

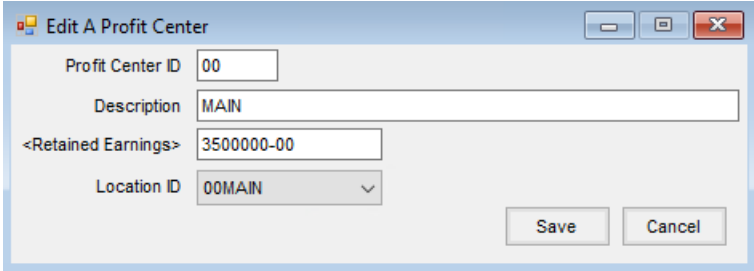
Profit Centers

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Profit Centers are used to track profitability of multiple enterprises within one company. This could be separate locations in the case of multiple plants or various enterprises at a single location (i.e. Feed/Grain vs. Fertilizer/Chemical).

Setup

The following window can be found by selecting **Add** or **Edit** at *Accounting / Setup / Profit Centers*.



The screenshot shows a software window titled "Edit A Profit Center". It has a standard Windows-style title bar with minimize, maximize, and close buttons. The window contains the following fields and controls:

- Profit Center ID:** A text box containing the value "00".
- Description:** A text box containing the value "MAIN".
- <Retained Earnings>:** A text box containing the value "3500000-00".
- Location ID:** A dropdown menu with "00MAIN" selected.
- Buttons:** "Save" and "Cancel" buttons are located at the bottom right of the window.

- **Profit Center ID** – Use up to four characters to define the *Profit Center ID*. It is suggested to use a numbering system like 01 for the primary enterprise, 02 for the secondary, etc. This number ID is then used as the suffix on corresponding general ledger accounts.
- **Description** – Describe this Profit Center.
- **Retained Earnings** – Double-click in this field and select the G/L account that represents the Retained Earnings account for this Profit Center. This defaults to the account set at *Setup / Preferences* on the G/L tab. All Profit Centers may be set to post to the same or individual Retained Earnings accounts at end of year.
- **Location ID** – Optionally select the location related to this Profit Center. The location is used to filter G/L accounts to make it easier to find the location's instance of a specific account.

Process

The home office can optionally organize their general ledger accounts in such a way that financial statements may be run by Profit Center or consolidated among Locations/Profit Centers.

1. Add a retained earnings account for each Profit Center in the general ledger.
2. Define each Profit Center at *Setup / Profit Centers*, choosing the corresponding Retained Earnings account and location.
Example: Adding an A/P bill and looking for the location's Shop expense.
3. Edit existing general ledger accounts or add new general ledger accounts, assigning each one to a Profit Center and making the *Account ID* reflect that Profit Center by using the corresponding Location number suffix (or -00 in the case of an overhead or balance sheet account that is not associated with a particular

Profit Center).

4. Run a G/L Chart of Accounts report. Review this report, verifying that all accounts are assigned to a Profit Center.