

ENTERING MILK INCOME VIA TRADING AND THE MILK SUPPLIER DEDUCTS PAYMENTS FROM THE MILK CHEQUE IN RESPECT OF PURCHASE WITH THE CO-OP

- Many farmer purchase goods on credit from the same Co-op that they supply their milk to.
- The farmer should keep 2 separate accounts with this Co-op, one for MILK and one for purchases.
- The monthly purchases should be entered in Trading batches as normal (either through file import, if trading with Glanbia, Kerry Agri business, Dairygold or Drinagh) or manually (at present) for any other co-op
- Sometimes payments are deducted directly from the milk cheque to Pay off against purchases accounts

The steps as to how to deal with this in Cashminder are set out below:

Let's demonstrate using an example:

A farmer has a lodgement in his bank account on 22/2/16 of €12,000 received from Dairygold Co-op. This is in respect of his January Milk Statement, with the following details:

Gross Milk:	€14,000
Levies:	(€500)
BVD:	(€250)
Amount deducted from milk cheque to pay for Dairygold purchases:	(€1,250)

- 1) Go into Trading, Batches, select New Manual and then Enter Records
Make sure you select Dairygold MILK account as the account you are entering records for. The default selection is the first business on your business list, in the example below that's Dairygold (purchases) so you need to click on arrow to get the dropdown menu, and select Dairygold MILK account

- 2) Enter the data per the milk statement, into the manual trading batch, starting with Gross milk income in the Money In column, with all deductions **EXCEPT** the payment to the Co-op for purchases, being entered in the money out column.

- 3) Before you exit this screen below, just note that €13,250 is the amount receivable for Jan 16 milk
- 4) You will need to allocate each line to the appropriate income and expense head by selecting allocate batch button below

Adding records to Trading Batch (Dairygold Milk)							Allocate Batch	← Back
Date	Description	Money Out	Money In	Status	balance (from 1 .			
31/01/2016	Dec milk	€0.00	€14,000.00	Saved - read only	€14,000.00	Delete		
31/01/2016	Levies	€500.00	€0.00	Saved - read only	€13,500.00	Delete		
31/01/2016	BVD	€250.00	€0.00	Saved - read only	€13,250.00	Delete		
31/01/2016		€0.00	€0.00			Delete		

- 5) Now you need to allocate the **lodgement** that came into the bank in February (by going into your Bank, Batches) relating to the milk statement above.
 - You need to split the transaction, as the €12,000 lodgement is effectively made up of €13,250 that you received in respect of Dairygold MILK income, and €1,250 is a payment (taken direct from milk cheque) in respect of your Dairygold purchases.
 - So allocate 13,250 To Pay/Receive from Trading & select Dairygold Milk as supplier
 - Then allocate 1,250 also to Pay/Receive from Trading & select Dairygold (purchases) account as business

Unsaved child record.								× Close
Date	Notes	Description	Allocation	Money Out	Money In	Pay To	Amount	
31/01/2016		Dairygold co-op	↑ Split	€0.00	€12,000.00	Business		
31/01/2016		Dairygold co-op	↑ Pay Trading	€0.00	€13,250.00	Dairygold Milk		
31/01/2016		Dairygold co-op	↑ Pay Trading	€1,250.00	€0.00	Dairygold		

One check to ensure all is in order, is to run your trading report for “Dairygold milk”.

Trading Summary		← Back
From Date	<input type="text" value="01/01/2016"/>	
To Date	<input type="text" value="31/12/2016"/>	
Trading Summary For	<input type="text" value="Dairygold Milk"/>	
		<input type="button" value="Trading Summary"/>

You will see below that the January milk is recorded, and the receipt the following month correctly clears the outstanding amount in full.

Trading Summary				Show Cash Payments			
From : 01-01-2016 To : 31-12-2016 Business : Dairygold Milk				(Movement : 0.00)			
Type	Date	Allocation	Description/Payee	Notes	Trading	Bank	Balance
Trading	31/01/2016	Unassigned Income	Dec milk		14,000.00		14,000.00
Trading	31/01/2016	Unassigned Expense	Levies		(500.00)		13,500.00
Trading	31/01/2016	Unassigned Expense	BVD		(250.00)		13,250.00
Bank	22/02/2016	Pay Trading	Dairygold Milk			13,250.00	0.00
Totals excluding Cash					13,250.00	13,250.00	
Total Payments including Cash						13,250.00	