

Profit Centers

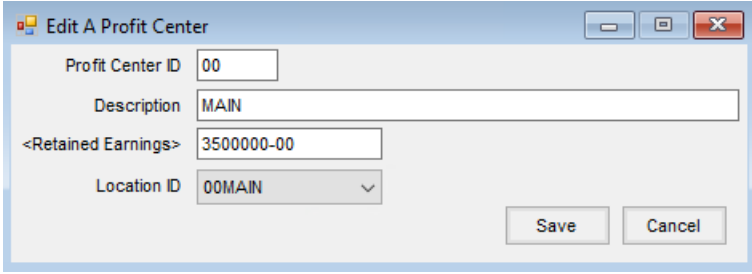
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Profit Centers are typically used to track profitability (Income Statements) of multiple enterprises within one company. This could be separate Locations in the case of multiple plants or various enterprises at a single Location (i.e. Feed/Grain vs.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

If running the Balance Sheet or Income Statement reports by Profit Center, changing the Profit Center on an existing General Ledger Account will show these reports out of balance.

Best practice is to add a new General Ledger Account and assign the correct Profit Center. Then, add a Journal Entry to move the balance from the existing GL Account to the new one.

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



The screenshot shows a window titled "Edit A Profit Center" with the following fields and values:

- Profit Center ID: 00
- Description: MAIN
- <Retained Earnings>: 3500000-00
- Location ID: 00MAIN (dropdown menu)

Buttons: Save, Cancel

- **Profit Center ID** – Use up to four characters to define the *Profit Center ID*. This ID often matches a portion of the General Ledger codes and will be discussed during implementation.
- **Description** – Describe this Profit Center using up to 30 characters. This will print on some reports like the Income Statement.
- **Retained Earnings** – This defaults to the account set at *Accounting / Setup / Preferences* on the G/L tab if it has been previously set up but can be changed by double-clicking in this field and selecting the G/L Account that represents the Retained Earnings account for this Profit Center. The Retained Earning account will often be the same for all Profit Centers.

Note: If setting up multiple companies in the same dataset, consult SSI Support to discuss the advantages/disadvantages before proceeding.

- **Location ID** – Optionally select the Location related to this Profit Center if applicable. The Location can be used to filter G/L Accounts to make it easier to find the Location's instance of a specific account like when adding an AP Bill and looking for the Location's Shop expense.

Note: A message stating *You may only select 0 rows* displays when selecting G/L Accounts if the *Profit Center Location Default* is set to *Current* in the User's setup at *Hub / Setup / Users* and the Location is not set on the Profit Center at *Accounting / Setup / Profit Centers*. Either set the Location on the Profit Center or change the

Profit Center Location Default to All.

With Profit Centers established and assigned on the General Ledger Accounts, the Chart of Accounts report can be run to review setup for accuracy, and financial statements can be run for individual or multiple Profit Centers.

Note: In order for the *Year to Date Profit or Loss* line on the Balance Sheet to calculate for a particular Profit Center, there must be at least one Income GL AND one Expense GL assigned to the Profit Center.