottom of the wizard window.

3. If assets were traded, select the type of property. Under the new tax law of 2018, traded assets are handled differently depending if they are "Real" or "Personal" property. No traded value needs to be entered for "Real" property (just like it was previously done for ALL property) traded in before 1/1/18. However, for personal property traded in after 1/1/18, a trade-in value must be entered for all personal property items traded. Click on the question mark for further explanation.

4. Only one asset is being traded in this example.

5. There is an existing loan, which is being rolled into the new loan.

6. Select the bank account used to purchase the tractor.

7. Enter the check number.

8. Joe is paying $10,000.00 cash toward the purchase of the new tractor.

9. The creditor would be entered here.

10. If the default liability code was not correct, you can change the code here.

11. Enter the amount financed for the new asset, including the "old" loan amount. In the example, $265,000.00 is the total amount being financed.

12. The tractor is being purchased from Phillips Implement.

13. The account code, enterprise, dollar amount and description are entered here.

14. Enter the description of the traded asset.

15. The details of the old tractor loan are entered here.

16. After completing all the information in the wizard, click on "Make Check F10". PcMars will enter the wizard information into a check screen (see picture below).

Entering Payroll Information
(Recommended Simplified Payroll Method)

Once your PcMars payroll is set up, entering payroll checks will be a simple procedure. However, the "Payroll General Information" needs to be entered correctly for the PcMars to work properly.

You first need to enter the Employer information by clicking on Setup⇒Payroll⇒ General Information. On this first tab, type in all of your pertinent information as shown on the screen below.

Most of the information will have already been filled in for you. The main areas that you need to add are the Federal and State ID numbers and the normal pay period for your operation. If you receive regular updates of the program, the Social Security and Medicare rates will default to the current rates.

When you check the "Simplified payroll method" on the "Payroll General Information" screen, the gross check is also entered as an expense and the deductions are entered as a negative expense, **so the net check is also the net farm expense.** When a producer actually pays the withholding, he would enter this check as an expense. Because PcMars users typically think of the withholding payments as an "expense", this method is referred to as the "Simplified Payroll Method". PcMars will track the amount of withholding owed through the labor reports.

Labor withholding Data
(Simplified Payroll Method)

The second tab you can mark whether each deduction is subject to six different tax possibilities.
The "W2 Summary/Payroll Information" Report will select these setups and print a W2 Proforma.

These descriptions **MUST** be entered in the "Description List". PcMars **tracks** the payroll deductions by the description. These default descriptions are filled in for you when you enter the actual paycheck.

NOTE: If you change the default description in the paycheck screen, the withholding **WILL NOT BE TRACKED!**

Labor Deposit Data
(Simplified Payroll Method)

On the third tab, you can specify a default description for the labor deposit account codes. **Remember**—in order for your labor reports to calculate your deposit liability correctly, both the designated account code and description must be used.

Adding Employees

Now that you have the General Payroll Data entered into the system, the next step is to add your employees. That window is opened up by selecting Setup⇒Payroll⇒ Employee List.

You would click the Add new button to add employees. You need to type in all of the pertinent information (remember, you will need the address and Social Security number to file the W-2). To move from field to field use either the Tab key, Enter key or your mouse.

If you choose to use the tax tables (the Iowa & Minnesota), you will receive a warning that the state tax tables will not be updated after 2009. (**See #1** in pic below) because of the release of the Advanced Payroll Module. If you want access to the current tax tables for Iowa, Minnesota, Illinois, and Michigan, please call to order the Advanced Payroll Module (Booklet of features available on our web site www.pcmars.com).

If you choose to use the 2009 tax tables, by filling in the exemptions, filing status and pay period and then clicking on the box labeled "State tax from table" the program will figure out how much state tax to withhold. **Note — if other states are selected as "State of Employment", the "State tax from table" option will be disabled.**

If the State of Iowa (or Minnesota) employment for an employee has changed, a warning box will pop up stating that the "State Tax from Table" is not an available option for that state, and will be "de-selected". (**See #2** in pic on previous page)

The Federal Tax will be figured based on a percentage or as a fixed amount with each paycheck, depending on what information you enter. You can find the percentage and Federal Tax start point by referring to Circular E that is sent by the IRS in either December or early January. Also, be aware that there are other deduction areas for use such as child support, pensions, etc. Once you are finished, click the Save F10 button, to save the employee information and leave the window open to add more employees. Clicking the Close button will allow you to save the information and close the window.

Entering Paychecks

Entering paychecks becomes easy if you followed the directions for setting up payroll information. To enter a paycheck you either click on the icon that looks like a person writing a check that has a "P" on it OR if you are already in the check screen, click on the box that says "Paycheck". Doing this will either bring up a paycheck screen or change the color of the check screen that is already up. The purpose of a different colored screen is to help you remember that this is a paycheck and not a regular check.

As you input the check information, you can click the Calc button to bring up the screen below and your withholding information is automatically entered. You have the option to "Calculate Gross Pay from Net Check" **OR** enter the hours and automatically calculate the rest of the check information.

If you wish to "Calculate Gross Pay from Net Check", you can type in the amount of the net check and hit the enter key or click on "OK" and the program will calculate the gross pay and deductions for you.

OR

If you enter the hours, the computer will automatically calculate the rest of the check as in the example below.

Whichever way you choose to enter the calculations, just click "OK" and this will enter the figures into the paycheck as shown below. All of the information was transferred from the previous screen and put into the appropriate accounts based on your setup information. All that is left to do is to click on the Save F10 button to save it, or the Print button to print the check.

NOTE:** If you "manually" change the default descriptions (set up under "Payroll General Information"), the deductions **WILL NOT TRACK** on the labor reports.

Cash Flow/Budget

There are three different modes you can choose on the Cash Flow screen. You first need to select the mode of operation you wish to use and enter the Cash Flow/budget file name. The three different options are:

- Detailed mode - allows you to enter detailed crop and livestock unit and price data. For example, for corn income you can specify bushel sold per month and dollars per bushel. For livestock you can enter head, dollar per head or pounds and cents per pound. The advantage of this mode is that you can get into more detail and some of the math is done for you.

- Non Detailed mode - you strictly use dollar amounts without units and prices. The advantage of this mode is that you can plug in easier the dollar amounts if you have already calculated most of the data ahead of time.

- Simplified (Budget) mode - you enter dollar amounts for a budget. The budget uses dollar amounts for each account code. You can enter it on a yearly or monthly basis, depending on how you have set it up under the "Advanced" tab under Business Information.

NOTE: There is a drop down box where you can select which Cashflow/Budget you wish to work on.

Entering Cash Flow
(Detailed Mode)

To enter a Cash Flow (detail mode) click on <u>Cash Flow⇒Enter Cash Flow/Budget Data</u>. This is where you enter the actual Cash Flow projection data. The code description is shown in maroon at the upper left hand corner of the window. The code number is shown on the upper right hand corner, and the code grouping name is shown underneath it.

In the Cash Flow (Detailed Mode), there are seven "methods" of data entry. Those options are:

By percent - With this method you enter the total Cash Flow projection in dollars and then allocate the percentage per month of that total. The allocated percentages must total up to 100%.

By dollars - With this method you enter the total Cash Flow projection in dollars and then allocate the dollars per month of that total. The allocated dollars must total to the amount entered for Year Total.

Split even - With this method, you enter the total Cash Flow projection in dollars, and then the program splits it equally between the months. This is most useful for items that are nearly the same each month or that are hard to determine the monthly variations.

Crop by unit - With this method you enter the total Cash Flow projection in units (such as bushels) for the item. You then enter a price per unit for the item. This will default the monthly unit prices. You next allocate the units per month of the unit total. You can adjust the monthly prices as desired. You also have the option of modifying the unit name, if the default unit name is not appropriate. The allocated monthly units must be equal to that entered for Year Total.

Crop expense - With this method you enter the total number of acres for the crop shown, and the expense per acre of the expense item. You then allocate the percentage per month of that expense yearly total. The allocated percentages must total up to 100%. Once you have entered the crop acres for a given crop, that figure will be used for the next expense item for that crop.

Livestock by head - With this method you enter the total Cash Flow projection in head for the item. You then enter a price per head for the item. This will default the monthly prices per head. You next allocate the head per month of the yearly head total. You can adjust the monthly prices as desired. The allocated month head must be equal to that entered for Year Total.

Livestock by pound - With this method you enter the average weight of the animal and then the total Cash Flow projection in head for that item. You then enter a price per pound for the item. This will default the monthly prices per pound. You next allocate the head per month of the yearly head total. You can adjust the monthly prices as desired. The allocated month head must be equal to that entered for Year Total.

The "Detailed Mode" screen also has the capability to "increase/decrease" asset and liability codes where the "Non-detailed Mode" only allows you to enter the net.

You can carryover a Cash Flow from a previous year in order to save time on data entry. See the "Carry Over Cash Flow" section in this booklet.

NOTE: Clicking on the right mouse button will allow you to "Save As" and rename any Cash Flow/budget in numerous different scenarios.

Entering Cash Flow
(Non-detail Mode)

To enter a Cash Flow (non-detail) click on <u>Cash Flow⇒Enter Cash Flow/Budget Data.</u> This is where you enter the actual Cash Flow projection data. The code description is shown in maroon at the upper left hand corner of the window. The code number is shown on the upper right hand corner, and the code grouping name is shown underneath it.

You first need to select one of the three methods to enter the Cash Flow data.

By Percent - With this method you enter the total Cash Flow projection in dollars and then allocate the percentage per month of that total. The allocated percentages must total up to 100%.

By Dollars – With this method you would enter the total Cash Flow projection in dollars and then allocate the dollars per month of that total. The allocated dollars must total to the amount entered for Year Total.

Split Even - With this method, you enter the total Cash Flow projection in dollars and then the program splits it equally between the months. This is most useful for items that are nearly the same each month or that are hard to determine the monthly variations.

The Cash Flow utility automates the budget procedure considerably in many areas. There are several reports available that will print the budget figures next to the actual in order for you to compare results. A sample of the Cash Flow (non-detail) data entry screen is below.

You can carryover a Cash Flow from a previous year in order to save time on data entry. See the "Carry Over Cash Flow" section in this booklet.

Entering Simplified Budget

Many people may want to enter a budget to compare to their actual expenses throughout the year. The budget entry screen is found under <u>Cash Flow⇒Enter Cash Flow/Budget Data</u>. The screen will look like the one below.

This is rather simple to fill out. You first select the category you want to work in by clicking on the appropriate tab. You can "Carry Over" last year's actuals by clicking on the "Carryover" button at the bottom of the screen.

If there are certain accounts that you believe will not change much from month to month, you can click on the "Split equally" button. This will pop up a separate window. You put the total yearly expense in that window and click the OK button. It will take that number and divide it by twelve and put twelve equal amounts under each month. Once you are done with the budget, you can click OK to save the numbers and exit the program.

In conclusion, once you have one year's set of books on the system, you have the option to roll those numbers into the new year set of books as budget figures. You then have the option to come back into this section to modify any of the numbers rolled in.

Carry Over Cash Flow

In PcMars you are able to carry over any Cash Flow or budget file from the previous year. This will save you time in having to type in all new numbers when they might be the same or similar to the previous year. In the Cash Flow screen you will have a "Carry over" button at the bottom of the screen.

By clicking on this "Carry over" button, you will see a screen where you can choose which Cash Flow you wish to carry over and click on the "Change" button to change set of books and year you wish to carry over.

Inventory/Net Worth

Clicking on the Inventory option on the menu bar will bring up the drop down menu shown below.
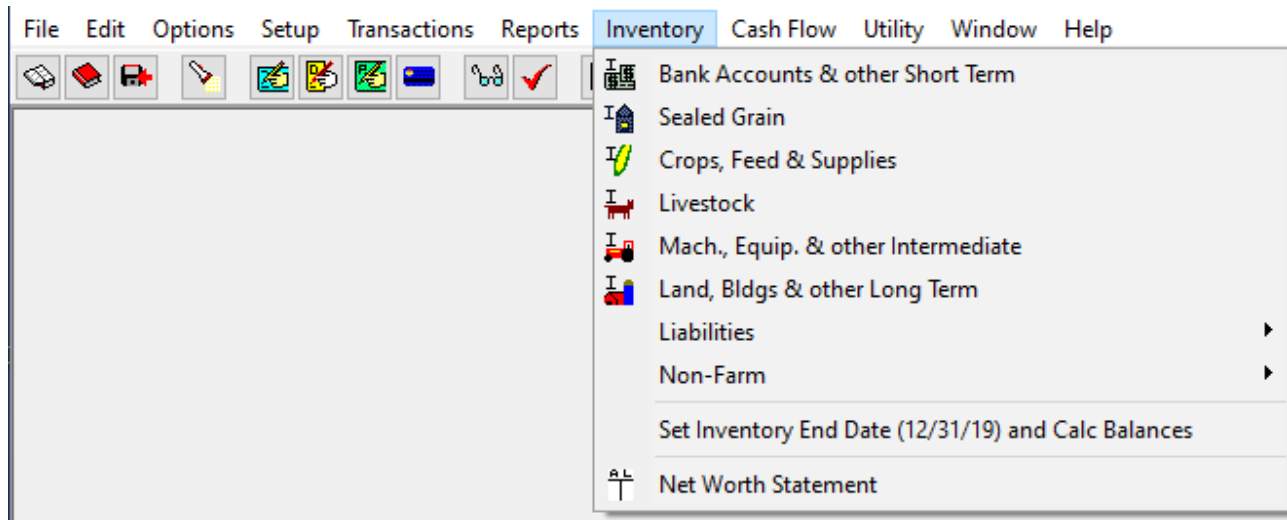
When you choose the "Net Worth Statement", the full statement will pop up. This statement has a "See & Click" format, which means that you can choose a line item and go directly to those items and create or edit transactions. The steps are illustrated below:

1. "Double Click" on a line item on the statement, which is "hot linked" to the entry.

2. The transaction will pop up for you to review or edit. You can either:

    A. Enter your Beginning/Ending information, or
    B. Edit your Beginning/Ending information

3. After you have finished, click "OK" to save, and you will return to the "Net Worth" statement.
   (see picture below for illustration of above steps)

1. You can choose to show either Market or Basis values (as in the past version)
2. You can now choose to show the beginning or ending inventories or both
3. You can turn on or off the following: show code totals, suppress zero amounts on the statement screen, or show inactive groups on the statement screen.
4. You can now click on the "Ending" date drop down and change the date.
5. After you change the ending date, you can click on the "refresh" button to update the figures to the new date.
6. You can suppress zero amounts on the print preview & print
7. You can add any of these options to the printed statement when supporting detail is selected.
8. You can also sort by Inventory Number

   (See picture below for illustration of steps 1-8 above)
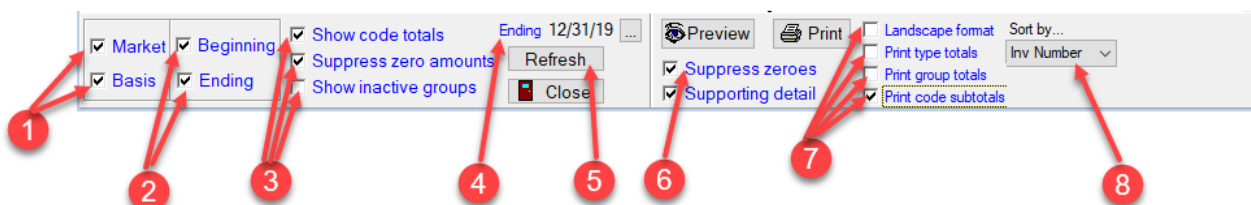
This is a sample of the Net Worth Statement you can print or preview.

Each line item can be entered or edited by "double left-clicking" on it.

Current Portion of Loan shows in Entry Screen as well as in the Net Worth Statement

The "Current Portion" of a loan is what is owed in the current period/year. This is useful when figuring "ratios" or "financial position".

Set up your loan vendor & create the loan as normal. Then go to "Inventory" ⇒"Liabilities" ⇒ and choose the type of loan you set up (intermediate or long term). In the example below, we are choosing the intermediate combine loan.

1. Select the "type" of loan you are working with, in this case we chose "intermediate".
2. Select the loan
3. Enter the Beginning "Current Portion of principal" (the amount you owe in that time period). You can also enter the Ending amount (what you will owe the next year). If the payments are the same each year, use the same amount.

4. Go back to "Farm Liabilities" & choose "Short Term"
5. Then choose "Current Portion"
6. The "Current Portion" of your loans now "roll into" an entry screen for code 231 (current portion).
7. On the right of the screen, it is explained that the amounts that "roll into" this screen are hyperlinked to the intermediate/long term farm liabilities. You can also manually enter values that are NOT rolled in from intermediate/long term.

(See pictures below and on next page to see illustrations of steps 1-7 above)
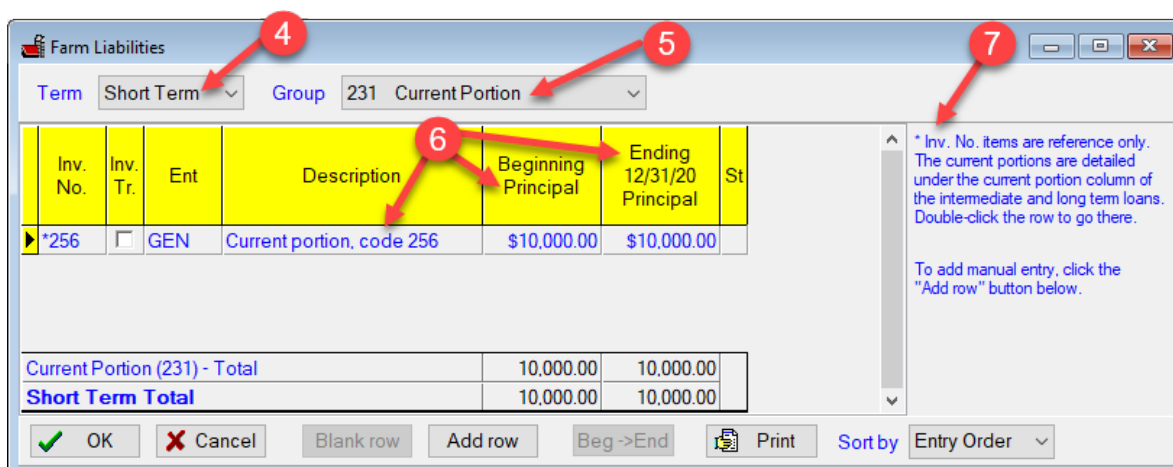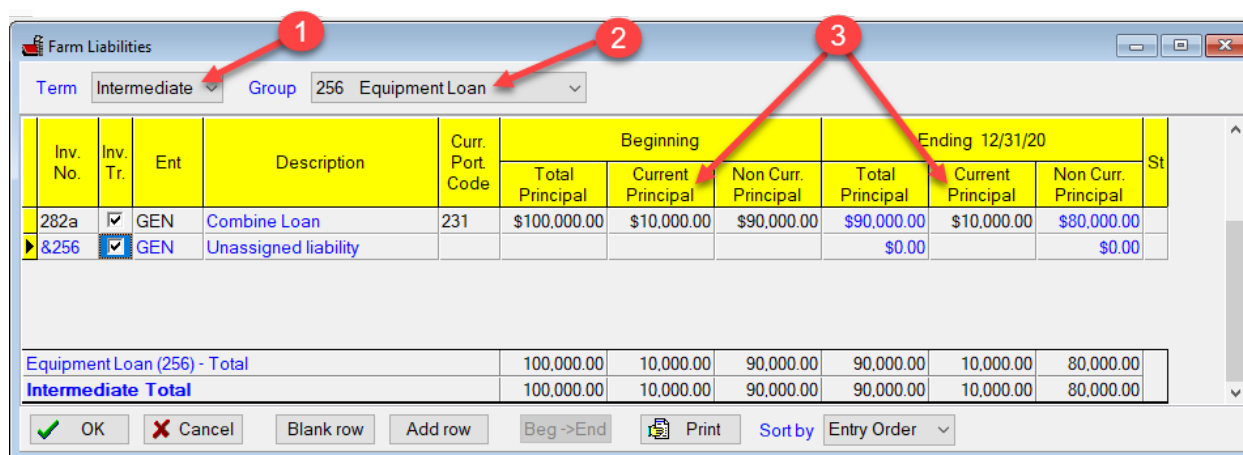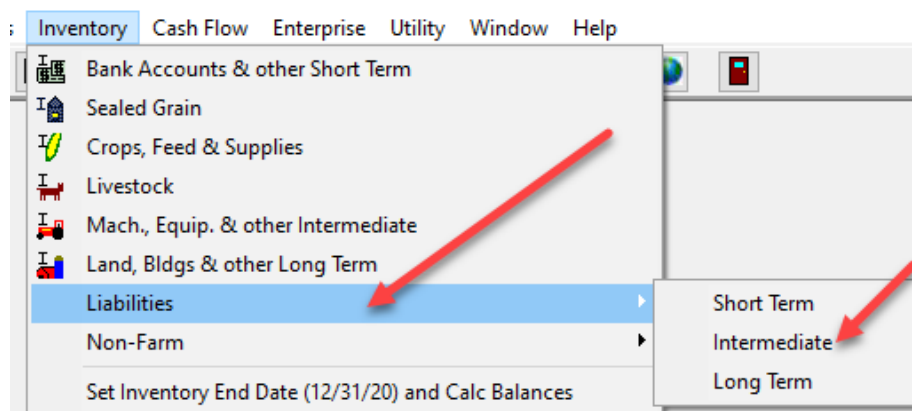
Below is the Net Worth Statement

1. You can see the "beginning current portion" of the combine loan due in 2020.
2. You can see the "ending current portion" of the combine loan (amount due in 2021).
3. The beginning "non-current" liabilities have gone down by the amount of the beginning "current portion" of the loan.
4. The ending "non-current" liabilities has gone down by the amount of the ending "current portion" of the loan (the amount to be paid in 2021)

Net Worth Statement

ASSETS

	Jan 1, 2020 Market	Dec 31, 2020 Market
CURRENT ASSETS		
100 Business Account	150,000.00	139,421.20
Cash & Banking Accounts	150,000.00	139,421.20
TOTAL CURRENT ASSETS	150,000.00	139,421.20
NON-CURRENT ASSETS		
TOTAL NON-CURR ASSETS	0.00	0.00
TOTAL FARM ASSETS	150,000.00	139,421.20
APPARENT FARM NET WORTH	50,000.00	49,421.20
NON-FARM ASSETS		
TOTAL NON-FARM ASSETS	0.00	0.00
TOTAL ASSETS	150,000.00	139,421.20
APPARENT TOTAL NET WORTH	50,000.00	49,421.20

LIABILITIES

	Jan 1, 2020	Dec 31, 2020
CURRENT LIABILITIES		
231 Current Portion	10,000.00	10,000.00
Curr Port, Non-Curr Loan	10,000.00	10,000.00
TOTAL CURRENT LIABILITIE	10,000.00	10,000.00
NON-CURRENT LIABILITIES		
256 Equipment Loan	90,000.00	80,000.00
Machine & Equipment Loans	90,000.00	80,000.00
BRDG LVST, MACH & EQUIP	90,000.00	80,000.00
TOTAL NON-CURR LIAB.	90,000.00	80,000.00
TOTAL FARM LIABILITIES	100,000.00	90,000.00
NON-FARM LIABILITIES		
TOTAL NON-FARM LIAB	0.00	0.00
TOTAL LIABILTIES	100,000.00	90,000.00

Export to Finpack

This option is available with IFBA and MSD account codes. You do need to make some choices before proceeding.
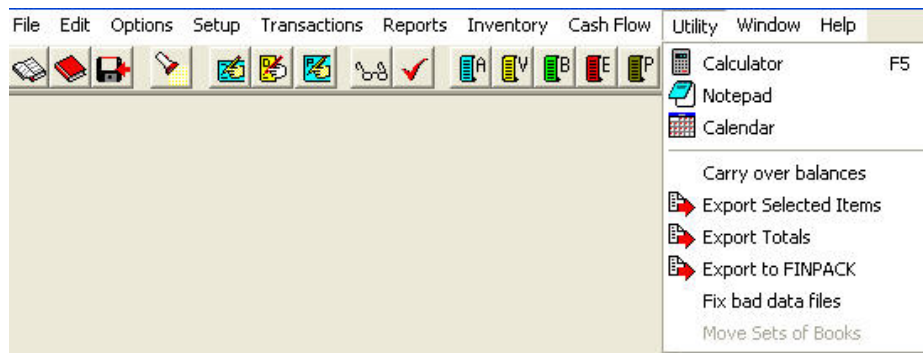
1. The first choice is how sealed grain should be handled within Finpack. This controls the mapping to particular Finpack codes.
2. The next choice is what to do with family living (non-farm) items. If you do not maintain this, then mark "No export". Otherwise, mark "Group into one item". If you are keeping good detail in the family living department and want that to be looked at by Finpack, mark the third button "Export detail". Click on "Export" when you have this like you want it to be.
3. Farm Expense code, Enterprise Relation: During the export, enterprise subtotals are calculated for each farm expense code. For this to work, you must specify the Finpack Enterprise code corresponding to each PcMars enterprise. The default Finpack enterprise codes provided for the standard PcMars enterprises should be okay for most situations. Select the Finpack Enterprise from the drop down list. If the enterprise does not relate to any Finpack enterprise code, leave it as zero, and it will be grouped into GENeral or undefined enterprise.
4. You can specify to export ALL transactions for the Set of Books or only transactions between the dates provided.

Clicking on the Customize button will bring up the following screen. This is where you can review how the PcMars codes will flow into the Finpack system. If you have items that are not applicable, you can disable exporting that account code value by removing the checkmark.
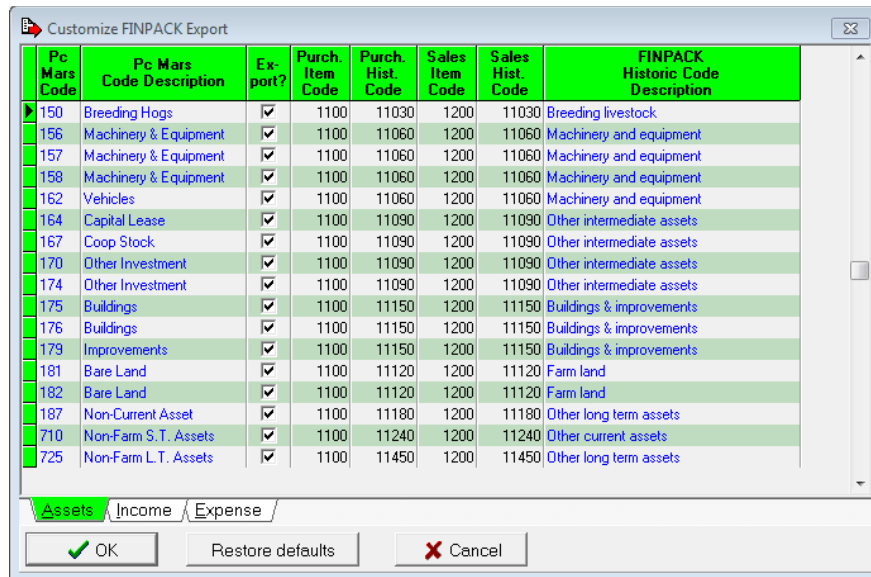
There are tabs for Assets, Income and Expense at the bottom of this screen. You may need to scroll down to see other codes of a given type. There are columns for "Item Code" and "Historical Code". If you click on one of the numbers, you can see item codes to which it will be posted. You can change it to something different if necessary. The "History Code" column works in the same manner. If you feel you have it really goofed up, the "Restore Defaults" box will put it all back the way it was shipped to you.

With these tools you can export account code totals to Finpack to your satisfaction. When you are ready to actually export the totals, click on "Export".
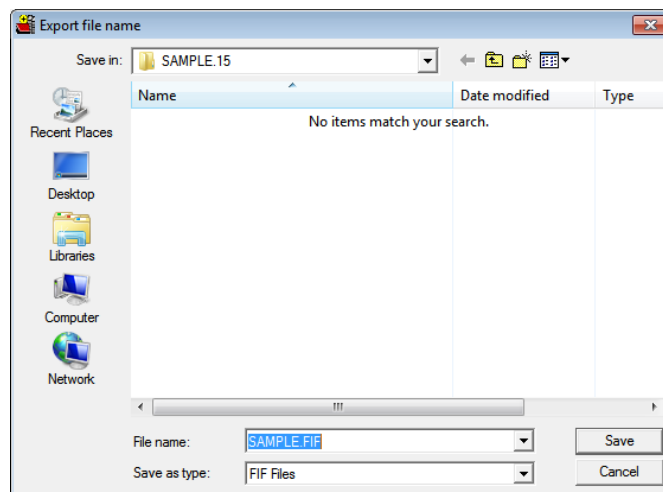
The file will be saved as a .FIF file using your set of books name (less the year designator) as the default. PcMars saves the file in the set of books where they came from. You can change that using the conventional Windows navigation method with open folder pictures and so on. Finpack can then pick up the file and run it.

Internet Accessibility

PcMars has a "Globe" icon on the tool bar which will allow you to easily access the Internet and to check for any free updates that have been posted.
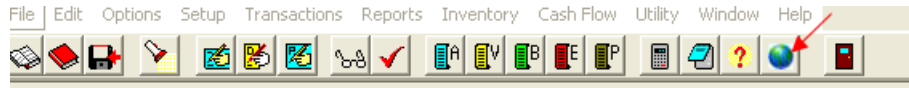
Clicking on the "Globe" will being up the following screen:
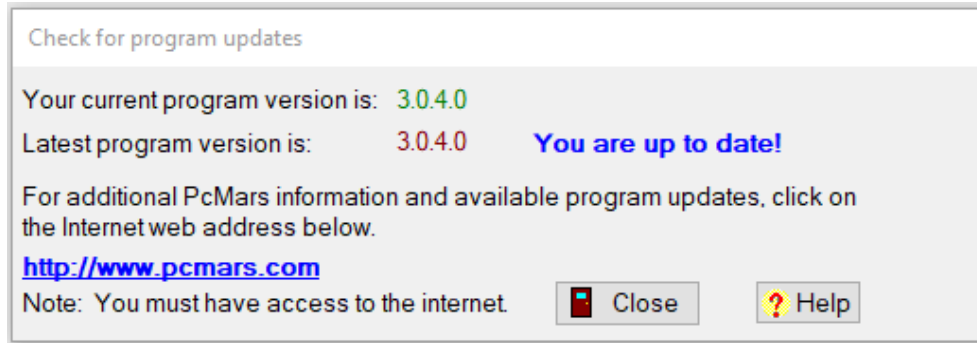
This screen will tell you the exact version number of your PcMars as well as the Latest program version. There is a hyperlink to access the Internet to the PcMars website for further information. You can also access this screen by clicking on "Help" above the icon bar and then choosing "Check for Program Updates".
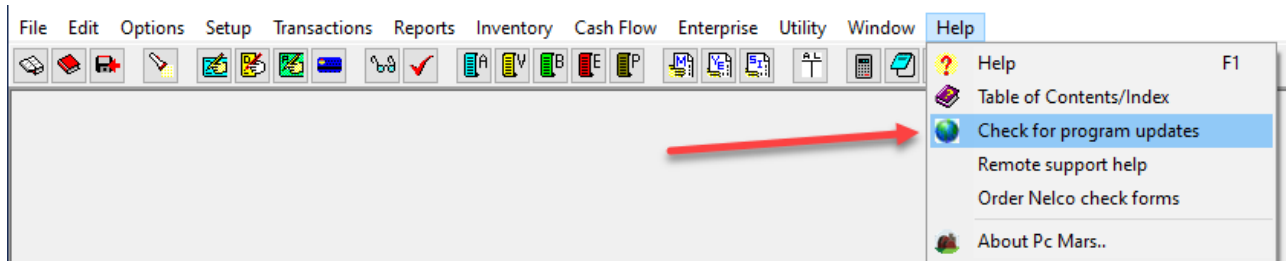
If you do not have the most current version, you will see a download button to download the latest version. Once you click on Download and the download is complete, close your PcMars program and look for the download on your computer desktop. That download icon will look like this:
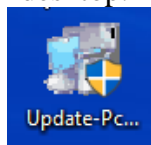
Double click on that icon and follow the prompts to update your PcMars program to the current version. After the installation is complete, be sure and restart your computer prior to opening your PcMars program.

NOTE: If you have PcMars loaded on several computers, be sure <u>all</u> your PcMars versions are the same!

Conclusion

We hope that this booklet was informative enough for you to gain some new insights on how to do some of the more difficult entries. Keep in mind that when it comes to Windows programs, there is always more than one way to get the job done. We have tried to help standardize some of these techniques to make it easier for everyone. Please do not hesitate to take advantage of our technical support areas if you find that you need extra help. Here are the technical support areas available.

Software Support

Iowa Farm Business Accounting, Inc. will offer support to users who are utilizing the **most current version** of PcMars. There are three options where you can receive support information:

1. Internet Support — is available at pcmars.com.
2. E-mail Support — is available at support@pcmars.com
3. Phone Support — is available at 515-233-5802 (IFBA state office).

The e-mail or phone support will connect you with the Iowa Farm Business Association State Office. This will guarantee you an answer to your questions from an employee that has experience with the program.

Our PcMars Support Policy can be viewed at
http://www.iowafarmbusiness.org/PcMars/PcMars%20Support%20Policy.pdf

Closing Tips:

Right Mouse Click   If you "right" mouse click on a screen, it will bring up many short cut keys plus several other options to choose from depending on which screen you are in at the time. TRY IT!

"X" key   To clear check/deposit and move to next line, or hold down the "X" key to clear **ALL** checks/deposits on the reconcile screen

Ctrl "A"   To fill in "amount" box for check/deposit on the data entry screen **OR** click on **"Amount Left"** to fill out balance of check/deposit.

"F5" key   To bring up the calculator. When you click the green ✓ on the calculator, it will automatically paste your results to a numeric field.

"F1" key   When you have any PcMars screen open, it will bring up information about the screen you are in. This information is also found by clicking on the word "Help" above your icons or if you click on the ? button on your icon bar.

ALSO—   Use the "Tack Note" or the "Notepad" to remind you of questions you might have regarding certain transactions or any other additional detailed information you want to keep about your farming records.

INTRODUCTION
TO
PcMARS PLUS

If you want **more** from your PcMars, the PcMars Plus will add complete inventory tracking and enterprise allocation.

A simple explanation of the PcMars Plus is that it allows you to automatically increase/decrease inventory items (ie: corn, beans, hogs) on your net worth when entering your sales and purchases. You will be able to quickly assign FMV to your inventory to generate a complete updated net worth for any month. The inventory tracking option will allow you to track separate field production, planting, harvest dates and livestock production data.

The PcMars Plus also provides a simple tool to override "general" enterprise transaction allocations to corn, beans, hogs, etc. to easily generate complete enterprise reports.

Visit www.pcmars.com for detailed information and price on PcMars PLUS.