
Budgets

Using Quicken to keep your farm records makes record keeping easier. It also allows you to make more use of your record data than you might with a hand-kept set of records. Using the budgeting feature in Quicken to create and monitor projected income and expenses allows you to use your computer records for more than just tax purposes. By creating budget projections and examining projected versus actual income and expenses on a monthly or quarterly basis, you will know how your business is doing financially and can quickly take needed corrective action. It is too late to take action if you wait until the end of the year to find out that your farm business did not do as well financially as you had planned.

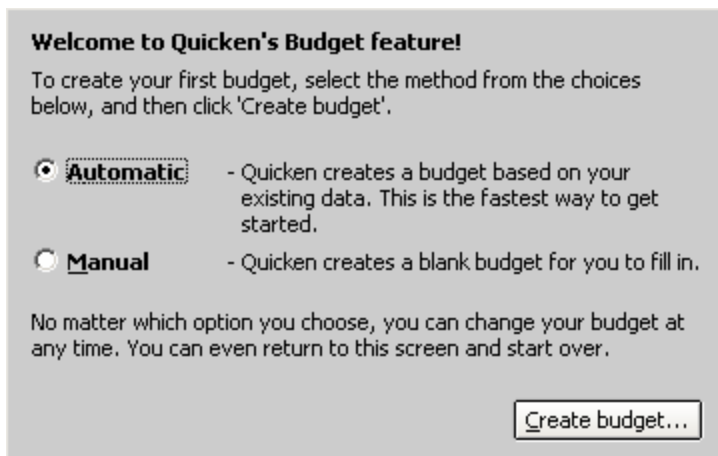
Budgets can be based on the previous year's income and expense records, but need to be adjusted for any changes in the operations and for price changes for products bought or sold.

Within Quicken, budgets can be created by the following three different methods:

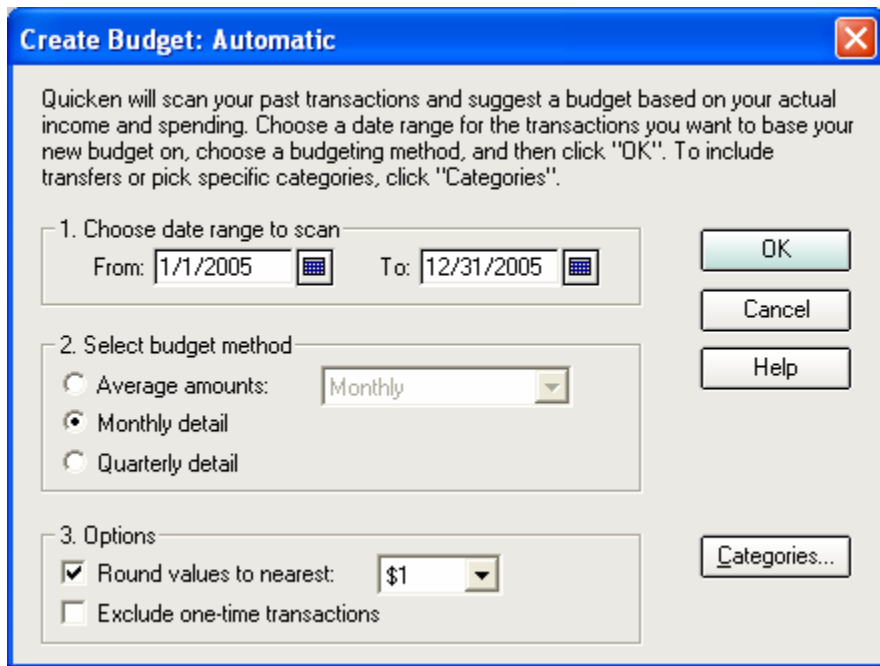
1. Automatic – Quicken creates a budget based on your existing data
 2. Manual – Quicken creates a blank budget for you to fill in
 3. Copy Current – Quicken copies your current budget for you to edit
- **NOTE**** This option is only available after you have created your first budget.

Creating Budgets

To create your first budget **Click Cash Flow** from the menu bar, **Click Budget** to open the *WELCOME TO QUICKEN'S BUDGETING FEATURE*.



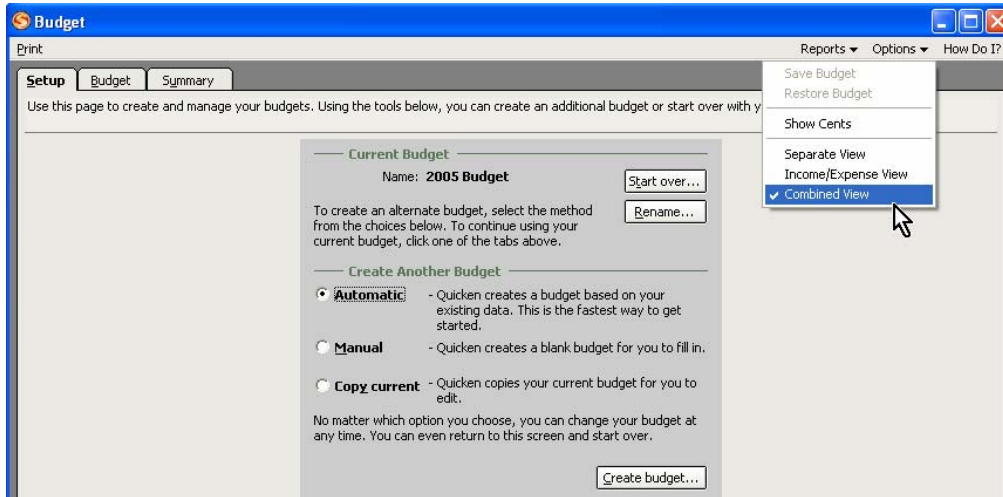
Click Automatic, Click Create budget. The *CREATE BUDGET: AUTOMATIC* window opens.



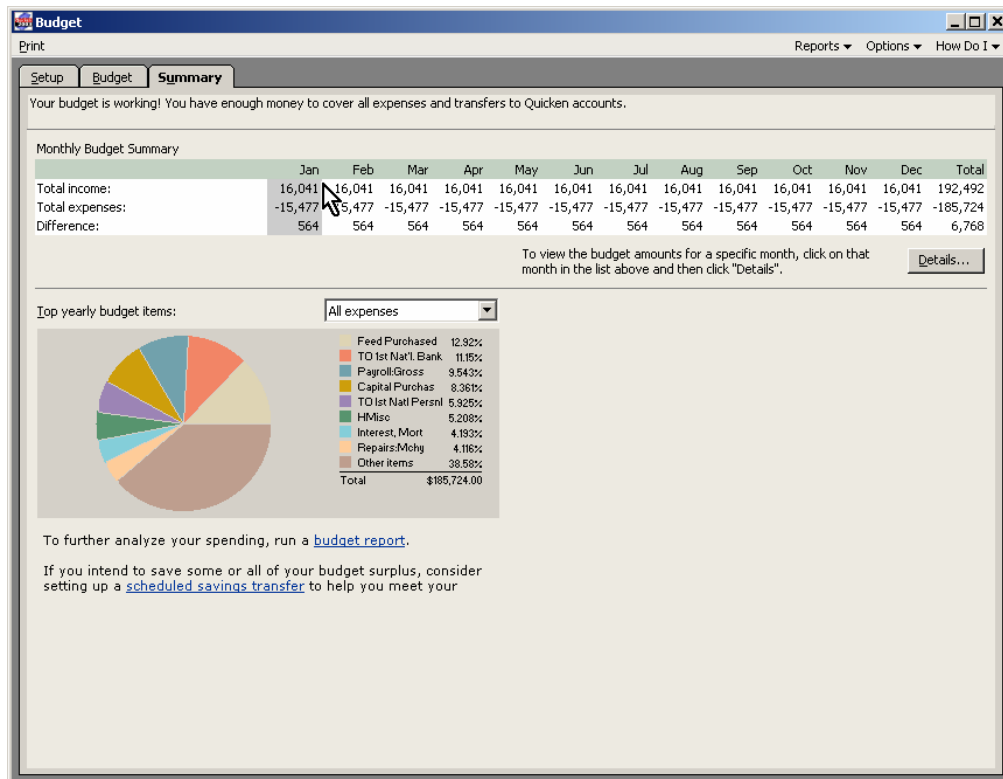
Set report date, Click Monthly detail, Click Categories, Click Mark all, Click OK, Click OK.

Click Setup tab, Click Rename, type budget name (i.e. 2005 Budget), Click OK.

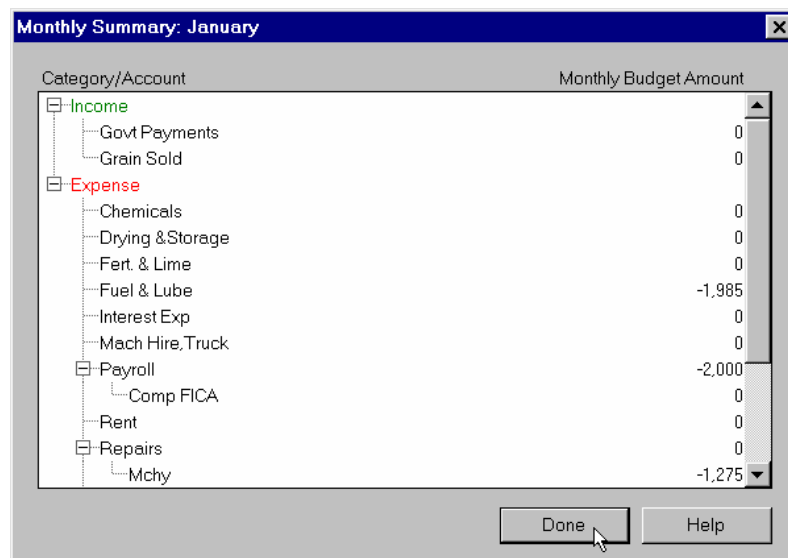
After your budget has been created, you can change the way it is displayed by **Clicking the Options button and selecting Separate View, Income/Expense View or Combined View.** We have chosen the combined view.



Click the Summary tab to view the Monthly Budget Summary. To view Monthly Detail click on the month in question, then **Click Details.**



The *MONTHLY SUMMARY* window opens.



When finished **Click Done.**

Editing Budgets

To make changes in any of the budgeted amounts **Click** the **Budget** tab in the *BUDGET* window and **Click** on the income or expense category you want to change. This will bring up the monthly amounts that are currently in the budget (remember we set the budget originally for monthly detail). Just point and **Click** on whatever month you want to change. After changing the monthly amount(s) for this category, **Click Apply** to save the change(s). Repeat this procedure for as many categories as needed to make your budget reflect the proper income and expense projections for the coming year.

Use this page to track your budget items, including income, regular expenditures, and transfers to Quicken accounts. To enter or edit a budget amount, select the item in the list and follow the steps at the right. To add or remove a budgeted item, click "Choose categories" below.

Category/Account	Budget / Period	Monthly average
Income		
Govt Payments	250 Monthly	250
Grain sold	1,682 Monthly	1,682
Inc, Int	7 Monthly	7
LS SOLD	0 Monthly	0
RBreedLT	524 Monthly	524
RMarket	181 Monthly	181
Milk Sold	9,392 Monthly	9,392
FROM 1st Nat'l. Bank	2,279 Monthly	2,279
FROM Payroll-FICA	179 Monthly	179
FROM Payroll-FWH	199 Monthly	199
FROM Payroll-MCARE	38 Monthly	38
FROM Payroll-SWVHOH	16 Monthly	16
FROM TruckLoan	837 Monthly	837
FROM UnloaderLoan	457 Monthly	457
Expense		
Capital Purchas	-1,294 Monthly	-1,294
Chemicals	-250 Monthly	-250
Comm & Mktg.	-3 Monthly	-3
Feed Purchased	-2,000 Monthly	-2,000
Fees	-295 Monthly	-295
Fert. & Lime	-487 Monthly	-487
Fuel & Lube	-374 Monthly	-374
HMisc	-806 Monthly	-806
Insurance	-225 Monthly	-225
Totals:		
Total income:		16,041
Total expenses:		-15,477
Difference:		564

Grain sold

1. Method

Average amount

Monthly detail

Quarterly detail

Apply

Cancel

2. Budget

Jan: 1,682.00 Jul: 1,682.00

Feb: 1,682.00 Aug: 1,682.00

Mar: 1,682.00 Sep: 1,682.00

Apr: 1,682.00 Oct: 1,682.00

May: 1,682.00 Nov: 1,682.00

Jun: 1,682.00 Dec: 1,682.00

Analyze...

Show category groups

Totals: Monthly

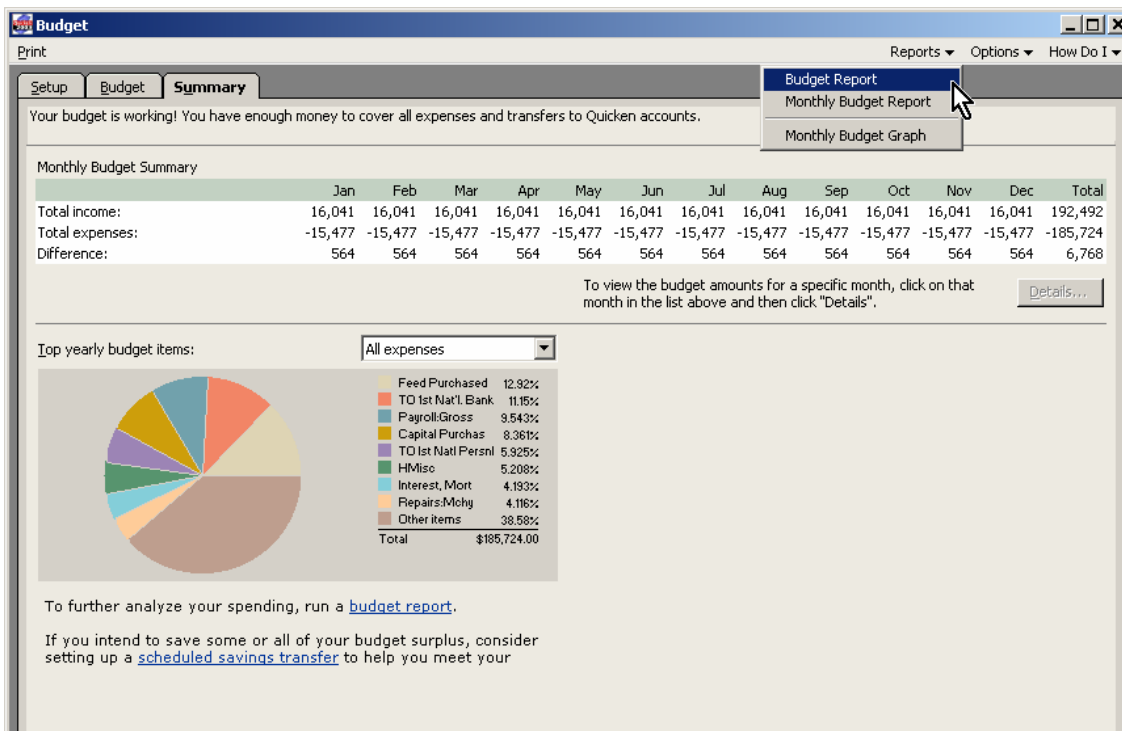
Choose categories...

Budget Report

This report compares the actual income and expenses to the budgeted income and expenses and uses the budget you have created in the first part of this section. With the budget reporting feature you can generate a comparison of actual vs. budgeted amounts for each month. By changing the beginning report date to January 1 and changing the ending date to the last day in the current month, you can create a year-to-date comparison of actual vs. budgeted amounts.

Creating a Budget Report

From the menu bar, **Click Cash Flow** and **Click Budget** to open the *BUDGET* window. **Click the Reports** button and **Click Budget Report**. Set the report date for either a monthly budget report or a year-to-date budget report. After creating each report, memorize that report by **Clicking the Save Report** button and naming one report Monthly Budget Report and the other report Year-To-Date Budget Report. Doing this will allow you to use the **Saved Reports** section of **Reports and Graphs** to bring up these reports. Then all you need to do is set the proper date range and **Click the Save Report** button to generate the correct report.



A sample year-to-date budget report is at the end of this section.

Year-To-Date Budget Report 1/1/2005 Through 12/31/2005

Category Description	1/1/2005 Actual	Budget	12/31/2005 Difference
INCOME			
Grain Sold	13,200.00	17,500.00	-4,300.00
Milk Sold	<u>7,950.00</u>	<u>7,500.00</u>	<u>450.00</u>
TOTAL INCOME	21,150.00	25,000.00	-3,850.00
EXPENSES			
Chemicals	900.00	3,000.00	2,100.00
Dues	70.50	75.00	4.50
Fertilizer	6,990.00	7,500.00	510.00
Fuel & Lube	1,357.00	2,557.00	1,200.00
Mach Hire, Truck	847.00	1,815.00	968.00
Repairs			
Mchy	478.43	1,000.00	521.57
TOTAL Repairs	478.43	1,000.00	521.57
Seed and Plants	<u>1,200.00</u>	<u>1,500.00</u>	<u>300.00</u>
TOTAL EXPENSES	11,842.93	17,447.00	5,604.07
OVERALL TOTAL	<u>9,307.07</u>	<u>7,553.00</u>	<u>1,754.07</u>

This page is left blank intentionally.