

Create a Budget that Automatically Budgets the Cash Account

Document #: 3105 Product: Center	erPoint [®] Accounting
----------------------------------	---------------------------------

CenterPoint Accounting has a variety of options available in budgeting. These tools can be used to create anything from a basic budget to a budget that does "if - then" computing. In this example, we'll be setting up a budget for revenue and expense accounts but also offsets to cash. This type of a budget will help you track your cash flow flow for the year and assist in planning the need for operating loans.

The budget screen displays three tabs. All budget amounts are entered in the Flow of Funds tab. The information from the Flow of Funds tab is also then displayed in the Balance Sheet and Income Statement tabs. In this example we are only budgeting for revenue & expense accounts, so the Balance Sheet tab will display actuals.

Creating a New Basic Budget Offset to Cash

- 1. Select Setup > Budgets.
- 2. On the Open a Budget screen, click **New**.
- 3. On the Budget Properties screen, enter a name used to identify the budget in the **Budget Name** field.

Q Budget Properti	es X
General Entry Mod	e
Budget Name	Basic Budget
Company	CenterPoint Farm
From	01/01/2018
To	12/31/2018
Balance From	December 2017 V
	Include Account Numbers
	Order By Account Name ~
	Set As Default
Imported Budgets	Budget Status
	Add Update Remove

- 4. In the From/To boxes, select the range of dates this budget is for.
- 5. The **Balance From** date should be the period prior to what was entered in the previous From box.
- 6. If you are using Account Numbers in your company/fund, select to Include Account Numbers.
- 7. If you chose to Include Account Numbers, in the **Order By** box, select the way you want the account numbers ordered, by **Account Name** or **AccountNumber**.
- If this is the only budget you will be creating for your company/fund, or this is the most commonly used budget for this company/fund, then select Set As Default. By selecting this option, any reports that use budget numbers will automatically use this budget.
- 9. Select the Entry Mode tab.

Q Budget Properties
General Entry Mode
Entry Mode
Default Entry Mode Journal Entry Offset to Cash
Bank Account State Bank Checking
Entry Defaults
Profit Center
Production Center
Production Series 0
Production Year 0
Project
OK Cancel 🕜

- 10. Within the **Default Entry Mode** box, select **Journal Entry Offset to Cash**.
- 11. Select the **Bank Account** (cash and line of credit accounts can be selected). When values are entered in the budget, the system will automatically create offsetting budget numbers for this account. For example, if you enter in \$3000 in an insurance expense account, the system will automatically assign a negative \$3000 budget number to this bank account.
- 12. If this budget is for a particular **Profit Center**, **Production Center**, etc., then select those options. Click **OK** to create the budget.
- 13. A blank budget screen will be displayed.

si	c Revenue & Expens	e Budge												
			02/01/11					Budget 07/01/11						Calculate
		01/31/11	02/28/11	03/31/11	04/30/11	05/31/11	06/30/11	07/31/11	08/31/11	09/30/11	10/31/11	11/30/11	12/31/11	Tota
	evenue													
	Resale of Purchased Livestock													
	Purchased Market Cattle Sales	0		0	0	0	0	0	0	0	0	0	0	
	Resale of Purchased Livestock Total	0	0	0	0	0	0	0	0	0	0	0	0	
	Sales of Depreciable Livestock													
	Purchased Breeding Cattle Sale	0		0	0	0	0	0	0	0	0	0	0	
	Raised Breeding Cattle Sales	0		0	0	0	0	0	0	0	0	0	0	
	Sales of Depreciable Livestock Total	0	0	0	0	0	0	0	0	0	0	0	0	
•	Sales of Raised Livestock													
	Hay Sales	0	0	0	0	0	0	0	0	0	0	0	0	
	Raised Market Cattle Sales	0	0	0	0	0	0	0	0	0	0	0	0	
	Sales of Raised Livestock Total	0	0	0	0	0	0	0	0	0	0	0	0	
e	Sales of Raised Crops													
	Com Sales													
	Com DP Charpes	0	0	0	0	0	0	0	0	0	0	0	0	
	Com Moisture Discounts	0	0	0	0	0	0	0	0	0	0	0	0	
	Com Quality Discounts	0	0	- 0	0	0	0	0	0	0	- 0	0	0	
	Com Sales	0	0	0	0	0	0	0	0	0	0	0	0	
	Premiums & Incentives	0	0	0	0	0	0	0	0	0	0	0	0	
	Corn Sales Total	0		0	0	0	0	0	0	0	0	0	0	
	Internal Crop Sales	0	0	0	0	0	0	0	0	0	0	0	0	
	Sovbean Sales	0	0	0	0	0	0	0	0	0	0	0	0	
	SB Moisture Discounts	0	0	0	0	0	0	0	0	0	0	0	0	
	SB Quality Discounts	0		0	0	0	0	0	0	0	0	0	0	
	Sovbean DP Charges	0		0	0	0	0	0	0	0	0	0	0	
	Soybean Sales	0		0	0	0	0	0	0	0	0	0	0	
	Soybean Sales Total	0		0		0			0	0			0	
	Wheat Sales													
	Wheat Moisture Dscounts	0	0	0	0	0	0	0	0	0	0	0	0	
	Wheat Quality Discounts	0	0	0	0	0	0	0	0	0	0	0	0	
	Wheat Sales	0		0		0	0	0	0	0	0		0	
	Wheat Sales Total	0		0		0			0	0			0	
	Sales of Raised Crops Total	0	0	0	0	0	0	0	0	0	0	0	0	

- 14. By default the budget will be monthly. If you prefer to do a quarterly or annual budget, select **Format > Predefined Layouts** and choose the appropriate option.
- 15. Budget numbers can be added into the grid a number of ways:
 - Manually Add Values: To manually add numbers into the grid, simply click in the appropriate cell and enter the number.
 - To duplicate the same amount across a number of periods (for one account), select Edit > Adjustments.

Accounts	ite 🔻	▼ Period /	Current	Adjusted Amount	
		January 2011	\$ 0.00	10000.00	
Account Number		February 2011	\$ 0.00	\$ 10.000.00	
1.29.100	00-00-61/ FM/ Fall	March 2011	\$ 0.00	\$ 10.000.00	
1.29.110	00-00-61/ FM/ Spr	April 2011	\$ 0.00	\$ 10,000.00	
1.29.120	00-00-61/ MC/ Fall	May 2011	\$ 0.00	\$ 10,000.00	
1.29.130	00-00-61/MC/Spr	June 2011	\$ 0.00	\$ 10,000.00	
1.29.140	00-46-00/ FM/ Fall	July 2011	\$ 0.00	\$ 10,000.00	
1.29.150	00-46-00/ FM/ Spr				
1.29.160	00-46-00/ MC/ Fall	August 2011	\$ 0.00	\$ 10,000.00	
<			\$ 0.00	\$ 10,000.00	
Adjustment Detail		October 2011	\$ 0.00	\$ 10,000.00	
Apply all adjustments to Corn \ Emerald		November 2011	\$ 0.00	\$ 10,000.00	
		December 2011	\$ 0.00	\$ 10,000.00	
Adiustment Tvp	_				
Assign Amount	to Multiple Periods	• I			
From To 1/1/2	2011 to 12/31/2011	\sim			
Existing Da	ata Replace 🔻				
Amou	int \$10,000.00				
		View Production	1		

- a. Select the appropriate account on the upper left side of the screen.
- b. If you want to apply the adjustment to the budget properties set for the budget, select the **Apply all adjustments to [xxxx]** check box where [xxxx] is the name of the current entry default values as displayed at the top of the budget screen.
- c. In the Adjustment Type field, select Assign Amounts to Multiple Periods.
- d. Select the periods in **From To**.
- e. Specify the **Amount**.
- f. Click on **Perform Adjustment** to duplicate that amount in each period selected for this account. To accept the values, click **Save**.
- To distribute an annual amount equally across a number of periods (for one account), select Edit > Adjustments. The process will be the same as above, but change the Adjustment Type to Allocate Amount to Multiple Periods and the Amount should be the annual amount.

Q Budget Adjustments				
Accounts <click filte="" here="" th="" to="" ▼<=""><th>Period /</th><th>Current Amount</th><th>Adjusted Amount</th><th></th></click>	Period /	Current Amount	Adjusted Amount	
Account Number Name 1.29.100 00-00-61/FM/ Fall Image: Control of the control	January 2011 February 2011 March 2011 April 2011 May 2011 June 2011 July 2011 August 2011 September 2011 November 2011 December 2011	\$ 0.00 \$ 0.00	E000000 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00 \$ 10,000,00	
Adjustment Type Allocate Amount to Multiple Periods From To 1/1/2011 to 12/31/2011 Existing Data Replace Amount \$120,000.00	View Production			
Perform Adjustment		Sav	e Apply	Cancel

Copy From Actual: If you would like to start with a budget that uses last years actual numbers as a basis, select Edit > Copy to Budget.

Source Properties		Destination Properties	
Source	Actual 👻	Period	January 2011 🔹
Budget	P	Existing Data	Replace 🔹
Period From	January 2010 🔹	Entry Mode	Open Entry
To	December 2010 -	Bank Account	P
Accounts	Production Services, Chemical		
Profit Centers	ALL	Copy Profit Centers	Copy Source Information -
Production Centers	ALL	Specific Profit Center	P
Proiects	ALL	Copy Production Centers	Copy Source Information
Production Years	ALL	Specific Production Center	Þ
Production Series	ALL	Copy Projects	Copy Source Information -
		Specific Project	P
		Copy Production Years	Copy Source Information -
		Specific Production Year	0
		Copy Production Series	Copy Source Information •
		Specific Production Series	0

- a. Select a **Source** of **Actual**.
- b. Select the prior year dates to copy from in the **Period From/To** fields.
- c. Select all the **Revenue & Expense** accounts in the Accounts field.
- d. Select the **Destination Properties** and specify if you want to add or replace the existing data, the type of entry mode, and how you want to handle copying (copy source information, do not copy leave blank, or assign a specific value).
- e. Click OK.
- Copy From Budget: If you'd like to start this budget with numbers copied from another budget (for example, last years budget numbers), use the same Edit > Copy to Budget process outlined above, but use a Source of Budget instead of Actual.

Source Properties		Destination Properties		
Source	Budget 👻	Period	January 2011 👻	
Budget	P	Existing Data	Replace 👻	
Period From	January 2010 👻	Entry Mode	Open Entry	-
To	December 2010 -	Bank Account		Þ
Accounts	Production Services, Chemical			
Profit Centers	ALL	Copy Profit Centers	Copy Source Information	•
Production Centers	ALL	Specific Profit Center		P
Projects	ALL	Copy Production Centers	Copy Source Information	•
Production Years	ALL 🖓	Specific Production Center		Þ
Production Series	ALL	Copy Projects	Copy Source Information	-
		Specific Project		Þ
		Copy Production Years	Copy Source Information	•
		Specific Production Year		
		Copy Production Series	Copy Source Information	•
		Specific Production Series	0	

16. When budget amounts are entered into any account, the system will create offsetting amounts in the bank account. For example, if \$3000 was entered in an insurance expense account, the system will automatically created another entry that deducts \$3000 from the Bank Account budget. Budget amounts entered into revenue/income accounts will increase the bank account budget. Amounts entered into expense or cost of goods sold accounts will decrease the bank account budget.

		Budgel
		01/01/11
		01/31/11
	Expenses	01/51/11
[Insurance Expense	
	6.08.200 - Health Insruance	3,000
	Insurance Expense Total	3,000
	Expenses Total	3,000
	Assets	
(🗉 Cash	
	1.01.200 - State Bank Checking	(3,000)
	Cash Total	(3,000)
-	Assets Total	(3,000)



Note: Refer to the main "Understanding & Using Budgets" document for additional information on how to change the display of rows, how to delete budget numbers, and a Frequently Asked Questions section.