

## Building A Farm/Ranch Balance Sheet in Quicken Deluxe 2008

To develop a fairly complete picture of an individual business' financial situation, a cash flow statement, an income statement and two balance sheets (beginning and ending) are needed for an accounting period. The balance sheet shows what is owned and what is owed at a point in time. Since Quicken is a cash accounting program and not intended for accrual accounting, some effort is required to record capital sales and purchases, change in values of assets owned or liabilities owed, and change in inventory, all of which are essential to generate an accurate balance sheet. And, because Quicken is designed to record financial data and not physical data (e.g. number of head or bushels, weight and price per cwt of livestock sold), it may be more difficult to record and summarize unit information in a Quicken balance sheet than it would be in a spreadsheet or hand record system.<sup>1</sup>

The instructions that follow suggest one way of developing a balance sheet using market values for assets within Quicken.<sup>2</sup> You should:

- Inventory assets and liabilities
- Establish asset and liability accounts in Quicken with accurate beginning balances
- Adjust asset accounts to reflect:
  - Asset purchases and additions to assets
  - Asset sales
  - Changes in inventories
  - Changes in asset values
- Adjust liability accounts to reflect
  - Repayment of liabilities
  - Accrued expenses

Step-by-step instructions follow for entering data and making adjustments during or at the end of the year.

### ***1. Develop a complete inventory of farm/ranch assets and liabilities, documenting market value of the assets at a point in time***

OSU Fact Sheet AGECE-752 explains the development of a balance sheet and contains a worksheet which will help you develop an inventory list. Be sure your list of assets owned and liabilities owed is complete and as accurate as possible. Document sources for prices of assets (for example, local auction or trade magazine ad) and balances of liabilities (for example, loan

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<sup>1</sup> Integrated Farm Financial Statements (IFFS), an Excel spreadsheet-based program created at Oklahoma State University, is an alternative for creating balance sheets and other financial statements. IFFS is designed specifically for farm financial planning. While also lacking the ability to maintain a depreciation schedule, it has better features for maintaining and updating balance sheets and whole farm financial statements. Cash flow information from Quicken records can be imported into IFFS. For more information go to: [www.agecon.okstate.edu/iffs/](http://www.agecon.okstate.edu/iffs/)

<sup>4</sup> The Farm Financial Standards Council ([www.ffsc.org/](http://www.ffsc.org/)) recommends that both cost and market value of some assets should be documented in the balance sheet. In Quicken, you cannot record both cost and market values for an individual item in the same account (the investment accounts are an exception). Two separate asset account series would need to be developed to record both cost and market values.

statement from a lender). We will use the LOND08 sample file.

Click **File**

**Open** (or [Ctrl+O])

Select **C:\workshop files\LOND08**

## 2. *Import asset accounts*

To develop a balance sheet, you will first establish a variety of asset and liability accounts. The types of accounts in Quicken include:

- checking
- savings
- credit card
- cash
- brokerage
- IRA, SEP, Keogh
- 401(k), 403(b)
- single mutual fund
- house (with or without mortgage)
- vehicle (with or without loan)
- asset
- liability

Several accounts of one type can be developed, for instance, one liability account for each outstanding debt. A sample Quicken farm account list is included (page 124) and includes such things as accounts receivable, buildings and improvements, capital leases, purchased feed, market livestock and so on. In our sample list, the accounts are labeled with letters so that they are listed from most to least liquid, that is, accounts with items most easily converted to cash are listed first, the traditional order for balance sheet items.

*Note: Current assets are assets expected to be used up or sold in one year and are listed first. Examples include marketable securities, market livestock, and inventory. Non-current assets are ones that are used for longer periods of time in the farm operation. Examples include breeding livestock, machinery and equipment, vehicles, land, buildings and improvements. These designations were developed by the Farm Financial Standards Council. The account, h Other Farm Current Assets, is for farm current assets not included in other labeled lines. The account, r Other Farm Noncurrent Assets, is for non-current (both intermediate and fixed) farm assets. For additional information, see OSU Facts AGEC-751, "Developing a Cash Flow Plan"; AGEC-752, "Developing a Balance Sheet"; AGEC-753, "Developing an Income Statement"; AGEC-791, "Schedule of Assets"; and AGEC-792, "Liabilities Schedule." These can be found at [www.osuextra.com](http://www.osuextra.com).*

Click **File**  
**Import**  
**QIF file**

Complete the information as shown on the following screen:

The screenshot shows the 'QIF Import' dialog box. The title bar is blue with the text 'QIF Import' and a close button. The main area is light blue. At the top, there is a label 'Location of QIF File:' followed by a text box containing 'C:\workshop files\AssetAcct.QIF' and a 'Browse...' button. Below this is a horizontal line. The next section is 'Quicken account to import into:' with a dropdown menu showing '<All Accounts>'. To the right of this is a warning icon (a red triangle with an exclamation mark) and the text 'Don't see your account? QIF import is not available for checking, savings, credit cards, 401(k) and all other brokerage accounts. Why?'. Below this is another horizontal line. The 'Include in import:' section contains six checkboxes: 'Transactions' (unchecked), 'Account List' (checked), 'Category List' (unchecked), 'Memorized Payees' (unchecked), 'Special handling for transfers' (unchecked), and 'Security Lists' (unchecked). At the bottom, there are three buttons: 'Cancel', 'Help', and 'Next >'.

Click **Next**.

Quicken will give you a message verifying that items have been successfully imported.

Click **Done**.

Click **Tools, Account List** (or press [Ctrl+A] and scroll through the Asset Accounts list to verify that it contains the accounts **a Marketable Securities**, **b Raised Market Livestock**, etc. The accounts will be listed in the **Property and Debt Center** as well.

The account list can be modified easily. Let's say that you don't expect to use the *Capital Leases* account and want to delete that account from the list. In the Account List, click the account **n Capital Leases**. Click **Delete**, type **Yes** to confirm, and click **OK**.

### **3. Enter beginning balances in asset accounts**

The beginning balance in an asset account may be the sum of the market values of all assets in that group or an entry may be made for the beginning balance of each individual asset. The latter form ensures that you have a record of the values assigned to each item. Then, if an asset (for example, a disk harrow) is sold during the year, the harrow's market value is subtracted from the asset account so that the end-of-year balance sheet will be accurate.

Begin updating the beginning balances in the London's individual asset accounts. Double click on the account **b Raised Market Livestock**. On a blank transaction line, enter the value of raised market livestock on hand January 1:

Date: 1/1/08  
Ref:  
Payee: **Mixed stockers**  
Increase: **27000** (Be sure to [Tab] over to the **Increase** column.)  
Category: (make sure to remove the category if one appears)  
Memo: **45 hd @ 6 cwt @ \$100/cwt**

Press **Enter**.

*Note: If you want to change the order so that the memo appears before the category in the register, in the main menu line, click Edit, Preferences, Quicken Program, Register, in Register Fields: ✓Show Memo before Category, OK.*

You may get a message asking if you want to select a category. Select **Don't show this message again** at the bottom of the screen, and click **No**.

Now choose **c Purchased Market Livestock** from the account list at left. On a blank transaction line, enter the value of purchased market livestock on hand:

Date: 1/1/08  
Ref:  
Payee: **Stocker Steers**  
Increase: **74480** (Be sure to [Tab] over to the **Increase** column.)  
Memo: **112 hd @ 7 cwt @ \$95/cwt**  
Category:

*Note: If you want to later create a report listing number of head of livestock, you must be consistent in the use of labels in the memo field. For instance, you must always use head (or hd) for a filtered report to include this information.*

Press **Enter**.

If you purchase more than one lot of stockers, you may want to give different names to the lots in the **Payee** line. When you are finished entering values for purchased market livestock, choose **d Inventory** from the account bar. In this account, you will enter the value of stored crops, feed and supplies. For example, on a blank transaction line, enter

Date: 1/1/08  
Ref:  
Payee: **Stored Wheat**  
Increase: **3843.75** (Be sure to [Tab] over to the **Increase** column.)  
Memo: **1025 bu @ \$3.75/bu**  
Category:

Press **Enter**.

Values for growing crops should include expenses incurred to date in the production of the crop. Choose **g Growing Crops** from the account bar. On a blank transaction line, enter

Date: 1/1/08  
Ref:  
Payee: **Wheat**  
Increase: **27000**  
Memo: **450 acres @ \$60/a**  
Category:

Press **Enter**.

As with the market livestock accounts, two accounts are included for breeding livestock, one account used for raised and one for purchased. Here the market value of *raised breeding livestock*-cows, sows, replacement heifers or gilts, boars and bulls-is recorded. For example, select **j Raised Breeding Livestock** from the account list. Enter

Date: 1/1/08  
Ref:  
Payee: **5-Year-Old Cows**  
Increase: **165000**  
Memo: **15 @ \$1100 ea**  
Category:

Press **Enter**.

*Note: You may add additional accounts if you have several livestock enterprises and want to maintain separate accounts for different species.*

Select **k Purchased Breeding Livestock** from the account list. Enter the values of purchased breeding livestock--purchased cows or sows, replacement heifers or gilts, herd bulls or boars. For example, on a blank transaction line, enter

Date: 1/1/08  
Ref:  
Payee: **OBI Herd Bull**  
Increase: **4500**  
Memo: **3 year old @ \$4500**  
Category:

Press **Enter**.

Select **I Machinery-Equipment** from the account list. Enter market values for each piece of owned machinery and equipment.

Date: 1/1/08  
Ref:  
Payee: **1994 Allis Tractor**  
Increase: **65000**

Memo:  
Category:

Press **Enter**.

Date: **1/1/08**  
Ref:  
Payee: **1993 Disk**  
Increase: **500**  
Memo:  
Category:

Press **Enter**.

Select **p Land** from the account list. Record market values for each piece of land owned.

Date: **1/1/08**  
Ref:  
Payee: **Smith Place**  
Increase: **96000**  
Memo: **80 a. cropland @ \$1200/a.**  
Category:

Press **Enter**.

Select **q Buildings-Improvements** from the account list. On a blank transaction line, enter:

Date: **1/1/08**  
Ref:  
Payee: **Barns**  
Increase: **47000**  
Memo: **Home place**  
Category:

Press **Enter**.

Continue until all assets owned are listed in the appropriate accounts.

#### ***4. Recording the purchase of an asset.***

##### **Cash purchase**

Paying cash for the full purchase price of an asset results in the conversion of one asset, cash from either a cash account or bank account, into another. For example, let's say the Londons purchase a used pickup on January 12 from My Town Motors using money in their checking account.

Select the **Checking** account from the account list (or press [**Ctrl+A**], highlight the checking account name and press [**Enter**]). In the check register, type:

Date: **1/12/08**  
Num: **3414**  
Payee: **My Town Motors**  
Payment: **9000**  
Memo: **2003 Ford Ranger**  
Category: **[m Vehicles]** (or press [**Ctrl+C**] for the category list, scroll to the bottom and click **m Vehicles**)

*Note: The brackets around the "category" name indicate that an account, m Vehicles, is involved in the transaction as a transfer of funds.*

Click **Enter**.

To verify that the purchase price has been listed as an increase in value in the **m Vehicles** asset account, right-click the transaction and choose **Go to Matching Transfer** to switch to the asset account. Right-click on this entry and then choose **Go to Matching Transfer** again to return to the checking account.

### **Credit purchase**

When credit rather than cash is used to purchase an asset, the purchase will result in an increase in a liability account equal to the increase in an asset account. If the Londons purchase a chisel with financing from Yukon John Deere, a new liability account must be established and an increase in an existing equipment asset account (in our list, *l Machinery-Equipment*) must be recorded.

Setting up a loan is an activity facilitated by Quicken. Information is entered about the amount borrowed, payment period, interest rate, etc. Loan payments are then recorded using a split transaction with one line for principal and another for interest. The principal payment amount is automatically applied to the loan balance when the appropriate loan liability account is listed as the category for the principal payment.

Let's practice recording a credit purchase for the Londons. The Londons are buying a new John Deere chisel for \$11,000 and repaying the loan over 3 years with semi-annual payments at 9.75% interest. Begin by setting up the liability account. From the main menu, click:

### **Property & Debt**

**Loans** (or press [**Ctrl+H**])

**New** (located in upper left hand corner of View Loans window)

If you have not been through the Loan Setup series before, you may want to go through step-by-step using EasyStep. A shortcut is to begin with the summary screen, which is what we

will do. Click the **Summary** tab and enter the appropriate responses:

The screenshot shows the 'Loan Setup' dialog box with the 'Summary' tab selected. The 'Loan Type' section has 'Borrow Money' selected. The 'Account' section has 'New Account' selected with 'JD Chisel' entered in the text box, and 'Existing Account' with a dropdown menu showing 'aa Accounts Payable'. The 'Have Any Payments Been Made?' section has 'No' selected. At the bottom, there are buttons for 'Cancel', 'Back', and 'Next'.

Click **Next**.

The screenshot shows the 'Loan Setup' dialog box with the 'Summary' tab selected. The 'Loan Information' section includes 'Opening Date' (1/12/2008), 'Original Balance' (11,000.00), 'Original Length' (3 Years), and 'Compounding Period' (Semi-Annually). The 'Payment Period' section has 'Standard Period' selected with 'Semi-Annually' in the dropdown menu, and 'Other Period' with a disabled 'Payments per Year' field. At the bottom, there are buttons for 'Cancel', 'Back', and 'Next'.

Click **Next**.



The screenshot shows the 'Loan Setup' dialog box with the 'Summary' tab selected. The 'Balloon Information' section has 'No Balloon Payment' selected. The 'Payment' section has 'Calculate' selected. The 'Interest Rate' is 9.750%. The 'Done' button is highlighted with a dashed border.

Click **Done**.

You will get a message that Quicken has estimated the amount of the next payment for this loan.

Click **OK**.

The calculated payment amount is **\$2,158.54**.

Click **Done**.

Now that the loan repayment terms have been specified, you need to indicate how the payments will be made. Type in the payee, select the category Interest Expense, add the subcategory (Farm Interest Other) and add the Overhead tag for interest.

**Set Up Loan Payment**

Payment

Current Interest Rate: 9.750%

Principal and Interest: 2,158.54

Other amounts in payment: 0.00 **Edit...**

Full Payment: 2,158.54

Address...

Transaction

Type: Payment **Payment Method...**

Payee: Yukon John Deere

Memo: JD Chisel

Next Payment Date: 7/12/2008

Category for Interest: rest Expense:Farm Interest Other/Overhead

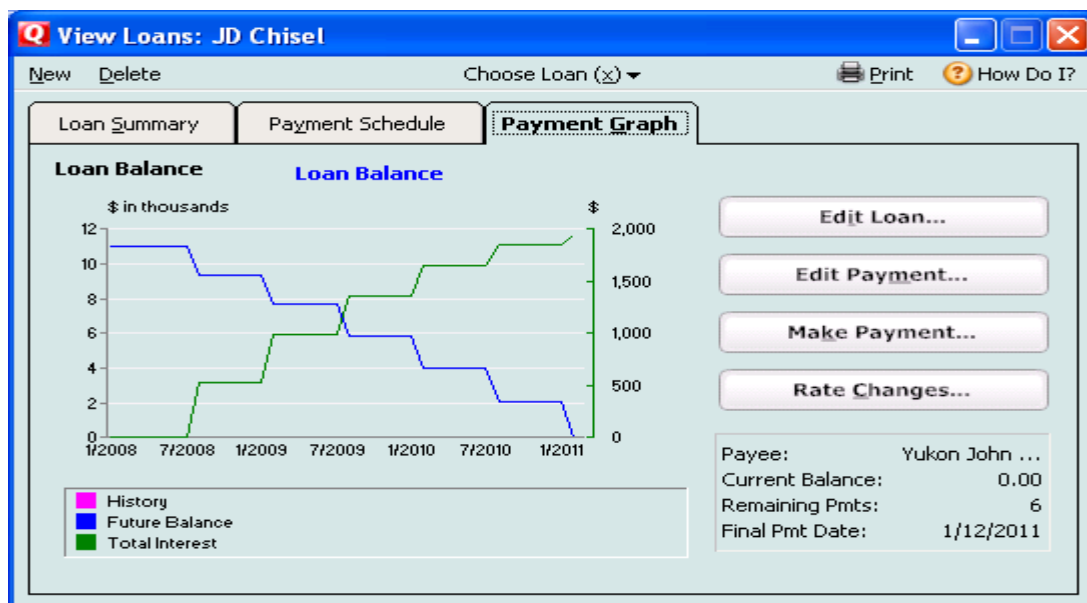
Show as a bill

**OK** **Cancel**

Because there is no tag field, you can use a technique from previous versions (add a / and the tag name) to add the tag or later add it. Once the data entry is complete, click **OK**.

A screen will appear asking if you would like to create a new asset account to go along with this loan. We have an existing asset account for machinery and equipment assets so we will choose **No**.

Now a loan summary screen appears. Click on **Payment Schedule** to view the schedule of principal and interest payments as well as the balance remaining. Click **Payment Graph** to see another view of the repayment plan:



Click **X** at the top right of the View Loans window to leave the loan setup process.

Now, since the Londons own more assets (title has changed hands even though the equipment has been purchased with credit), the balance in the machinery and equipment account needs to be updated. Click **I Machinery-Equipment** (*press [Ctrl+A] if necessary to get the account list*) and enter

Date: **1/13/08**  
Ref:  
Payee: **John Deere Chisel**  
Increase: **11000**  
Memo:  
Category:

Press **Enter**.

If an asset is purchased partly with cash and partly with credit, entries similar to both of the previous sections are required. You will:

- a. Record the cash portion as a down payment with the asset account as the category
- b. Set up a loan for the remaining balance
- c. Record the loan amount as an increase in the asset account value

### ***5. Recording additions to capital assets***

Improvements on capital assets such as terracing or major renovations or repairs to buildings would be handled in the same way as the purchase of an asset. What about additions to capital assets? Let's say that the Londons build an addition onto an existing barn. Cash expenses are recorded in the cash or checking account as appropriate.

Click **Checking** in the account list. On a blank transaction line, enter

Date: **2/15/08**  
Num: **3598**  
Payee: **Nutherlands**  
Payment: **984.33**  
Memo: **Barn addition materials**  
Category: **[q Buildings-Improvements]** (*The brackets around the name indicate a transfer to an account.*)

Press **Enter**.

### ***6. Recording the sale of an asset***

Cash received for the sale of an asset is recorded in the checking or cash account register as

appropriate. A second entry should be made to remove the value of the asset sold from the appropriate asset account. Procedures for recording sales of capital assets will differ slightly from those of current assets such as market livestock.

For example, on March 21, 108 of the 112 purchased stocker steers were sold and the cash deposited in the checking account (four head died-we'll deal with them later). On a blank transaction line in the checking account register, enter

Date: **3/21/08**  
Num: **DEP**  
Payee: **Fred Feedlot**  
Deposit: **82620**  
Memo: **108 hd @ 8.5 cwt @ \$90/cwt**  
Category: **Livestock Resale:Stocker Steers**  
Tag: **Stockers**

Press **Enter**.

Choose the **c Purchased Market Livestock** account from the list and record the decrease in assets on hand. Subtract the per head market value used at the beginning of the year times the number of live head. (*Do not use the amount of cash deposited after the sale*).

Date: **3/21/08**  
Ref:  
Payee: **Stocker Steers**  
Decrease: **71820**  
Memo: **108 hd @ 7 cwt @ \$95/cwt**  
Category:

Press **Enter**.

We will use a separate income category for proceeds from sales of capital assets (it can be set up "on the fly" if necessary). This is important so that the total amount is in a separate line in the cash flow statement and can be analyzed separately for tax purposes. Remember that not all income from the sale of capital assets is taxable (check with a tax consultant for details).

*Note: No tax schedule is selected since only capital gains or losses are reported for tax purposes. The total sales value will be used to calculate the gains or losses to be reported on Schedule D. However, the Tax-related box should be selected on the Capital Sales category so that transactions with this category will appear in a tax summary report.*

Now, let's say that a used tandem disk was sold for cash on July 31. Two entries would be made: one to record the deposit in the checking account with the proceeds assigned to the capital sales category and a second to reflect the decrease in the value of assets owned.

Click **Checking** on the account list. On a blank transaction line, enter

Date: **7/31/08**  
Num:  
Payee: **Tom Jones**  
Deposit: **600**  
Memo: **1993 Disk**  
Category: **Capital Sales**  
Tag: **Overhead**  
Press **Enter**.

Now choose **l Machinery-Equipment** from the account list. On a blank transaction line, enter

Date: **7/1/08**  
Ref:  
Payee: **1993 Disk**  
Decrease: **500** (This is the value entered at the beginning of the year, not the amount for which the asset was sold.)  
Memo:  
Category:

Press **Enter**.

## **7. Recording changes in inventory**

To generate an accurate balance sheet on a specific date, each asset account must be updated to reflect changes in inventory including both physical quantities and changes in values of the existing quantities. Let's say the Londons used 500 bushels of their stored wheat for feed. It is now the end of the year and they want to update the balance in the **d Inventory** account.

Click **d Inventory** in the account list.

Date: **12/31/08**  
Ref:  
Payee: **Stored wheat**  
Decrease: **1550**  
Memo: **500 bu @ \$3.75/bu used for feed** (*Use the price at which the inventory was valued in the beginning inventory, not the current market price.*)  
Category:

Press **Enter**.

What about those four purchased stockers that died before being sold? Click **c Purchased Market Livestock** in the account list.

Date: **3/1/08**  
Ref:  
Payee: **Stocker Steers**

Decrease: **2660**  
Memo: **Died: 4 hd @ 7 cwt @ \$95/cwt** (Again, note that we used the per head value used in the beginning balance, not the current market weight or price.)  
Category:

Press **Enter**.

Aunt Minnie purchased and gifted the Londons two bred heifers for Jack's birthday on October 24. From the account list, click **k Purchased Breeding Livestock**.<sup>3</sup>

Date: **10/24/08**  
Ref:  
Payee: **Bred heifers**  
Increase: **2400**  
Memo: **2 hd @ \$1200/hd, Aunt Minnie**  
Category:

Press **Enter**.

### **8. Recording changes in values of assets**

At the end of an accounting period, the balance sheet may need to be updated to reflect changes in market values. For instance, if land values increased 3% during the year, an entry reflecting the inflation in value should be recorded. One transaction for price adjustments could be entered that reflects the total increase in value for all land or an adjustment could be entered for each piece of property:

Click **p Land** in the account list.

Date: **12/31/08**  
Ref:  
Payee: **Smith Place**  
Increase: **2880**  
Memo: **3% increase in land values**  
Category:

Press **Enter**.

Repeat the process as necessary so that the total values reflect market conditions on the date that the balance sheet will be generated. The same process would be followed if the market price of an asset were to decrease during the year, only the dollar amount of change would be entered in the decrease rather than increase column.

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<sup>3</sup>Remember that these instructions are designed for a market-value balance sheet. Records for tax purposes are kept separately. For more information on estimating taxes, see OSU CR-954.

## 9. Recording a loan payment

Let's assume it is time to record a payment to Yukon John Deere for the chisel purchased.

Click **Property & Debt**

**Loans**

**Choose Loan [x] JD Chisel** (if you have more than one loan)

**Make Payment**

**Regular**

Enter the check number and any other information not already on screen.

**Make Regular Payment**

Account to use:  Type of Transaction:

Payee:  Address... Date:

Category:  Split... Amount:

Memo:  Number:

OK Cancel Help

Click **OK**.

Click **OK**.

Close the View Loans screen by clicking on the **X** in the upper right corner of that window.

In the checking account register, click the loan transaction you just recorded. You can view the amounts applied to principal and interest by clicking **Split** (or press **[Ctrl+S]**).

You will see that Quicken has allocated the appropriate amounts of the fixed total payment to principal in the liability account (\$1,622.29) and interest (\$536.25).

To verify that the principal payment has been subtracted from the outstanding balance of the John Deere Chisel note, highlight [JD Chisel] and then **right-click** and select **Go to Matching Transfer**.

*Note: If you get a message that the transaction is not a transfer, then you have not yet recorded the payment to Yukon John Deere in the checking account. Return to the transaction in the checking register and click Enter (or press [Ctrl+Enter]), then right-click and select Go to Matching Transfer again.*

Note the account name, **Liability: JD Chisel**, across the top of the window. The principal portion of the payment from the checking account has automatically been applied to the loan balance using the category information. Thus, the remaining balance has been reduced from the opening amount to reflect the principal payment. With the cursor on the Yukon John Deere transaction, right-click and select **Go to Matching Transfer** to return to the checking account transactions journal.

Click **OK** to leave the Split Transaction screen.

*Note: You can check your loan balances at any time by looking at the account list (choose Tools, Account List from the main menu), or by choosing Reports, Net Worth & Balances, Account Balances.*

### 10. Estimating and recording accrued expenses

For the liability section of the balance sheet to accurately portray the financial position of the business, expenses that have been incurred but not yet paid are included. The biggest potential liabilities are interest on loans (lines of credit, operating notes, real estate notes) and taxes (ad valorem, income tax, and payroll). Here we will focus on the accrued interest liability using the London's chisel loan as an example. The Londons plan to generate a balance sheet at the end of the year and want to know what amount they should include for accrued interest on the chisel loan. Recall that \$11,000 was borrowed on January 12 at 9.75% interest and that the first semi-annual payment was made on July 12. The principal portion of that payment was \$1,622.29 reducing the balance of the loan to \$9,377.71. The formula for calculating interest accrued is

$$\begin{array}{ccccccc} \text{Loan} & & & & \text{Annual} & & \\ \text{Balance} & \times & \text{Fraction of year for which} & \times & \text{interest} & = & \text{Accrued} \\ & & \text{the balance is outstanding} & & \text{rate} & & \text{interest} \end{array}$$

Thus, the accrued interest on December 31 for the London chisel loan is approximately

$$\$9,377.71 \times \frac{5.5 \text{ months}}{12 \text{ months}} \times 9.75\% = \$419.07$$

To record the accrued interest for non-real estate in Quicken, choose **cc Accrued Interest-Nonreal Estate** from the account list. On a blank transaction line, enter the accrued amount:

Date: **12/31/08**  
 Ref:  
 Payee: **Accrued interest-JD Chisel**  
 Increase: **419.07**  
 Memo:  
 Category:

Press **Enter**.

Similar calculations and entries should be made for each outstanding loan.



## ***11. Generating a balance sheet report***

Once all assets and liabilities are recorded, generate a balance sheet by clicking

**Reports**  
**Net Worth and Balances**  
**Net Worth**

Change the date range to **Custom Date** and the dates to **1/1/07** and **12/31/07**.

Click **OK**.

If you like the format of this report and think that you might want to reuse it later, you may want to memorize it. Click the **Save Report** button. Name the report **London Balance Sheet**, and save in **Farm Reports**.

Click **OK**.

Click the **X** in the Balance Sheet window to close it.

### ***Backing up your data***

Quicken automatically saves data that you have entered in the file on which you have been working when you exit the program. However, you will want to regularly save a backup copy on a floppy disk or CD, as well. See the back up instructions at the beginning of this manual if you need assistance.

**CONGRATULATIONS! You've completed the introduction to building a balance sheet.**

## Accounts List

### Asset Accounts

a Marketable Securities	Marketable securities
b Raised Market Livestock	Raised market livestock
c Purchased Market Livestock	Purchased market livestock
d Inventory	Stored crops, feed, supplies
e Accounts Receivable	Accounts receivable
f Prepaid Expense	Prepaid expenses - insurance
g Growing Crops	Cash invested in growing crops
h Other Farm Current Assets	Other farm current assets
i Notes Receivable	Notes receivable
j Raised Breeding Livestock	Raised breeding livestock
k Purchased Breeding Livestock	Purchased breeding livestock
l Machinery-Equipment	Machinery & equipment
m Vehicles	Vehicles
n Capital Leases	Capital Leases
o Investment in Coops	Investment in coops
p Land	Land
q Buildings-Improvements	Buildings & improvements
r Other Farm Noncurrent Assets	Other farm noncurrent assets

### Liability Accounts

aa Accounts Payable	Accounts payable
bb Accrued Interest - Operating	Accrued Interest - operating note
cc Accrued Interest - Nonreal Estate	Accrued Interest - nonreal estate
dd Accrued Interest-Real Estate	Accrued Interest-real estate
ee Ad Valorem Tax Payable	Ad valorem tax payable
ff Income Tax Payable	Income tax payable
gg Payroll Taxes Payable	Payroll taxes payable
hh Accrued Expenses	Accrued expenses