

USER REFERENCE MANUAL  
**PC SOFTWARE ACCOUNTING, INC.**  
A GUIDE TO CLIENT WRITE-UP FOR WINDOWS®



**CLIENT WRITE-UP**  
*for* **Windows**®

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# Chapter 1

## Introduction and Installation

### Welcome to the Windows Client Write Up!

Thank you for choosing the **PC Software Windows Client Write Up System** for your client or company accounting needs. We appreciate your business and we are committed to doing our best to make you a satisfied user of this system. Our goal is to make this system as productive as possible for your firm both now and in the future.

The **PC Software Windows Client Write Up System** is a true windows system. Every line of programming code was specifically written for Windows. It is not a DOS system or a front ended DOS system. It was not written with a special compiler. It is a native mode (*Visual Basic 6*), 32bit *Windows System*, capable of taking full advantage of the *Windows Operating System* and the latest computer hardware technology.

There is also extensive online documentation built into the system. An index and search feature for help documentation is available and can be accessed by selecting any **Help** button and choosing the **Help Topics** tab on the resulting display.

### Our Recommendations:

We recommend you first install the enclosed **Windows Client Write Up System** using the CD ROM installation procedures found on page 1-5. Next, we recommend that you complete the **Practice Set** found in **Chapter 3**. The **Practice Set** is designed to help you learn the **PC Software Accounting Windows Client Write Up System** as quickly and as easily as possible.

### How to Use this Manual

This manual provides the information that you need to get started and be productive with the **Windows Client Write Up System**. The system is designed to maximize productivity and profitability and still produce the best results for your clients. The system is easy to understand, easy to use and very fast. We have tried our best to blend sophistication with simplicity.

This system has both online and written documentation. Online documentation is designed to provide the "quick answer" and to aid those who prefer online help. It is available on a field-by-field basis using the **F1** key and on a screen-by-screen basis using the **Help** button. Additional help can be accessed from the **Help** pull-down menu which contains a system overview, topical search, word search and a system practice set. The written documentation will assist you in two ways. The "big picture" sections will help you get focused and the detailed option-by-option discussions will finish the job. There are also sections on special topics like bank reconciliation and cost centers that present all the information on a particular topic of importance.

Of course, no software documentation can answer every question or anticipate every possible situation that the user might be facing. For this reason, customer support details can be accessed from the **Help** pull-down menu under "**Obtaining Technical Support**".

## **Organization of this Manual**

### **Chapter 1: Introduction and Installation**

This section provides a brief overview of the system to help you to get the most out of the manual. It also serves as a guide during the installation of the *Windows Client Write Up System*.

### **Chapter 2: System Overview**

This section provides a comprehensive view of the system. It highlights important features and it discusses the design and capabilities of the system.

### **Chapter 3: The Practice Set**

This section contains a practice exercise which introduces the major features of the *PC Software Accounting's Windows Client Write Up System*.

### **Chapter 4: File Menu**

This section provides an item by item description of the File pull down menu which provides access to client creation, copying, deletion and relocation options. Interfaces and conversions are also accessed from this menu.

### **Chapter 5: Setup Menu**

This section provides an item by item description of the Setup pull down menu which provides access to all the options that are used to initially setup clients

### **Chapter 6: The Transaction Menu**

This section provides an item by item description of the Transaction pull-down menu which provides access to the different types of transaction entry, various transaction editing procedures, and transaction utilities programs

### **Chapter 7: The Reports Menu**

This section provides an item by item description of the Reports pull down menu which provides access to the reporting functions of the system.

## **Chapter 8: The Utility Menu**

This section provides an item by item description of the Utility pull down menu which provides access to a variety of system utility programs and special function programs.

## **Chapter 9: The Windows and Help Menu**

This section provides an item by item description of the Windows and Help Menu which provides access to system information and the on-line help system

## **Chapter 10: Bank Reconciliation**

This section provides an exercise on bank reconciliation and associated information on this topic

## **Chapter 11: Cost Center Accounting**

This section provides an exercise on cost center accounting and associated information on this topic.

## **Chapter 12: Financial Statement Formatting**

This section provides information on how to format financial statements with the normal "easy setup" method.

## **Chapter 13: More about Payroll**

This section provides a general overview of the payroll system and helps the user to understand how to setup and use the after-the-fact payroll system.

## **Chapter 14: QuickBooks Interface.**

This section provides instructions for the QuickBooks interface.

## **Chapter 15: TaxWise Interface.**

This section provides instructions for the TaxWise Interface.

## **Chapter 16: Special Topics**

This section provides instructions on a variety of special topics such as disclaimer letters, password protection, the other programs pull-down menu, etc.

## **Chapter 17: The Flexible Report Writer**

This section provides instruction in the use of the flexible report writer.

## Chapter 18: Other Special Reporting Features

This section covers other advanced reporting capabilities

### Appendix

The appendix contains a brief discussion about "closing". It also has some helpful tips for individuals who have been running *DOS Systems*.

### Index

The index will assist both current and new users in finding the information needed to quickly learn the *Windows Client Write Up System*.

## Pictures and Print

### Screens

The *Windows* environment provides a graphical user interface, enabling the user to quickly navigate through programs in a more intuitive fashion than allowed by most *DOS* applications. Such navigation can be easily accomplished using either the mouse or the keyboard. In this manual, screens are shown to illustrate the operations under discussion, and descriptive captions and pointers are included where appropriate to call attention to specific areas of interest. Text items on menus and screens are printed in **boldface type** for clarity and emphasis.

### Icons



Throughout the manual, when an instruction refers to a graphical **icon** on a screen, a picture of that icon appears to the left of the paragraph in which it is discussed. To illustrate this, the **Activate Client Icon** is shown to the left.

### Using the Mouse

Menu options and items that you click with the mouse are shown in **bold**. The following terms are standard throughout the manual when describing mouse usage:

**Click:** Click the left mouse button once.

**Double-click:** Click the left mouse button twice, in rapid succession.

**Right-click:** Click the right mouse button once.

**Point to** or **Highlight:** Position the mouse pointer to an item or area on the screen. Depending on the item, *Windows* may highlight it automatically, or you may be further instructed to click on the item.

**Drag and Drop:** Position the mouse pointers to an item, then hold down the right mouse button and move the mouse to reposition the item, and then release the mouse button.

# Before You Begin

## System Requirements

It is important to note that this system requires a *Pentium* processor with **64** megabytes of ram memory, the *Windows 95, 98, 2000, ME, NT, XP, Vista or 7* operating system and a laser or inkjet printer. **If you do not have these required hardware and software items, you should not attempt to use this system.**

## Preparing for Installation

### Quit All Other Applications

The first step in installing the new system is to terminate any applications that are currently running on your computer. The **Install** procedure must process alone on the computer. This is important because other applications may interfere with the installation process. Another reason is that the last step in the installation might involve a reboot and there must not be any applications running if you are required to reboot.

### Determine if you are using a 64 Bit Version of Vista or Windows 7

If you are running either **Vista or Windows 7** you will need to determine what version of the operating system you are using. (32 bit or 64 bit). So left click on **Start** and right click on **Computer**. A menu will appear, left click on **Properties**. The View basic information about your computer screen will pop up. Scroll down until you find "**SystemType**". It will tell you what version of the Operating System you are running (32 bit or 64 bit).

## Installation Instructions

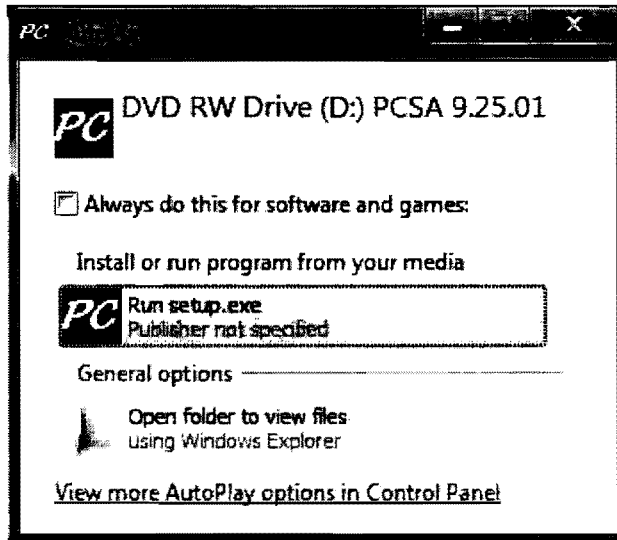
**Note:** If you have purchased the system and are installing it for the first time you will also need to obtain a license code called a Site Key from P.C. Software Accounting (800-237-9234.) Note that the system will work fine for 60 days without a site key in order to eliminate any time pressure in obtaining a license and also so that people can examine or review the "actual" system without being rushed.

It is strongly recommended that you install the CD to a **local hard drive** such as **C:** and to the **IPCSW** folder. (These are the defaults settings). However, during the installation process, the hard drive may be changed to a different local hard drive and the folder may be changed to a different folder if there is some reason that you wish to do this. Do not install to the root folder of a drive because as the folder fills up with files, the machine will get slower and slower when you access that folder. **Do not install the CD to a network drive** as the system is not designed to operate reliably from a network drive. However, the system is designed to access **data** from a network drive or from any local drive on your computer.

## Step 1A: Installing the Program on a 32 Bit Version of Windows.

If you need to install the program on a **64 bit** version of **Vista or Windows 7** skip to **Step 1B**, otherwise insert the CD-ROM, if you are running any version of **Windows** besides **Vista or Windows 7** then proceed to **Step 2**.

If you are using **Vista or Windows 7** are screen similar to the one shown below will appear.

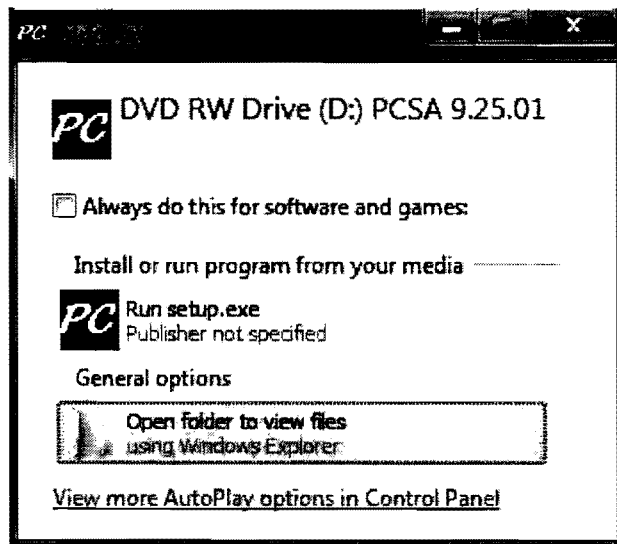


32 Bit Vista or Windows 7 install

Just click on "Run setup.exe" as shown and proceed to **Step 2**.

## Step 1B: Installing the Program on a 64 Bit Version of Windows.

Insert the CD-ROM. A screen similar to the one shown below will appear.



64 Bit Vista or Windows 7 install

You will want to take the second option "Open folder to view Files" as shown.

This will bring up the content on the CD. Open for the folder labeled **64 Bit** and double click on it. This will bring up the content of the folder. Double click on the **Setup Application file**. (Setup.exe). Continue to **Step 2**.

## Step 2: Windows Client Write Up Installation Screens

The first screen that will display is the **Welcome Screen**.

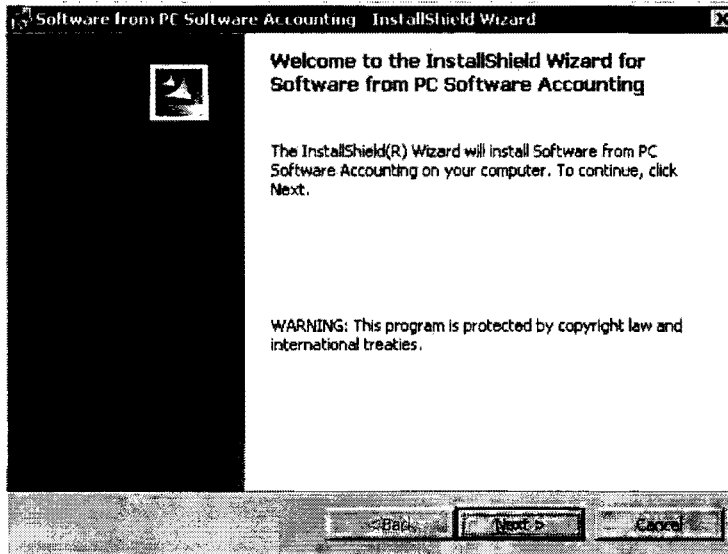


Figure 1-1: Welcome Screen

Click on the **Next** button to continue the installation.

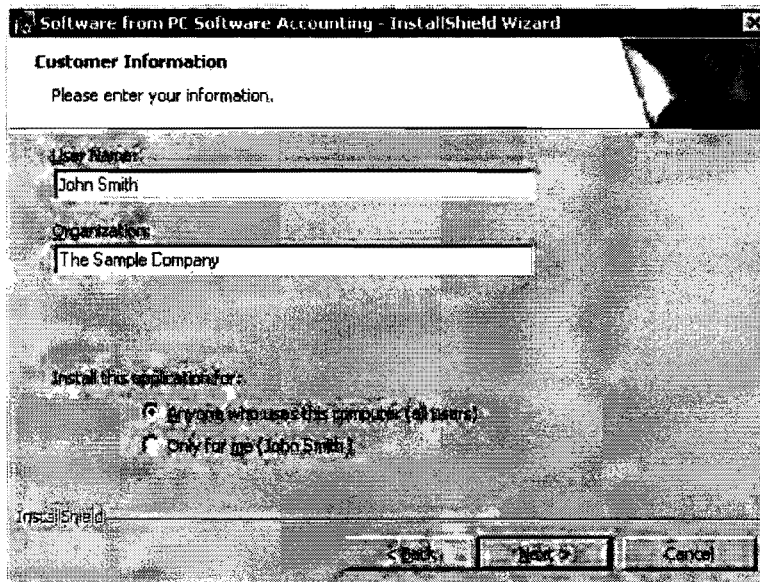
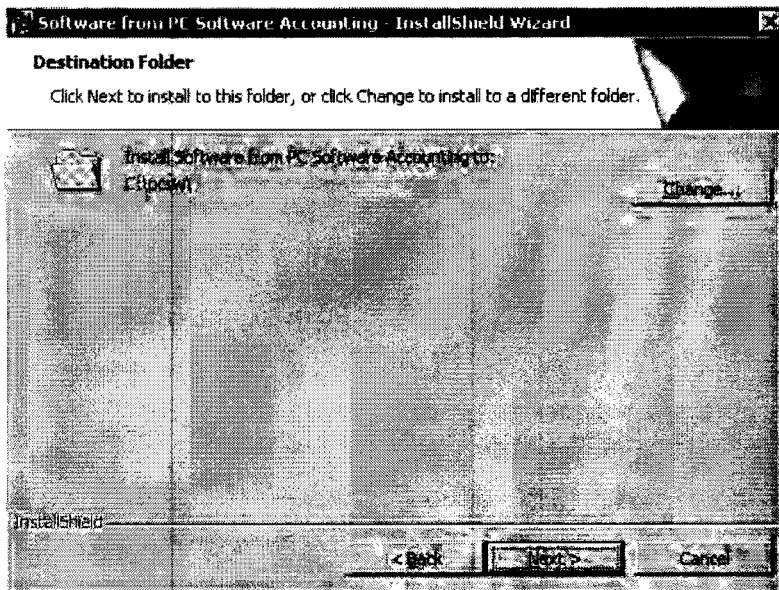


Figure 1-2: Enter your User Information on this screen

The **User Information Screen** will display. Key in your name and the name of your company and click on the **Next** button. The **Choose Destination Folder Screen** will appear:



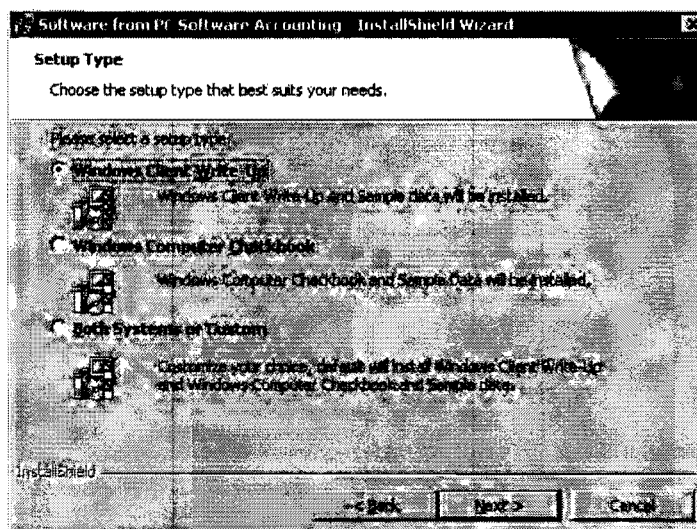
**Figure 1-3: Select the default folder, C:\ PCSW**

This is your chance to install the system in a different location other than **C:\PCSW** which is the default. It is strongly recommended that you install the system on the C-drive, because it has been our experience that the system will run faster and have fewer problems. If you wish to install the system in a different location, click on the **Change** button and do so.

Once you are satisfied with the system location, click on the **Next** button to continue the installation.

### Step 3: Selecting the System(s) to Install

The **Setup Type Selection Screen** will display:



**Figure 1-4: System Selection Screen**

This screen allows you to select the programs that you wish to install. Simply enable the *radio button* next the system that you want to install and then click the



**Next** button. If you want to install both the Client Write Up and the Computer Checkbook Systems enable the **Both Systems or Custom** radio button. If you select anything but the **Both Systems or Custom** installation please proceed to **Step 4**.

### Step 3B: Selecting Custom Installation

**Note:** The **Both Systems or Custom** option allows you to install **both** the *Client Write-Up* and *Computer Checkbook Systems* at the same time. It also allows you to skip installing the sample data or to install the files required for a **Novell Server**. The following screen shows the **Custom Setup Screen**.

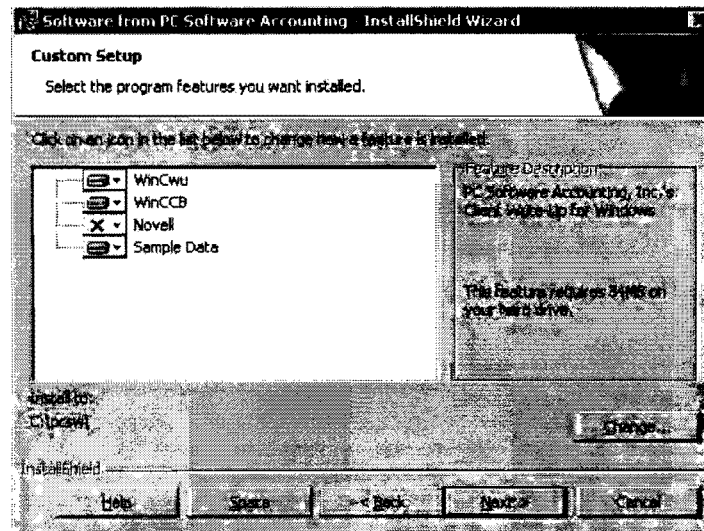


Figure 1-5: Custom Setup Screen

The installation process defaults to selecting to install the *Windows Client Write-Up*, *Windows Computer Checkbook Systems* and the *Sample Data* but not the special programs that are needed if you have a Novell Network. If you want to install both systems and the sample data which is the normal choice, just click on the **Next** button and go to **Step 4**.

If you desire to remove or add items to install click on the icon in front of the item. A menu will appear listing the various options. The only ones that you need to be concerned with are the following two options.

**This feature will be installed on local hard drive** - Selecting this option will install the corresponding system.

**This feature will not be available** - Selecting this option will cause the corresponding system not to be installed.

Select the desired system(s) that you wish to install and click **Next**.

## Step 4: Start Installing the System(s) to Your Computer

The **Ready to Install the Program Screen** will appear. Verify the information is correct. If anything needs to be changed click on the **Back** button and change what is incorrect and then proceed once again to this screen. If everything is satisfactory on this screen, click on the **Install** button.

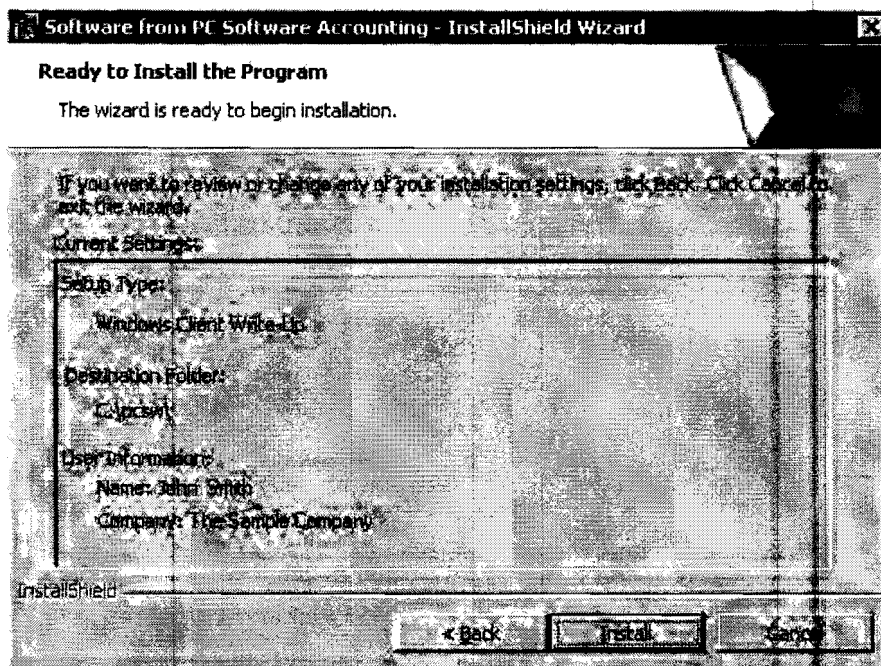


Figure 1-6: Verify the settings and continue on

The installation will proceed and display the following screen when it is complete:

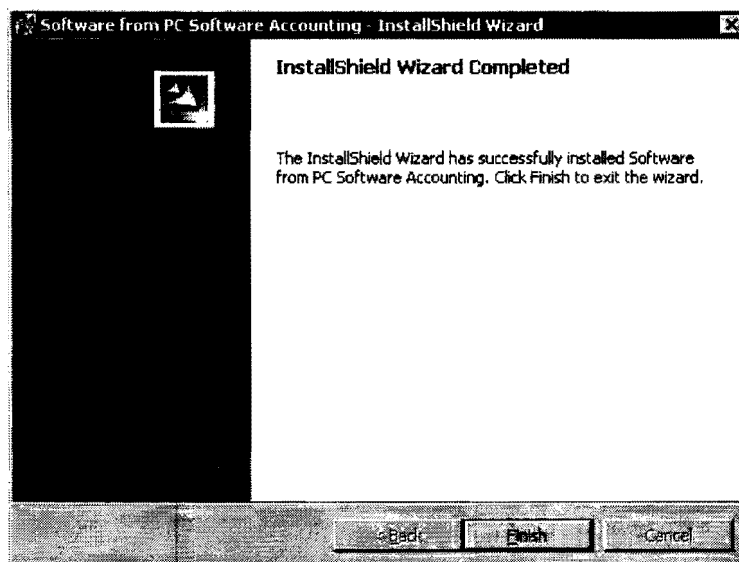


Figure 1-7: Click on the Finish button to complete the setup and restart the computer

It is recommended that you reboot your computer after installing the system(s). Once back to the *Windows Desktop* you will have the **PC Software Windows Client Write Up System Icon**, shown to the left, on your desktop.

**Note:** If you have any problems with the installation check the **Trouble Shooting** section located at the end of this chapter or call P.C. Software Accounting Inc at 800-237-9234 or your software vendor.

## Starting the System the First Time



Once the system is installed, start it by double clicking the **System Icon** on your desktop. A message will display showing the days left on the system, ignore this message and, after a short pause, the system will start. This standard message is part of the software security in the **Client Write Up System**. To eliminate the message and remove the restriction, call **PC Software Accounting** to receive an access code which will permanently authorize the system and the number of users desired. The system will work fine for the next 60 days, giving you plenty of time to make the call.

## Network Installation Issues

If you have workstations, you are not finished yet. You should run this same installation on each workstation, installing the system to a local drive. Once the installation has been completed on all the workstations, the system installation is complete. From each workstation, you should choose the **Setup** pull-down menu and then the **System** selection. Then choose the **Default Data Directory**. This is where you tell the system, where the client data for each workstation will be found.

You do this by selecting the drive and folder that you wish to use for this workstation which should be the network drive and folder. The system will remember your preference and always look for the data in the designated folder. Note that if you have also installed Computer Checkbook you should also designate a drive and folder for the Computer Checkbook. Generally you would also want to designate a drive and folder for your disclaimer letter also. The normal case is that all three of these drives and folders would be the same.

**Note For Networks:** *Microsoft* recommends that systems be installed on the local drive C of each computer including the server. Following this recommendation leads to faster and easier operation with fewer network problems. Only the system needs to be installed on each workstation. All data can be on the server or anywhere else you want it, and it can be easily and automatically accessed using the **Default Data Directory** which was discussed above.

## Trouble Shooting

### Windows 2000, NT, XP, Vista or Windows 7

After installing the system you may get one of two error messages; "**error sending licensing information over the network**" or "**ckserve not running**". If this happens, respond to the system by clicking **OK**. The system window should close automatically. Click on **Start, Run** and then key in **IPCSWNETFIX.BAT** and then click on **OK**. This should initiate a program which will run very fast. You might not

even be able to detect that it has run. However, when you activate the **Write Up System Icon** again, it should work. If it still does not work, then contact P.C. Software or your software vendor for support.

### **Please Insert the Disk 1**

If you get this message while trying to install click the **Cancel** button. A message will appear saying "**Are you sure you want to cancel?**", click the **Yes** button and then the **Finish** button. Reboot your computer and try the installation again.

### **Windows Installer**

**This installation package cannot be installed by the Windows Installer service. You must install a Windows service pack that contains a newer version of the Windows Installer service.** If you get this message while installing cancel out of the installation. Leave the CD-ROM in the drive and follow the steps below to install an updated *Windows Installer*.

1. Close all open programs
2. Click **Start** on the *Windows Task Bar*.
3. Click on **Run**.
4. **Browse** to the CD-ROM drive.
5. Double click on the **Utilities** folder to access its contents
6. Double click on the **Service Packs** folder to access its contents
7. Double click on the **Windows Installer** folder to access its contents.
8. Double click on the folder corresponding to the version of *Windows* you are running.

**Win2000 and WinNT** if running either *Windows 2000* to *Windows NT*.  
**Win9x and Win ME** if running *Windows 95*, *Windows 98* or *Windows ME*.

9. Double click on the file labeled **instmsi.exe**. This will install the updated *Windows Installer*.
10. When the update process is finished exit back to the *Windows Desktop*.
11. Restart the *Client Write-Up* installation.

# Chapter 2

## System Description

### An Overall Description of the P.C. Software Accounting Client Write Up System

#### Chapter Table of Contents

1)	System Overview .....	2.2
2)	Client Setup .....	2.7
3)	Operational Organization.....	2.12
	A) Focus on "The Chart of Accounts".....	2.12
	B) Focus on "The System" .....	2.16
	C) Focus on "Payroll" .....	2.18
4)	Transactional Entry and Balancing.....	2.22
5)	The Best in Reports and Features.....	2.30
6)	Some Evaluation Criteria .....	2.44

# System Overview

## Guide to this Chapter:

This chapter is designed to present an overall verbal and visual description of the P.C. Software Client Write-Up System. It is meant to be read from front to back but it can also be scanned for particular topics of concern. By reading it, you should be able to get a feel for the flow of the system and its application to your firm.

As you proceed through the chapter you should also note what is less obvious, but equally important, i.e. that with the P.C. Software Accounting Client Write Up System your accounting firm can not only produce the "best" for its clients but also maximize its productivity and hence its profitability. Why is this true? The answer is very straightforward. The system is easy-to-understand, easy-to-use and incredibly fast. In short, we have blended sophistication with simplicity. Welcome to the P.C. Software Accounting Client Write Up System.

## A Proven Windows System

The P.C. Software Write Up System is a field proven system that has been perfected over many years. It is a true 32bit Windows native mode system (Visual Basic 6.0) that was formally released in May, 1997 and that was itself based on a very successful DOS system that was an industry leader for many, many years. This Write Up System is a stand alone or networkable and is compatible with Windows 95,98,NT,2000,ME and XP.

## A Well-Designed and Powerful System

The P.C. Software Write Up System has great features. For example it is a perpetually open system that never closes! This means that you can run and rerun reports from any period at any time. The system includes fully integrated and sophisticated after-the-fact payroll and bank reconciliation sub-systems. There is also an optional check writing system that you or your clients can use. The system also interfaces with QuickBooks to allow the electronic transfer of data from the large numbers of accounting firm clients who use that family of programs. The system further interfaces with other accounting programs and spread sheet programs and features a superb interface with the TaxWise's Tax Preparation System. Reports can be printed or stored in a file in a PDF format.

# Organized for Productivity

Nothing is as frustrating to a computer user as attempting to figure out the “big picture” of a new software system. The PC Software Accounting System eliminates that frustration with its superb organization and operational design. It is simple in operation, organized by accounting task, and functionally programmed to take advantage of the latest Windows techniques. The System has user-friendly prompting, system help, innumerable “shortcuts”, intuitive icons, and advanced design features that greatly enhance productivity.

The setup of the system is straightforward and it is not unusual for the entire Write Up staff of an accounting firm to understand how to setup and run clients and how to use special features. Contrast this scenario with the environment found in some accounting firms who use other more complicated client write up systems. In those firms there is often a “computer expert” who must setup and change processing options for all the write up clients.

## System Structure and Work Flow

Our system is organized to parallel the accounting workflow of a write up client. The comparison is shown below:

Accounting Workflow	Computer Workflow
Initial Client Setup	The Setup Menu
Monthly Posting and Balancing	The Transaction Menu
Report Generation and Printing	The Report Menu
Interfaces to TaxWise, Computer Checkbook, Spread Sheets, QuickBooks™, etc.	The Files Menu
Special Data Manipulation	The Utility Menu
The Instruction Book	The Help Menu and Written Documentation Manuals

**Table 2 - 1:** Comparison of accounting and computer workflow.

Each task of the work flow is equally important to the successful completion of the accounting cycle and this system separates those tasks as individual entities to retain simplicity and ease-of-use for the non-accountant computer user. This approach maximizes productivity by using a structure of pull-down menus. Each pull-down menu corresponds to a part of the accounting workflow. The basic structure of the pull-down menus contains related sub-options that allow the user to process each client in a unique manner.

# Pull-Down Menus

The area of the screen below the top title bar is called the **Menu Bar**. It contains the menu titles of a series of pull-down menus which are displayed when you **click** on the menu title with the mouse. Major accounting firm tasks are organized by grouping them within these pull-down menus.



Figure 2-1: The Title and Menu Bars

## The Setup Menu

This menu contains all the procedures that are necessary to setup new clients, from the simplest to the most complex. The menu is oriented so that any client can be setup by completing the steps in succession. All basic information for a client is setup from this pull-down menu. The **Fiscal Year** and reporting periods are set. **Chart of Accounts** are entered or copied. **Initial Balances** are entered. Comparative and Budgeted information may be entered if desired. All basic payroll and reporting setup is done from the **Setup menu**. Special features such as cost centers, automatic inventories, automatic corporate tax calculations, and automatic general ledger transactions are setup here if applicable for the client. The System Printer **Setup** options are also controlled from this pull-down menu. Note that there is also a special feature in the system that is found on the file pulldown menu that allows any existing client to be "cloned" so that the setup for a new client can start with all the non-proprietary items for the cloned client. (i.e. chart of accounts and basic setup items but not federal or state IDs or any balances or transactions.) Cloning a client greatly speeds up the setup time for a client.

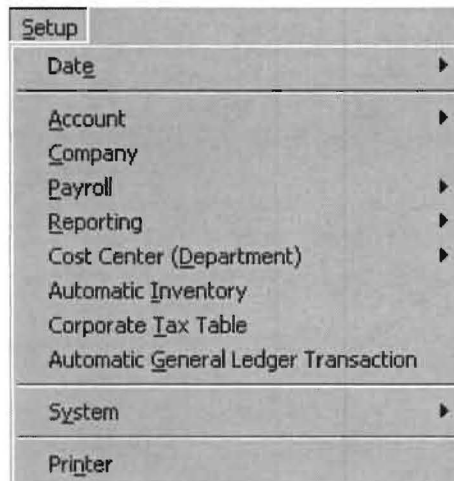


Figure 2-2: The **Setup Menu** contains the step by step options for initial client setup



## The Transactions Menu

Transaction entry is very important because a large amount of the user's time is spent doing this task. Therefore we have gone to great lengths to facilitate the fast, easy, and accurate entry of transactions. You may enter both ledger and payroll transactions from the same entry icon. Many types of transaction entry that are detailed in Transaction Entry and Balancing are handled from this menu. The procedures for finding errors and balancing the transactions are also fast, easy and accurate and they are both handled from this menu. Finally this menu accesses a number of transaction utilities that allow you to quickly correct errors or oversights that affect more than one transaction or accomplish other helpful transaction utility tasks.

## The Reports Menu

This pull-down is used to process the entered transactions and to print the reports. All mainstream financial and payroll reporting is selected from this pull-down menu. Special linked printing procedures allow the unattended selectable printing of multiple reports at one time. Reports can also be printed to PDF files or HTML files which allows reports to be emailed or stored in a built in file cabinet or interfaced to Excel or Microsoft Word

## The File Menu

This pull-down provides for all client file creation, copying, deletion and re-location. This pulldown menu is where the previously mentioned "Clone client" option is found. Cloning existing clients will save your firm great amounts of time in setting up new clients. This menu also contains a section that allows for data conversion and for the import and export of files into the system. Converting clients from your existing system is incredibly more productive than starting all over. There also are interfaces to TaxWise, QuickBooks, Spreadsheets, and ASCII Files, which will help you be more productive every day that you use the system.

## The Utility Menu

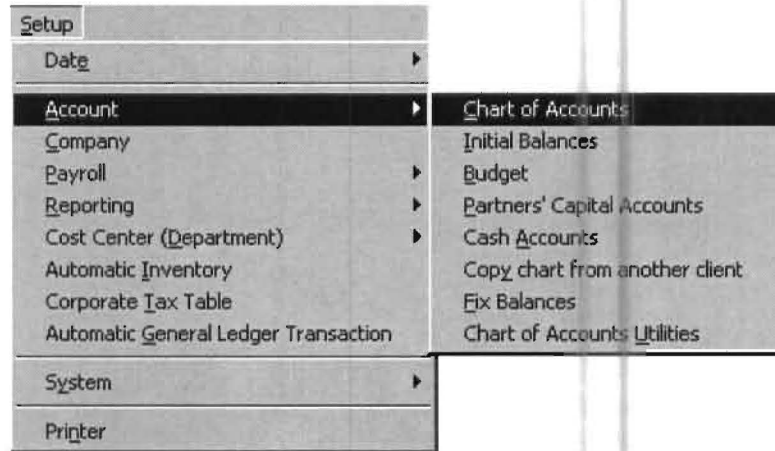
This pull-down provides a wealth of essential functions. For example, a very helpful "locate setup errors" feature lets the computer check your client setup for oversights, coding errors, and omissions. A version control feature lets you go backwards and forwards on data that was created with different updates of the program and archives the information. This same version control automatically converts client data from old versions of the system to new updates. Powerful utility programs allow you to copy not only the chart of accounts but all special setups that would be useful, including payroll information, from one client to another. Powerful employee utilities help you to setup or change complex taxing situations for large numbers of employees in a matter of minutes.

## The Help Menu

This pull-down provides a full range of system help. It provides a system manual that can never be lost or misplaced.

## Sub Pull-Downs

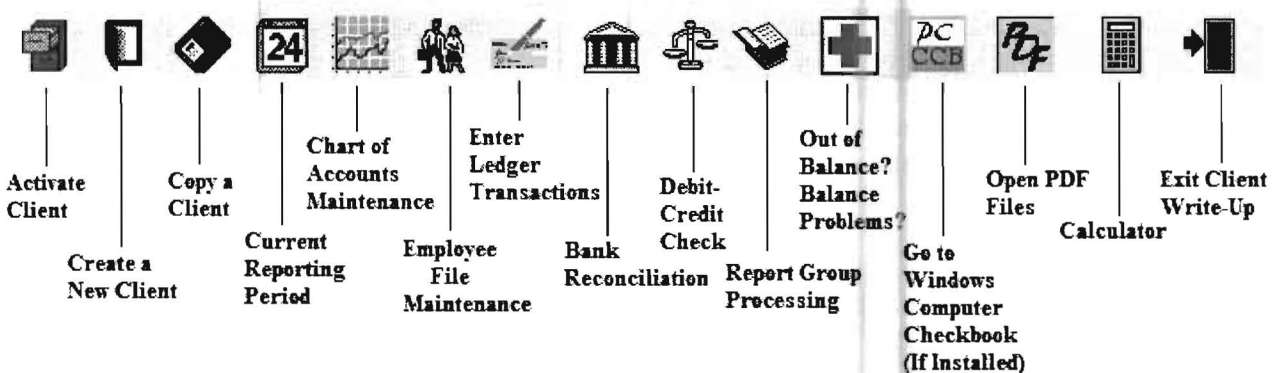
All of the previous pull-down menus are **primary** level pull-downs, and are functionally organized by major accounting task. In addition, some specific functions on these pull-downs contain a series of additional choices on second-third- or fourth-level pull-downs. Any choice on any menu that concludes with a solid right arrow ( ▶ ) will lead to another series of choices when highlighted with the mouse. Since the pull-downs are structured like this, specific related functions are further organized and focused upon. An example of this is the **Account Menu** shown below.



**Figure 2-3:** The **Account Menu** illustrates the organization and flexibility of account-related information.

## Icons

The System is also organized by its **Icons**. Common tasks of the system have their own individual icons that promote efficiency, productivity, and ease-of-use. For example, the active client may be quickly backed up with an icon. The Chart of Accounts can be changed with another icon and transaction entry may be initiated with a third. Reports may be processed and printed in a group by using another icon. The built-in Bank Reconciliation may be accessed by another icon, etc.



**Figure 2-4:** The Icon Bar.

# Client Setup

## Client Setup

After purchasing a client write up system, there is a period of time before you can start producing your client's reports. This is the time when you have to move your clients' data from the previous client write up system to the new one. This process can be long, tedious, and expensive. In fact, most firms have probably struggled with a Client Setup in the past and do not look forward to doing it again. Often this stops them from updating their Client Write-Up systems

## We have Conversion programs. We can "Clone" Existing Clients

We have been very successful in writing special conversion programs to help accounting firms to move from other client write up systems to ours. What this means to you is that you can probably update your client write up system without going through a long and tedious process. If you are on an existing client write up system, you should call P.C. Software and let us see if we have an existing conversion program to transfer your data or if we can write a new program to transfer your data. We can also clone any existing client that you have. This greatly simplifies setup of new clients and within ten seconds or so your new client is 90-95% setup.

## The Right Answer, the "Flowing Chart," and a Few Questions

Whether you start by converting your existing data or you start from scratch, our system is easy to setup and use. We provide three separate processing modules that allow you to meet the needs of each client in the most efficient manner. We have programmed a module which have nick-named the "**Flowing Chart**". This module uses a highly developed and sophisticated approach to financial statement formatting that is the heart and soul of the PC Software Accounting Windows offering.

The "**Flowing Chart**" module allows the professional accounting firm to produce the finest in financial reporting capabilities with a system that is easy-to-use and easy to understand. It does this by anticipating the needs of an accounting firm and allowing the firm to answer a series of questions for each client that when combined with our "**Flowing Chart**" module produces a complete set of financial reports for that client. Contrast this to the scenario of requiring your firm to design its own reports and having to designate a person or a group of persons to become the computer experts for formatting reports.

Our module will literally seem to read your mind and provide just what you want with a minimum of effort. This **Flowing Chart** module will handle the vast majority of the reporting requirements for your accounting firm with full laser capabilities.

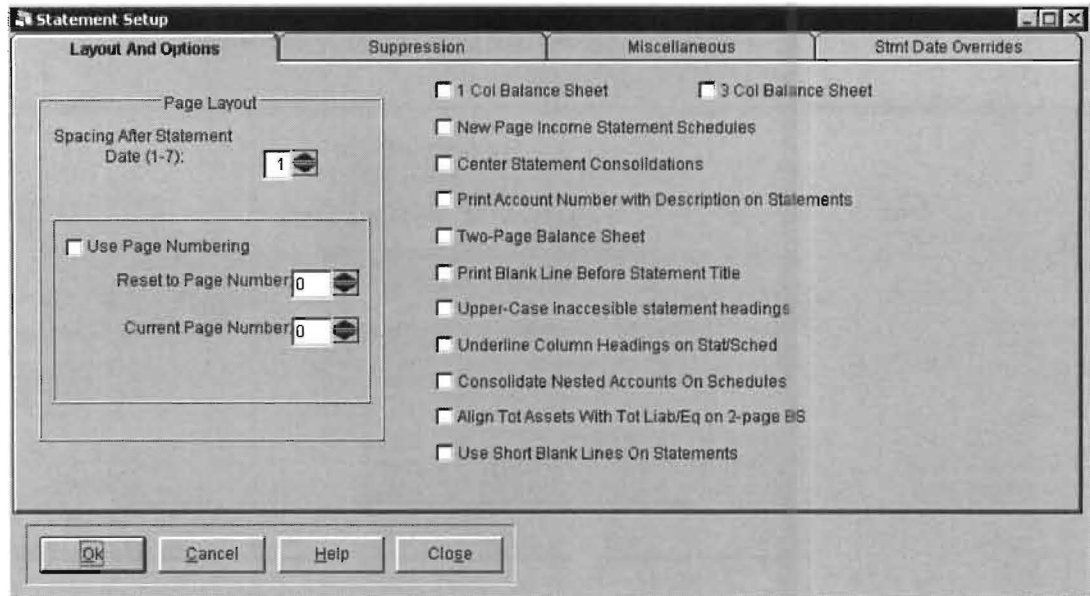
Look at the example of a **Flowing Chart** shown below. Notice the accounts that have been boxed. These accounts are not real accounts but they are "heading" accounts. When these "heading" accounts are combined with the answers to a series of questions, your financial statements are automatically formatted. Figure 2-5 is a sample screen of questions that is used in conjunction with the **Flowing Chart** to format a complete set of client financials and schedules.

The Sample Company, Inc.					
CHART OF ACCOUNTS LISTING					
February 28, 2003				Client No: 205	Page 1
Description	Account	Level	Type	Consol	
<b>Assets</b>	100	1	1		
<b>Current Assets</b>	105	2	1		
Cash in Checking	110	5	1		
Inventory	125	5	1		
Accounts Receivable	130	5	1		
<b>Property and Equipment</b>	150	2	1		
Automobile	160	5	1		
Computer	180	5	1		
Furniture	190	5	1		
Less Accum. Depreciation	195	5	1		
<b>Liabilities</b>	200	1	2		
<b>Current Liabilities</b>	201	2	2		
Accounts Payable	220	5	2		
Payroll taxes payable	221	5	1	223	
Federal W/H Payable	222	5	2		
FICA Tax Payable	223	5	2		
<b>Long Term Liabilities</b>	228	2	2		
Notes Payable - First National	230	5	2		
Notes Payable - National Trust	231	5	2		
<b>Equity</b>	300	1	3		
Capital Stock	310	5	3		
Retained Earnings	315	5	3		
Profit and Loss	320	5	3		
<b>Income</b>	400	1	4		
Sales	405	5	4		
Returns	406	5	4		
<b>Cost of Goods Sold</b>	425	1	5		
Beginning Inventory	429	5	5		
Purchases / Freight	431	5	5		
Ending Inventory	433	5	5		
<b>Expenses</b>	450	1	6		
Salaries	465	5	6		
Travel	600	5	6		
Insurance	605	5	6		
Taxes	810	5	6		
Depreciation	615	5	6		
Office Rent	620	5	6		
Postage / Shipping	625	5	6		
Office Supplies	630	5	6		
Professional Services	635	5	6		
Telephone Expense	640	5	6		
Utilities Expense	650	5	6		
<b>Other Income</b>	700	1	7		

The Sample Company, Inc.					
CHART OF ACCOUNTS LISTING					
February 28, 1999				Client No: 205	Page 2
Description	Account	Level	Type	Consol	
Interest Income	701	5	7		
Miscellaneous Income	702	5	7		
<b>Other Expense</b>	715	1	8		
Miscellaneous Expense	720	5	8		
Total Postable Accounts:	14,284.00				
Total All Accounts:	18,278.00				

**Report 2- 1:** The operational simplicity of the Flowing Chart approach is clearly depicted in this sample listing. This simplicity belies the sophisticated reporting power that the Flowing Chart produces.



**Figure 2-5:** Answering these types of questions, in combination with the **Flowing Chart**, allows the accounting firm to maximize productivity while producing an excellent array of standard financial reports.

## Custom Reports with Flexibility

There are customer requirements that are better fulfilled with customizable reports. The PC Software Accounting System provides the user with the ability to customize reports that allow columnar flexibility. For example, cost centers or locations may be presented side by side. Any other information that is available from the system may also be presented in these user-designed reports. We also have a full function Flexible Report Writer for the truly “one-of-a-kind” reports that are occasionally needed.

**The Sample Clinic**  
**1234 4TH STREET**  
**SARASOTA , FLORIDA 34234**  
**Statement of Revenue and Expenses - Tax Basis**  
**For the One Month Ended January 31, 2006**

	SARASOTA CLINIC	TAMPA CLINIC	COMBINED	SARASOTA BUDGET	TAMPA BUDGET	SARASOTA 2005	TAMPA 2005
<b>Net Receipts</b>							
Prof income - Smith	\$ 30,000.00	\$ 25,000.00	\$ 55,000.00	\$ 25,000.00	\$ 25,000.00	\$ 30,000.00	\$ 25,000.00
Prof income - Jones	28,000.00	21,000.00	49,000.00	25,000.00	25,000.00	28,000.00	21,000.00
Prof income - Harris	31,000.00	17,500.00	48,500.00	30,000.00	20,000.00	31,000.00	17,500.00
<b>Total Revenues</b>	<u>89,000.00</u>	<u>63,500.00</u>	<u>152,500.00</u>	<u>80,000.00</u>	<u>70,000.00</u>	<u>89,000.00</u>	<u>63,500.00</u>
Operating Expenses	76,820.00	66,280.00	142,100.00	72,500.00	64,000.00	76,820.00	66,280.00
<b>Operating Profit</b>	<u>12,180.00</u>	<u>(1,780.00)</u>	<u>10,400.00</u>	<u>7,500.00</u>	<u>6,000.00</u>	<u>12,180.00</u>	<u>(1,780.00)</u>
<b>Other Income</b>							
Interest and Dividends	5,000.00	4,000.00	9,000.00	3,000.00	3,000.00	5,000.00	4,000.00
Miscellaneous Income	2,000.00	3,000.00	5,000.00	0.00	0.00	2,000.00	3,000.00
<b>Total Other Income</b>	<u>7,000.00</u>	<u>7,000.00</u>	<u>14,000.00</u>	<u>3,000.00</u>	<u>3,000.00</u>	<u>7,000.00</u>	<u>7,000.00</u>
<b>Net Income</b>	<u>\$ 19,180.00</u>	<u>\$ 5,220.00</u>	<u>\$ 24,400.00</u>	<u>\$ 10,500.00</u>	<u>\$ 9,000.00</u>	<u>\$ 19,180.00</u>	<u>\$ 5,220.00</u>

**Report 2- 2:** The custom reporting feature allows the user to custom-tailor reports quickly, easily, and provides the client with the exact information that is desired.

## The Special Functions Modules

Certain computerized accounting tasks don't fit in any organized software compartment. Most systems try to fit these tasks into an existing module that accomplishes other functions. This approach generally weakens the main function and does a poor job with the special task. Our solution is to program these special tasks with special functions modules so that we can produce exactly what the client needs without sacrificing accounting firm productivity.

For example, our cash flow statement requires the accounting firm to match account numbers to lines on a pre-set report, as depicted on the screen below. The capability to change text is retained and no special accounts need to be created for debit and credit amounts. In short, you get exactly what you need with high productivity.

Another example would be financial ratios. Rather than require you to devise the formulas for common financial ratios, you simply indicate which ratios you want to use and indicate which accounts numbers or ranges are appropriate. Graphs and Charts are also easy to produce.

The screenshot shows a software window titled "Cash Flow Statement Setup". At the top, there are two input fields: "Cash Flow Line:" with a dropdown menu showing "9075 Employee Taxes Withheld" and "Description:" with a text box containing "Employee Taxes Withheld". Below these are three tabs: "Properties", "Totals", and "Accounts". The "Accounts" tab is selected and contains a list of accounts under the heading "Accounts Included". The list shows two entries: "222 Federal W/H Payable" and "223 FICA Tax Payable". To the right of the list is a "Remove" button. Below the list is a checkbox labeled "Print One Account Per Line" which is currently unchecked. At the bottom of the window are four buttons: "Ok", "Cancel", "Help", and "Close".

**Figure 2-6:** This cash flow setup screen identifies the accounts that are associated with a particular line of the cash flow report.

## The Power of a Three Module Approach

The power of our system is due to the combination of processing capabilities linked together by the ability to use any function of any module interchangeably for any client. Thus a client may have twenty reports from the **Flowing Chart**, one from the **Custom Module** and a third from the **Special Functions Modules**. More typically, however, our **Flowing Chart** is the only module that many accounting firms need to use for the great majority, or even for all of their clients. If an unusual financial report is required, the system can produce that report with the columnar flexibility of a custom statement or with a full function report writer. And finally, if a **Special Function** report is required, they can be quickly and easily generated using various special functions modules.

## Why Are We Different?

The difference between our approach and the approach of many other client write up software systems is that our customers are not forced to choose between product or productivity just because their software company has limited them. We have done considerably more work in providing three modules that are tailored to your different accounting tasks but the end result for you is that you will have to do considerably less work to produce the best in reporting for your clients.

## Operational Organization

### Focus on the Chart of Accounts

The organization of the chart of accounts is straightforward and allows maximum flexibility in reporting options. It does this through the use of formatting accounts. The numbering technique is extremely flexible and typically allows the accounting firm to retain any currently used numbering scheme. To further enhance capability and productivity, there are options to accomplish all the standard requirements in financial presentation. For example, control account utilization provides consolidation capability for accounts on the financials. This allows the printing of control account balances on the financial reports without corresponding sub-account balances, yet on the period and YTD ledgers, these sub-accounts remain individual accounts and are further summarized for consolidated cross reference. There is also a tremendous formatting flexibility on an account by account basis if there is a need for special formatting or special grouping. This is accomplished by optional account by account formatting options and the provision for alternate account number and descriptions for each account which modify the standard flow and account description.



**Figure 2-7:** Chart of accounts information can be entered or changed from this screen. Additional features related to account numbers are accessed from the **Report Format** and **Miscellaneous** tabs.

## Changing Account Numbers in Place

This feature allows the firm to change any account number at any time. The system will then change all information pertaining to that account including budgeted information. In addition, the current and year-to-date transactions will also change to reflect the new account number. This capability allows the accounting firm to organize and standardize their clients without being held back by a computer system.

**Figure 2-8:** Account numbers may be easily changed, and the change is reflected in all historical data.

The Sample Company, Inc.			
NUMERIC CHART OF ACCOUNTS FOR CODING			
February 28, 2003		Client No: 205	
Account	Description	Account	Description
<b>Assets</b>		<b>Income</b>	
110	Cash in Checking	405	Sales
125	Inventory	406	Returns
130	Accounts Receivable		
160	Automobile		<b>Cost of Goods Sold</b>
180	Computer	429	Beginning Inventory
190	Furniture	431	Purchases / Freight
195	Less Accum. Depreciation	433	Ending Inventory
<b>Liabilities</b>		<b>Expenses</b>	
201	Current Liabilities	465	Salaries
220	Accounts Payable	600	Travel
222	Federal W/H Payable	605	Insurance
223	FICA Tax Payable	610	Taxes
230	Notes Payable - First National	615	Depreciation
231	Notes Payable - National Trust	620	Office Rent
		625	Postage / Shipping
		630	Office Supplies
<b>Equity</b>		635	Professional Services
310	Capital Stock	640	Telephone Expense
315	Retained Earnings	650	Utilities Expense
320	Profit and Loss		
			<b>Other Income</b>
		701	Interest Income
		702	Miscellaneous Income
			<b>Other Expenses</b>
		720	Miscellaneous Expense

**Report 2- 3:** This **Chart of Accounts for Coding** is a typical utility report that is provided to assist the accounting firm with everyday tasks.

Listings of the chart of accounts are provided in either numerical or alphabetical order. There are numerous other special function lists that assist the user with special formatting, interfacing or other requirements that are necessary.

## Master Chart of Accounts/ Master Everything Else

The user can enter multiple charts of accounts and save them as masters. These charts are typically organized by industry and can be further refined by account type such as cash or accrual. When a new client is being setup, the most appropriate master charts of accounts could be used. However, a key feature of the PC Software Accounting System is that any existing client chart of accounts can be used as a master chart of accounts- in other words, any existing client can be cloned. When an existing client chart is used as a master, only the accounts, descriptions and formatting instructions are copied. Thus any new client can be closely matched in requirements to either a master industry chart or to a similar existing client depending on the closest fit. However not only can a chart of account be copied from any client, so can any other setup option that was used on that client. This is normally done with an option that allows "cloning: the client. This option copies all setup information but no federal or stated IDs or account balances or transactions. This translates to tremendous productivity in the initial setup of new clients.

## Entering Initial Balances

With the PC Software Accounting System, even the simplest tasks are optimized for maximum productivity. For example, the system provides an initial balance entry screen which lists the "postable" accounts for that client with an accompanying blank line for the debit and credit balance. The system places you in the right column for the type of account you are entering so that you can enter the account balance unsigned unless that particular account has an other than normal balance. In that case, you precede the balance with a minus sign to switch columns.

## Comparative and Budgeted Balance Entry

Comparative balances are automatically stored by the system and are available one year after initial client setup. If comparative reports are desired sooner, you may easily enter the necessary historical data. They may be entered as dated transactions for the particular period they apply to, or even by entering a trial balance for each period which automatically generates the appropriate "net charge" transactions. Budgeted entry is facilitated by a feature that allows a budgeted amount to be automatically duplicated for all periods for an expense such as rent which will be same each month. In addition, budgeted entry is also dated by period to eliminate confusion.

The screenshot shows a window titled "Budgeting" with the following fields and controls:

- Account Number: 640 (with a "List" button)
- Status: Active
- Account Name: Telephone Expense
- A grid for entering budgeted amounts for each month from Jan 01 to Dec 01, all set to 500.00.
- Total For All Periods: 6,000.00
- Budget Method section with radio buttons:
  - Account by Account
  - All Accounts-Current Budget
  - All Accounts-Zero Start
- Same Budget All Periods
- Buttons: Ok, Cancel, Help, Close

**Figure 2-9:** Budgeted information can be entered quickly and easily using special features that assist the user.

# Focus on the System

## Variable Periods

This system allows you to setup your periods by client. You can switch back and forth between monthly, quarterly or annual processing and since all transactions are dated, this will not present a problem. You may also specify non standard periods if the situation calls for it. Thirteen period processing presents no problems.

## Perpetually Open System

This system stays perpetually open. Thus any financials from any period can be rerun at any time. There is also a special perpetual ledger that provides the perfect audit trail at any given time.

## System Help

This system has an extensive help section. You may access field by field help with the F1 key or option help with the help button within that option or from the Help pull-down menu. A sample help screen is shown below:

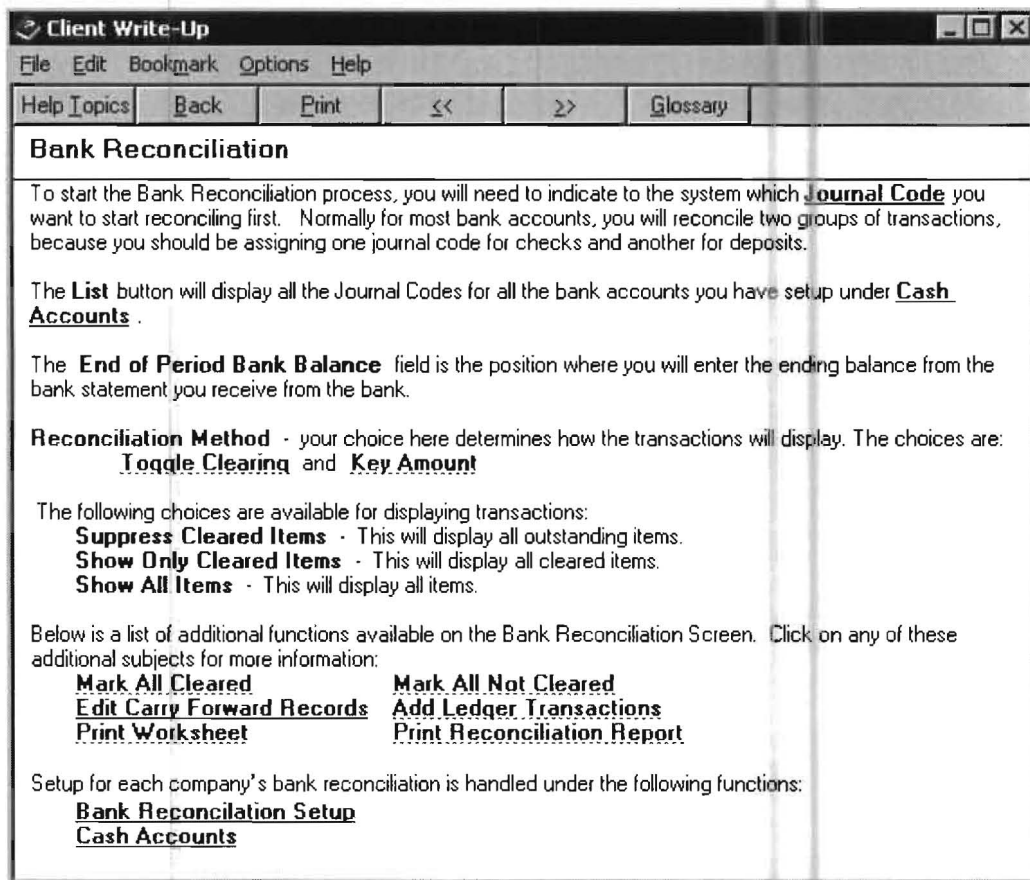


Figure 2-10: Help screens assist the user during entry of information and also provide system instruction and direction.

## Written System Documentation

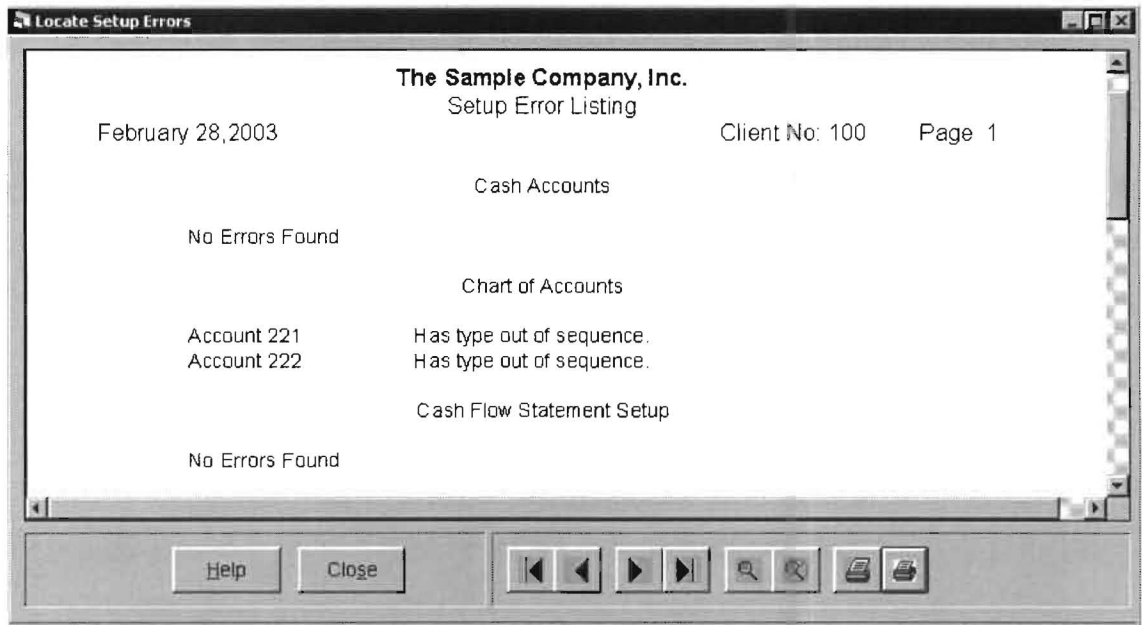
There are certain complex topics, some of which require explanation via sample reports that are better presented in a written documentation system. For this reason, the PC Software Accounting System has extensive written system documentation. The written documentation is organized by function and option.

## Decimal Choice: Accountant or Typist Feature

We allow the user the option of entering numbers as an accountant would with automatic decimals or like a typist with decimals required. This feature may be easily changed by different users.

## How about an Automatic Error Checker?

We are pleased to provide you with an entire subset of programs that check your work. These programs tell the computer user of any errors or oversights in their company setup and processing that the computer can identify. This programming concept and breakthrough eliminates those times when the system is "not working," when, in fact, a minor oversight is the culprit.



**Figure 2-11:** The system has the ability to locate and clearly identify setup or current-period errors or oversights. This can dramatically decrease computer downtime for the accounting firm.

# Focus on Payroll

The PC Software after-the-fact payroll system is incorporates an easy to understand yet powerful design. Every item that can affect a paycheck is called a payroll item. There are five different types of items:

- 1) Additions which add to a payroll check.
- 2) Deductions which subtract from a payroll check.
- 3) Notations which do not affect a payroll check but which are accumulated for reporting purposes although they do not affect the general ledger. (i.e. cash tips)
- 4) Company paid items which do not affect a payroll check but do affect the general ledger. (i.e. company paid car)
- 5) The net check amount which is defaulted to a particular account but may be overridden to a different account.

Items are setup for the company in general and then the appropriate ones are assigned to each individual. The system's design allows any item to be designated as subject or not subject to any tax and also to be placed anywhere on any form such as W2's or 1099's. These payroll item designations and placements are easy to make and easy to understand.

The screenshot shows the 'Payroll Item Maintenance' window. The 'Item Code' is 'FICAMD', 'Name' is 'Fica + Medicare Withholding', and 'Status' is 'Active'. The 'Group' is 'Deduction' and the 'Category' is 'FICA/Medicare Withholding (Employee Share)'. The 'Main' radio button is selected. The 'Item Type' is 'Amount' and the 'Fixed Amount' is '0.00'. Both 'Include in Custom PR Summary' and 'Include in Custom PR Transaction List' are checked. The window includes standard control buttons like 'Ok', 'Cancel', 'Delete', 'Print', 'Help', and 'Close'.

**Figure 2-12:** Each client and each employee may have different payroll items. This allows maximum flexibility in handling accounting and tax reporting requirements.

Calendar Year Tax Rates

Year: 2006

F.I.C.A. / Medicare	Employee %	Employer %	Maximum amount
F.I.C.A.:	6.2000	6.2000	\$4,200.00
Medicare:	1.4500	1.4500	.00
Combined:	7.6500	7.6500	

Unemployment

Federal Unemployment:	Percentage	Maximum amount
	0.8000	7,000.00

Type	Amount
Alabama	6,000.00
Alaska	26,700.00
Arkansas	10,000.00

California SDI

SDI Pct: .0000      SDI Maximum: .00

Buttons: OK, Cancel, Delete, Help, Close

**Figure 2-13:** This screen allows tax rate changes. Other screens in the system, such as the one below, allow further refinement of payroll functions.

Payroll Setup

Client: 150A Sam's Pressure Washing\_Painting

General    **Options and Tab Stops**    Unemployment Page 1    Misc

Prevent Payroll Preparation       Define new employees based on the default employee:

On PR Trans Entry, Move cursor back to Check Number at 'OK'       Prepare PR Trans By Month

On PR Trans Entry, Use Net Calculation

Use Date Range On PR Preparation       Seasonal Employer

Show Only Last 4 Digits of SSN

During Transaction Entry Prevent

The Cursor From Stopping on:  Date     Cost Center     Unemployment State

Accrual Posting Accounts

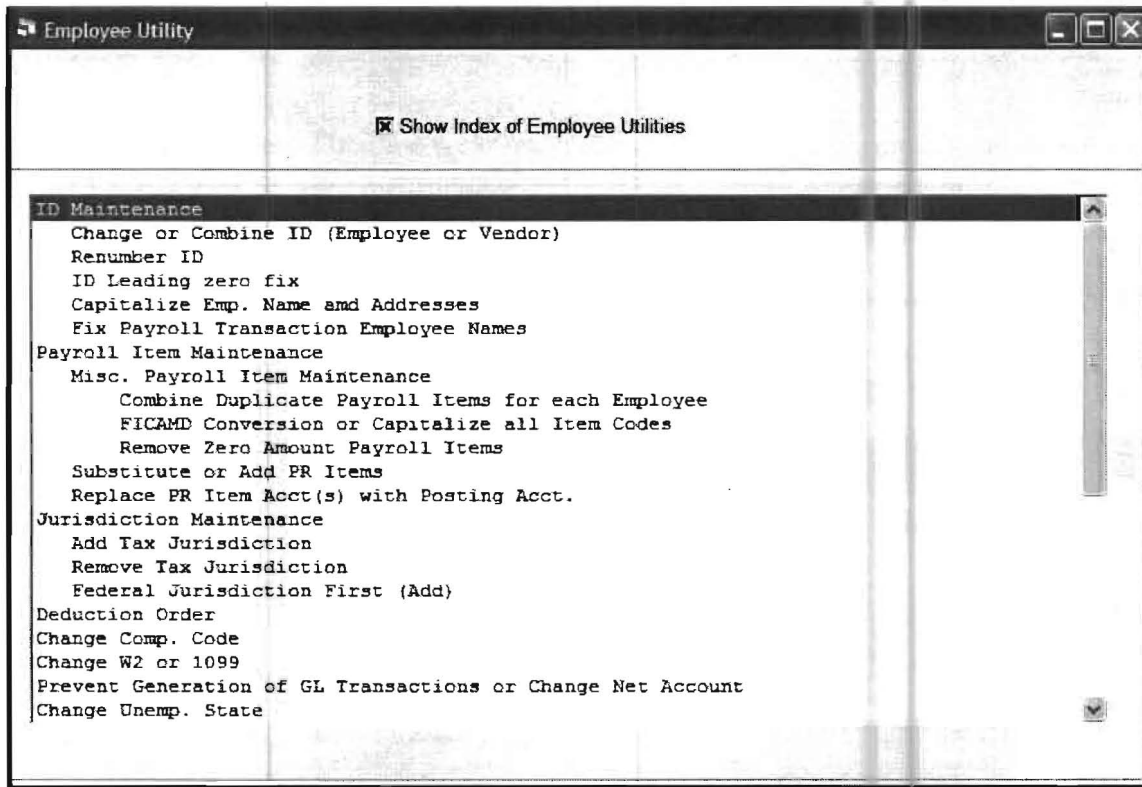
Federal Unemployment Debit Account	<input type="text"/>	List	Credit Account	<input type="text"/>	List
FICA Debit Account	<input type="text"/>	List	Credit Account	<input type="text"/>	List
Medicare Debit Account	<input type="text"/>	List	Credit Account	<input type="text"/>	List

Buttons: Ok, Cancel, Help, Close

**Figure 2-14:** This payroll setup screen allows the user to customize such things as the entry of payroll transactions and the automatic interfacing of accounts such as copying FICA and Medicare

## Powerful Utilities Make Setup a Breeze

Once the first employee is setup with the typical items that most employees of a company have, all additional employees can be made to have the same items without the items being keyed in. Only out of the ordinary items need to be added to employees that have them. There is also a full set of powerful utilities that quickly add, modify or delete payroll items to one, a group or all employees. Taxing considerations may be added, changed, or deleted with the same power.



**Figure 2-15:** Powerful employee utility functions allow quick and efficient setup of employees and make any changes or error corrections an easy task.

## Flexible Reporting and Payroll Entry

Your operation will be much more productive due to our ability to customize your payroll reports and payroll after-the-fact transaction entry if it is beneficial for a particular client. This is accomplished by answering questions as to exactly what a client requires. We have flexibility in doing the payroll the way you want it done with features like doing 1099's from either after-the-fact payroll or ledger transaction entry. We have the capability to do such things as pro rate payroll entries by cost centers. In summary we give you the tools to do the best for your client in the payroll area with the maximum in productivity for your firm.



## The Standard Check

Statistically a large percentage of individuals get the same or a very similar paycheck each pay period. This system has the capability to remember an employee's standard check and to automatically make it available from period to period on transaction entry. This makes the entry of after-the-fact payroll transactions extremely quick and accurate. Of course the standard check may be easily modified if it is different for a pay period.

Employee File Maintenance

Employee ID: 4  Mary Jones Status: Active

Use this record as default (standard new employee settings)

Basic Information  Items  Standard Check

Code	Name	Account	Account Name	Amount
FED	Federal Withholding	222	Federal Tax W/H	67.36
FICAMD	Fica + Medicare Withholding	223	FICA Payable	38.25
NCSTW	NC State Withholding	224	State Tax W/H	28.51
INS	Health Insurance	635	Group Health Insurance	35.00
UNIF	Uniforms	645	Uniforms	5.00

Additions  
 Deductions  
 Notations  
 Employer Paid Items

	Account	Account Name	Amount
Net	115	First National Bank	325.88

**Figure 2-16:** The setup of a standard check for an employee allows the user to recall that check each period. It is not necessary to re-key it unless there is change

## Vendor Reporting and 1099 Reporting

This system allows the setup and reporting of Vendor information. It also has the ability to easily capture and retain vendor transactions and report on them historically. It can also optionally save indicated vendor's information for 1099 reporting.

# Transaction Entry and Balancing

## **Sixty to Seventy-Five percent of a user's time is spent in transaction entry!!**

A Client Write Up System is a tool. Any contractor will tell you that using the right tool is the key to job productivity. The same is true with a software tool and nowhere is this more evident than in transaction entry where the majority of user time is spent. The PC Software Windows Client Write Up has left no stone unturned in maximizing transaction entry productivity.

The PC Software Client Write Up System is not just a tool, it is a toolbox. In the same way as it has productive, powerful and easy-to-use features in account and payroll setup, it also has them in transaction entry only even more so. Here are some of the main transaction entry tools that PC Software has in its toolbox.

## **Methods of Transaction Entry**

### **Interfacing Tools**

There are a number of very useful interfaces to allow your firm to drastically decrease the amount of time spent in transaction entry:

- Interfacing from QuickBooks™ and the QuickBooks™ family
- Interfacing from other PC Software Systems
- Interfacing from other systems using a standard ASCII interface

Using these interfaces can dramatically reduce the time spent preparing a clients' financials in comparison to the time that would have been spent if the transactions were individually keyed into the system.

## Automatic Transaction Entry

There are many automatic transaction entry features that may be used in the PC Software Accounting Windows Client Write Up System:

- Automatic Transaction Entry
- Repeating Transaction Entry
- Automatic Pro-Ration of Cost Center Entries
- Automatic Reversing Entries
- Automatic after-the-fact payroll journal entries
- Automatic payroll entries

The PC Software Accounting system includes a wide variety of automatic transaction entry features that increase user productivity. When the Automatic Transactions Entry feature is used a transaction that is identical or nearly identical can be duplicated and any differences entered. The Repeating Transaction feature allows the automatic repeating of transactions either with or without fixed amounts. Transactions that need to be pro-rated and distributed to cost centers or locations can be pro-rated and distributed automatically. Accrual entries like open payables can be reversed automatically. General ledger entries can be automatically generated from after-the-fact payroll entries, and many different payroll and corporate tax accruals can be automatically accrued each period.

## Methods of Keying Transactions

The methods of actually keying transactions into the PC Software Accounting Windows System are very productive:

- Standard Ledger Transaction Entry Including normal & payroll transactions
- Alternate transaction entry which provides a high speed capability of transaction entry
- Trial Balance Entry
- Journal Entry

The **Standard Entry** screen allows a transaction from any journal to be either entered or changed. A touch of a button allows the transition to an after-the-fact payroll entry screen and another touch brings you back again. Check numbers and dates are carried between the screens. (Note: As a convenience to users of the DOS system, the F6 key has the same function as the "OK" button).

Transaction	Journal	Account	Date	Amount	Description	Reference
126	CD	610	04/30/06	\$300.00	Gravios Radiator	1012
125	CD	620	04/30/06	\$343.40	Precision Trans	1011
124	CD	630	04/30/06	\$82.09	Midwest Waste	1010
123	CD	640	04/30/06	\$430.23	Al's Automotive	1009
122	CD	110	04/30/06	\$1,155.72	United Realty	1005

**Figure 2-17:** The basic entry screen for all non-payroll period transactions combines speed, flexibility, and ease-of-use.

The last five ledger transactions appear on the entry screen and all transactions may be viewed on the screen without leaving the entry program. Previous Transactions from ledger or payroll may be directly accessed at any time for correction. When users are entering ledger transactions, account numbers are systematically checked. Any columns of displayed information can be sorted by clicking on a heading. (For example- transactions that have already been entered can be sorted and displayed by account or amount or check or reference number.) When account #'s are entered, the account description is displayed. If the account number is invalid, the account may be added without leaving transaction entry. Further, if there is a question as to the existence or appropriateness of a particular account, the chart of accounts may be scanned on the screen without leaving transaction entry by clicking on **List** to the right of account #. There is also a special multiple distribution feature that allows the multiple distributions to be rapidly entered.

In the same manner, employees are checked and may be viewed or added if appropriate. An additional after-the-fact payroll strong point is the existence of a standard payroll check feature. This feature allows a typical repetitive check to automatically be stored and repeated as the employee is accessed.

Transaction: 3 List  Current Check: 3850 Employee ID: List 1 Status: New  
 Name: Smith, James Michael Date: 01/31/06 Center: List Unemp State: FL List

Additions	Account	Amount
FL GROSS	465	800.00

Deductions	Account	Amount
Federal Withholding	222	78.10
Fica + Medicare Withholding	223	61.20

Notations	Account	Amount

Employer paid items	Account	Amount

Account	Amount
110	680.70

Buttons: OK, Cancel, Help, Delete, Close, List, GL Trans, Auto Cents

Memo:  Make Std Check

**Figure 2-18:** The basic entry screen for payroll transactions maximizes throughput by tailoring payroll entry to the client

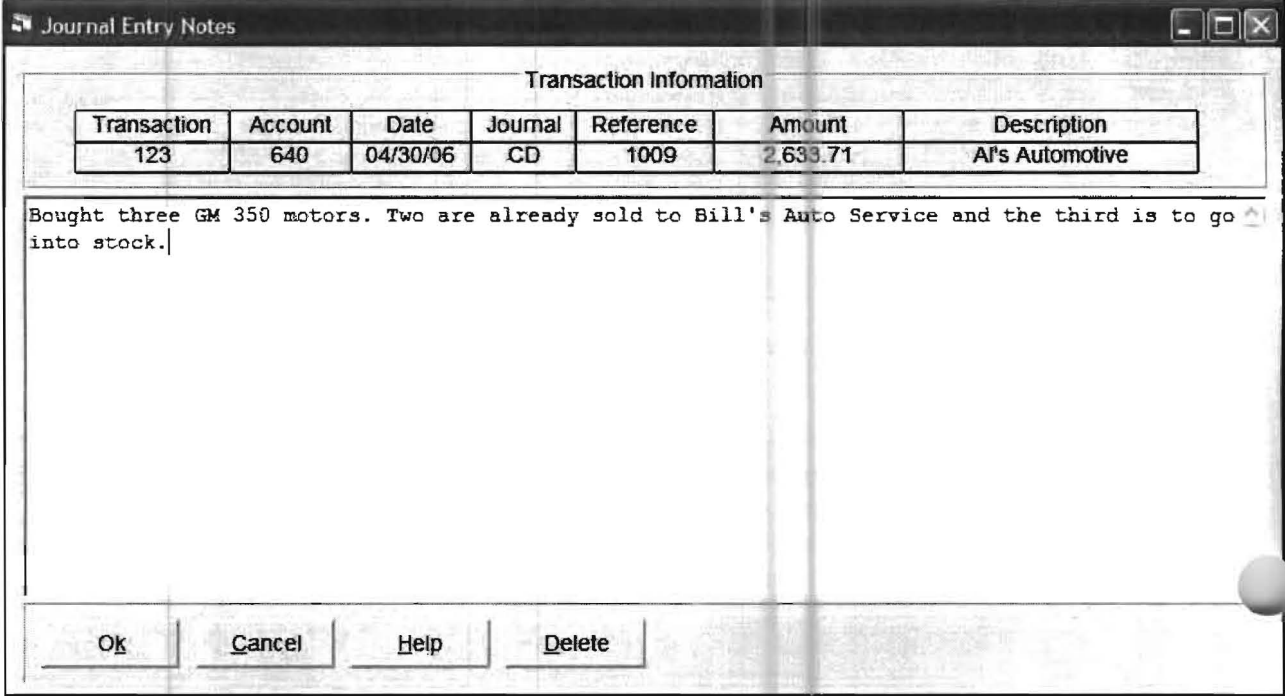
When a standard check does not apply, payroll entry is still tailored and optimized by the answers to questions that are asked in Client Write Up. Payroll transactions may be changed throughout the entire period without reversing entries or performing unusual procedures. In fact, all transactions are changed in place, not reversed out by additional entries, thus eliminating another possible source of error. Summary journal entries are automatically made for payroll totals.

The **Alternate Transaction Entry Screen** is designed for fast typists. It allows the high speed entry of regular and payroll transactions, minimizes the use of the mouse and contains a myriad of special entry features. The correct use of the features of this screen can greatly enhance firm productivity and profitability. Transaction entry by **trial balance** is a powerful feature that allows the user to enter transactions from a trial balance provided by the client. The system takes the trial balance entries and compares them to the existing trial balance, and then generates "net change" entries as transactions. This feature is very helpful in entering end of year balances for a client that you do not process yearly books. It is also very helpful to enter comparative numbers from last year on a new client. A special **journal entry** screen is provided for the entry of large numbers of multiple line journal entries that might be used in some large company accounting situations, although for the great majority of clients, journal entries are made with the standard entry screen or with the alternate transaction entry screen.

Of course, standard entry features like Help and decimal choice enhance productivity in all types of transaction entry.

## Unlimited Notes with Transactions

One of the outstanding features of the PC Software Accounting System is the capability to store unlimited information about any "ledger" transaction and retain this information indefinitely. The benefits of this capability are limited only by your imagination allowing such activities as storing fixed asset information on an acquisition or complete notes on a funds distribution. This information is only printed on request so that the normal reporting functions remain standard but a special printing allows management review or further accounting use of these notes.



The screenshot shows a window titled "Journal Entry Notes". At the top, there is a section labeled "Transaction Information" containing a table with the following data:

Transaction	Account	Date	Journal	Reference	Amount	Description
123	640	04/30/06	CD	1009	2,633.71	AI's Automotive

Below the table is a text entry field containing the following text: "Bought three GM 350 motors. Two are already sold to Bill's Auto Service and the third is to go into stock." At the bottom of the window, there are four buttons: "Ok", "Cancel", "Help", and "Delete".

**Figure 2-19:** Unlimited text entry for each transaction allows such notations as fully documented asset purchases or specific details on loans or time payments.

## Transaction Balancing Features

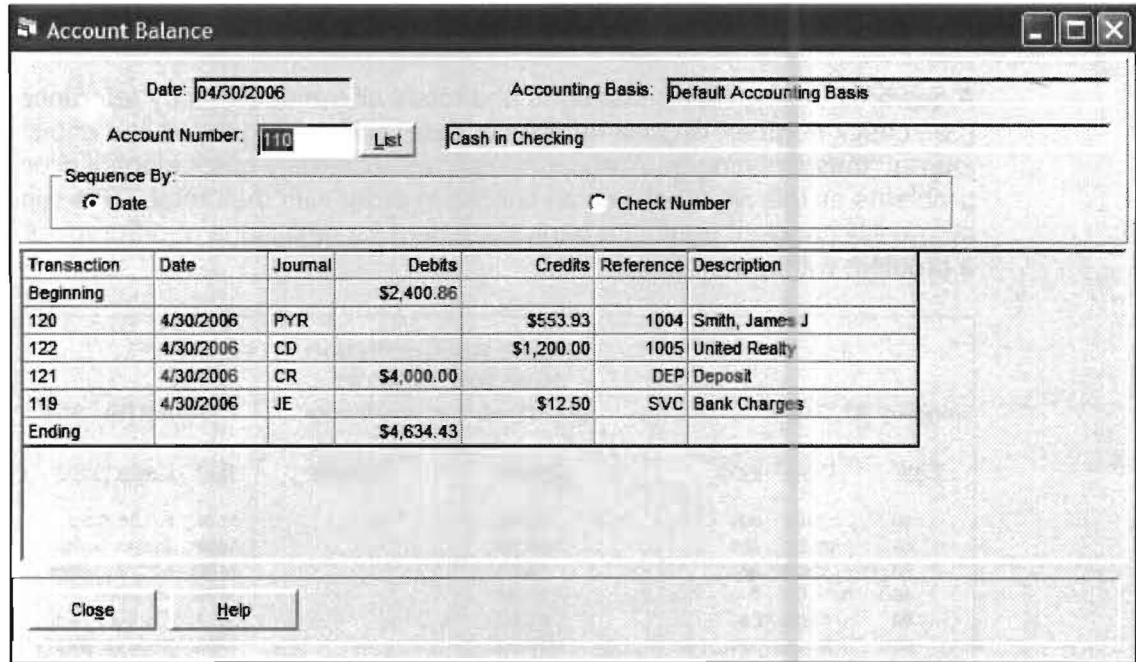
Another potential time bottleneck is the balancing and reconciliation of transactions after they have been entered. This area can slow processing and heavily impact productivity. The PC Software Accounting System is particularly strong in providing tools that allow the user to accomplish this with a minimum of supervision and with maximum speed.

## Immediate System Error Correction

The PC Software System includes system editing, lookup and totaling, to minimize incorrect entries. However, besides these features it also provides an immediate system error correction capability. Statistically, users will realize most of their mistakes immediately after entry. With this system the last five transactions are displayed on the screen and can be accessed with a few clicks of the mouse for immediate correction.

## Account Inquiry

The beginning balance and transactions of any account can be displayed for the period. This is particularly useful in using “control” accounts such as cash in the bank to insure accuracy.



The screenshot shows the 'Account Balance' window. At the top, the date is set to 04/30/2006 and the accounting basis is 'Default Accounting Basis'. The account number is 110, identified as 'Cash in Checking'. The 'Sequence By' is set to 'Date'. Below this is a table of transactions:

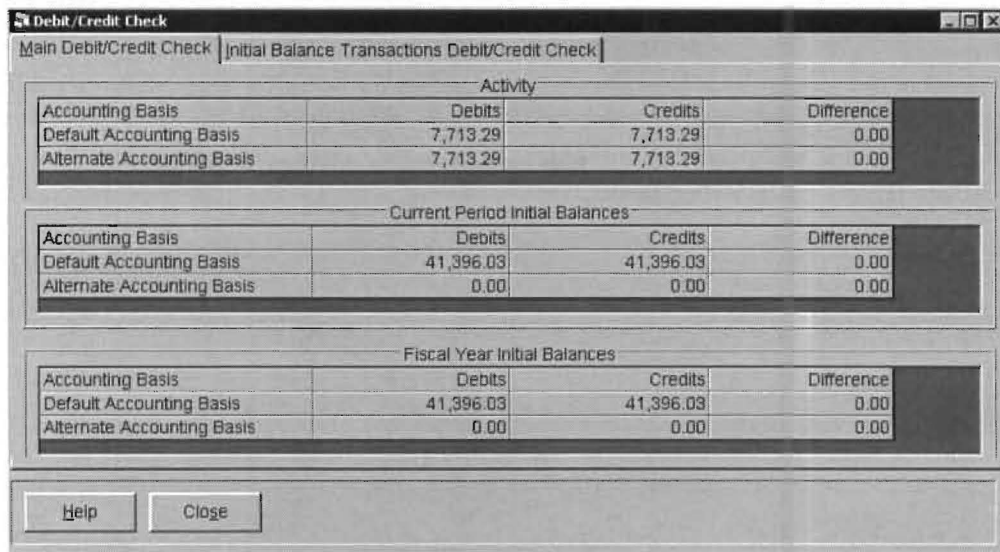
Transaction	Date	Journal	Debits	Credits	Reference	Description
Beginning			\$2,400.86			
120	4/30/2006	PYR		\$553.93	1004	Smith, James J
122	4/30/2006	CD		\$1,200.00	1005	United Realty
121	4/30/2006	CR	\$4,000.00		DEP	Deposit
119	4/30/2006	JE		\$12.50	SVC	Bank Charges
Ending			\$4,634.43			

At the bottom of the window are 'Close' and 'Help' buttons.

**Figure 2-20:** The capability to check any account balance at any stage in monthly processing assists the accounting firm in reconciling control accounts

## Debit-Credit Checks

Besides the automatic totaling and display of the transactions on entry, debit credit checks of entire journals may be isolated and period beginning balances can be quickly checked.



The screenshot shows the 'Debit/Credit Check' window. It has three tabs: 'Main Debit/Credit Check', 'Initial Balance', and 'Transactions Debit/Credit Check'. The 'Main Debit/Credit Check' tab is active, showing three tables:

**Activity**

Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	7,713.29	7,713.29	0.00
Alternate Accounting Basis	7,713.29	7,713.29	0.00

**Current Period Initial Balances**

Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	41,396.03	41,396.03	0.00
Alternate Accounting Basis	0.00	0.00	0.00

**Fiscal Year Initial Balances**

Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	41,396.03	41,396.03	0.00
Alternate Accounting Basis	0.00	0.00	0.00

At the bottom are 'Help' and 'Close' buttons.

**Figure 2-21:** An on-screen Debit-Credit Check may be performed with a click of the mouse button.

## On Screen Displays

All transactions may be displayed on screen for quick verification. If errors are noted, a transaction number allows the direct access of an incorrect transaction to be immediately accessed.

## Journal Inquiry

A powerful editing report that sorts and totals all transactions by reference number (i.e., check number, deposit number or date) and segregates these entries by journal (thus isolating bank accounts) allows extremely quick identification of any problems as this report shows all checks in order with their total. This report can be quickly checked against a bank statement for omissions or differences if there is a problem with reconciliation.

Sample Reconciliation						
JOURNAL REPORT						
January 31, 2006		CD - Cash disbursements		Client No: 951		Page 1
<u>Trn#</u>	<u>Date</u>	<u>Acct</u>	<u>Debits</u>	<u>Credits</u>	<u>Ref</u>	<u>Description</u>
55	1/6/06	600	52.00		3633	Exxon Corp
56	1/8/06	460	100.00		3634	James Smith
57	1/10/06	630	14.00		3635	ABC Supplies
58	1/14/06	640	86.48		3636	Verizon
59	1/16/06	650	63.00		3637	Florida Power
60	1/26/06	620	450.00		3638	Thomas Realty
61	1/23/06	600	94.00		3639	Pelican Restaurant
62	1/27/06	190	392.00		3640	Fred's Office Furniture
63	1/29/06	460	250.00		3641	James Smith
64	1/29/06	230	148.32		3642	General Motors Credit
65	1/31/06	110		1,649.80	CKS	January Checks
Totals for 11 items		5,190.00	1,649.80	1,649.80		

Report 2- 4: Journal Report Inquiry



## Built-in Bank Reconciliation Program

A very powerful, easy-to-use bank reconciliation program is built into the PC Software Windows Client Write Up System. This program has multiple ways to mark entries as cleared that greatly enhance productivity. It has clear, straightforward reports that highlight reasons for unreconciled balances very quickly.

Check No	Amount	Description	Cleared
SVC	12.50	Bank Charges	X
3641	307.22	ABC Electric	X
3644	52.00	Exxon Corp	X
3645	100.00	James Smith	X
3646	14.00	ABC Supply	X
3647	86.48	Verizon	X
3648	63.00	FPL	X
3649	300.00	Thomas Realty	X
3650	660.70	Smith, James M.	X
3651	94.00	Pelican Restaurant	X

Figure 2-22: The built-in check reconciliation feature is sophisticated, flexible, and easy-to-use.

# The Best in Reports and Features

## Introduction

Now that you have examined the setup, operation and flow of the system, we will concentrate on highlighting some of the reporting and other features that the system produces.

### Reports for Every Need at Your Fingertips

The **Flowing Chart** concept of the PC Software System provides reports for every need as a standard of entering a simple chart of accounts. There is no need for complex setups to provide your client with the capability to analyze what is happening to their business both in a comparative basis to last year and to control against a budget right now. Periods and year-to-date information can be presented so that "right now" and "the big picture" can be equally considered. A wide array of transaction reporting allows a transaction by transaction analysis of what is going on.

### Reports in Variable Fonts and Font Sizes

This system allows the accounting firm to put the power of the Windows operating system and its unequaled printer support to work. The firm may vary fonts and font sizes by type of report to produce an outstanding final product. Additional sophistication and flexibility is available in reporting to allow such things as variable column widths depending on the type of report and expected maximum numbers.

### Trend Report

The **Trend Report** is a twelve month presentation of an income statement. This report is very popular and is often a breakthrough report for those firms not understanding how looking at reports can actually help them. Of course, well managed firms love this report because they know that a trend analysis provides the advance notice necessary to adjust to a rapidly changing business environment and highlights situations that management needs to concentrate on.

## The Sample Trend Company, Inc.

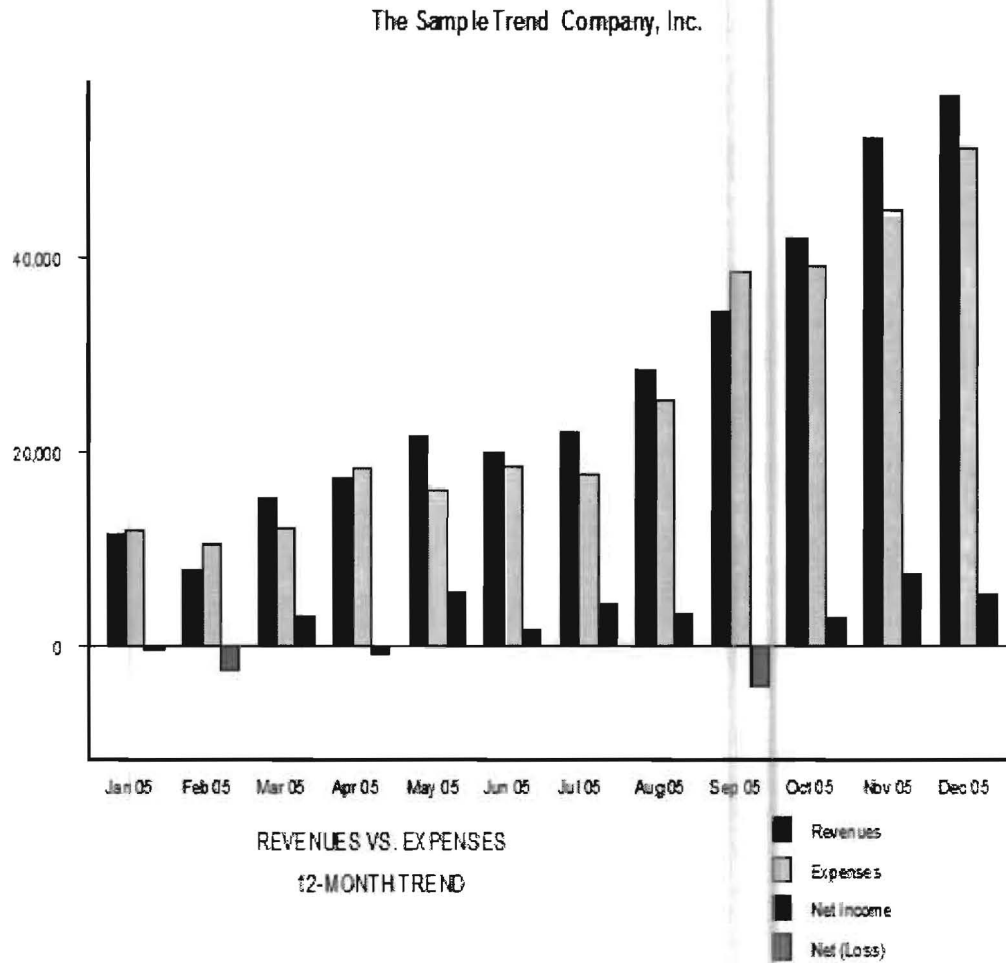
### STATEMENT OF REVENUES AND EXPENSES FOR THE 12 MONTHS ENDED DECEMBER 31, 2003

	Jan 03	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03
<b>Income</b>												
Sales	\$ 12,348.00	7,860.00	15,552.00	18,650.00	23,245.67	21,190.15	22,345.52	28,450.75	34,350.65	42,014.28	52,245.65	56,750.19
Sales Returns	(850.00)	0.00	(425.00)	(1,275.00)	(1,700.00)	(1,275.00)	(425.00)	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	<b>11,498.00</b>	<b>7,860.00</b>	<b>15,127.00</b>	<b>17,375.00</b>	<b>21,545.67</b>	<b>19,915.15</b>	<b>21,920.52</b>	<b>28,450.75</b>	<b>34,350.65</b>	<b>42,014.28</b>	<b>52,245.65</b>	<b>56,750.19</b>
<b>Expenses</b>												
Sales Commission	600.00	200.00	1,200.00	1,200.00	2,200.00	1,200.00	200.00	0.00	600.00	4,200.00	6,200.00	4,200.00
Salaries	6,200.00	6,200.00	6,200.00	8,000.00	8,000.00	8,000.00	8,000.00	12,000.00	15,825.00	16,675.00	18,245.60	18,245.60
Travel	285.46	115.65	372.45	457.89	423.56	766.12	624.56	2,134.79	2,684.56	3,401.24	4,123.56	3,856.98
Insurance	400.00	0.00	0.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	400.00
Taxes	1,225.67	1,225.67	1,225.67	1,610.26	1,610.26	1,610.26	1,610.26	2,422.46	2,422.46	3,623.45	2,814.56	5,825.34
Depreciation	125.25	125.25	125.25	240.50	240.50	240.50	310.15	510.56	510.56	510.56	645.10	645.10
Office Rent	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	2,250.00	2,250.00	2,500.00	2,500.00	2,500.00
Postage / Shipping	75.46	22.35	110.10	1,815.45	334.56	1,404.50	335.56	3,034.21	1,456.78	3,267.18	2,645.23	1,854.36
Office Supplies	245.53	85.15	310.11	2,223.46	180.15	1,240.56	15.22	238.65	423.48	1,200.10	1,201.43	824.35
Professional Services	300.00	300.00	300.00	300.00	300.00	400.00	400.00	400.00	2,200.00	400.00	800.00	1,200.00
Telephone Expense	234.56	185.67	335.67	475.96	675.89	345.98	423.45	1,415.67	2,139.71	2,657.21	3,124.54	3,645.23
Utilities Expense	734.89	445.67	512.25	482.34	578.35	512.32	480.23	823.87	745.67	710.05	813.24	850.12
Marketing Materials	0.00	0.00	0.00	0.00	0.00	0.00	3,850.25	0.00	7,200.00	0.00	1,500.00	7,200.00
<b>Total Expenses</b>	<b>11,926.82</b>	<b>10,405.41</b>	<b>12,192.50</b>	<b>18,305.86</b>	<b>16,043.27</b>	<b>18,420.24</b>	<b>17,749.68</b>	<b>25,230.21</b>	<b>38,458.22</b>	<b>39,144.79</b>	<b>44,813.26</b>	<b>51,347.08</b>
<b>Net Income</b>	<b>\$ (431.82)</b>	<b>(2,545.41)</b>	<b>2,934.50</b>	<b>(930.86)</b>	<b>5,502.40</b>	<b>1,494.91</b>	<b>4,170.84</b>	<b>3,220.54</b>	<b>(4,107.57)</b>	<b>2,869.49</b>	<b>7,432.39</b>	<b>5,403.11</b>

Report 2-5: The very popular twelve-month income statement or Trend-Report presents an entire year's income statement in a side-by-side format.

## Graphs

Trends can also be highlighted with graphics. Standard bar graphs of income, expenses, and profitability can be prepared without any special setup. The graphical display of the previous trend reports is shown below:



## Cash Flow Reporting

The cash flow statement can be difficult for an accounting system to produce. The PC Software Accounting cash flow statement is easily prepared, completely flexible and in full compliance with accounting requirements. It's set up with the "special functions" module approach of PC Software is as simple as designating which accounts are applicable to which line item. In addition the system is capable of reporting both the current and year-to-date periods or the year-to-date period only. The system uses an advanced methodology in report creation which eliminates the need to code debits and credits to special sub accounts just to provide these reports.

<b>The Sample Client</b>		
<b>STATEMENT OF CASH FLOWS</b>		
<b>For the One Month and Three Months Ended</b>		
<b>March 31, 2003</b>		
	Current Period	Year To Date
<b>Cash Flows from Operating Activities</b>		
Net Income (Loss)	\$ 7,842.30	\$ 8,827.18
<b>Adjustments to Reconcile Net Income to Net Cash Provided:</b>		
<b>Decrease (Increase) In Operating Assets:</b>		
Inventory	(6,094.32)	348.03
<b>Increase (Decrease) In Operating Liabilities:</b>		
Employee Taxes Withheld	1,061.91	772.80
Accrued Payroll Taxes	60.03	372.21
Total Adjustments	<u>(4,972.38)</u>	<u>1,493.04</u>
Net Cash Flow From Operations	2,869.92	10,320.22
<b>Cash Flows From Financing Activities</b>		
<b>Inflows:</b>		
Increases in Sales Tax Payable	3,561.29	10,065.60
<b>Outflows:</b>		
Decreases in Sales Tax Payable	8,123.47	16,316.93
Decreases in Current Portion L.T. Debt	273.30	813.75
Dividends Paid	2,554.00	7,182.00
Net Cash From Financing Activities	<u>(7,389.48)</u>	<u>(14,227.08)</u>
Net Increase (Decr) In Cash & Equivalents	(4,519.56)	(3,906.86)
Beginning Cash And Equivalents	17,522.78	16,910.08
Ending Cash & Cash Equivalents	<u>\$ 13,003.22</u>	<u>\$ 13,003.22</u>
 <b>Disclosure Of Accounting Policy:</b>		
For the purposes of the Statement of Cash Flows, the company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.		

**Report 2- 6:** The easily produced Cash Flow Statement provides the client with detailed

## Cost Center Reporting

One of the most significant capabilities of the PC Software Accounting System is its ability to professionally and productively accomplish cost center accounting. What might take all day to setup on other systems takes only a few minutes with our system using an ingenious cost center “expander” and the Flowing Chart module. Not only does the system provide separate income statements and a consolidated statement for each company but it also had the ability to provide separate balance sheets if appropriate for the entity. In addition, different groupings of centers may also be produced. As mentioned in the section on transaction processing, center transactions can be automatically prorated in “ledger” transactions and well handled in after-the-fact payroll transactions.

Account Range

Beginning Account 440 List

Ending Account 650 List

Model Cost Center (Optional):

Transfer Orphaned Balances and Transactions to: 10

Cost Centers to Add

10	20				

List

OK Cancel Help Close

Figure 2-23: Cost-center processing is easy to setup and use

## Multi-Company Consolidations

Not only can the system handle cost center accounting, it can also consolidate independent companies to produce a multi-company consolidation.

## Automatic Inventory Calculation

The system calculates the correct transaction for the appropriate inventory accounts when the cost of sales percentage is specified. Variable percentages and physical inventory adjustments are easily handled as are multiple product lines and variable sales accounts. The system automatically calculates the correct accounting entries to the inventory accounts based on the current criteria in effect for that client. The inventory presentation provides the classic correct depiction of the beginning and ending inventories. This presentation is infinitely more meaningful to a client than an "inventory change" account and allows far better inventory management through such techniques as cyclical inventories by product line.

**The Sample General Store**  
**COST OF SALES SCHEDULE S**  
For the One Month and Two Months Ended  
February 28, 2006

	Current Period		Year To Date	
	Amount	Percent	Amount	Percent
<b>Sales</b>				
Hardware	\$ 22,054.31	100.66	\$ 44,108.62	100.52
Hardware Returns	<u>(145.12)</u>	<u>(0.66)</u>	<u>(227.57)</u>	<u>(0.52)</u>
<b>Total Sales</b>	<b>\$ 21,909.19</b>	<b>100.00</b>	<b>\$ 43,881.05</b>	<b>100.00</b>
<b>Cost of Sales</b>				
Beginning Inventory	14,394.51	65.70	17,567.23	40.03
Purchases	18,345.34	83.73	31,416.65	71.60
Freight	412.34	1.88	647.21	1.47
Ending Inventory	<u>(16,720.30)</u>	<u>(76.32)</u>	<u>(16,720.30)</u>	<u>(38.10)</u>
<b>Total Cost of Sales</b>	<b>16,431.89</b>	<b>75.00</b>	<b>32,910.79</b>	<b>75.00</b>
<b>Gross Profit</b>	<b>\$ 5,477.30</b>	<b>25.00</b>	<b>\$ 10,970.26</b>	<b>25.00</b>
<b>Sales</b>				
General Products	\$ 14,194.72	100.17	\$ 28,973.18	100.84
General Products Returns	<u>(24.56)</u>	<u>(0.17)</u>	<u>(240.02)</u>	<u>(0.84)</u>
<b>Total Sales</b>	<b>\$ 14,170.16</b>	<b>100.00</b>	<b>\$ 28,733.16</b>	<b>100.00</b>
<b>Cost of Sales</b>				
Beginning Inventory	6,692.45	47.23	10,034.11	34.92
Purchases	7,543.78	53.24	15,667.23	54.53
Freight	239.64	1.69	424.93	1.48
Ending Inventory	<u>(3,139.74)</u>	<u>(22.16)</u>	<u>(3,139.74)</u>	<u>(10.93)</u>
<b>Total Cost of Sales</b>	<b>11,336.13</b>	<b>80.00</b>	<b>22,986.53</b>	<b>80.00</b>
<b>Gross Profit</b>	<b>\$ 2,834.03</b>	<b>20.00</b>	<b>\$ 5,746.63</b>	<b>20.00</b>

**Report 2- 7:** The Special Functions Module produces true inventory reporting. The true inventory allows cyclical inventories, by product line, to monitor and adjust automatic inventory estimations based on historical percentages.



## Powerful Subsidiary Schedule Capability

The system supports the automatic generation of normal, budgeted and comparative schedules that match the parent financial statements. Schedules are also available for both single and multiple center entities. Variable schedules can also be produced with great flexibility. Special schedules that are commonly needed such as cost of goods sold schedules are easily and professionally produced. The report below illustrates automatically produced Balance Sheet schedules.

<b>Sample Reconciliation</b>		
SCHEDULE OF ASSETS, LIABILITIES, AND EQUITY		
January 31, 2006		
Cash in Bank		
Bank of America	\$	6,197.64
First National Bank		3,500.10
JP Chase		4,200.15
Money Market Account		5,000.00
Bank of America Savings		10,000.00
First National CD		25,000.00
JP Morgan Savings		<u>1,000.00</u>
Total Cash in Bank	\$	<u><u>54,897.89</u></u>
Notes Payable		
Notes Payable Bank of America	\$	4,154.01
Notes Payable - Ford Delivery Truck		12,000.00
Notes Payable - Allen Harris		15,000.00
Notes Payable - Mike Smith		15,000.00
First National Bank Note Payable		<u>3,250.00</u>
Total Notes Payable	\$	<u><u>49,404.01</u></u>

**Report 2- 8:** The system allows the automatic generation of subsidiary schedules as well as the generation of "custom" schedules" if needed.

# Interfaces, Interfaces, Interfaces!!

No one wins when the same work has to be done again. Interfacing is the answer. This system provides powerful and flexible interfacing capabilities to fulfill a number of standard accounting needs.

## TaxWise Interface

We have a superb interface between P.C. Software and TaxWise. You simply pair TaxWise work codes with client write up accounts as shown on the screen below:

Select Batch Number (Tax Code)	
Cash	Schedule L-1d
Trade Notes/Receivables	Schedule L-2ac
Bad Debts	Schedule L-2bc
Inventories	Schedule L-3d
US Obligations	Schedule L-4d
Tax Exempt Securities	Schedule L-5d
Other Current Assets	Schedule L-6d
Mtg & Real Estate	Schedule L-7d
Other Investments	Schedule L-8d
Depreciable Assets	Schedule L-9ac
Accum Depreciation	Schedule L-9bc
Depletable Assets	Schedule L-10ac
Accum Depletion	Schedule L-10bc

Multi-Select Postable Accounts	
110	Cash in Checking
120	Cash in Savings
130	Accounts Receivable
140	Prepaid Expense
160	Automobile
180	Computer
190	Furniture
195	Less: Accum. Depreciation
220	Accounts Payable
222	Federal W/B Payable
223	FICA Tax Payable
230	Notes Payable
310	Capital Stock
315	Retained Earnings
320	Profit and Loss
440	Sales

Figure 2-24: TaxWise Interface Code Entry Screen

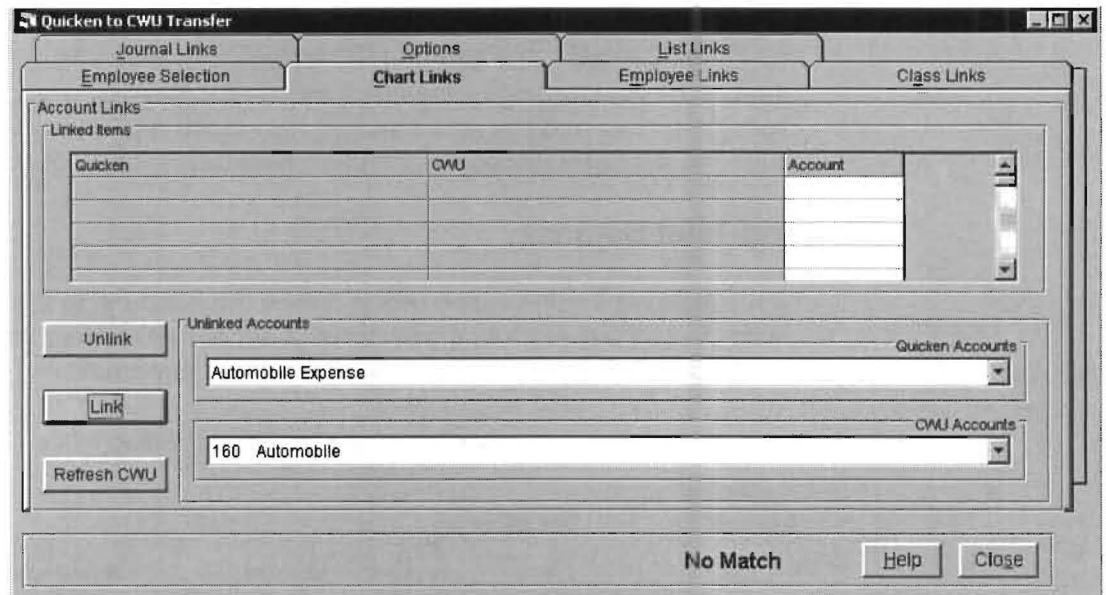
Once you have paired all the work codes with their respective accounts, you take an option that interfaces the year-end account balances to the TaxWise System. Then you enter the TaxWise System, call up this client and the year-end balances are already in the tax system. It is that easy! No more duplication of effort! No more loss of time when time is at a premium. Tax Code Entry setups can also be copied from client to client.

## Computer Checkbook Interface

The P.C. Software Windows Computer Checkbook System is a check writing program that is designed to be used by the accounting firm as well as by their clients. It typically reduces write up preparation time by about 80%. Computer Checkbook has the capability to write both payroll and vendor checks in addition to producing deposit slips. The system also keeps the accounting records for all transactions and even has an integrated bank reconciliation program so that the clients can know, with certainty, what the balances are in their bank accounts. This system is directly interfaced with the client write up system and since it was designed for accounting firm use, it has ALL the information that the accounting firm needs to professionally and productively prepare payroll and financial reports.

## QuickBooks™ Interface

QuickBooks has an incredible number of users and it is more than likely that some of your clients use their system. The PC Software Accounting System interfaces to QuickBooks and the Quicken family. This interface is capable of importing both ledger and payroll information.



**Figure 2-25:** The QuickBooks interface is capable of importing both ledger and payroll information

## ASCII Generic Interface

Transactions can be imported and exported from many other sources via a standard ASCII interface.

## Spread Sheet Interfaces

Transactions can be exported to spread sheets such as Excel.

## A Special Interface: Your Client's Data is in Microsoft Access™

This system was designed for you and your client's data. We have placed your client's data in the Microsoft Access Data Base. This means you can access it whenever you want and use Microsoft Access to process and present it in any way you want. You can also use many software tools like Crystal reports that directly interface to the Access data base.

# Other Reports and Features

## Automatic Calculations

Rather than wait until year end to discuss and compute a corporate, federal, state, and local tax liability, the PC Software Accounting System can calculate these figures each period and present them on the current period financials. The **Special Functions** module makes this a simple task. The Accounting Firm enters the appropriate tax range tables and any loss carryover and the rest is automatic. Once again the client is provided with the best and the accounting firm maximizes its productivity.

## Working Trial Balance

The Working Trial Balance report allows the accounting firm to dispense with the tedious manual procedures of documenting year end entries to the trial balance for the purpose of preparing the tax return.

Sam's Pressure Washing & Painting							Client No: 150A	
WORKING TRIAL BALANCE							Page 2	
December 31, 2005		Prepared By: _____		Reviewed By: _____				
Description	Acct	Last Year DR (CR)	Unadjusted DR (CR)	REF	Adjustments DR (CR)	ADJUSTED DR	BALANCE CR	
Gross Receipts - Form 1120S-1 1a	4010	(294,900.00)	(310,000.00)					
			Add'l Income	1	(17,900.00)			
<p style="text-align: center;">This income was not reflected in original provided balances. Sam's did subcontracting work for ABC Paint and Supply and in lieu of direct payment, ABC Paint setup an account in one of their locations for Sam, at his request, with a balance equal to the amount of the subcontracting work done.</p>							327,900.00	
Taxable Interest - Schedule K - 4a	4210	1,200.00	(6,600.00)					
			Interest	7	1,200.00		5,300.00	
Purchases - Form 1120S-2 - A2	5010	27,600.00	32,500.00					
			Paint	3	4,900.00	37,100.00		
Other Costs - Form 1120S-2 - A 5	5030	16,000.00	0.00			0.00		
Advertising - Form 1120S-1 - 16	6020	16,000.00	16,000.00			16,000.00		
Answering Service - Other Deductions 3	6040	6,000.00	7,200.00			7,200.00		
Bank Charges - Other Deductions 5	6070	600.00	600.00			600.00		
Depreciation Per Books - Schedule L, Line 105(c)	6125	3,000.00	0.00					
			Depreciation	4	3,000.00	3,000.00		
Rent Paid - Form 1120S-1 - 11	6420	12,000.00	15,000.00			15,000.00		
Salaries and Wages - Form 1120S-1 - 8	6440	95,000.00	115,000.00			115,000.00		
Salaries and Wages - Officers - Form 1120S-1 - 7	6450	55,000.00	60,000.00			60,000.00		

**Report 2- 9:** The working trial balance allows the accountant to view all of the end-year adjustments. (Portions of this report are not shown for documentation presentation)

## Disclaimer Letters

Flexible client letters may be created and are easily setup to contain embedded data from the system files. Letters may be setup once for a client and used repeatedly by copying the letter template to other clients. A sample letter is shown below:

<p style="text-align: center;">The Sample Accounting Firm Certified Public Accountants 101 Main Street Anytown, Florida 34234 941-123-4567 *COMPUTER DATE</p> <p>To the Board of Directors *COMPANY_NAME *CLIENT_ADDR1 *CLIENT_ADDR2 *CLIENT_ADDR3</p> <p>We have compiled the accompanying balance sheet of *COMPANY NAME as of *REPORT DATE and the related statements of income and retained earnings and cash flows for the *TFRAME_CUR_TTD, and the accompanying balance sheet and income statement supporting schedules, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.</p> <p>A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.</p> <p>Management has elected to omit substantially all the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.</p> <p>The Sample Accounting Firm, CPA's</p>
---

**Report 2- 10:** Sample disclaimer letter showing embedded data and left/right justification.

## Vendor Reporting

This system has the capability to report on vendor transactions and to save 1099 information for vendors that require it.

## Payroll Reporting

This system incorporates a full after-the-fact payroll entry and reporting sub system. The powerful design of this system makes it easy-to-use and yet gives it unlimited flexibility to handle different taxing entities and changing laws.

## Payroll Summary Report

The payroll summary presents each employee or independent contractor in a clear, concise manner. This presentation is enhanced with the capability for the accounting firm to vary the reporting headings by client and thus tailor the amounts and deductions that are presented. Individual transactions are shown for easy reconciliation and support. Totals are shown for the period, the quarter, and the year-to-date. Totals are also shown for the 1099's and W2's. Tax depository liabilities and period breakdowns are also presented. Breakdown by weeks and accounts allows quicker and more accurate additional payroll reporting. An example of the Payroll Summary Report follows:

The Sample Checkwriting Company							
Payroll Summary				Client No: 101PY Page 1			
3/1/2006 to 3/31/2006							
Check	Date	Gross	Fed	Fica	State	Deds	Net
<b>1 George T Jones</b>				<b>876-54-3219</b>			
1003	3/1/06	537.50	65.91	41.12	31.13	0.00	399.34
QTD		537.50	65.91	41.12	31.13	0.00	399.34
YTD		537.50	65.91	41.12	31.13	0.00	399.34
<b>2 John Michael Smith</b>				<b>987-66-4321</b>			
1002	3/1/06	112.00	47.09	31.51	22.35	0.00	11.05
QTD		112.00	47.09	31.51	22.35	0.00	11.05
YTD		112.00	47.09	31.51	22.35	0.00	11.05
<b>File Totals</b>							
MTD		649.50	113.00	72.63	53.48	0.00	410.39
QTD		649.50	113.00	72.63	53.48	0.00	410.39
YTD		649.50	113.00	72.63	53.48	0.00	410.39
<b>Totals By Date</b>							
	03-01-06	649.50	113.00	72.63	53.48	0.00	410.39
<b>W2 Type Payroll Items</b>							
<b>Additions</b>		<b>Current</b>	<b>QTD</b>	<b>YTD</b>			
NCGROS		649.50	649.50	649.50			
<b>Withholding</b>		<b>Current</b>	<b>QTD</b>	<b>YTD</b>			
FED		113.00	113.00	113.00			
FICAMD		72.63	72.63	72.63			
NCSTWH		53.48	53.48	53.48			
<b>Deductions</b>		<b>Current</b>	<b>QTD</b>	<b>YTD</b>			
<b>File Totals for Payroll Items</b>							
<b>Additions</b>		<b>Current</b>	<b>QTD</b>	<b>YTD</b>			
NCGROS		649.50	649.50	649.50			
<b>Withholding</b>		<b>Current</b>	<b>QTD</b>	<b>YTD</b>			
FED		113.00	113.00	113.00			
FICAMD		72.63	72.63	72.63			
NCSTWH		53.48	53.48	53.48			
<b>Deductions</b>		<b>Current</b>	<b>QTD</b>	<b>YTD</b>			
<b>941 Liability Summary</b>							
<b>941 Liability Summary</b>							
	03-01-06		258.28				
	Monthly Total		258.28				

**Report 2- 11:** The **Payroll Summary Report** provides both detail and summary information that is useful for a variety of management and payroll reporting needs.

# 941 Report

The system produces a laser generated 941 form.

Form 941 for 2006: Employer's Quarterly Federal Tax Return

Department of the Treasury Internal Revenue Service

Employer identification number: 00-0000000000

Name (for your trade name):

Trade name, if any:

Address: Street, City, State, Zip code

Report for this Quarter (Check one):

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Part 1: Answer these questions for the quarter

1 Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 30 (Quarter 2), Sept. 12 (Quarter 3), Dec. 12 (Quarter 4) 1 2

2 Wages, tips, and other compensation 2 780,00

3 Total income tax withheld from wages, tips, and other compensation 3 100,42

4 If no wages, tips, and other compensation are subject to social security or Medicare tax  Check and go to line 8.

5 Taxable social security and Medicare wages and tips

	Column 1	Column 2
5a Taxable social security wages	780,00	96,72
5b Taxable social security tips		
5c Taxable Medicare wages & tips	780,00	22,62
5d Total social security and Medicare taxes (Column 2, line 5a + 5b + 5c = line 5d)		119,34

8 Total taxes before adjustments (line 5 + 5d = line 8) 8 221,76

7 Tax adjustments (Read the instructions for line 7 before completing lines 7a through 7g.)

7a Current quarter's fraction of cents

7b Current quarter's sick pay

7c Current quarter's adjustments for tips and group-term life insurance

7d Current year's income tax withholding (Attach Form 941e)

7e Prior quarter's social security and Medicare taxes (Attach Form 941c)

7f Special additions to federal income tax (Attach Form 941c)

7g Special additions to social security and Medicare (Attach Form 941c)

7h Total adjustments (combine all amounts: lines 7a through 7g) 7h

9 Total taxes after adjustments (Combine lines 8 and 7h) 9 221,76

10 Administrative earned income credit (EIC) payments made to employees

10 Total taxes after adjustment for advance EIC (line 9 - 0 = line 10) 10 221,76

11 Total deposits for this quarter, including overpayment applied from a prior quarter 11

12 Balance due (If line 10 is more than line 11, write the difference here.) Make checks payable to the United States Treasury. 12 221,76

13 Overpayment (If line 11 is more than line 10, write the difference here.) You must fill out both pages of this form and SGQR 2.  Check one:  Apply to next return  Send a refund.

For Privacy Act and Paperwork Reduction Act Notice, see the back of the Payment Voucher. Cat No 170612 Form 941 (Rev. 1-2006)

Report 2- 12: This typeset, system-produced Form 941 eliminates a familiar accounting firm "headache."

## W2's, 1099's and 940's

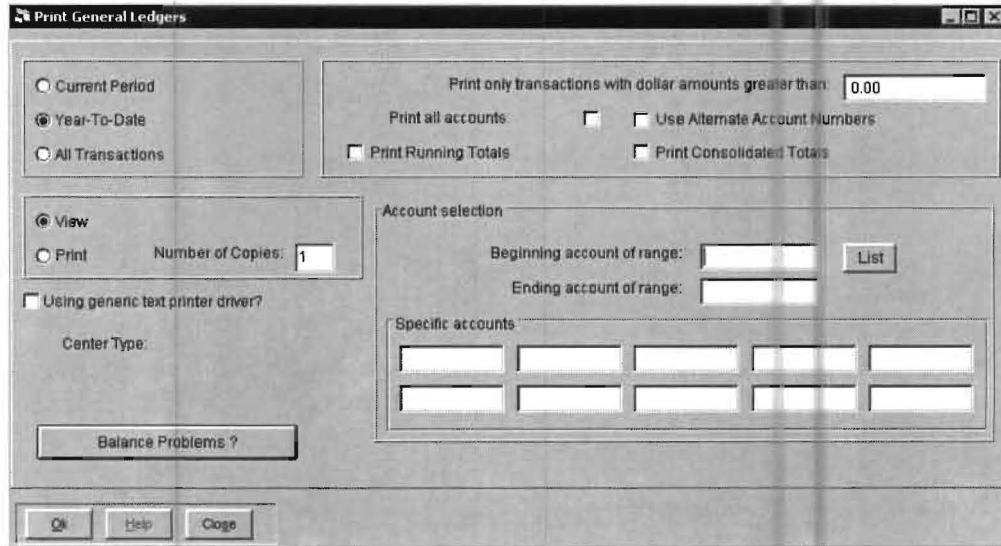
This system produces W2's, 1099's, 940's, 941's, and 943's. P.C. Software is approved to produce W2's and W3's on plain paper. It also generates all other W2 and W3 copies on plain paper as well as 940's, 941's and 943's. 1099's and 1096's Copy A's are still required by the government to be produced on a red scannable form. All other 1099's and 1096's are produced on plain paper.

## State Unemployment Reports

This system generates the state unemployment reports for the great majority of states. We will program the state unemployment reports for the few remaining states when we get accounting firm users in those states

## Magnetic Media Reporting

Magnetic media reporting is provided for both federal and state requirements and are fully certified by the appropriate government regulators. The magnetic media program allows straightforward, productive reporting with added safeguards for checking and validating.



**Figure 2-26:** The year-to-date general ledger may be analyzed by individual account, range of accounts, or by a group of accounts. This analysis can be optionally contain unlimited text for each transaction

## Some Evaluation Criteria

### Speed, Productivity, and Ease-of-Use

Many Client Write Up Systems illustrate financial reports and gloss over the efforts that are required to produce them. This can be a major oversight as the degree of effort in producing the reports directly relates to profitability. We have shown you that our system is geared to productivity and supports the factors which are critical to a firm's productivity, such as speed, efficiency, and ease-of-use.



## **Established Criteria**

Some time ago, the AICPA wrote a pamphlet entitled, "Guidelines to Assess Computerized General Ledger and Financial Reporting Systems for Use in CPA firms." They mentioned some criteria which is worth considering to evaluate different systems. These three factors are just as important today as they were then:

- 1) The technical proficiency required to use the system.
- 2) The degree of accuracy and auditability provided by the system.
- 3) The processing speed, efficiency and simplicity with which the system operates.

## **Technical Proficiency**

We do not know of a sophisticated Client Write Up system that is simpler to use than the PC Software Client Write Up System. It is simple in operational design, organized by accounting function and takes advantage of Windows ease-of-use features with necessary help and prompting throughout. The setup of the system is so straightforward that it is not unusual for the entire Write Up staff of an accounting firm to understand how to setup and run clients and use special features. The most typical situation is a fast typist actually entering the information from prepared source documents.

## **Accuracy and Auditability**

The accuracy and auditability within the PC Software Accounting System is outstanding. The system accounts for all data with detailed records. Extensive edits and checks for balance conditions are provided. Also, individual transactions are automatically retained for a perpetual ledger. Processing is designed to minimize user entry and client data errors. All financial reports are available at any time in the cycle and perpetually. A perpetual general ledger is available that begins with the first entry on the computer and goes to the last. An account status report for any account makes the checking of control accounts simple. These and many additional control and edit features are an integral part of the accounting cycle.

## **Speed, Efficiency, and Simplicity**

The processing speed and efficiency of the PC Software Accounting Windows Client Write Up system is a major advantage of the system over the competition since up to four times the amount of work can be handled in equivalent periods. The efficiency and simplicity of the system is reflected in all phases of the system from straightforward setup to easy monthly balancing, to linked reporting. The "three module" approach maximizes your reporting efficiency while maintaining ease-of-use.

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# Chapter 3

## The Practice Set

### Introduction

This **Practice Set** is a hands-on exercise that guides you through the setup and processing of a sample set of books. Performing this exercise is a fast, efficient way to learn the basic setup and flow of information through the system. The **Practice Set** culminates with the production of financial statements and payroll reports for a typical ATF (After-the-fact) payroll client. These statements and reports are totally generated by the work of the practice set.

If you have purchased the system but not yet installed the Client Write Up for Windows System on the workstation that you are using, please refer to Chapter 1: Introduction and Installation, for installation instructions. If you are evaluating the system with a demonstration CD, and have not yet installed the demonstration system, please refer to the materials sent with the CD for installation instructions.

Please feel free to call us at *PC Software Accounting* (800-237-9234) if you have any specific questions regarding the **Practice Set** or the *PC Software Windows Client Write Up System* in general.

### Gathering Initial Information

The first step in setting up and producing financial statements for a company is to gather the necessary accounting information for the financial periods in question. The next four pages contain the necessary accounting information to prepare the financial statements for the mythical "Sample Company, Inc." This information includes initial balances, monthly check stubs, a deposit slip, and an adding machine tape that reflects the total credits to cash for non-payroll disbursements checks. These source documents are used to set up The Sample Company, Inc., and to enter January transactions, and produce financial statements as of January 31, 2006. We encourage you to check your accuracy with the reports provided at the end of the **Practice Set**.

## Practice Set Source Documents

Account	Description	Debit	Credit
110	Cash in Checking	1,234.56	
120	Cash in Savings	3,000.00	
130	Accounts Receivable	2,425.00	
140	Prepaid Expense	300.00	
160	Automobile	14,559.65	
180	Computer	3,250.00	
190	Furniture	3,850.00	
195	Less: Accum Depr.		6,235.14
220	Accounts Payable		1,875.34
230	Notes Payable		8,450.65
310	Capital Stock		5,000.00
315	Retained Earnings		7,058.08
Totals		28,619.21	28,619.21

**Table 3 - 1** Initial Balances for The Sample Company, Inc.  
as of 12/31/05.

BALANCE	1234	56
<b>3644</b>		
<b>01/03 20 06</b>		
TO <b>Exxon Corp</b>		
FOR <b>Acct. #600</b>		
TOTAL	1234	56
AMOUNT THIS CHECK	52	00
BALANCE	1182	56
<b>3645</b>		
<b>01/08 20 06</b>		
TO <b>James Smith</b>		
FOR <b>Acct. #460</b>		
TOTAL	1182	56
AMOUNT THIS CHECK	100	00
BALANCE	1082	56
<b>3646</b>		
<b>01/08 20 06</b>		
TO <b>ABC Supply</b>		
FOR <b>Acct. #630</b>		
TOTAL	1082	56
AMOUNT THIS CHECK	14	00
BALANCE	1068	56

BALANCE	1068	56
<b>3647</b>		
<b>01/12 20 06</b>		
TO <b>Verizon</b>		
FOR <b>Acct. #640</b>		
TOTAL	1068	56
AMOUNT THIS CHECK	86	48
BALANCE	982	08
<b>3648</b>		
<b>01/13 20 06</b>		
TO <b>F.P.L.</b>		
FOR <b>Acct. #650</b>		
TOTAL	982	08
AMOUNT THIS CHECK	63	00
BALANCE	919	08
<b>3649</b>		
<b>01/16 20 06</b>		
TO <b>Thomas Realty</b>		
FOR <b>Acct. #620</b>		
TOTAL	919	08
AMOUNT THIS CHECK	300	00
BALANCE	619	08

(Sample check stubs for January 2006 Page 1 of 2)

BALANCE	619	08
<b>3650</b>	<b>4000</b>	<b>00</b>
<b>01/16 20 06</b>		
TO <b>James Smith</b>		
<b>Gross 800.00</b>		
FOR <b>FED 78.10</b>		
<b>FICA 61.20</b>		
<b>Employee #1</b> TOTAL	<b>4619</b>	<b>08</b>
AMOUNT THIS CHECK	<b>660</b>	<b>70</b>
BALANCE	<b>3958</b>	<b>38</b>
<b>3651</b>		
<b>01/18 20 06</b>		
TO <b>Pelican Restaurant</b>		
FOR <b>Acct. #600</b>		
TOTAL	<b>3958</b>	<b>38</b>
AMOUNT THIS CHECK	<b>94</b>	<b>00</b>
BALANCE	<b>3864</b>	<b>38</b>
<b>3652</b>		
<b>01/20 20 06</b>		
TO <b>Fred's Office</b>		
<b>Furniture (Desk)</b>		
FOR <b>Acct. #190</b>		
TOTAL	<b>3864</b>	<b>38</b>
AMOUNT THIS CHECK	<b>392</b>	<b>00</b>
BALANCE	<b>3472</b>	<b>38</b>

BALANCE	3472	38
<b>3653</b>		
<b>01/23 20 06</b>		
TO <b>James Smith</b>		
FOR <b>Acct. #460</b>		
TOTAL	<b>3472</b>	<b>38</b>
AMOUNT THIS CHECK	<b>250</b>	<b>00</b>
BALANCE	<b>3222</b>	<b>38</b>
<b>3654</b>		
<b>01/28 20 06</b>		
TO <b>General Motors</b>		
FOR <b>Acct. #230</b>		
TOTAL	<b>3222</b>	<b>38</b>
AMOUNT THIS CHECK	<b>148</b>	<b>32</b>
BALANCE	<b>3074</b>	<b>06</b>
<b>3655</b>		
<b>01/30 20 06</b>		
TO <b>James Smith</b>		
<b>Gross 800.00</b>		
FOR <b>FED 78.10</b>		
<b>FICA 61.20</b>		
<b>Employee #1</b> TOTAL	<b>3074</b>	<b>06</b>
AMOUNT THIS CHECK	<b>660</b>	<b>70</b>
BALANCE	<b>2413</b>	<b>36</b>

(Sample check stubs for January 2006 Page 2 of 2)

**ACCT. #110  
NON PAYROLL  
CREDITS TO CASH**

52.00 +  
100.00 +  
14.00 +  
86.48 +  
63.00 +  
300.00 +  
94.00 +  
392.00 +  
250.00 +  
148.32 +  
1,499.80 \*

(Total of Non Payroll Checks)

Deposit Ticket

**The Sample Company**

Date	01/16/06	Dollars	Cents
Currency			
Coin			
Checks			
1 XYZ Corp		1500	00
2 Acme Company		2500	00
TOTAL		4000	00

(Sample Deposit for January 2006)

# Starting the Practice Set



Begin at the *Windows Desktop*. Double-click on the **WinCWU Icon** which is shown to the left. This will start the system. The system will display the *PC Software Accounting Window's Client Write-Up Entry Screen* that is shown below:

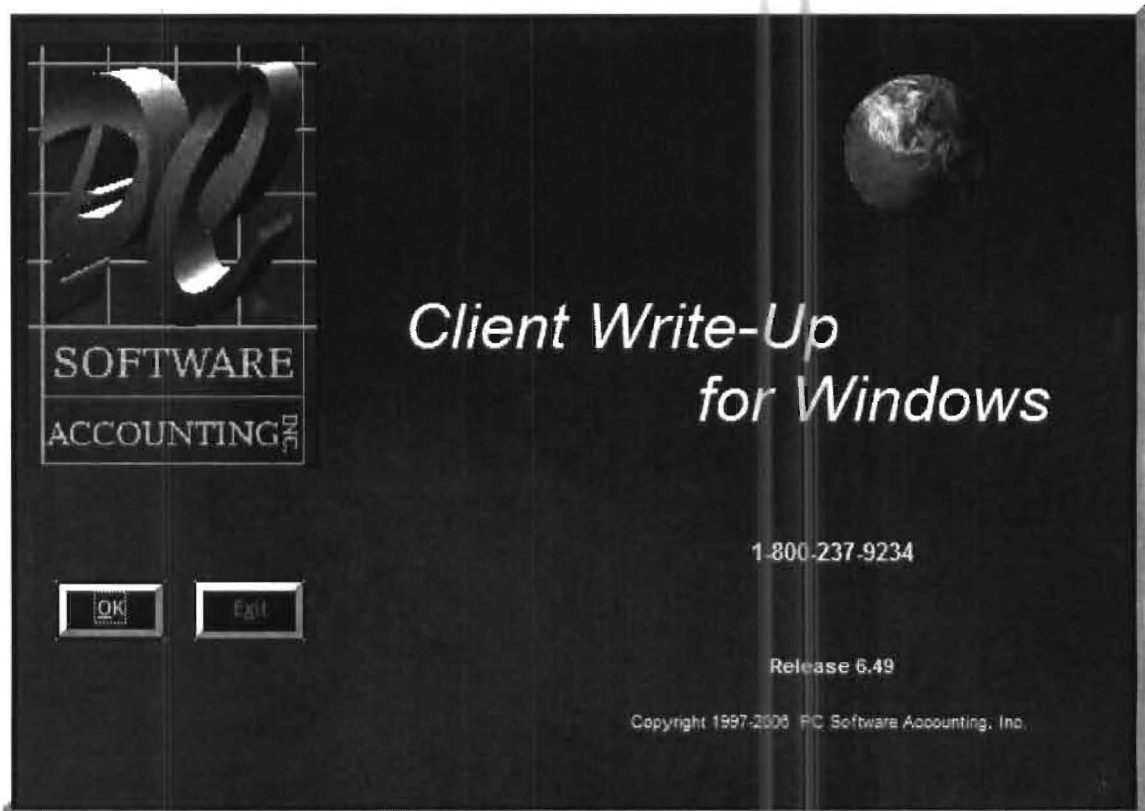


Figure 3-1: PC Software Windows Client-Write-Up Entry Screen

Click on **OK** and the system will display the **Home Screen**:

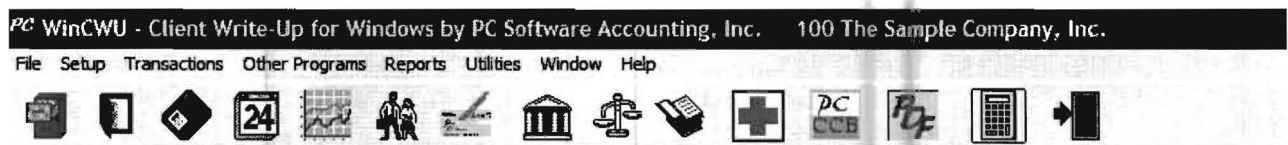


Figure 3-2: The Active Portion of the PC Software Windows Client Write-Up Home Screen



The top line of most *Windows* applications is reserved for the name and version of the program. It is called the **Title Bar**. The *Title Bar* for this system is labeled with *Client Write-Up for Windows by PC Software Accounting* and the current version. When a client within the *PC Software Accounting System* is activated, the client's name and number will appear on the **Title Bar**.

The second line of most *Windows* applications is generally dedicated to the **Menu Bar**. The words contained on the *Menu Bar* refer to the pull-down menus of the system. This *Menu Bar* consists of **File, Setup, Transactions, Other Programs, Reports, Utilities, Window** and **Help**.

The third line of most *Windows* applications is generally the **Icon Bar**. The **Icon Bar** usually consists of icons which invoke the most commonly used system functions. The icons of this system are shown below:

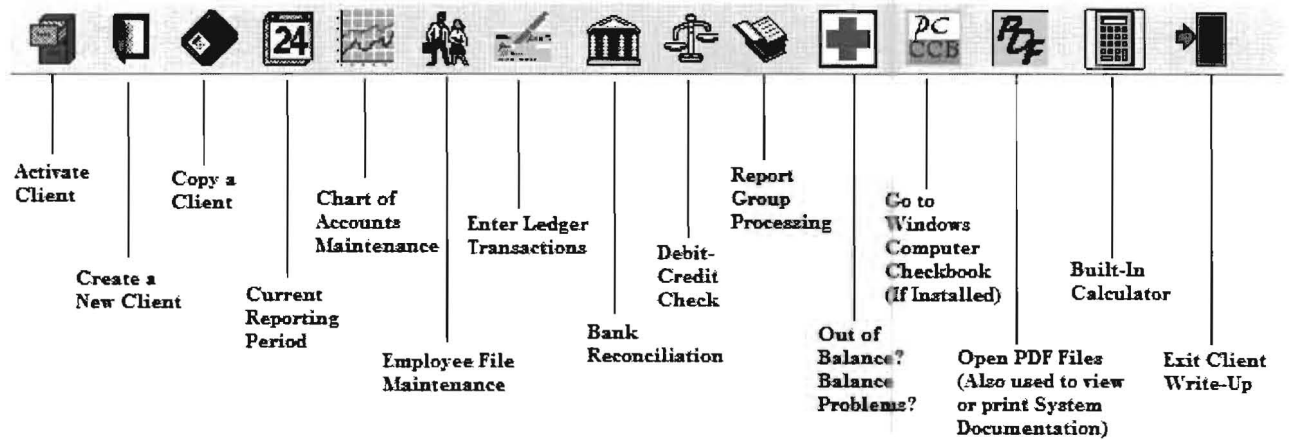


Figure 3-3: The Icon Bar.

## Step by Step

Now you are ready to begin the accounting section of the **Practice Set**. The main *Client Write-Up* screen is referred to as the **Home Screen**.

### Step 1: Create a New Client

- Click on the **Create a New Client Icon**, shown to the left. The following screen will display and the cursor will be flashing in the **New Client Number** field.

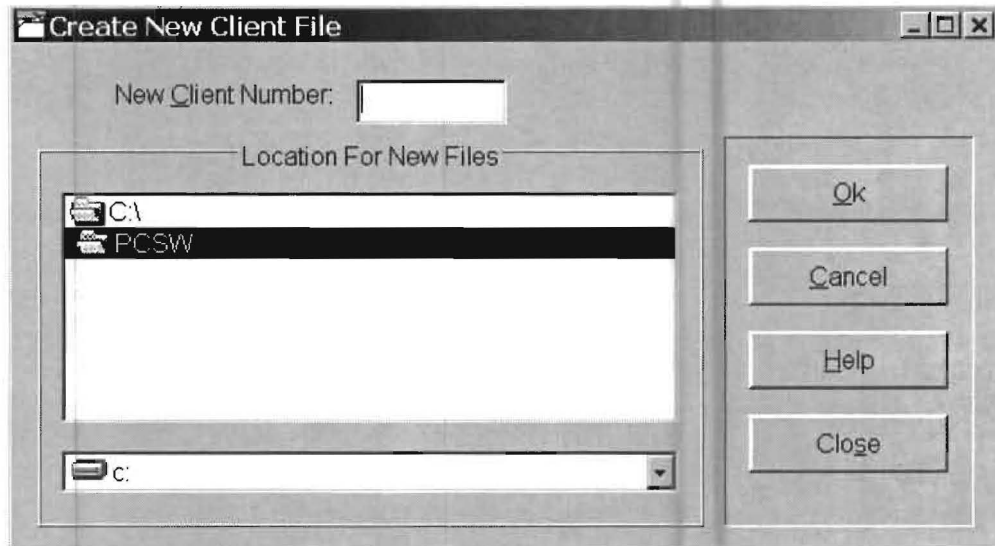


Figure 3-4: Create New Client File Screen

Key in a new client number of **100** and press **Enter**. Press **Enter** again and an area for new client 100 will be created in the system database. You will then be returned to the **Home Screen**. Verify that "**New Client 100**" is now the active client by checking the **Title Bar** of the **Home Screen**, which will show "100 New Client 100." The "**Create a New Client**" function has created a unique data area for client number 100, which will be assigned to client 100 for as long as this client is processed on the system. "**Create a New Client**" should never be selected for any client more than once.

## Step 2: Beginning the New Client Setup

To begin entering information for this client, (company information, chart of accounts, etc.), click **Setup** on the **Menu Bar** then **Date**, and **Enter/Change Fiscal Years**. The **Dates by Fiscal Year Screen** will display:

The screenshot shows a software window titled "Dates By Fiscal Year". At the top left, there is a small icon and the title. Below the title bar, there are two fields: "Fiscal Year End:" with a dropdown menu showing "12/31/06" and "Status:" with a text field containing "New". Below these is a "Number of Reporting Periods:" label followed by an empty input box. A table with two columns, "Beginning" and "End", is positioned below the input fields. To the right of the table is a vertical stack of buttons: "OK", "Cancel", "Help", "Delete", "Close", and "Create Next Fiscal Year".

Figure 3-5: Dates by Fiscal Year Screen

The **Fiscal Year End** field will show a default value of "12/31/06" since you are setting up this client in the year 2006. The cursor will be in the **Number of Reporting Periods** field. Key "12" in the **Number of Reporting Periods** and press **Enter**. Click **OK** to accept the information and you will be returned to the **Home Screen**.

### Step 3: Reporting Period Setup

24

Click on the **Setup** pull-down menu then **Date**, and **Current Reporting Period** or click on the **Current Reporting Period Icon** shown to the left. The **Select Reporting Period Screen** will display:

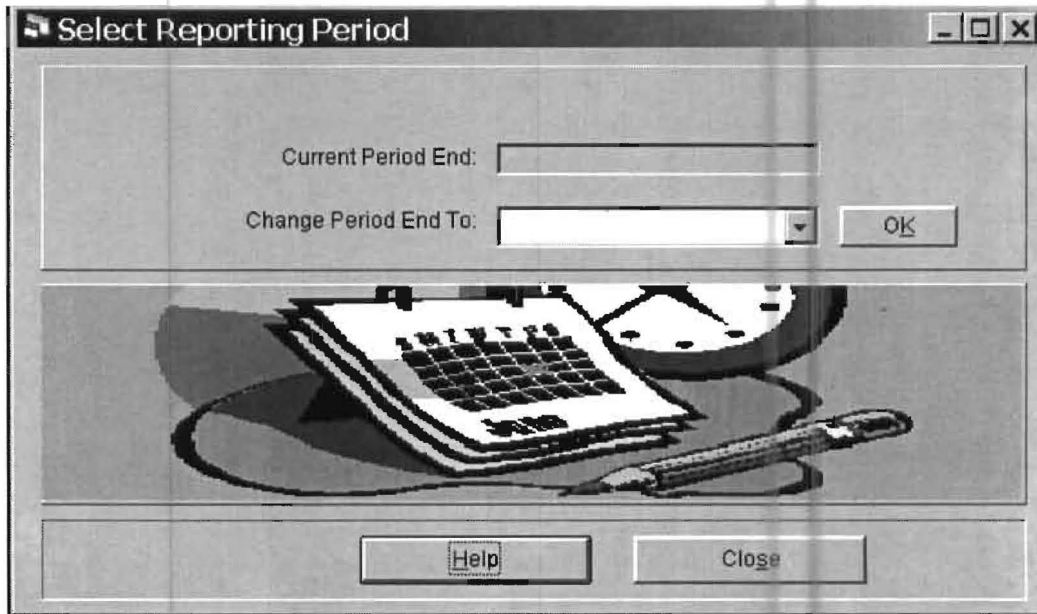


Figure 3-6: Select Reporting Period Screen

Click on the arrow to the right of the **Change Period End To** field, the system will display the possible period ending dates. Select **1/31/2006** by highlighting it and clicking. This will move **1/31/2006** into the **Change Period End To** field. Accept this choice by clicking on **OK**. You will be returned to the **Home Screen**. The **Status Box** in the lower right-hand corner on the **Home Screen** will now reflect a report date of **01/31/2006**.

## Step 4: Entering the Chart of Accounts

The **Chart of Accounts** is now ready to be entered for **The Sample Company, Inc.** Account numbers may be arbitrarily assigned with the only limitation being that the account numbers must be from three to six digits long. If you number the accounts in the same order that you want them to appear on your financials, then all of your financial statements will be automatically formatted. (Note that the System includes a large array of preformatted financial statements.) (Also note that normally a new chart of accounts would not really be entered for each new client in an accounting firm. What is actually done is that these types of "setup" items are copied from existing clients using special options for this purpose.)

Click on the **Setup** pull-down menu and then on **Account**. Highlight and click on **Chart of Accounts** to display the following screen:

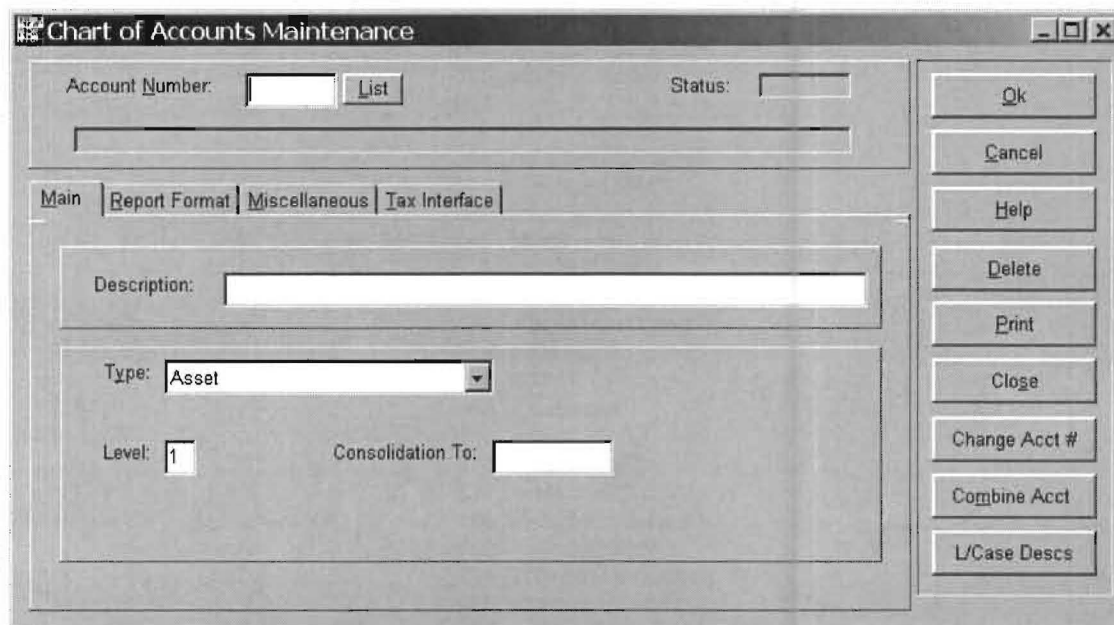


Figure 3-7: Chart of Accounts Maintenance Screen.

The **Chart of Accounts Maintenance Screen** is used to add, change, or delete accounts as necessary. For this exercise, refer to the **Chart of Accounts** for **The Sample Company, Inc.**, that is shown on the next page.

The cursor will be flashing in the **Account Number** field. Key in the number **100** to begin the entry of the first account in the sample chart and press **Enter**. Notice that as you enter the account, the word **NEW** appears in the **Status** field. You can later change the account by entering the account number again and the status **Active** will appear. The cursor will now be positioned in the **Description** field. Key in **Assets** and press **Enter**. You will now be in the **Type Field**. **Asset** is already highlighted since the system selected it as the most likely choice.

**The Sample Company, Inc.**  
**CHART OF ACCOUNTS LISTING**

January 31, 2006

Client No: 100

Page 1

<u>Description</u>	<u>Account</u>	<u>Level</u>	<u>Type</u>	<u>Consol</u>
Assets	100	1	1	
Current Assets	105	2	1	
Cash in Checking	110	5	1	
Cash in Savings	120	5	1	
Accounts Receivable	130	5	1	
Prepaid Expense	140	5	1	
Property and Equipment	150	2	1	
Automobile	160	5	1	
Computer	180	5	1	
Furniture	190	5	1	
Less: Accum. Depreciation	195	5	1	
Liabilities	200	1	2	
Accounts Payable	220	5	2	
Federal WH Payable	222	5	2	
FICA Tax Payable	223	5	2	
Notes Payable	230	5	2	
Equity	300	1	3	
Capital Stock	310	5	3	
Retained Earnings	315	5	3	
Profit and Loss	320	5	3	
Income	400	1	4	
Sales	440	5	4	
Sales Returns	445	5	4	
Expenses	450	1	6	
Sales Commission	460	5	6	
Salaries	465	5	6	
Travel	600	5	6	
Insurance	605	5	6	
Taxes	610	5	6	
Depreciation	615	5	6	
Office Rent	620	5	6	
Postage/Shipping	625	5	6	
Office Supplies	630	5	6	
Professional Services	635	5	6	
Telephone Expense	640	5	6	
Utilities Expense	650	5	6	
Total Postable Accounts:	11,105.00			
Total All Accounts:	12,810.00			

**Report 3- 1: Chart of Accounts: Use this listing to enter the new client's chart of accounts**

The system tries to assist you with the entry of the **Type** and **Level** fields on the Chart of Accounts. It does this by anticipating what type and level would normally be entered next by the user. In this case, since you are entering a new Chart of Accounts, the first account that is normally entered is the heading account for the asset section. Therefore the system has decided it would normally be an "**Asset**" type with a level of "**1**". If the system does not correctly anticipate the type and level for the account that you will be entering, then you must override the type and level that the system has automatically selected.

In this case, **Asset** is the right choice, so press **Enter** to proceed to the next field. The cursor will be positioned in the **Level** field. The **Level** field relates to formatting and totaling the accounts on the financial statements. The number one is already in the **Level** field as the system has anticipated your probable answer. If this field is anticipated incorrectly by the system, you would merely key in the correct number in this field. In your case, since the *level* is correct just press **Enter** and the cursor will move to the **Consolidation To** field.

## Step 5: Exploring the Help System

*PC Software Accounting* follows the *Windows* standards for **Help**. Clicking on **Help** will access the **Main Topic** menu. Pressing **F1** at any time will access the **Help** information for the specific field that is currently **focused** on. Press **F1** and the **Help** screen for **Consolidation To** will display:

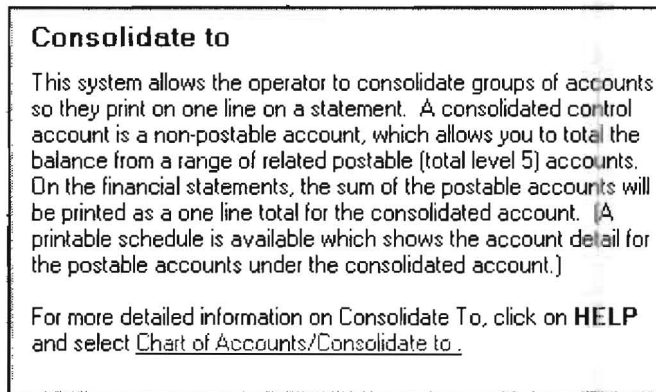


Figure 3-8: Help Pop Up Screen for 'Consolidate to'

After reviewing the help instructions for this field, press the **Escape (Esc)** key on your keyboard to return to the main **Chart of Accounts Entry** window. Toggle backwards to the level field using the **Shift** and the **Tab** keys simultaneously. Check that the cursor is in the level field and press **F1** to view the **Help** for this particular field. After viewing it, press **Esc** to return to the main **Chart of Accounts Entry** window.

Now that you have seen how the **F1** key works for the field-by-field **Help**, click on the **Help** button, located on the right of the **Chart of Accounts** entry screen. This will bring up the general **Help** screen for the **Chart of Accounts** that is shown below. At this point you could click on any topic of this **Help** screen to access additional information. Press **ESC** to exit a specific **Help** window if you wish to select one or just press **ESC** to return to the **Chart of Accounts Entry Screen**.

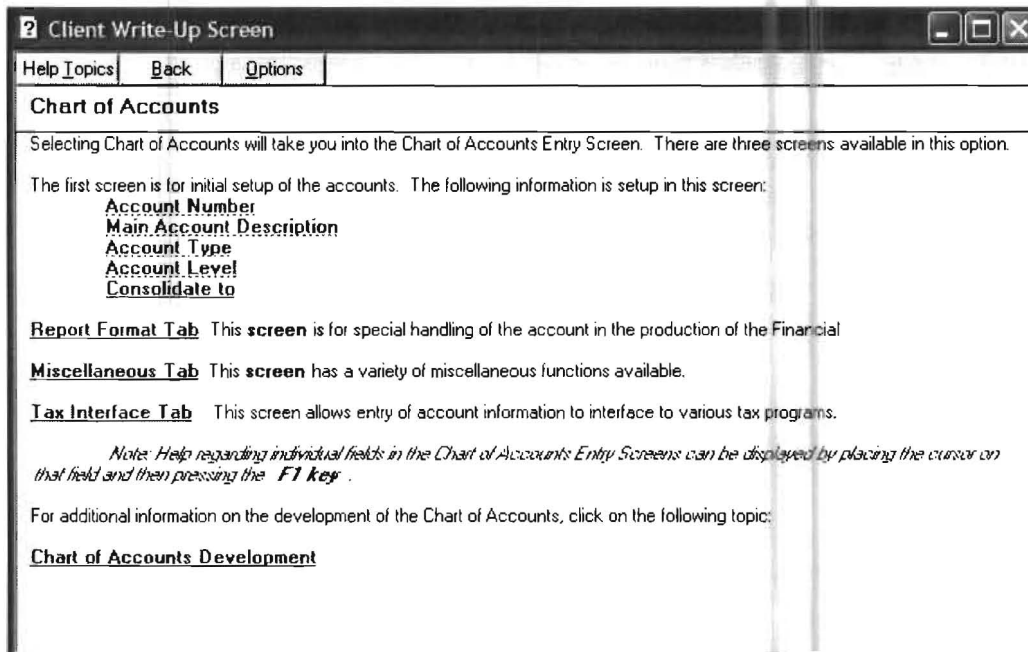


Figure 3-9: Example of Help screen for 'Chart of Accounts'

## Step 6: Continuing Chart of Accounts Entry

The **focus** will now be on the **Help** button. Check that you have not inadvertently erased any of the necessary information, about **account number 100**, that you had entered on this screen prior to accessing **Help**. If you have erased any information, re-enter it now.

Notice that above the **Description** field are four headings labeled, **Main**, **Report Format**, **Miscellaneous** and **Tax Interface**. These are called **Tabs**, which is the method used by *Windows* to label and access different screens that are related to the same topic. (Note that the active **tab** is always in the foreground.) Click on the **Report Format Tab** to access that screen. The **Report Format** screen will give you an idea of some of the reporting flexibility of the system. Now click on the **Main Tab**. (Note that the **Report Format**, the **Miscellaneous** and the **Tax Interface** tabs are not used in the **Practice Set**)

Now that you are back on the **Main Tab**, click **OK**. Account number **100**, **Assets** is now accepted. If you had been in the last field of the **Chart of Accounts Entry** screen, **Consolidation To**, and you had pressed **Enter**, the **focus** would have been changed to the **OK** button. Pressing **Enter** from there would have accepted the screen as well.

Since screens two, three and four of the **Chart of Accounts** entry are not typically used, they are only accessed by the use of **tabs** (**Report Format**, **Miscellaneous** and **Tax Interface**). In other areas of the system where additional screens are typically accessed and entered, the **focus** will automatically shift to the first field of the second screen and continue to shift to the first field of each additional screen as the previous screens are fully entered.



Note that this first account, **Assets** and several other accounts that you will enter in the **Practice Set** are not actually **postable** accounts that could contain dollar figures. In other words, the **Assets** account, which you have just entered, is not an account that would ever have dollars posted to it. Rather it is only used to provide the first heading for the balance sheet. Assets and other accounts like it are only used in formatting the financial statements.

The system is now ready for the entry of the next account number. It has automatically entered the next expected account *type* and *level*. Since the second account that is normally added in a new Chart of Accounts is usually an asset with a *level* of 2, these should be the defaulted values. (Depending on what "Help" options you actually displayed, the values for "Type" and "Level" may be other than "Asset" and "2" for the second account. If that is the case change them to "Asset" and "2" and the system will resume normal operation.)

Enter the remainder of the Chart of Accounts, which was shown earlier (Report 3-1 page 3-12). Remember that the *type* and the *level* will be anticipated **but that you must change them when the system does not anticipate them correctly**. There are three ways to accept the entry of an account once the entry screen for an account is completed. The recommended way is to press the **Alt**. Key and the letter **O** at the same time. (Using the Alt key in conjunction with an underlined letter on a button allows a button to be activated with the keyboard rather than with the mouse.) Another way you could accept the screen is to click on the **OK** button with the mouse. The third way is to enter through all the fields until the system highlights the **OK** button, then when you press enter one more time, the screen will be accepted.

After you have entered the last account, (Account Number **650**, Utilities Expense), click **OK** to accept the information then click **Close** to return to the **Home Screen**.

## Step 7: Printing the Chart of Accounts

Click on the **Reports** pull-down menu then **File Listings** and **Chart of Accounts**. The following screen will display:

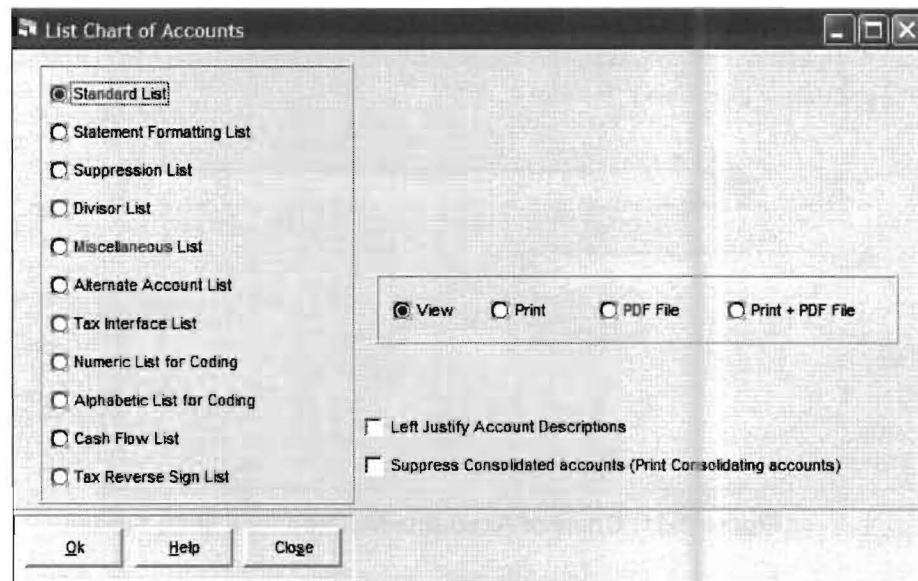


Figure 3-10: List Chart of Accounts screen.

This screen controls the printing of the **Chart of Accounts**. There are two sets of option frames which include various choices activated by a **Radio** button. Only one radio button can be enabled in a particular box. The first box contains the different reporting choices for printing the **Chart of Accounts**. The **Standard List** is selected by default by having its radio button enabled. The second box refers to printing the **Chart of Accounts** on the printer (with **print**) or on the screen (with **view**) or to a file (with PDF file), etc. **View** is selected by default.

For the **Practice Set** exercise, the **Standard List** option is the desired option and is already checked. Enable the **Print** radio button by clicking on it. Click **OK** and the **Chart of Accounts** will print and return you to the **Home Screen**.

Check the totals at the bottom of your printed list carefully. They have been printed to help you make sure that the account numbers and the account levels have been entered correctly. The **Total Postable Accounts** figure is a sum of all the level 5 (postable accounts) account numbers. The **Total All Accounts** figure is a sum of all the account numbers. If both of these totals are correct you can be sure that you have entered the correct account numbers and the correct levels for formatting purposes.

If the listing of the *Chart of Accounts* that just printed is not the same as the sample listing (*Report 3-1, page 3-12*), then correct the errors before proceeding. To correct any errors, click on the **Setup** pull-down menu then **Account** and **Chart of Accounts**. This will display the Chart of Accounts Maintenance Screen. To access any account entered in error either key in the account number, and press **Enter**, or click on the **List** button, and pick the account off the list. For example, if you wanted to change account number **100**, you would key **100** in the **Account Number** field and press **Enter**. The screen shown below would then display:

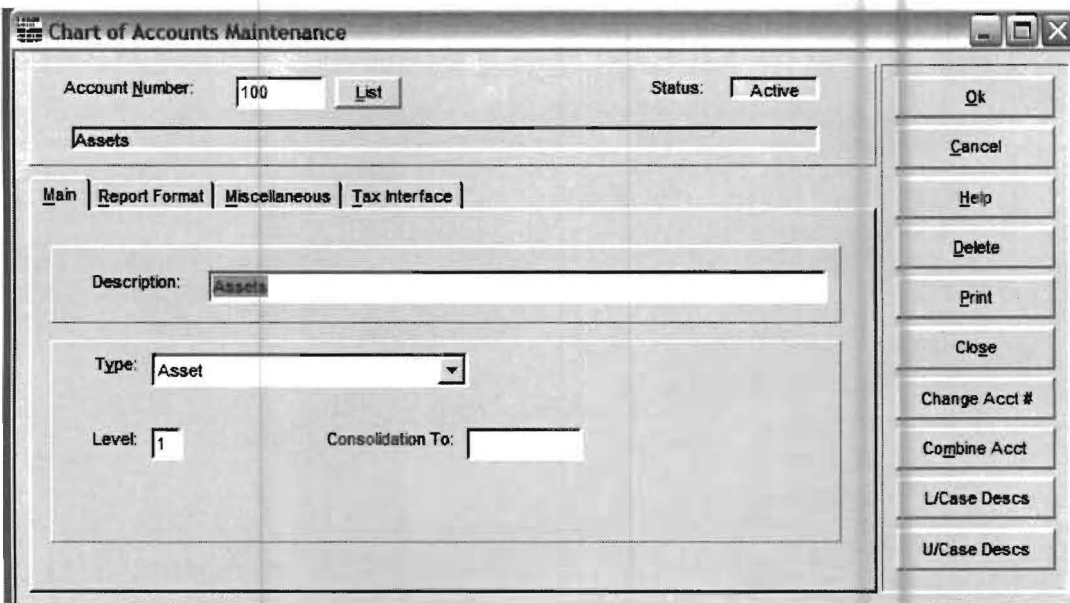


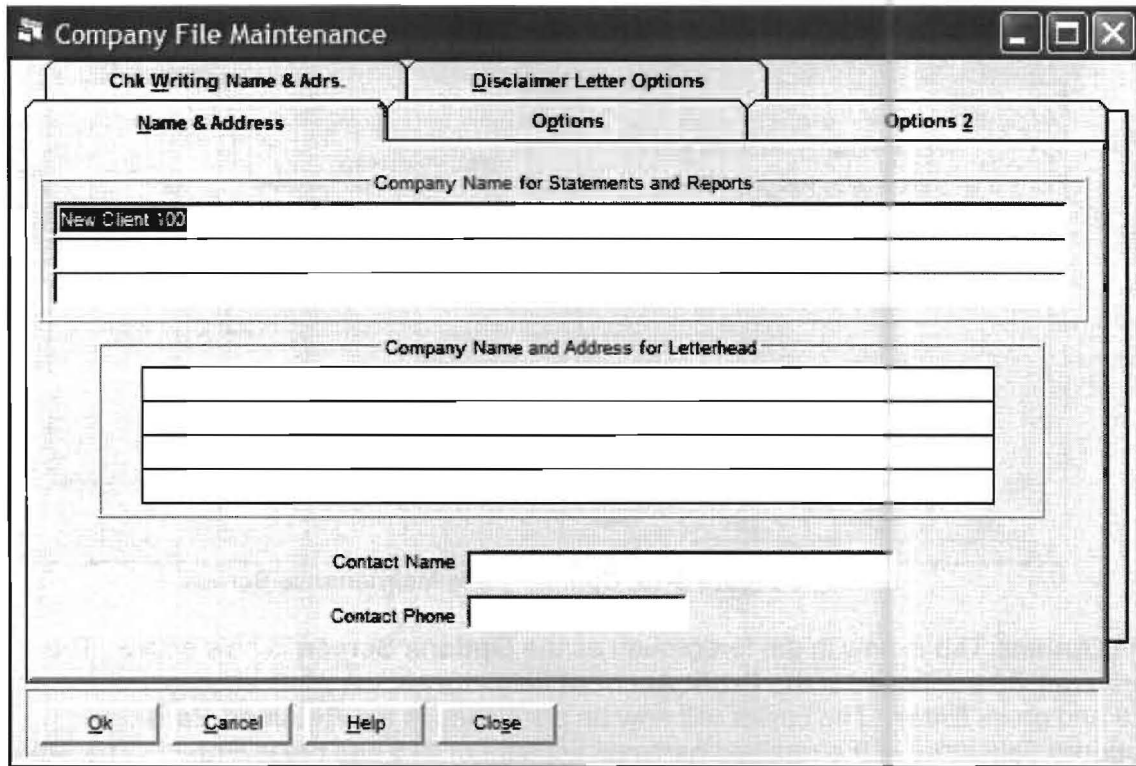
Figure 3-11: Chart of Accounts Maintenance Main Screen

"**Assets**" is highlighted in the **Description** field. To change the description just key in the new information since this field is already highlighted. To change any other field just click on that field and key in the new information. Click **OK** to accept the changes and **Close** to return to the **Home Screen**.

Now click on the **Reports** pull-down menu then **File Listings** and **Chart of Accounts**. On the **List Chart of Accounts Screen** enable the **Standard List** and the **Print** radio buttons. Click **OK** to accept these choices and the Chart of Accounts will list again. If the Chart of Accounts listing is correct, continue; if not, check the information and change it until the listing of the Chart of Accounts matches the sample Chart of Accounts listing.

## Step 8: Company Information

The next step is setting up the necessary company information for "**The Sample Company, Inc.**" Click on the **Setup** pull-down menu and then **Company**. The following screen will display:



The screenshot shows a window titled "Company File Maintenance" with three tabs: "Chk Writing Name & Adrs.", "Disclaimer Letter Options", and "Options 2". The "Name & Address" tab is active. It contains two main sections: "Company Name for Statements and Reports" and "Company Name and Address for Letterhead". The first section has a text field with "New Client 100" entered and highlighted. The second section has three empty text fields. Below these are "Contact Name" and "Contact Phone" fields. At the bottom are "Ok", "Cancel", "Help", and "Close" buttons.

Figure 3-12: Company File Maintenance Name and Address screen

The **focus** will be on the first line of the company name as shown by **NEW CLIENT 100** being highlighted. The company name of **NEW CLIENT 100** is the default name.

Key in **The Sample Company, Inc.** and press **Enter**. Notice that above the company name are five tabs labeled, **Name and Address**, **Options**, **Options/2**, **Check-Writing Name and Address**, and **Disclaimer Letter Options**. The current screen is the **Name and Address Screen**. The company name is the only data that will be entered on this screen for the purpose of the **Practice Set**. Click on the **Options Tab** and the following screen will display:

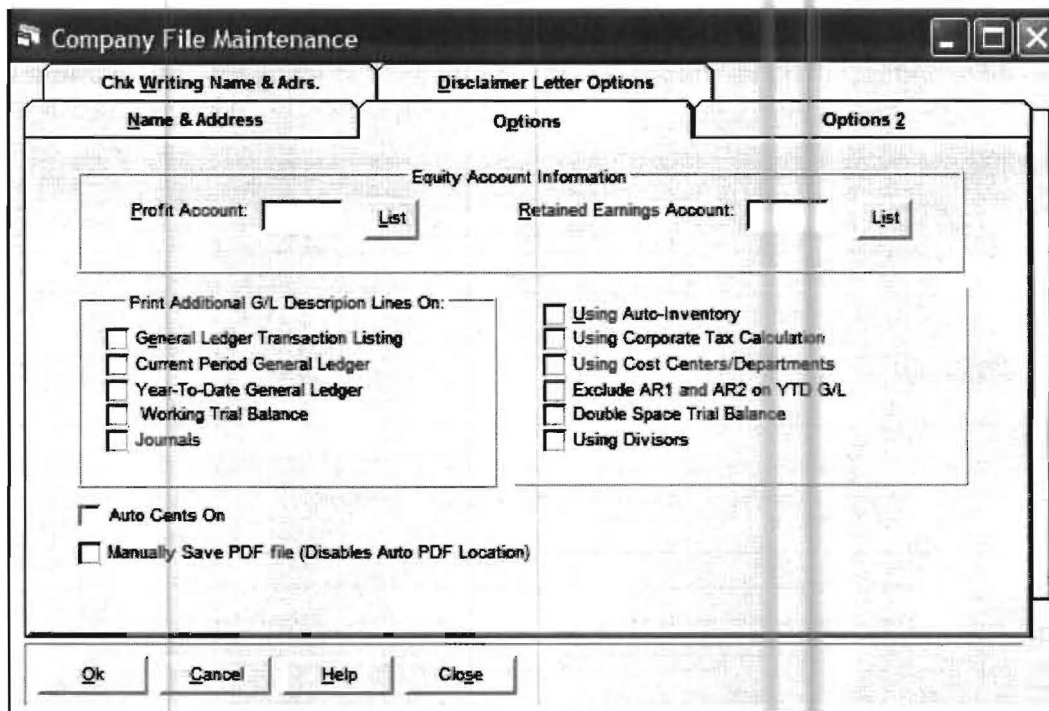


Figure 3-13: Company File Maintenance Screen

The **Options Tab** is now in the foreground as the **Options Screen** is now active. The cursor will be positioned in the **Profit Account** field. Key in the profit account number of **320** and press **Enter**. The cursor will now be positioned in the **Retained Earnings Account** field. Key in the retained earnings account of **315** and press **Enter**. (**The other tabs, Options 2, Check Writing, Name & Address and Disclaimer Letter Options are not used in the Practice Set**). This completes the information that is needed under **Company Maintenance**. Click **OK** to return to the **Home Screen**.

## Step 9: Entering Initial Balances

The next step in setting up a client usually involves studying past period balance sheets and income statements to determine the initial balances for the accounts to be entered into the system. To make the **Practice Set** flow smoothly a listing of beginning balances for the sample company is provided on the next page. Note that there are separate columns for debit and credit balances.

To enter the initial balances click on the **Setup** pull-down menu then **Account and Initial Balances**. The following screen will display:

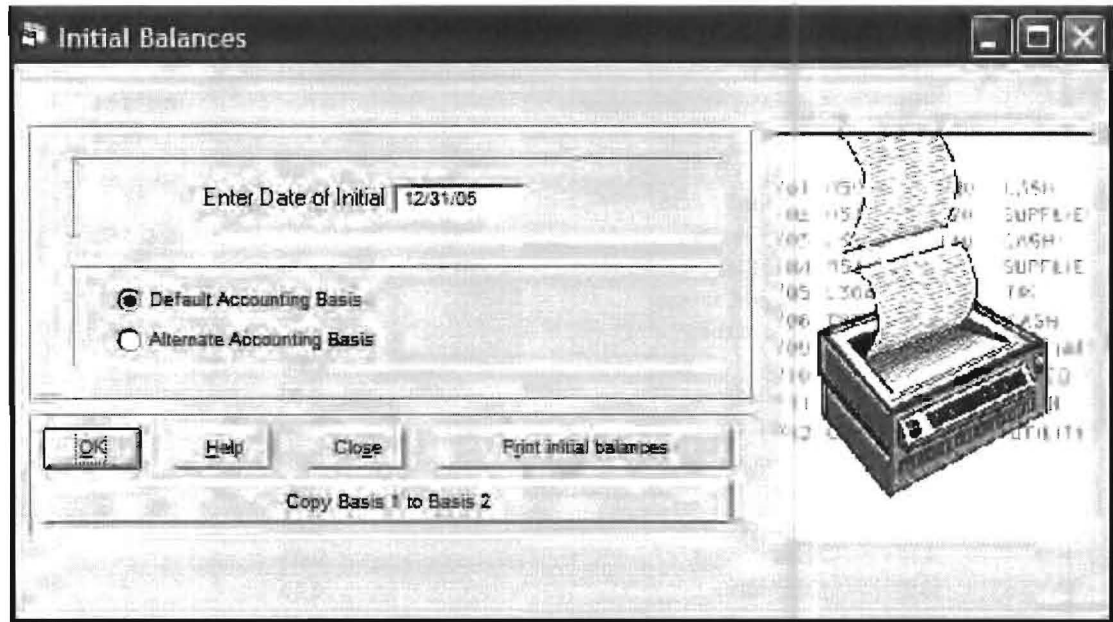


Figure 3-14: Initial Balances Date Screen

The system has assumed that the **Initial Balance Date** is the day before the beginning of the fiscal year. In the case of the **Practice Set**, this is correct. Notice that the **focus** is on the **OK** button; pressing **Enter** will accept this screen. (It is set up like this because the default accounting basis is almost always the desired basis and this is already the default option.) This screen also has a button to allow you to print the initial balances. Since they have not yet been entered, do not choose print at this time. Press **Enter** to accept the date, the default accounting basis and to bypass any printing at this time.

The Sample Company

12/31/2005

Client No: 100

Page 1

<u>Account</u>	<u>Description</u>	<u>Debits</u>	<u>Credits</u>
110	Cash in Checking	1,234.56	
120	Cash in Savings	3,000.00	
130	Accounts Receivable	2,425.00	
140	Prepaid Expense	300.00	
160	Automobile	14,559.65	
180	Computer	3,250.00	
190	Furniture	3,850.00	
195	Less: Accum. Depreciation		6,235.14
220	Accounts Payable		1,875.34
222	Federal W/H Payable	0.00	
223	FICA Tax Payable	0.00	
230	Notes Payable		8,450.65
310	Capital Stock		5,000.00
315	Retained Earnings		7,058.08
320	Profit and Loss	0.00	
440	Sales	0.00	
445	Sales Returns	0.00	
460	Sales Commission	0.00	
465	Salaries	0.00	
600	Travel	0.00	
605	Insurance	0.00	
610	Taxes	0.00	
615	Depreciation	0.00	
620	Office Rent	0.00	
625	Postage/Shipping	0.00	
630	Office Supplies	0.00	
635	Professional Services	0.00	
640	Telephone Expense	0.00	
650	Utilities Expense	0.00	
	Totals	28,619.21	28,619.21

Report 3-2: Use this listing to enter the new client's initial balances.

This will bring you to the **Initial Balance Entry Screen** which is shown below:

Account description	Account	Debits	Credits
Cash in Checking	110	0.00	0.00
Cash in Savings	120	0.00	0.00
Accounts Receivable	130	0.00	0.00
Prepaid Expenses	140	0.00	0.00
Automobile	180	0.00	0.00
Computer	180	0.00	0.00
Furniture	180	0.00	0.00
Less Accum. Depreciation	195	0.00	0.00
Account Payable	220	0.00	0.00
Federal WH Payable	222	0.00	0.00
FICA Tax Payable	223	0.00	0.00
Notes Payable	230	0.00	0.00
Totals		0.00	0.00
Difference		0.00	

**Figure 3-15: Initial Balances Entry Screen**

This screen will only show **postable** accounts. (A postable account is an account that can have a balance as opposed to an account that is only used for formatting the financial statements and which cannot have a balance.) The account numbers and descriptions will display and two columns for entry will appear next to each account. Only one column will be used for each account. The left column is for debit balances and the right column is for credit balances. To enter the initial balances you should enter the respective balance for each account "**unsigned**" into the correct column. To assist you, the system assumes that all assets are debits, all liabilities are credits etc., and will place the cursor in the correct column for each type of account. Sometimes accounts have balances that do not follow the general rule of their type of account and you will have to move to the correct column for these exceptions.

In the **Practice Set**, there is an Accumulated Depreciation account in the asset section that has a credit balance. To switch columns, enter a **minus sign**. Remember that you must switch back to the other column if the next account is again a normally signed account balance. When in the correct column, proceed to enter "**unsigned**" balances as before. This type of entry might seem cumbersome at first but this method of entering balances allows greater efficiency in most initial balance entry situations.

Now you are ready to enter the initial balances for the **Practice Set** found on the previous page. All accounts have normally signed balances with the exception of account **195** which is the Accumulated Depreciation account. (A normally signed balance means a debit balance for asset accounts, a credit balance for liability, equity and income accounts, a debit balance for cost of goods sold, expenses, etc.)

Since you just accessed the **Initial Balance Entry Screen**, the cursor will be in the debit side since the first account is Cash in Checking which is an asset. Key in **1234.56** with the decimal and press **Enter**. (Note that there is an option to enter numbers without decimals which is easily setup in the system. If it had been setup the **X** would not appear on the **Auto Cents** button on the lower right portion of the screen.) Continue to enter *unsigned* balances for the other assets down through and including the **3850.00** for Furniture. Now you have reached the single exception to the general rule that is found in the **Practice Set** and you have to switch columns to enter a credit entry for the Accumulated Depreciation account. Key in a **minus sign** to switch columns, then the number **6235.14** and press **Enter**. You will note that the **6235.14** is in the credit column as it should be.

Usually you would then have to return back to the debit side with a **minus sign** to enter the next asset account. However, since the next account is the first liability account, just continue on with the entries in the credit column. All of the remaining accounts have normal balances for their account type and should also be entered *unsigned*. Since the income and expense accounts have zero initial balances, stop your entry when you reach the first income account which is sales, **account number 440** (Note that there is a system feature that allows you to enter all numeric balance entries without entering the decimal point. This feature and many other individual choice features like it are not demonstrated in the Practice Set as the purpose of the Practice Set is to demonstrate the basic flow of the system. Demonstrating and discussing all the special features of this system in the Practice Set would make the practice set too long, however you should be aware that many such features exist.)

The system will keep a running total of debits and credits. After entering all the balances, check these totals to be sure that the debits equal the credits. If there is a difference or any errors, just find the account with the error by using the scroll bar to the right of the credit column. Enter the new balance (with a preceding minus sign if you need to switch columns) and the correction is made. When you finish the entry and any necessary corrections, click **OK** to return to the **Home Screen**. (**Make sure to click on OK- if you do not do so, your entries will not be saved.**)

### Step 10: Printing the Initial Balances

To print the listing of initial balances, click on the **Reports** pull-down menu then **File Listings** and **Initial Balances**. The following screen will display:

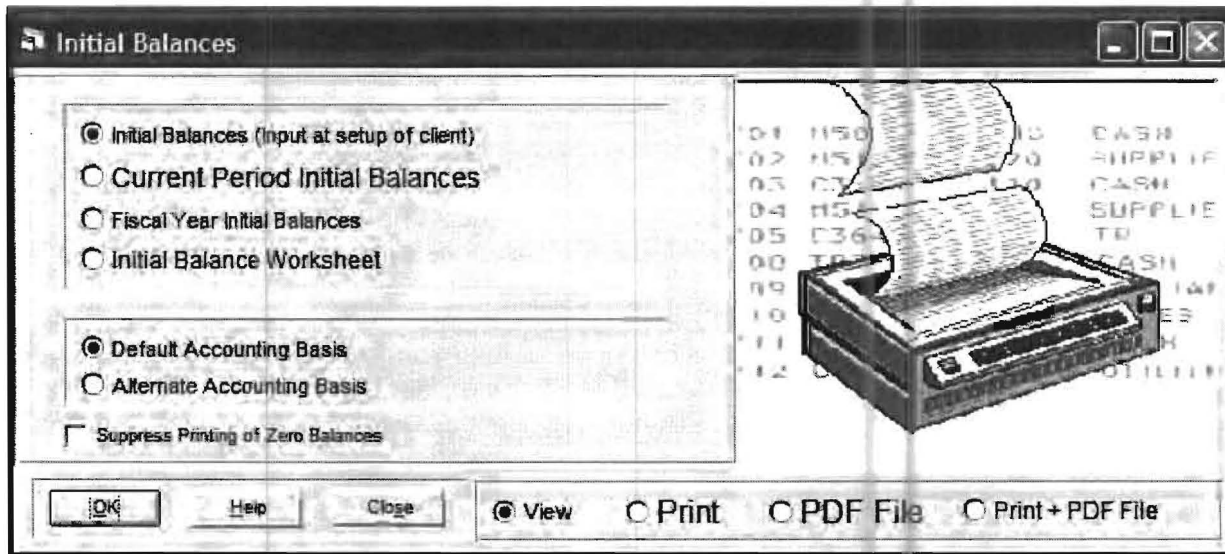


Figure 3-16: Initial Balances printing screen

Notice that there are four different print options for initial balances. The default reflects the initial balances entered when the client is initially set up. Since you have just entered these balances and you want to print them, the default should not be changed. The default of **Default Accounting Basis** is also the correct choice. Click the **Print radio button** and then **OK**. The initial balances will print. Now click on the close button and you will be returned to the **Home Screen**. The listing of the initial balances should appear as shown on the next page.



If there are any discrepancies in the listing, click on the **Setup** pull-down menu then **Chart of Accounts** and **Initial Balances**. This will bring up the informational screen for Initial balances. Click **OK** to access the **Initial Balance Entry Screen**. Correct any discrepancies and then reprint the report. Continue this process until the balances on your listing agree with the balances shown below.

The Sample Company				
12/31/2005		Client No: 100		Page 1
<u>Account</u>	<u>Description</u>	<u>Debits</u>	<u>Credits</u>	
110	Cash in Checking	1,234.56		
120	Cash in Savings	3,000.00		
130	Accounts Receivable	2,425.00		
140	Prepaid Expense	300.00		
160	Automobile	14,559.65		
180	Computer	3,250.00		
190	Furniture	3,850.00		
195	Less: Accum. Depreciation			6,235.14
220	Accounts Payable			1,875.34
222	Federal WH Payable	0.00		
223	FICA Tax Payable	0.00		
230	Notes Payable			8,450.65
310	Capital Stock			5,000.00
315	Retained Earnings			7,058.08
320	Profit and Loss	0.00		
440	Sales	0.00		
445	Sales Returns	0.00		
460	Sales Commission	0.00		
465	Salaries	0.00		
600	Travel	0.00		
605	Insurance	0.00		
610	Taxes	0.00		
615	Depreciation	0.00		
620	Office Rent	0.00		
625	Postage/Shipping	0.00		
630	Office Supplies	0.00		
635	Professional Services	0.00		
640	Telephone Expense	0.00		
650	Utilities Expense	0.00		
	<b>Totals</b>	<b>28,619.21</b>		<b>28,619.21</b>

Report 3-3: Use this listing to review the new client's initial balances

## Step 11: General Payroll Information

The next information that will be added is the general payroll information for the company. Click on the **Setup** pull-down menu then **Payroll** and **Payroll Setup**. The following screen will display:

Client: 100 The Sample Company, Inc.

General Options and Tab Stops Unemployment Page 1 Misc

Federal ID: \_\_\_\_\_

Summarize Ledger Transaction From Payroll For:  
 1099 Gross  W2 Gross

Create GL Detail For Entire Paycheck

Cash Acct. Default for new 1099/Vendor Recipients

110	Cash in Checking
-----	------------------

FICA Options  
 Auto FICA Fix  
 Correct YTD FICA on Payroll Transaction Entry  
 Prevent FICA Recalculations on Standard Check

Ok Cancel Help Close

Figure 3-17: General Payroll Setup Screen

The cursor will be positioned in the **Federal ID** field. Key in **123456789** and press **Enter**. This is the only field that will be entered on this screen. Click on **Options and Tab Stops** and the following screen will display:

Client: 100 The Sample Company, Inc.

General Options and Tab Stops Unemployment Page 1 Misc

Prevent Payroll Preparation  Define new employees based on the default employee:  
 On PR Trans Entry, Move cursor back to Check Number at 'OK'  Prepare PR Trans By Month  
 On PR Trans Entry, Use Net Calculation  Seasonal Employer  
 Use Date Range On PR Preparation  Show Only Last 4 Digits of SSN

During Transaction Entry Prevent  
The Cursor From Stopping on:  Date  Cost Center  Unemployment State

Accrual Posting Accounts

Federal Unemployment Debit Account	_____ List	Credit Account	_____ List
FICA Debit Account	_____ List	Credit Account	_____ List
Medicare Debit Account	_____ List	Credit Account	_____ List

Ok Cancel Help Close

Figure 3-18: Payroll Setup Options and Tab Stops Screen

Make sure that the box is checked in front of **On PR Trans. Entry, Use Net Calculation**. (Checking this box will direct the system to automatically calculate the net of each paycheck that you enter.) Another important field on this screen is the **Check Box** labeled **Define new employees based on the default employee**. If selected, (as it automatically is when a new client is entered), then all employees entered into the system after the first employee will have the same basic additions and deductions to their pay as the first employee. In typical payroll situations, this greatly streamlines the entry of payroll setup information for each employee. All you will have to enter is their name and address information and any changes to the default additions and deductions. This screen illustrates how the default entries for certain features automatically appear on the screen when you initially set up a client. If you did not wish a certain automatic feature to occur for a certain client, you would disable that feature by removing the check mark in front of it. (For example, if you wanted to enter the net check amount instead of just checking it after the system automatically calculates it, you would remove the check mark in front of "ON PR TRANS ENTRY, USE NET CALCULATIONS.") This concludes the entry for this screen and for the **Payroll Setup** series of screens. Click **OK** to return to the **Home Screen**.

The next required screen is the **State** screen. Click on the **Setup** pull-down menu then **Payroll** and **State**. The following screen will display:

Figure 3-19: State File Maintenance Screen

The cursor will be positioned in the **State Abbreviation** field. Key in **FL** for Florida and press **Enter**. Florida appears in the **State Name** field since all state abbreviations are pre-defined in the system. Notice that **FLGROS** now appears in the **Item ID** field. This payroll item - FL plus the suffix GROS was automatically set up when you entered the abbreviation for Florida. There is no state income tax in Florida, and the **Practice Set** is not concerned with the other items on this screen, so click on the **Account** field listed under **Wages** and **FLGROS**. Key in **465** which is the salaries expense account and press **Enter**. Click on **OK** to accept the screen and then click **Close** to return to the **Home Screen**.

The **Payroll Item** screen is the next required screen. What is a *payroll item*? A *payroll item* is any item that affects a payroll check. This system allows each *payroll item* to be considered separately as far as being subject to or exempt from any particular taxing entity. It also allows each *payroll item* to be considered separately for placement on forms and for chart of account postings. The system's flexibility, which is reflected by the features of payroll items, allows this system to work well in all fifty states and it also handles local taxes very well.

The **Payroll Item** screen is used to enter all the *payroll items* that are used by the company. Later the *payroll items* that apply to each employee are attached to those employees. Thus a company with a fairly complex payroll might have "10" to "15" *payroll items* for the company as a whole but only "3" to "7" *payroll items* for any particular employee.

Now enter the *payroll items* that are valid for the **Practice Set** company. Click on **Setup** pull-down menu then **Payroll** and **Payroll Item**. The following screen will display:

Figure 3-20: Payroll Item Maintenance Screen

The cursor will be positioned in the **Item Code** field. Key in **FLGROS** and press **Enter**. The entire screen will be filled in correctly because the system automatically set up **FLGROS** when **FL** was entered under **State File Maintenance**. Although the screen is already completed, we will discuss the different fields for instructional purposes. **FLGROSS** is the name of the *payroll item*. Press **Enter** to proceed to the next field which is the **Group** field. The **Group** field designates how this item affects payroll. (*Additions* add to the gross and are posted to the general ledger. *Deductions* subtract from the gross and are posted to the general ledger. *Notations* have no effect on the net of the check and are not posted to the general ledger. A typical notation is cash tips which does affect the FICA and Medicare calculation and is also retained for W2 purposes. *Employer paid items* have no effect on the paycheck but are posted to the general ledger.) **FLGROS** is an addition. Press **Enter** to accept **FLGROS** as an addition and the **focus** will proceed to the **Category** field. The **Category** field designates different categories of *payroll items* so that they will be correctly handled on the paycheck, in the general ledger, for the different taxing entities, and for reporting on various government forms. **FLGROS** is a gross pay and its category should be **GROSS**. Once again the correct selection is already made because the state abbreviation and suffix of **GROS** identify it as a **GROSS** pay. Press **Enter** to accept it and move the **focus** to **Item Type** field. The **Item Type** field has a default choice of "Amount" already selected, since most *payroll items* are amounts. (There is also a "percentage" option available which is not discussed in the practice set.) Since **FLGROS** is an amount, press **Enter** to accept "Amount" as the **Item Type**. The **focus** will now be in the **Posting Account** field and account number **465** will be highlighted.

This account number was previously entered in the **State Setup** option as the default account number for gross pay for this state. Press **Enter** to accept this entry and move the cursor to the **Fixed Amount** field. The **Fixed Amount** field is not used in the Practice set and neither are the **Annual Limit Amount** or the "**Exempt from Percentage Deduction.**" There are also four additional tabs on the top of this screen besides the Main screen which allow you the capability to handle complicated taxing situations. Click on the Federal tab. Notice that there are four **check boxes** under the words **Subject To**. Each *check box* is either enabled or disabled and is not related to any other *check box*. In this case, if the box has an **X** in it, then the *payroll item* that it refers to is subject to that particular taxing entity. In this case, **FLGROS** is subject to all four of the taxing entities listed. The system defaults newly entered *payroll items* to be subject to all taxing entities since this is the most common situation.

If a *payroll item* is not subject to a particular taxing entity, you would disable that particular *check box* by clicking on it to remove the **X** from the box. The state and local TABS give similar flexibility for states and localities. Click on **OK** and you will be returned to the **Main** Screen.

The first item that you will have to actually enter is **FED**. This is a pre-set code that is used for Federal Income Tax Withheld. Key in **FED** for the **Item Code** and press **Enter**. The **focus** will move to the **Name** field which will already be filled in with the default entry - Federal Withholding. Notice that most of this screen will already be filled in with the default entries for **FED**. Note which entries have been made. Federal Withholding is the name of the **FED Item Code**. Since Federal Withholding is a deduction, the group selection is "**Deduction**". The **Category** should be Federal Withholding. The **Item Type** will have the pre-set choice of amount since withholding amounts will be entered for after-the-fact payroll.

After you have looked over the pre-set fields, click on the **Posting Account** field. The posting account for **FED** in the **Practice Set** is **222**, so key in **222** and press **Enter**. You will be taken to the **Fixed Amount** field for this item, which is not used. Click **OK** and you will now be ready to enter the next **Item Code**.

The next *payroll item* is **FICAMD**. Key in **FICAMD** as the **Item Code** and press **Enter**. **FICAMD** is another pre-set **Item Code**. It stands for "FICA and Medicare Withholding". Note, that this screen is filled in with default entries just as **FED** was. It is very important to note that since almost all the companies in the country will be subject to FICA and Medicare, the system handles these deductions in a special way. The system allows these deductions to be entered as a combined amount and the system pro-rates the FICA and Medicare amounts to the forms as needed. It also automatically considers the limits. It does this by using a tax table which is set up for the current percentages and limits of FICA and Medicare. This tax table is set up by *PC Software Accounting* when the system is shipped. All you have to do is make sure that you set up **FICAMD** as an **Item Code** in the same manner as this example, and the correct calculations and prorations will be made. (Note- The user could also choose to enter FICA and Medicare as separate items which sometimes is necessary to accommodate a client's data)

You should note the default entries that have been made for **FICAMD**. The name of **FICAMD** is FICA + Medicare Withholding. The group default is "**Deduction**". The **Category** is FICA /MEDICARE Withholding (Employee Share).

The **Item Type** field is defaulted to "**Amount**" since **FICAMD** is entered as the combined amount of both of these deductions. After you have reviewed all of the default entries, click on the **Posting Account** field. Key in **223** which is the general ledger account for FICA and Medicare Withholding in the **Practice Set** and press **Enter**. Click on **OK** and then **Close** to return to the **Home Screen**.

## Step 12: Entering the Cash Account

This system uses journal codes in the entry of transactions. Journal codes such as “cash disbursements” or “cash receipts” or “general journal” allow transactions to be separated by the type of transaction and by bank account if applicable so that it is easier to work with the transactions and correct any out-of-balance errors. Click on **Setup** and then **Account** and then on **Cash Accounts**. The following screen will appear:

The screenshot shows a software window titled "Cash Accounts". At the top, there is a "Cash Account:" field with a "List" button and a "Status:" field. Below this is a menu bar with options: "Recon. Etc.", "Chk-Writing Bank Data", "Check-Writing Logos", "Change Emp Net Acct", and "NACHA Setup". The main area contains a "Reconciliation Information" section with a checkbox labeled "Reconcile this cash account:", two dropdown menus for "Disbursements journal code:" and "Receipts journal code:", and another checkbox labeled "Prevent posting of credit to cash from payroll.". At the bottom of the window are buttons for "OK", "Cancel", "Help", "Delete", and "Close".

Figure 3-21: Cash Account Maintenance Screen

The practice set only has one cash account, 110, so key it into the **Cash Account** and press enter. Click the mouse in the “**Reconcile this Cash Account**” field to place a check mark in that box. Click the down arrow to the right of Disbursements journal code to find “CD Cash Disbursements,” highlight it and then press the enter key to enter it. In a similar manner enter “CR Cash Receipts” for the Receipts journal code. Press **OK** to accept this screen. Press **Close** to return to the home screen.

## Step 13: Entering Employees

A sample employee will now be entered in the **Employee File Maintenance Screen**. Click on the **Setup** pull-down and then on **Payroll** and **Employee/Vendor**. An **Employee/Vendor** screen will display and the cursor will be positioned in the **Employee ID** field. Key in an **Employee ID** number of "1" and press **Enter**. Now enter the employee information as shown on the **Employee File Maintenance Screen** below, but do not click on the **OK** button since the employee information takes more than one screen to complete. (Note that you do not have to enter dashes on the social security number, they will be automatically inserted when you press enter.)

The screenshot shows the 'Employee File Maintenance' window. At the top, the 'Employee ID' is 1, and the name is 'James M Smith'. The status is 'Active'. There is a checkbox for 'Use this record as default (standard new employee settings)'. Below this are four radio buttons: 'Basic information' (selected), 'Items', 'Standard Check', and 'Employee/Vendor Memo'. The 'Basic information' section contains fields for: First Name (James), Last Name (Smith), Street Address (1402 Main Street), City (Statesville), State (NC), Zip (42452), 1099 Co. Name, and Look Up. To the right, there is a field for SSN (987-65-4321), Date of Birth (// /), 1099 Type (None (W2)), Pay Frequency (Weekly), Unemployment State (FL), Pension Plan, Foreign Address, and radio buttons for 941 (selected), 943, and Household. At the bottom, there are fields for Tax ID (SSN selected), Federal ID Number, Hired (10/15/02), and Terminated (// /). Buttons for 'Ok', 'Cancel', 'Help', 'Delete', and 'Close' are at the bottom left. A 'Find Next Available Employee ID' button and an 'Employee ID Starting Point' field are at the bottom right.

Figure 3-22: Employee/Vendor File Maintenance Screen

The main information that has just been entered is labeled **Basic Information**. Now enable the **Items** radio button by clicking on it. A new screen will display that allows you to enter the particular payroll items that apply to this employee. (Remember that a payroll item is any item that affects a paycheck.) The screen will display as follows:

The screenshot shows the 'Employee File Maintenance' window with the 'Items' radio button selected. The 'Employee ID' is 1, and the name is 'James Michael Smith'. The status is 'Active'. There is a checkbox for 'Use this record as default (standard new employee settings)'. Below this are four radio buttons: 'Basic information', 'Items' (selected), 'Standard Check', and 'Employee/Vendor Memo'. The 'Items' section contains a 'Tax Jurisdiction' dropdown menu set to 'Federal', with 'List' and 'Remove' buttons. Below this is a table with columns 'Code' and 'Name'. To the right of the table are radio buttons for 'Additions' (selected), 'Deductions', 'Notations', and 'Employer Paid Items'. Below the table are 'List' and 'Remove' buttons. At the bottom, there is a 'Net' field, an 'Account' field, and an 'Account Name' field with a 'List' button. Buttons for 'Ok', 'Cancel', 'Help', 'Delete', and 'Close' are at the bottom left.

Figure 3-23: Employee/Vendor File Maintenance Items Screen

When you enter the *payroll items* for this employee, you have to enter them by correct grouping. (Additions, Deductions, etc.) **Additions** is pre-selected on the **Employee Maintenance Screen** since you will usually start an employee's entry with additions. Remember your item choices for an employee must be made from the *payroll items* that were set up for the company in general. James Smith, the sample employee has a simple after-the-fact payroll check. He has gross wages represented by the *payroll item* **FLGROS**, Federal Withholding represented by **FED** and FICA including MEDICARE represented by **FICAMD**. His net pay is normally paid through account **110**.

The **Additions** *radio button* is enabled. Click on the **List** button in the lower left position of the screen next to the **Remove** button in order to list the available **Payroll Item** addition codes. Highlight **FLGROS** from the list and click on the **OK** button **within the Payroll Item List** window and **FLGROS** will appear on the employee screen as an addition. The screen will display as follows:

The screenshot shows the 'Employee File Maintenance' window for James Michael Smith. The 'Items' tab is selected. The 'Tax Jurisdiction' is set to 'Federal'. A table lists payroll items, with 'FLGROS' (FL GROSS) highlighted. The 'Additions' radio button is selected. At the bottom, a table shows the net pay account '110' (Cash in Checking).

Code	Name
FLGROS	FL GROSS

Account	Account Name
110	Cash in Checking

**Figure 3-24: Enter particular payroll items.**

You have just informed the system that **FLGROS** is an "Addition" to the paycheck. There are no other additions for James Smith's paychecks. Now enable the **Deductions** *radio button* which is located on the central portion of the right hand side of the screen. Click on the **List** button in the lower left position of the screen next to the **Remove** button. Highlight **FED** from the list and click on the **OK** button **within the Payroll Item List** window and **FED** will appear as a deduction. Click on the **List** button again and enter **FICAMD** as a deduction in the same manner as **FED** was entered.



Now enter the "**Net**" account by clicking in the **Net** field. The system is now waiting for the Net Account for James Smith's paychecks. Key in **110** and press **Enter**. Since the Net Account is the last field on this screen, you will be taken to the **Standard Check Screen**. This screen shows that James Smith has Florida Gross as an addition to his paycheck and the account for Florida Gross is **465**. It also shows that his net account is **110**. If you click on the **Deductions** radio button, you will see that his deductions are **FED** and **FICAMD** with accounts of **222** and **223** respectively. In other words the **Standard Paycheck Screen** tells the user everything about an employee's check. (The *Standard Check* has another function which is not used in the **Practice Set** but it provides a very powerful capability that is worth mentioning at this point. If an employee gets the same paycheck from week to week, the amounts for the various payroll items can be entered into the amount fields on this screen. If this is done, then those amounts will automatically appear each time the employee is accessed and these amounts will not have to be re-keyed with every paycheck. This is a great time saver.)

This completes the required information for James Smith. Click on **OK** to record the information for James Smith. Click on **Close** to return to the **Home Screen**.

There is one other payroll related topic that should be mentioned at this time as people often ask about it. It concerns the entry of payroll figures in mid-year. If you have to set up a company in the middle of the year, you would first have to gather the payroll records up to that point and enter them. The rules for entering initial payroll earnings into the system involve the computation of two amounts. **The first amount is the year-to-date figures for all components of pay (payroll items) for all quarters previous to the current quarter.** They may be summarized and dated with the end-of-quarter date for the latest quarter. **The second amount is the quarter-to-date figures for all components of pay for the current quarter for all paychecks that will not be placed on the system as individual checks.** They may be summarized and dated with the date of the last check of the group. These summary entries would be entered as payroll transactions. The current period would have to be changed to the period immediately preceding it so that the monthly, quarterly and year to date numbers would be registered correctly. The current period would be changed using **Setup** then **Date** and **Current Period**. If these year-to-date payroll figures are already included in the trial balance numbers that you have entered for a client, then you should also check the checkbox which is on the payroll transaction screen that is labeled "**Don't Generate G/L Transactions.**"

## Step 14: Enter Standard Disclaimer Message

There is one final set up item that is necessary for the **Practice Set**, the entry of the standard disclaimer message for the financial statements. Click on the **Setup** pull-down menu and then highlight **Reporting**, and then **Statement**. The following screen will display:

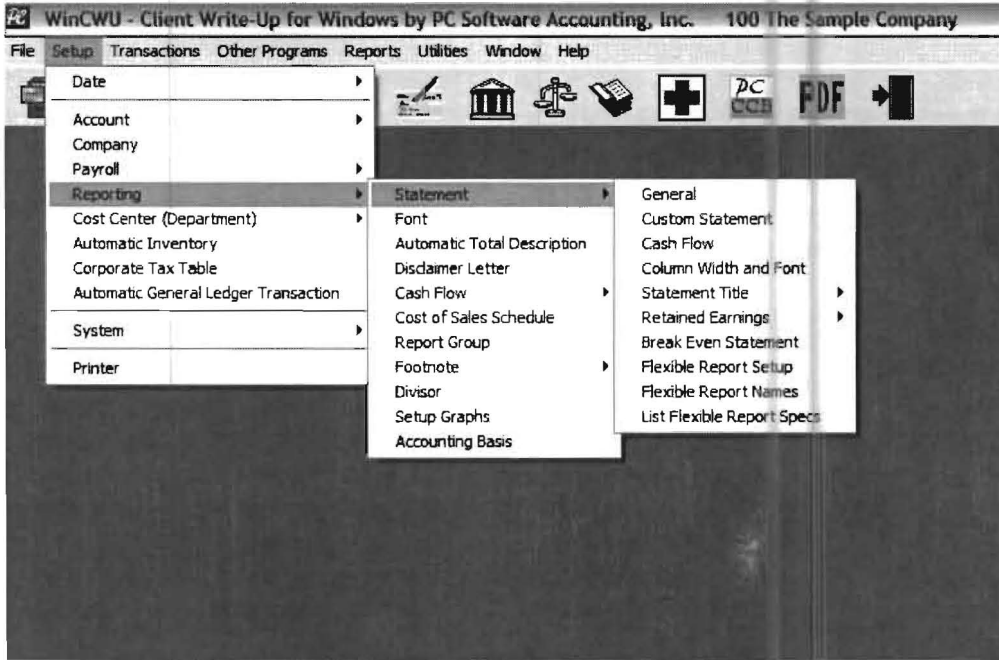


Figure 3-25: Setup pull-down sub-menus

Note the number of options under **Reporting** and **Statement**. These options allow you a tremendous amount of flexibility in your financial statements. Typically all you have to do in order to change financials is to answer questions as to what you want. Now Click on **General** and the following screen will display:

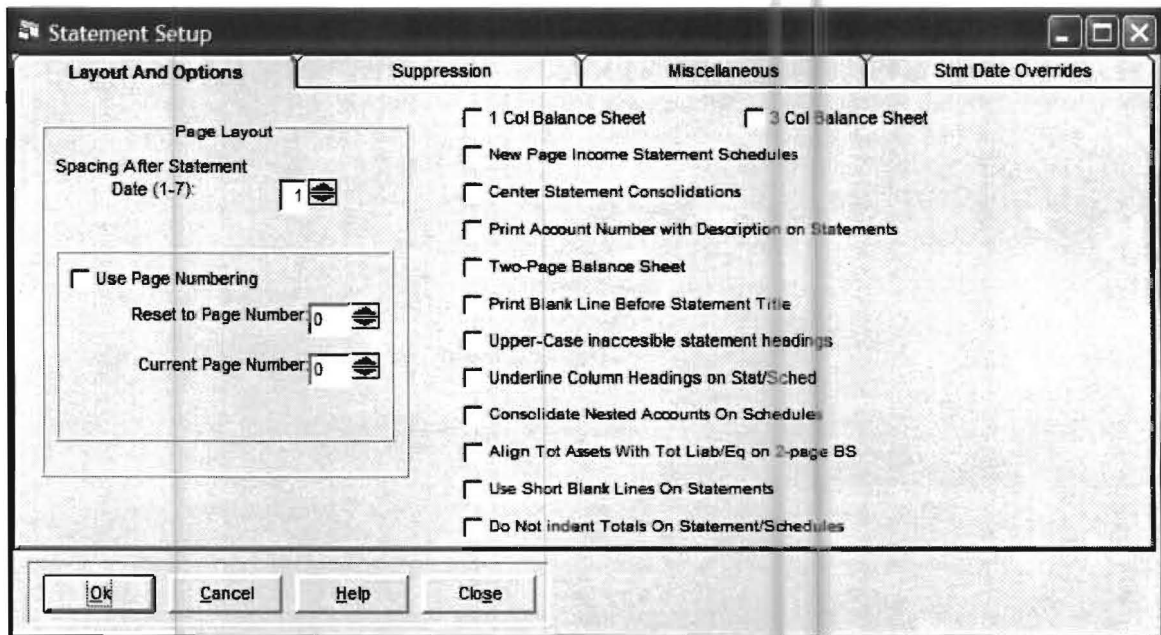


Figure 3-26: Statement Setup Layout and Options Screen

This screen allows formatting options such as variable spacing, automatic page numbering for end-of-the-period statements, variable styles on balance sheets, etc. The **Practice Set** introduces these topics to demonstrate the flexibility attained by simply answering questions. Click on the **Miscellaneous Tab** and the following screen will display:

Statement Setup

Layout And Options    Suppression    **Miscellaneous**    Print Date Overrides

Disclaimer Message for Bottom of Financials

Top Margin for Statement and Sched. (in Twips) 0

Line spacing for statements/schedules (55-100), default is 85. 85

Date-Time Stamp On Statements     Date-Time Stamp On Reports

Calculate DR/CR for Flexible Reports

Ledger Options

Left Margin For Ledger (Default is 1440) 0

Use Plenary Format

OK    Cancel    Help    Close

**Figure 3-27: Statement Setup Miscellaneous Screen**

This screen is where the standard disclaimer message is entered for the bottom of your financials. (Some page spacing options are also provided.) Click in the first field of the disclaimer message and key in the following disclaimer message, **See Accountant's Compilation Report** and press **Enter**. Click on **OK** to return to the **Home Screen**.

## Step 15: Transaction Entry

The set up of the **Practice Set** sample client is complete. It is now time to enter monthly transactions for this client. There are a number of different ways to enter transactions into this system depending on the circumstances. Two commonly used ones are the entry of summarized transaction balances via Trial Balance Entry and a high speed entry screen for fast typists via the "Alternate G/L Transaction Entry." The Practice Set will illustrate the standard transaction entry which is used by most users who are average typists. It is also the recommended screen to use for the purpose of correcting existing transactions. The transactions that will be entered in this exercise are found in the **Source Documents** listed in the beginning of this chapter. These transactions will include both general ledger transactions and payroll transactions. Select **Transactions** using the **Transaction Icon** of a check (shown at left). The following screen will display:

Transaction	Journal	Account	Date	Amount	Description	Reference
-------------	---------	---------	------	--------	-------------	-----------

Figure 3-28: General Ledger Transactions Screen

The cursor will be positioned in the **Journal Code** field. There will also be a **transaction number** which will reflect the previous entry of transactions. In this case the previous transactions were the initial balances entries. Key in **CD** for the *journal code* and press **Enter**. The date will reflect an end of January date. Press **Enter** to bypass the date at this time. Key in the account number of **600** and press **Enter**. Key in the amount of **52** and press **Enter**. Type **Exxon Corp** in the description field and press **Enter**. Next key in the check number of **3644** and press **Enter** and finally, key in **3** for the day and press **Enter**. The cursor will now be in the **Vendor ID** field. Although the **Practice Set** does not use the Vendor ID feature, it should be noted that this is a powerful feature. It allows the tracking of all vendor transactions and it also allows the easy capture of vendor 1099 information for vendors who are subject to 1099's. Press **Enter** to bypass the **Vendor ID** field leaving it blank. The **focus** will now be on the **OK** button. Press **Enter** again and the transaction will be recorded and shown on the bottom half of the screen. Continue this process for checks **3645** thru **3649**.

The check **3650** is a payroll check. So after entering check **3649**, click on the **Payroll** button. A **Payroll Check** screen will display:

The screenshot shows the 'Payroll Transactions' window. The top section contains input fields: Transaction (1), Check (3650), Employee ID (List), Status (New), Name, Date (01/31/06), Center (List), and Unemp State (FL). Below this are four data tables: 'Additions', 'Notations', 'Deductions', and 'Employer paid items', each with 'Account' and 'Amount' columns. A 'List Accounts' button and a 'Don't Generate GL Trans' checkbox are located between the top and bottom tables. At the bottom of the window, there are buttons for 'OK', 'Cancel', 'Help', 'Delete', 'Close', 'List', 'GL Trans', and 'Auto Cents'. A 'Memo' field and a 'Make Std Check' checkbox are also present.

Figure 3-29: Payroll Transactions Screen

The cursor will be positioned in the **Employee ID** field with check number **3650** already entered. Key in "1" for employee number and press **Enter**. (In actual operations you really need don't need to enter the employee's number; the system will look up the employees if you enter the first few letters of their first or last name.) The **Date** field will now be highlighted. (If the day needed to be changed you could key in the new day or use the **Spin Button** located immediately to the right of the **Date** field. The *spin button* will increase the date by 1 day for every click of the up arrow or decrease the date by 1 day for every click of the down arrow.)

In this case, the date is already correct so press **Enter**. The cursor will bypass the **Center** field as no centers are set up in the **Practice Set**. The cursor will now be in the **Unemployment State** field which will have **FL** already entered into it from the employee information that was previously set up. Press **Enter** to bypass this field. The possible additions and deductions for James Smith that were set up on his employee record should be now displayed on the screen. The cursor will be positioned next to **FLGROS**. Key in the amount of **800** in Florida Gross and press **Enter**. Key in a **FED** of **78.10** and press **Enter**. **FICAMD** will calculate automatically at **61.20** and so will the amount of the **NET** check of **660.70** (If the FICAMD account was incorrectly calculated by the client, this would be noted at this time.) The screen should now display as follows:

The screenshot shows the 'Payroll Transactions' window. At the top, there are fields for Transaction (3), Current (checked), Check (3650), Employee ID (1), Status (New), Name (Smith, James Michael), Date (01/31/06), Center, and Unemp. State (FL). Below this are two tables: 'Additions' and 'Deductions'. The 'Additions' table has one row: FL GROSS, Account 465, Amount 800.00. The 'Deductions' table has two rows: Federal Withholding, Account 222, Amount 78.10; and Fica + Medicare Withholding, Account 223, Amount 61.20. To the right, there are sections for 'Notations' and 'Employer paid items', both currently empty. At the bottom right, a small table shows Account 110 and Amount 660.70. The bottom of the window contains a row of buttons: OK, Cancel, Help, Delete, Close, List, GL Trans, and Auto Cents. There is also a 'Memo' field and a 'Make Std Check' checkbox.

Additions	Account	Amount
FL GROSS	465	800.00

Deductions	Account	Amount
Federal Withholding	222	78.10
Fica + Medicare Withholding	223	61.20

Account	Amount
110	660.70

Figure 3-30: Payroll Transaction screen with additions and deductions

Accept the payroll screen using the **OK** button. (If you do not accept the payroll screen with **OK** or in an another way such as with **Alt** key and the letter **O**, then the payroll transaction will not be accepted.) Since the next check is not a payroll check, click the **GLTrans** button to return to the **Ledger Transaction Screen**. Enter the remaining ledger checks (**3651** thru **3654**) and then the final payroll check (**3655**) in the same manner as the first paycheck check was entered, after first clicking the **Payroll** button to access the **Payroll** screen. Note that on this payroll check, the date is not correct and you should key in the correct day or use the **Spin** button to change the day from the **28<sup>th</sup>** to the **30<sup>th</sup>**. Make Sure to enter the correct dollar amounts. After this check is accepted with the **OK** button, click on the **GLTrans** button to access the **Ledger Transaction Screen**.

A special entry now needs to be made. So far you have only entered the debits for all the ledger checks. There is an adding machine tape in the sample **Source Documents** that totals these checks to **1,499.80**. This is the credit that needs to be made to cash for these checks. Click on the button labeled "Create Automatic Balancing Cash Entry." This will total the entries to the Cash Disbursement journal and place them on the screen. Check that an amount of 1499.80 has been entered as a credit to cash and accept this information. If a different amount than 1499.80 was totaled for cash, it means that you have entered a check amount incorrectly. You may correct a check by first finding it on the bottom portion of the screen and clicking on it. This will bring this transaction to the top of the screen and where you may change it. After you have made any necessary corrections, click on the Add new radio button to return to entry mode and then click again on Create Automatic Balancing Cash Entry and check and accept the entry if it is correct.

(Note that payroll checks are not normally included in the "credit to cash" entry on this system. Payroll checks automatically generate their own summary general ledger entries. You will examine them shortly after the reports are printed.)

The next entry that needs to be made reflects the deposit for the month. The deposit in the **Practice Set** does not have a *journal code* of **CD** which stands for Cash Disbursements. Instead, the deposit has a *journal code* of **CR** which stands for Cash Receipts. Access the **Journal Code** field by clicking on it and enter a *journal code* of **CR** over the CD and press **Enter**. Continue entering the remainder of the deposit information using account number **440**, an amount of **-4000**, a description of "**Summary Deposits for the month**", a reference of **1** and a day of **16**.

(You will note that the description of Summary Deposits for the month will exceed the visible description field but will still be accepted as the field expands.)

The entry to cash for this deposit will be to account number **110**, with an amount of **4000**, a description of "**Summary Deposits for the month**", a reference of **DEP** and a day of **16**. It can be automatically made by clicking on the **Create Automatic Balancing Cash Entry** button, checking the entry, and then clicking **OK**.

This completes the entry of the transactions for the month. After the last transaction has been accepted with the **OK** button, click **Close** to return to the **Home Screen**. Closing ledger transactions will automatically close the payroll transactions screen and vice versa. The next step is to check these transactions for accuracy. This is normally begun by performing a **debit-credit** check of the ledger transactions. This will insure that your debit entries equal your credit entries.

## Step 16: Perform a Debit-Credit Check



Perform a **Debit-Credit** check by clicking on the **Debit-Credit Check Icon**, which is shown to the left. The correct display for the **Debit-Credit** check is shown below: If your transactions and your initial balances are all correct, then there should be no differences between the debits and the credits and the difference columns should all be zero. If this is not the case then corrections must be made. **Close** the **Debit-Credit** check screen after examining it.

Activity			
Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	5,499.80	5,499.80	0.00
Alternate Accounting Basis	5,499.80	5,499.80	0.00

Current Period Initial Balances			
Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	28,619.21	28,619.21	0.00
Alternate Accounting Basis	0.00	0.00	0.00

Fiscal Year Initial Balances			
Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	28,619.21	28,619.21	0.00
Alternate Accounting Basis	0.00	0.00	0.00

Buttons: Help, Close

Figure 3-31: The Debit/Credit Check Screen



## Step 17: Verification and Correction of Transactions

To check for any errors, the correct listings of the ledger and payroll transactions are shown below:

The Sample Company, Inc.							
GENERAL LEDGER TRANSACTION LISTING							
January 31, 2006				Client No: 100		Page 1	
<u>Trn#</u>	<u>Date</u>	<u>Acct</u>	<u>Debits</u>	<u>Credits</u>	<u>Jnl</u>	<u>Ref</u>	<u>Description</u>
13	1/3/06	600	52.00		CD	3644	Exxon Corp
14	1/8/06	460	100.00		CD	3645	James Smith
15	1/8/06	630	14.00		CD	3646	AllC Supply
16	1/12/06	640	85.48		CD	3647	Verizon
17	1/13/06	650	63.00		CD	3648	FPL
18	1/16/06	620	300.00		CD	3649	Thomas Realty
19	1/18/06	600	94.00		CD	3651	Pelican Restaurant
20	1/20/06	190	392.00		CD	3652	Fred's Office Furniture
21	1/23/06	460	250.00		CD	3653	James Smith
22	1/28/06	230	148.32		CD	3654	General Motors
23	1/31/06	110		1,499.80	CD	CKS	January Checks
24	1/16/06	440		4,000.00	CR	1	Summary Deposits for the month
25	1/31/06	110	4,000.00		CR	DEP	January Receipts
		<b>Totals</b>	<b>5,740</b>	<b>5,499.80</b>			

Report 3-4: General Ledger Transactions: Use this listing to review the ledger transactions

The Sample Company								
Payroll Transaction Listing								
1/1/2006 to 1/31/2006				Client No: 100		Page 1		
<u>Trn #</u>	<u>Check</u>	<u>Date</u>	<u>Gross</u>	<u>Fed WH</u>	<u>Fica/Med</u>	<u>State WH</u>	<u>Deds</u>	<u>Net</u>
<u>James Michael Smith - 1</u>								
1	3650	01/14/06	800.00	78.10	61.20	0.00	0.00	660.70
2	3655	01/31/06	800.00	78.10	61.20	0.00	0.00	660.70
	Emp	Total	1,600.00	156.20	122.40	0.00	0.00	1,321.40
	W2	Total	1,600.00	156.20	122.40	0.00	0.00	1,321.40
	1099	Total	0.00	0.00	0.00	0.00	0.00	0.00
	Final	Total	1,600.00	156.20	122.40	0.00	0.00	1,321.40

Report 3- 5: Payroll Transaction Listing: Use this listing to review the payroll transactions

To print the listings of the ledger transactions that you have entered, click on the **Report** pull-down menu then **File Listings** and **Ledger Transactions**. Select the **List General Ledger Transactions** and **Print** as the two *radio button* choices for **Ledger Transactions**. Click on **OK** and the ledger listing will print. You may print other variations of ledger transaction listings if you desire. When you have finished printing, click on **Close** to return to the **Home Screen**.

To print the payroll transactions, click on the **Report** pull-down menu then **File Listings** and **Payroll transactions**. There are a number of options on this screen. The **Include Options** and the **Current Period** should be left as they are defaulted. The **Print radio button** should be enabled instead of the **View radio button** which will be the default. Select **Standard List** and **Employee ID** as the two *radio button* options for the type of printout. You can ignore the final option which allows only selected individuals to be printed. Click on **OK** and the payroll transactions will print. Once finished click on **Close** to return to the **Home Screen**. Compare the ledger and payroll transactions to the correct lists that were displayed on the previous page.



If there are any discrepancies, correct them by accessing the ledger and the payroll transactions entry screens using the **Check Icon**, shown at the left.

To change ledger transactions, click on the **Update radio button**. This enables you to enter a *transaction number* to access an incorrect transaction. The *transaction number* will be found on your listing and may be different than the *transaction numbers* on the **Practice Set** listing, since the order of the transactions or some other inconsequential entry situation may have arisen. There is another way to access an incorrect transaction, which is to find and double click on the incorrect transaction displayed below the transaction entry portion of the **Ledger Transaction Entry** screen. This will change the *radio button* to **Update** and will place the selected transaction on the screen for updating. Regardless of which method you select to access the transaction, you should correct the information and accept the screen with the **OK** button.

Payroll transactions are corrected by entering the payroll *transaction number* for that transaction. The *transaction numbers* can be found on the payroll transaction listing that you just printed. After all corrections have been made and accepted using the **OK** button, click on **Close** to return to the **Home Screen**.



Perform another **Debit-Credit** check using the **Debit-Credit Check Icon**, shown to the left. You may also reprint the transactions for a visual check. If the transactions are not correct, continue correcting them and listing them until they are.

## Step 18: Print Financial Statements

When all the transactions are correct and the **Debit-Credit Check** is in balance, print the financial statements. Click on the **Reports** pull-down menu then **Financial Reporting** and **Trial Balances**. The following screen will display:

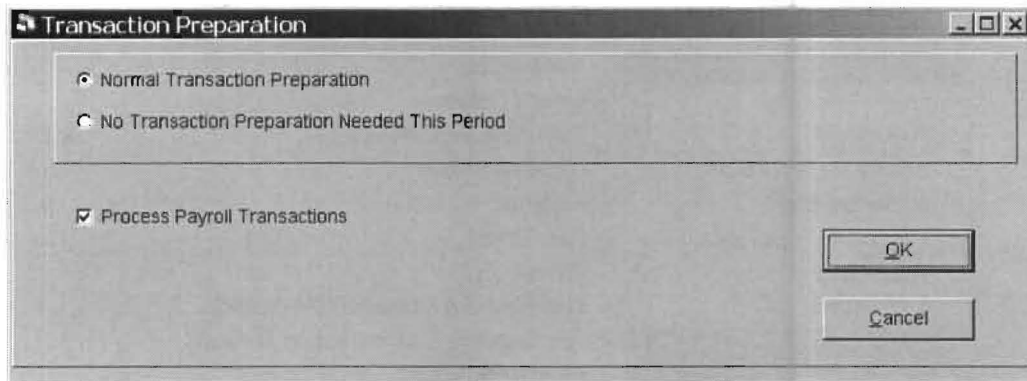


Figure 3-32: Transaction Preparation Message

This is a system message telling you that new transactions have been entered or existing transactions have been changed and that by pressing the **OK** button the system will process these entries or changes in order to prepare the financial statements. If you press **OK** and there are any discrepancies that the system can recognize, (such as the debits not being equal to the credits), that would prevent correct financial statements from being produced, then the system will warn that those discrepancies must be corrected first. Click **OK** to proceed to the **Print Trial Balances Screen**. To print the Trial Balance listing, click on **Print** and then on **OK**. A trial balance will print. We could print each desired financial statement, Trial Balance, General Ledger, Balance Sheet and Income Statement, using this method. However, if you want a variety of reports, then asking for the reports one by one is not very efficient.



A better way would be to use the **Report Group Processing** option, which allows you to select multiple reports for printing. This option remembers the selections you make for each report and saves them for later use. This can be a great time saver and helps you to remember to run the reports you desire and how you desire them. To select the reports discussed above, click on the **Report Group Processing Icon**, shown to the left, and the following screen will display:

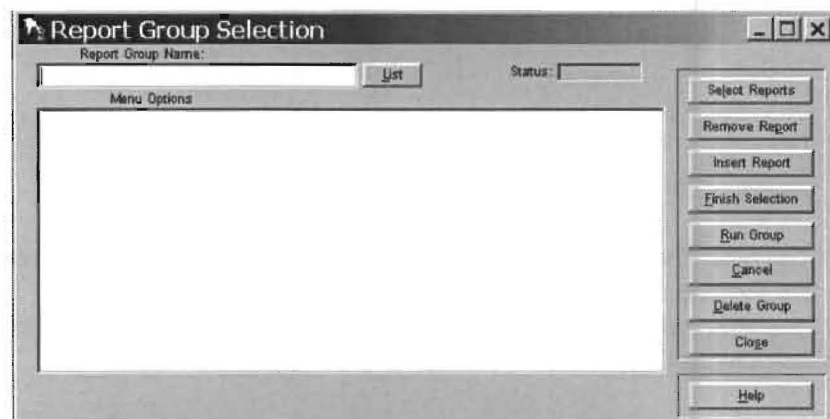
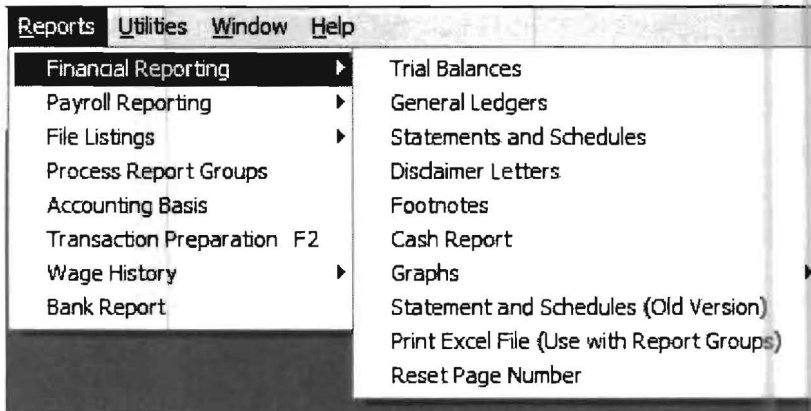


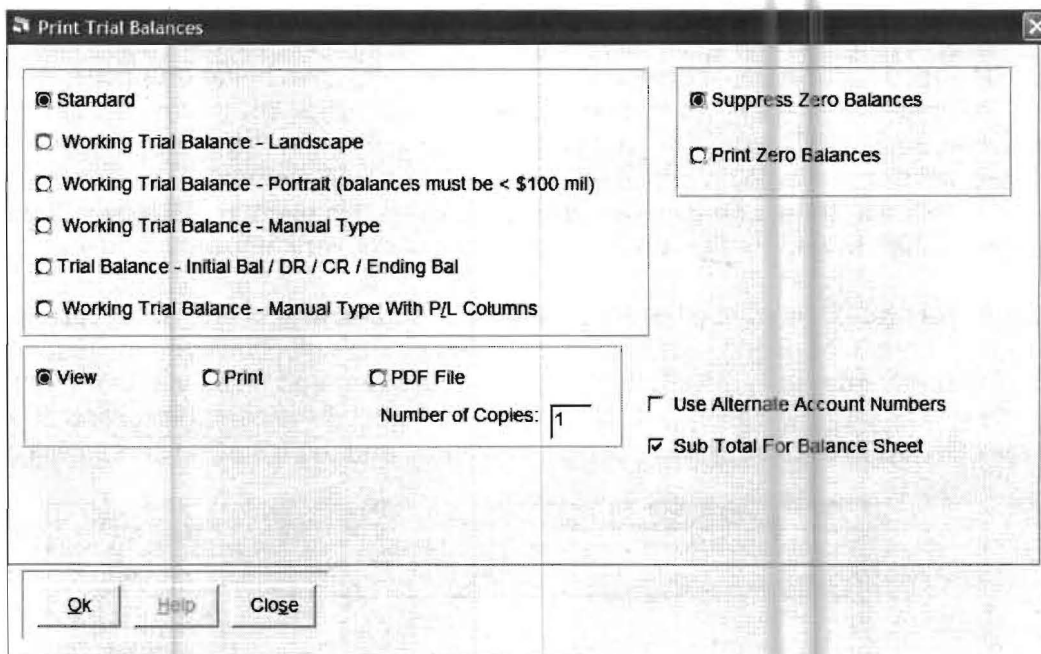
Figure 3-33: Report Group Selection Screen

The cursor will be positioned in the **Report Group Name** field. Key in a name of "practice" and press **Enter**. The **focus** will switch to the **Select Reports** button. Press **Enter** and the system will be awaiting your report selections. All buttons except for **Insert Report**, **Finish Selection** and **Help** will be grayed out. Now click on the **Reports** pull-down menu and then on **Financial Reporting**. The following screen will display:



**Figure 3-34: Reports pull-down menu for printing Trial Balances**

Click on **Trial Balances** and the following screen will display:



**Figure 3-35: Print Trial Balances Screen**

It is important to note **that the Report Groups Processing option always automatically defaults to the Print option no matter what setting is on the screen**. So in this case, even though the trial balance is defaulted to "View", you do not have to change the option to "Print". Click **OK** and the screen on the next page will display:

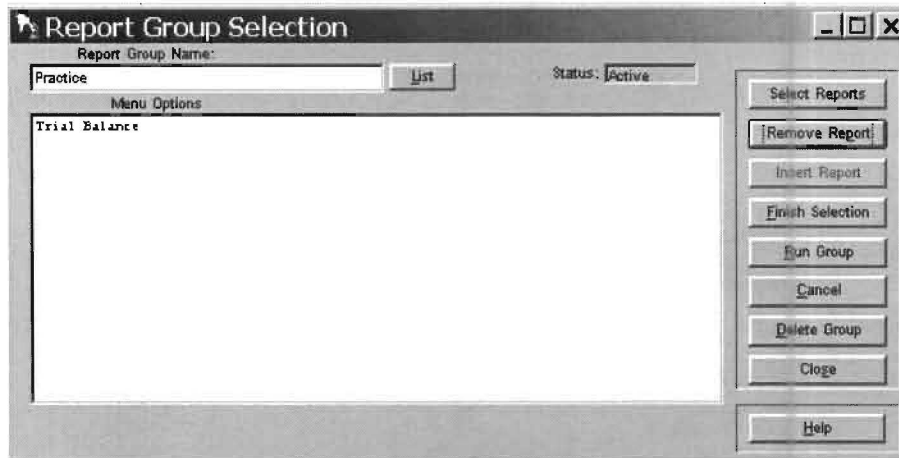


Figure 3-36: Report Group Selection with Trail Balance Selected

Notice that the Trial Balance is shown as selected. Continue to select the other desired reports that are shown in the screen below in the same manner. Note that the Balance Sheet (B/S) and the Income Statement (I/S) are found on **Reports, Financial Reporting, and then Statements and Schedules**. Each time a new report is selected it will appear on the **Report Group Selection** display.

After all the selections have been made the **Report Group Processing Screen** will display as follows:

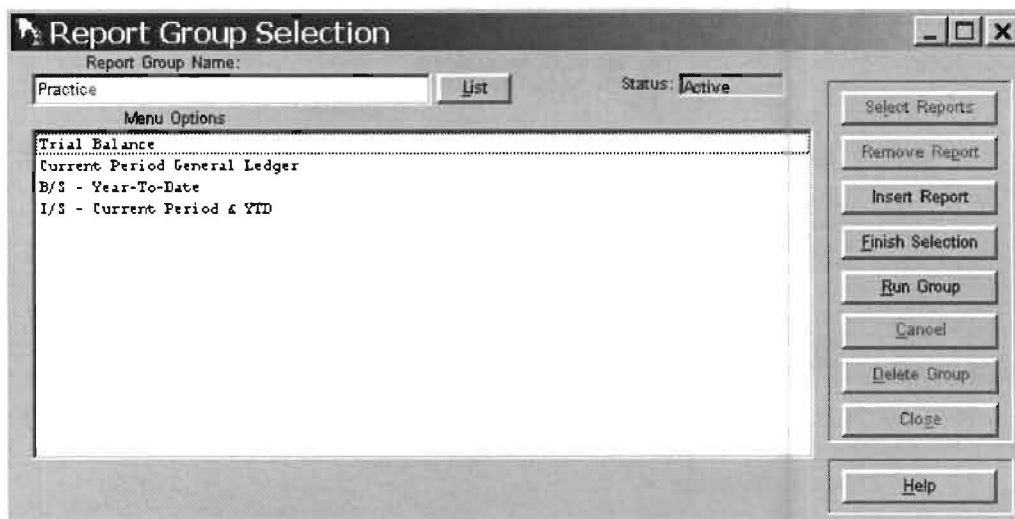


Figure 3-37: Report Group ready to print

At this point click on the **Finish Selection** button. This will permanently accept the selections and blank the screen. Click on **List** button. Highlight **practice** and click on **OK** within the **Batch Process List** Window and **practice** will be placed in **Report Group Name** field. Now click on the **Run Group** button and the reports will print. The correct statements are shown on the following pages for checking purposes. This completes the instructions for the **Practice Set**.

The Sample Company, Inc.			
TRIAL BALANCE			
January 31, 2006		Client No: 100	Page 1
<u>Acct</u>	<u>Description</u>	<u>Debits</u>	<u>Credits</u>
110	Cash in Checking	2,413.36	
120	Cash in Savings	3,000.00	
130	Accounts Receivable	2,425.00	
140	Prepaid Expense	300.00	
160	Automobile	14,559.65	
180	Computer	3,250.00	
190	Furniture	4,242.00	
195	Less: Accum. Depreciation		6,235.14
220	Accounts Payable		1,875.34
222	Federal WH Payable		156.20
223	FICA Tax Payable		122.40
230	Notes Payable		8,302.33
310	Capital Stock		5,000.00
315	Retained Earnings		7,058.08
	Balance Sheet Totals	30,190.01	28,749.49

**Report 3- 6: Trial Balance Part 1**

The Sample Company, Inc.			
TRIAL BALANCE			
January 31, 2006		Client No: 100	Page 2
<u>Acct</u>	<u>Description</u>	<u>Debits</u>	<u>Credits</u>
440	Sales		4,000.00
480	Sales Commission	350.00	
455	Salaries	1,600.00	
600	Travel	146.00	
620	Office Rent	300.00	
630	Office Supplies	14.00	
640	Telephone Expense	85.48	
650	Utilities Expense	63.00	
	Revenue and Expense Totals	2,559.48	4,000.00
	Total For All Accounts	32,749.49	32,749.49
	Net Income		1,440.52

**Report 3- 6: Trial Balance Part 2**

The Sample Company, Inc.  
GENERAL LEDGER

January 31, 2006 Trans		Jnl	Ref/Ck	Client No: 100 Debits	Page 1 Credits
110	Cash in Checking				
			Beginning Balance	1,234.56	
23	1/3/06 January Checks		CD CKS		1,499.80
25	1/3/06 January Receipts		CR DEP	4,000.00	
45	1/3/06 Net Payroll Checks		PYR CKS		1,321.40
			Total Account Activity	4,000.00	2,821.20
			Ending Balance	2,413.36	
120	Cash in Savings				
			Beginning Balance	3,000.00	
			Ending Balance	3,000.00	
130	Accounts Receivable				
			Beginning Balance	2,425.00	
			Ending Balance	2,425.00	
140	Prepaid Expense				
			Beginning Balance	300.00	
			Ending Balance	300.00	
160	Automobile				
			Beginning Balance	14,559.65	
			Ending Balance	14,559.65	
180	Computer				
			Beginning Balance	3,250.00	
			Ending Balance	3,250.00	
190	Furniture				
			Beginning Balance	3,850.00	
20	1/20/06 Fred's Office Furniture		CD 3652	392.00	
			Total Account Activity	392.00	
			Ending Balance	4,242.00	
195	Less: Accum. Depreciation				
			Beginning Balance		6,235.14
			Ending Balance		6,235.14
220	Accounts Payable				
			Beginning Balance		1,875.34
			Ending Balance		1,875.34
222	Federal W/H Payable				
			Beginning Balance		0.00
43	1/3/06 Federal Withholding		PYR CKS		156.20
			Total Account Activity		156.20
			Ending Balance		156.20
223	FICA Tax Payable				

Report 3- 7: General Ledger, Page One

The Sample Company, Inc.					
GENERAL LEDGER					
January 31, 2006				Client No: 100	Page 2
Transt		Jnl	Ref/Ck	Debits	Credits
223	FICA Tax Payable				
					Beginning Balance
44	1/31/06 Fica + Medicare Withholding	PYR	CK5		122.40
					Total Account Activity
					Ending Balance
230	Notes Payable				
					Beginning Balance
22	1/28/06 General Motors	CD	3654	148.32	8,450.65
					Total Account Activity
					Ending Balance
310	Capital Stock				
					Beginning Balance
					Ending Balance
315	Retained Earnings				
					Beginning Balance
					Ending Balance
440	Sales				
					Beginning Balance
24	1/16/06 Summary Deposits for the month	CR	1		4,000.00
					Total Account Activity
					Ending Balance
460	Sales Commission				
					Beginning Balance
14	1/8/06 James Smith	CD	3645	100.00	0.00
21	1/23/06 James Smith	CD	3653	250.00	
					Total Account Activity
					Ending Balance
465	Salaries				
					Beginning Balance
42	1/31/06 FL GROSS	PYR	CK6	1,600.00	0.00
					Total Account Activity
					Ending Balance
600	Travel				
					Beginning Balance
13	1/3/06 Exxon Corp	CD	3644	52.00	0.00
19	1/18/06 Pelican Restaurant	CD	3651	94.00	
					Total Account Activity
					Ending Balance
620	Office Rent				
					Beginning Balance
18	1/16/06 Thomas Realty	CD	3649	300.00	0.00
					Total Account Activity
					Ending Balance

Report 3-7: General Ledger Page Two

The Sample Company, Inc.					
GENERAL LEDGER					
January 31, 2006				Client No: 100	Page 3
Transt		Jnl	Ref/Ck	Debits	Credits
620	Office Rent				
					Ending Balance
630	Office Supplies				
					Beginning Balance
15	1/8/06 ABC Supply	CD	3646	14.00	0.00
					Total Account Activity
					Ending Balance
640	Telephone Expense				
					Beginning Balance
16	1/12/06 Verizon	CD	3647	86.48	0.00
					Total Account Activity
					Ending Balance
650	Utilities Expense				
					Beginning Balance
17	1/13/06 FPL	CD	3648	63.00	0.00
					Total Account Activity
					Ending Balance
					Totals
				32,749.49	32,749.49

Report 3-7: General Ledger Page Three



**The Sample Company**  
**STATEMENT OF ASSETS, LIABILITIES, AND EQUITY**  
 January 31, 2006

**Assets**

**Current Assets**

Cash in Checking	\$	2,413.36
Cash in Savings		3,000.00
Accounts Receivable		2,425.00
Prepaid Expense		<u>300.00</u>

Total Current Assets \$ 8,138.36

**Property and Equipment**

Automobile	14,559.65
Computer	3,250.00
Furniture	4,242.00
Less: Accum. Depreciation	<u>(6,235.14)</u>

Total Property and Equipment 15,816.51

Total Assets \$ 23,954.87

**Liabilities And Equity**

Accounts Payable	\$	1,875.34
Federal W/H Payable		156.20
FICA Tax Payable		122.40
Notes Payable		<u>8,302.33</u>

Total Liabilities \$ 10,456.27

**Equity**

Capital Stock	5,000.00
Retained Earnings	7,058.08
Profit and Loss	<u>1,440.52</u>

Total Equity 13,498.60

Total Liabilities And Equity \$ 23,954.87

See Accountant's Compilation Report

**Report 3-8: Balance Sheet**

**The Sample Company**  
**STATEMENT OF REVENUES AND EXPENSES**  
For the One Month Ended January 31, 2006

	Current Period		Year To Date	
	Amount	Percent	Amount	Percent
<b>Income</b>				
Sales	\$ <u>4,000.00</u>	<u>100.00</u>	\$ <u>4,000.00</u>	<u>100.00</u>
Total Income	<u>4,000.00</u>	<u>100.00</u>	<u>4,000.00</u>	<u>100.00</u>
 <b>Expenses</b>				
Sales Commission	350.00	8.75	350.00	8.75
Salaries	1,600.00	40.00	1,600.00	40.00
Travel	146.00	3.65	146.00	3.65
Office Rent	300.00	7.50	300.00	7.50
Office Supplies	14.00	0.35	14.00	0.35
Telephone Expense	86.48	2.16	86.48	2.16
Utilities Expense	<u>63.00</u>	<u>1.58</u>	<u>63.00</u>	<u>1.58</u>
Total Expenses	<u>2,559.48</u>	<u>63.99</u>	<u>2,559.48</u>	<u>63.99</u>
Net Income (Loss)	\$ <u>1,440.52</u>	<u>36.01</u>	\$ <u>1,440.52</u>	<u>36.01</u>

See Accountant's Compilation Report

**Report 3-9: Income Statement**

# Chapter 4

## The File Pull-Down Menu

When this pull-down menu is selected, the following menu will display:

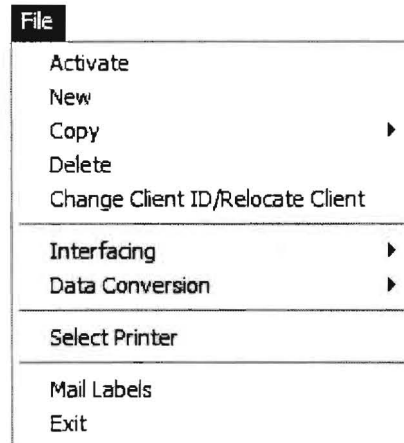


Figure 4-1: File Menu

The sub-options are listed below with a brief description of their function.

**Activate:** This option is used to activate a client for processing. “**Activate**” means to access client data from the hard disk and to make it available for processing. (See Page 4-2)

**New:** This option allocates and prepares an area on the hard disk for a new client in order for the system to be able to process that client. (See Page 4-5)

**Copy:** This option allows client data to be copied for setting up new clients, for backing up client data, and for various other reasons. (See Page 4-6)

**Delete:** This option allows client data to be deleted from the system. (See Page 4-12)

**Change Client ID/Relocate Client:** This option allows a client number to be changed by copying the clients’ data to a new area on the hard disk with the new client number. The old clients’ data is then automatically deleted. (See Page 4-13)

**Interfacing:** This option allows various interfacing options to be accessed such as interfaces to tax programs, spread sheets and other computer programs like *QuickBooks*. (See Page 4-14)

**Data Conversion:** This option allows the conversion of data from the **PC Software Accounting** from a large number of different Client Write-Up systems. Documentation for specific conversions is provided separately for the specific conversion program you require. Please call PC Software Accounting (800-237-9234) if you need conversion documentation for a particular system.

**Select Printer:** This option provides access to the *Microsoft Printer Selection Screen*. (See Page 4-31)

**Mail Labels:** This option allows the printing of client mailing or file labels. (Page 4-31)

**Exit:** This option provides another method of exiting the system. (Page 4-32)

## Activate



This option is used to select a client for processing. You could also use the file cabinet icon shown to the left to select it. When this option is selected the following screen will display:

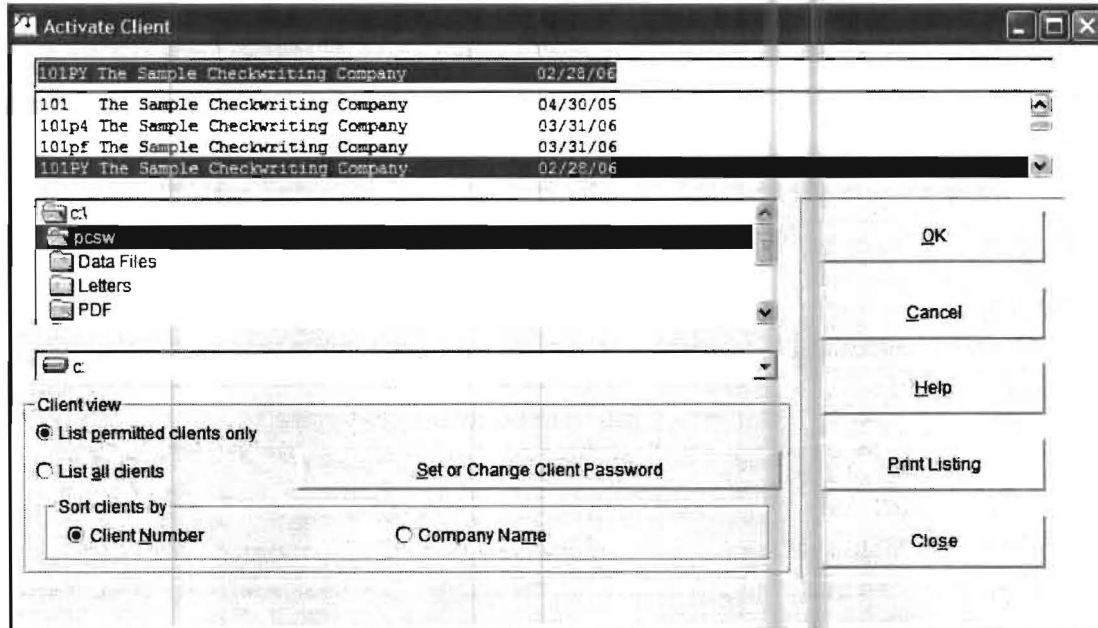


Figure 4-2: Activate Client

The last client ID and name that was processed on this workstation, in this case Client 101PY, will be displayed in the drop list.

Note that the drive and folder that you currently in will be showing on this screen and only clients in this drive and folder will be displayed. Occasionally this drive and folder is not correct and you might think that you have lost all your clients which is not the case. You can always exit this option and reset to the correct drive and folder using the Setup pulldown menu, the System option, and the Default Data Directory sub-option and then return to this option to see the correct display of your clients.

To activate the last client processed, make sure that the client is highlighted. If it is not highlighted, highlight it by clicking on it. Now accept the screen using the OK button on the right side of the screen. Note that there is a radio button on the Setup pulldown menu, System option, Default Data Directory sub-option screen that allows you to automatically activate the last client that was processed. It is called Auto Load Last Client. This radio button should normally be set as it will save you a lot of time.

Before we discuss how to activate a different client you should be aware that clients may be listed on the Activate Client Screen in either client number order (client id) or client name order (alphabetical according to the names of the clients). This is explained in the following "Sort Clients By" text.

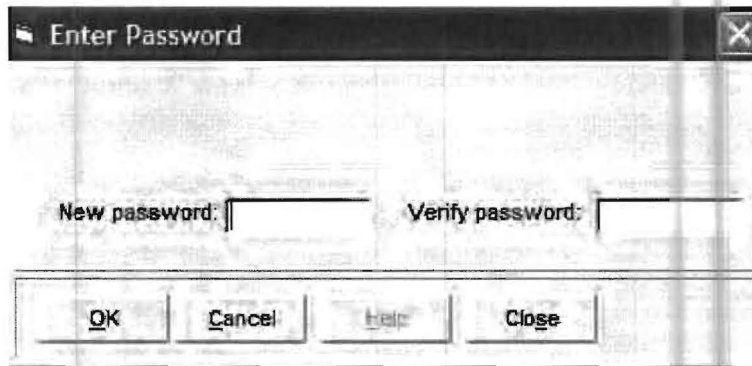
Sort Clients By: There are two ways that you can display the list of clients- in client ID order or in alphabetical order by client name. You can do this by selecting either the client number or the company name radio button on the bottom left portion of the Activate Client screen. (Whatever option you choose will govern what order your clients appear in and they will always appear in that order when you go into the Activate Client screen unless you change how you wish to display them by clicking on the other radio button.)

Selecting a Different Client: Now that you have chosen the order that you wish to display your clients, this section of text will discuss how to activate a different client than the one that is displayed on top of the client list.

If you only have a small number of clients, you could find the client on the sorted list by using the up or down arrows found slightly down and to the far right of the displayed list of clients. The up arrow will display clients higher up on the sorted list of clients than the displayed client and the down arrow will display clients further down the sorted list than the displayed client. Once you find the client that you want, you can highlight them and click on the OK button to activate them.

Probably a better way to change to a different client is to just key in the client number if the clients are sorted by number or key in the first few letters of the client name if the clients are sorted in alphabetical order. This will automatically find the client you are looking for or a client with a very close Client ID or alphabetical name if there are two or more clients with the same digits that you keyed in. If this process immediately brings up the client you need, you can click on it to highlight it and then click on the **OK** button to activate it. If the exact client you want does not display, say you keyed in Jon and you had two companies whose names began with Jon i.e. Jones and Company and Jones and Smith, you can quickly find the right one using the up or down arrows which are slightly down and to the far right from the displayed list of clients. Once you have located the client you want, you should highlight it and then click on the **OK** button to activate it.

**Set of Change Password:** There is a **Set or Change Client Password** button on this screen that allows you to setup a password for a client. If you wish to setup a password for a particular company, you can set one by clicking on the Set or Change Client Password button or bar. When you do this the following screen will appear:



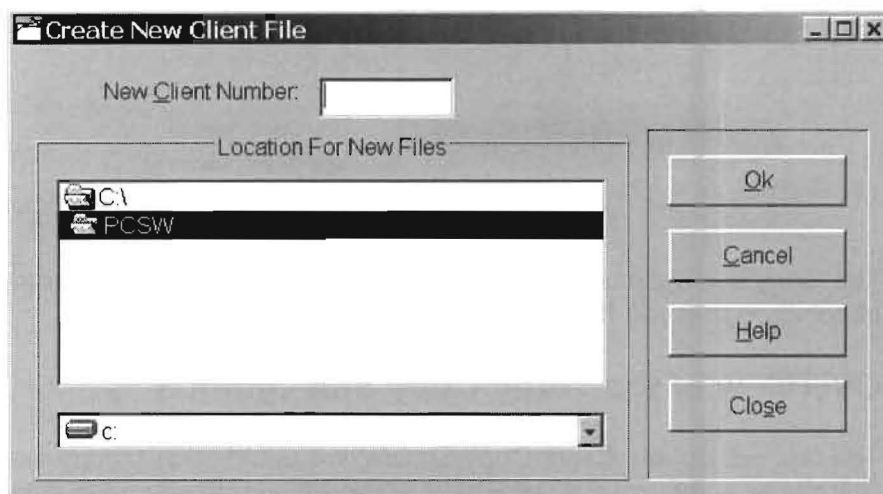
Now you would enter the password that you wanted to use for this company, verify it, by entering the same password again, and click **OK**. If you do this, then you will need to enter this password to access this client anytime you try to activate them in the future.

Print Listing - This button will print a list of your clients in whatever order you have selected with the Sort Clients By radio button. This can be a very helpful list to keep handy, especially if you have a large number of clients as it will allow you to see how they are shown in the system so that you can find them quicker.

# New



This option is used to set up new clients. You could also use the **New Client Icon** shown to the left to access this option. When this option is selected, the following screen will display:



**4-3: Create New Client**

To set up a new client, enter the client number (up to five alphanumeric digits long), and then accept the screen. This will set up a new client in the folder that appears on this screen. This drive and folder may be changed by the user; otherwise, it will reflect the default drive and folder that was set up for this client using the **Setup** pull-down menu then **System**, and **Default Data Directory**. Note that in this example, the client will be placed in the open **PCSW** folder.

# Copy

When the Copy option is taken the following sub menu will display:



The Copy sub options are very important and you should understand the copy capabilities that you have.

## Overview of the Three Copy Sub Options

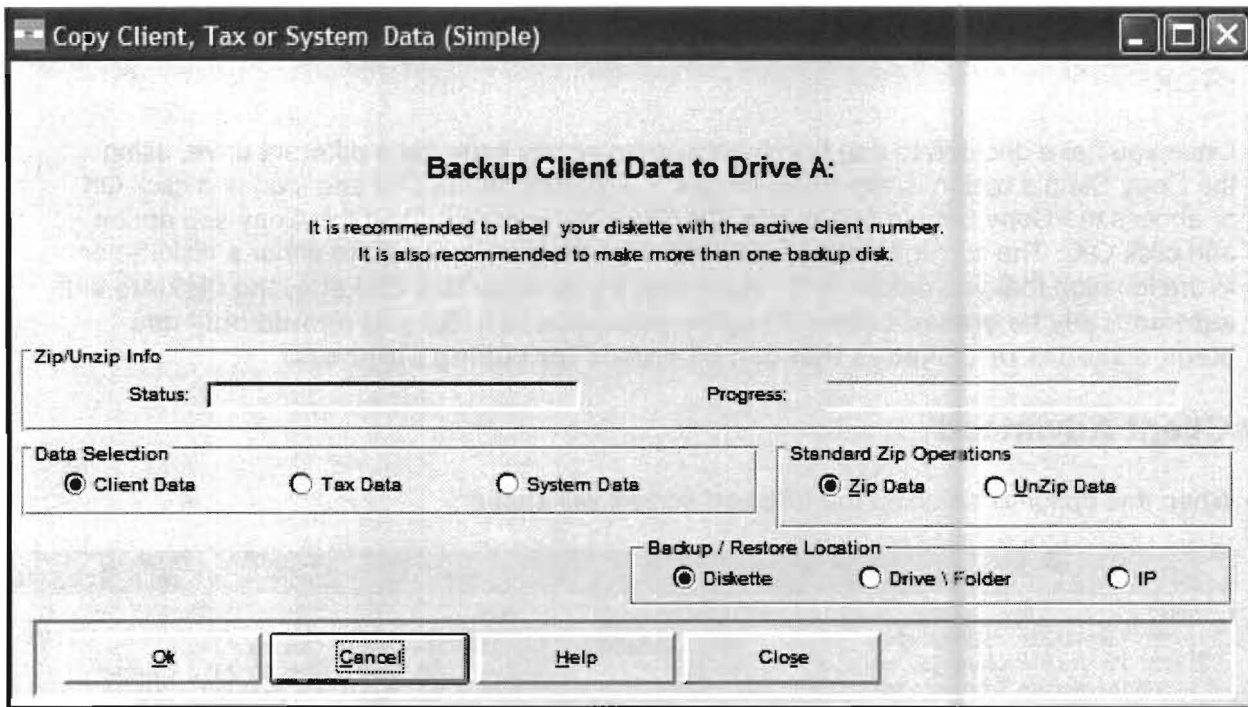
The first sub option, Client Copy Simple, will automatically copy the active client to the diskette or to the special default drive and folder that you have selected. **Note that if it does copy to a diskette, it will automatically erase whatever is on that diskette before it copies your data on it.** Copy Client Simple is designed to make backing up the currently active client quick and easy. The second sub option is the Copy Client Advanced. It is designed to be able to help you effectively back up a number of client files at one time or to be able to copy client data for various other needs. The third copy sub option is Clone Client. This sub option is very helpful when you have a new client. You can copy all the setup options from any existing client that you have without copying any proprietary information from the original client's data such as any of their balances or transactions or their federal or state identification numbers or their various state unemployment rates, etc.

## Copy Client Simple

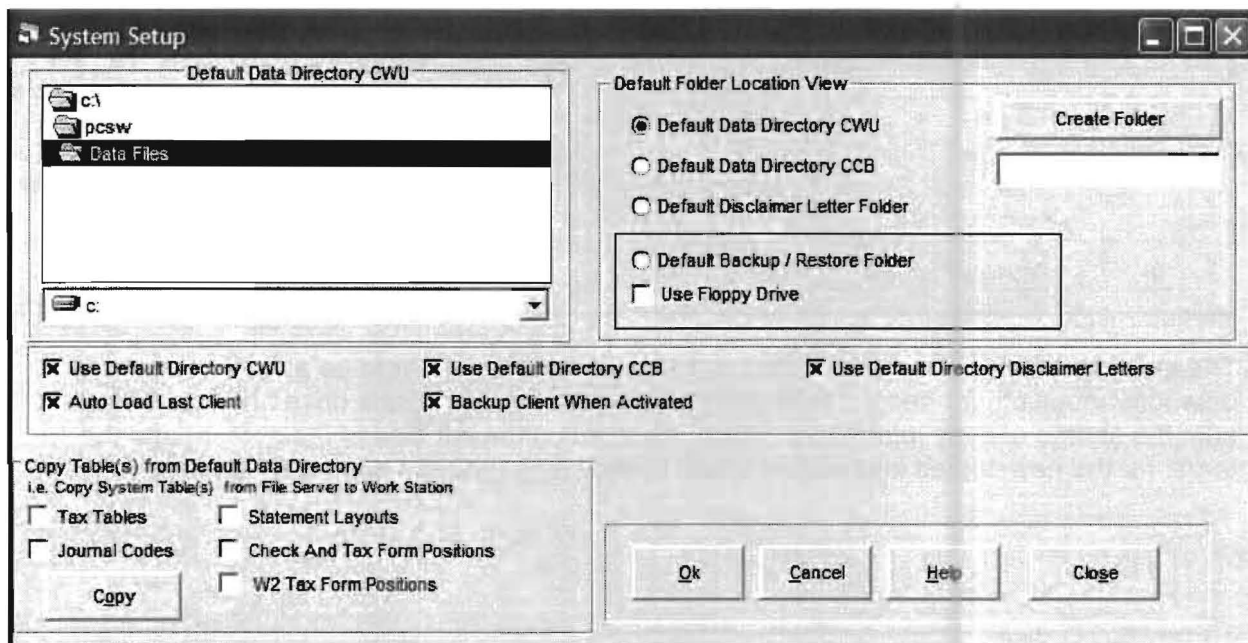


This sub option is usually selected using the icon shown to the left, but can also be accessed with Copy and Copy Client Simple. It is designed to make backing up the currently active client simple and easy. When you first get the system, the system will automatically be set to backup the currently active client to a 3 ½ diskette when you select this option. When you backup a client, you get all the data that has ever been entered for that client on the backup diskette not just the current period. The system will also automatically ask you if you wish to compress the data. You should answer yes to this as this will normally allow all the data to be saved on a single diskette. (If the data needs more than one diskette, which is a rare occurrence, you will be prompted to insert a second diskette and even a third if that were ever necessary.) When this option is selected, the following screen will appear:





Notice that the screen above is preset to back up to a diskette. If you want to backup somewhere else (say you do not have a 3 1/2 inch floppy drive on your machine or you just want to backup somewhere else, you can set the drive you want to backup to using the Setup pulldown menu, the System option, and the Default Data Entry sub-option. This screen is shown below:

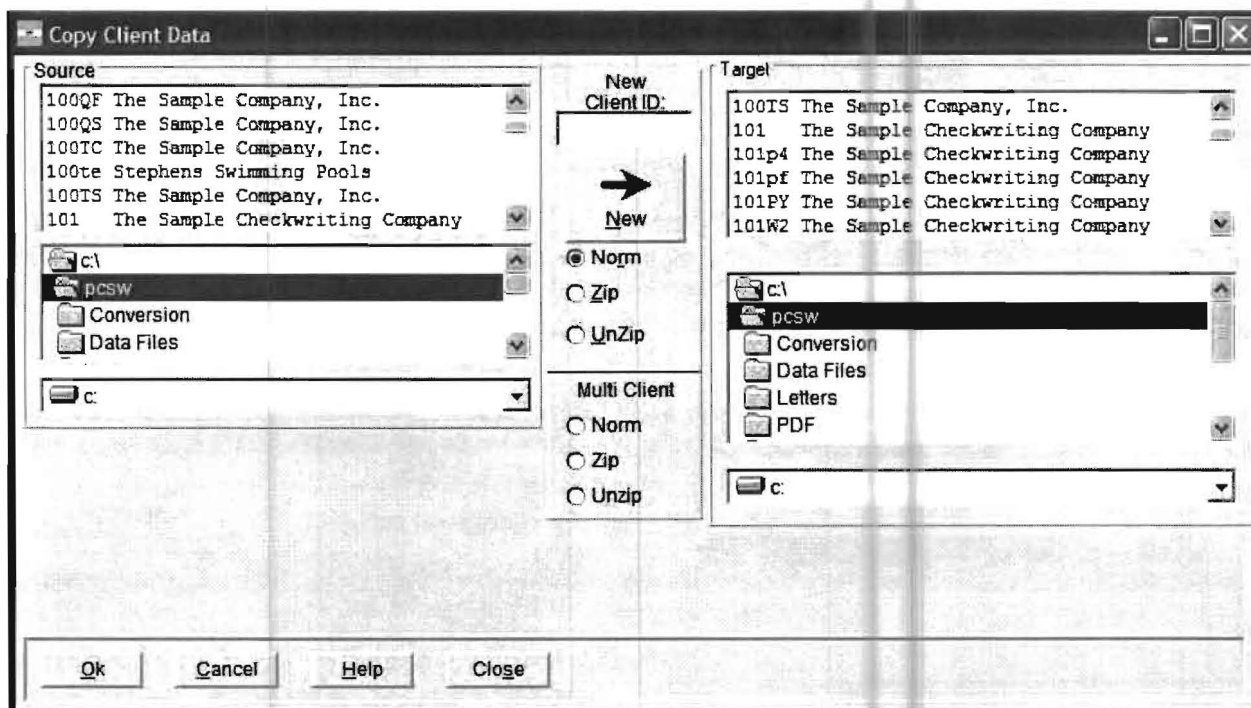


To setup your system to backup/restore to a drive and folder instead of a diskette, you would click on the Default Backup/Restore radio button and unclick the Use Floppy Drive radio button and then select the drive and folder that you wish to backup to in the upper left portion of the displayed screen and then click on the OK button. To make sure you have set it correctly, you could return to this option and select it again and make sure it is set to where you wanted it. If it is, you are all set. If not set it again and make sure to click on OK.

Once you have decided to use the diskette drive or you have set a different drive, using the Copy Simple option is extremely simple. Just click on the Diskette Icon and click OK or access the Copy Simple option from the File pulldown menu and the Copy sub option and click OK. The currently active client will then be quickly copied to either a diskette or to the location that you designated. **Note that if you copy to a diskette, the diskette will automatically be erased before it copies your data to it. So you should only use blank diskettes or diskettes that can be erased for coping purposes.**

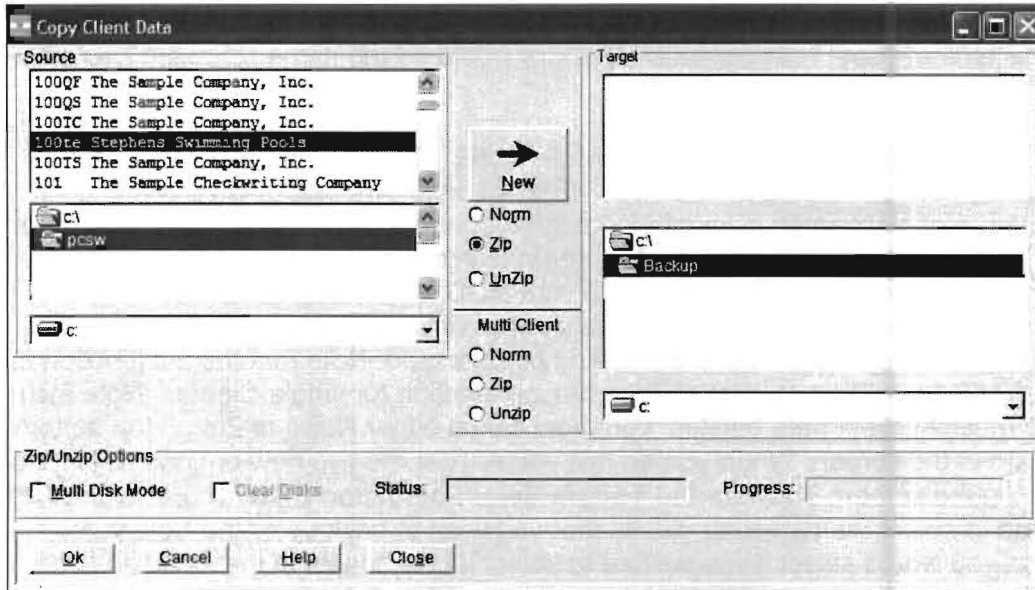
## Copy Client Advanced

When this option is selected the followed screen will appear:

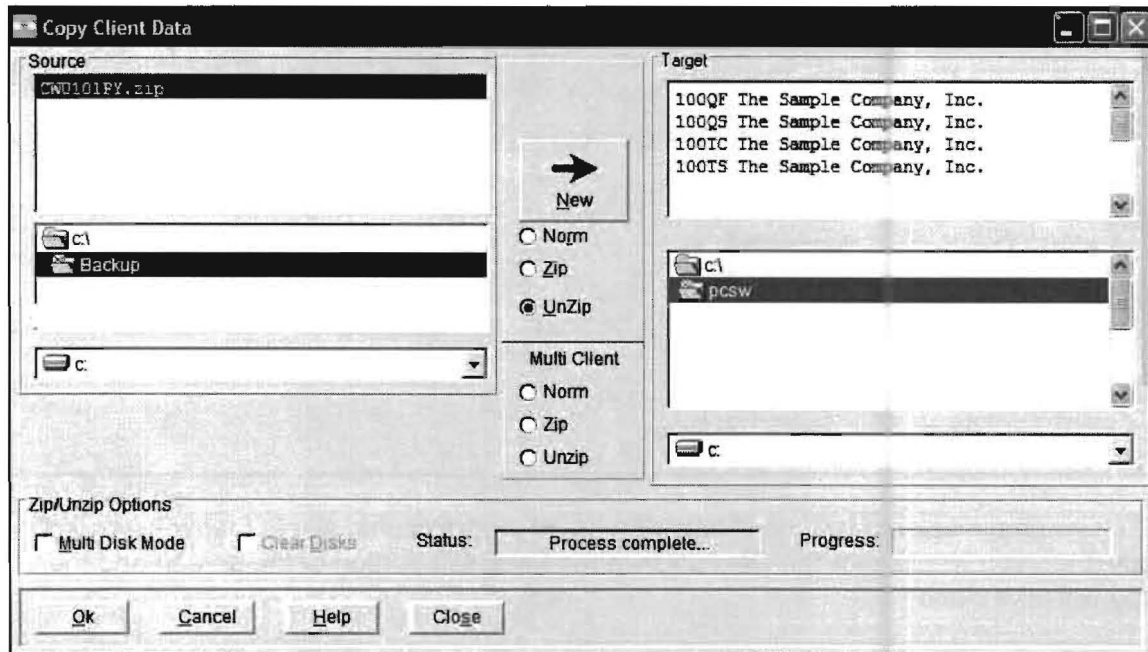


The purpose of this option is to allow you to backup client data or to be able to copy client data for various other needs. It is flexible in that you can change the drive and folder of both the source of copy information which is shown on the left side of the screen, and the target for the new copied information which is shown on the right hand side of the screen.

**COPYING A SINGLE CLIENT FOR BACKUP PURPOSES:** There is also a capability to zip the data when you copy. Here is example screen of how you would copy a single client from the C drive and the PCSW folder to the C drive and the BACKUP folder and put the copied data into a compressed format. The data will be compressed because you have marked the zip option for a normal copy. Note that the client must be highlighted in order for it to copy. If you wish to zip the client's data, you should mark zip first and then highlight the client otherwise you will have to re-highlight the client again.

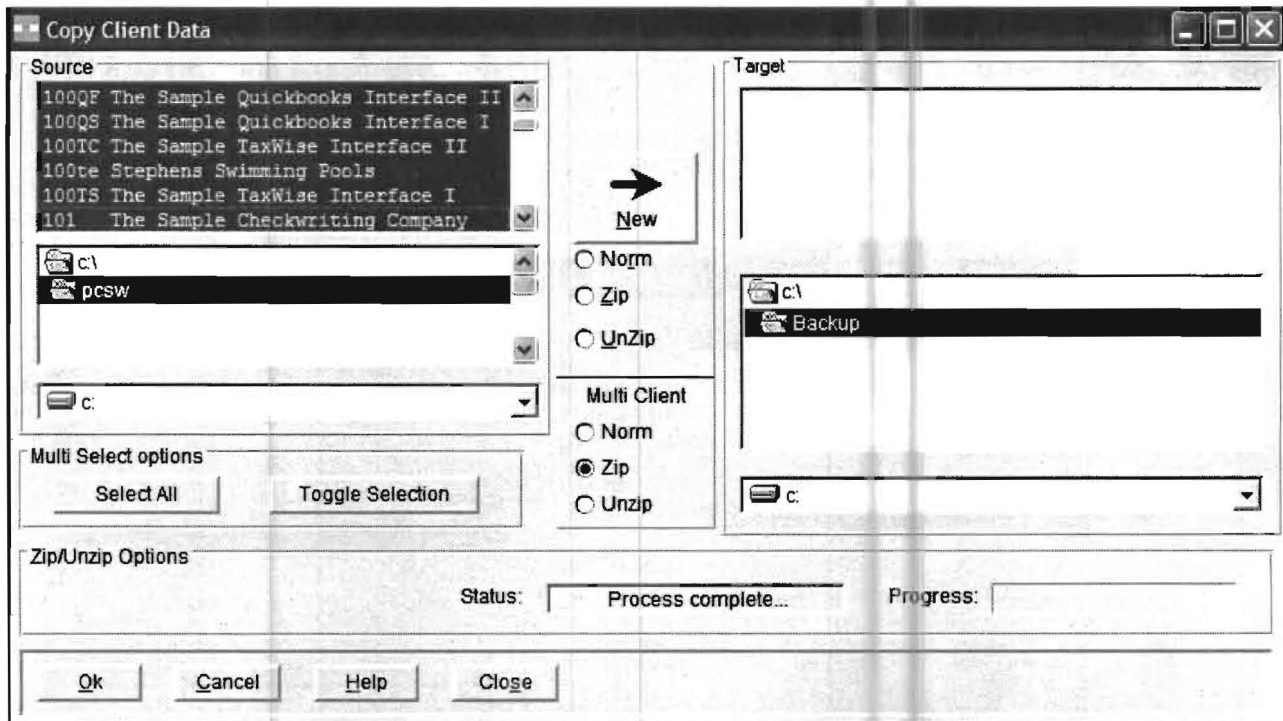


If you later needed the backup copy that you made because your original data on drive C and the PCSW folder was damaged in some way, here is an example screen of how you could copy the previously backed up data from the C drive and the BACKUP folder to the C drive and the PCSW folder. Note that you would now use unzip so that the compressed data would be put back into a normal format. Also note that the backed up file would have to be highlighted. Note the name of a zipped file is CWUXXX.zip where XXX is the client number. In this case the Client # is 101PY and therefore the backed up file is named CWU101PY.zip.



**COPYING A SINGLE CLIENT WITH A DIFFERENT CLIENT ID:** This option can also be used to create a copy of an existing client's data file with a different client number than the original one. (You will then have two identical sets of client data for the same client, each with a different client number.) This is done by entering a new and different client number in the New Client ID. This type of copy is often helpful because you might want the same client data for a different purpose such as to do projections or to produce some modified report that you would then adjust or change the original data or setup of the client in some way. Once again, you would set the drive and folders on both the source and target side. Often on this type of copy, both drives and folders would be the same since the client ID is different.

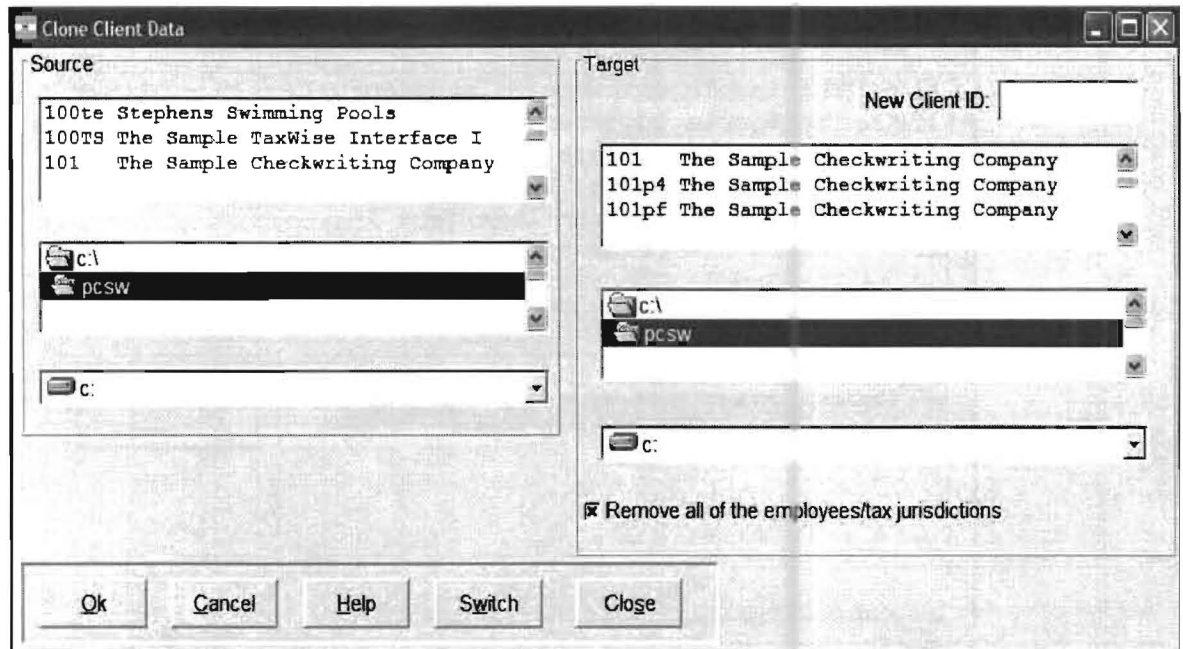
**COPYING MULTIPLE CLIENTS AT THE SAME TIME:** Backup is often much easier if you can backup multiple clients at one time. This option allows this. The screen below shows a number of highlighted clients being copied from the C drive and the PCSW folder to the C drive and the BACKUP folder. More realistically, clients would be backed up to a removable disk drive of some type or to a CD with a CD drive that was writable. In that case, the target merely needs to be set to the desired drive. On the screen below, the client data that is being backed up is also being compressed. Note that the zip function for multiple clients is in a different location than the zip function for single clients. Note also that to do a multiple client data backup, you must select either Norm or Zip on the bottom center portion of the screen. When you do this you will get the two new buttons which are also shown on the screen. They are the **Toggle Selection** button which you would select if you wanted to select the particular clients that you wish to back up or the **Select All** button which you would select if you wished to select all the clients in the selected folder to be copied at the same time:



When you have selected all the clients or toggled the particular clients that you wanted to copy, then you would click the **OK** button in the lower left portion of the screen and the copy will take place.

## Clone Client

The Clone client sub option is an extremely useful sub option that can save you tremendous time and effort when you setup new clients. When this sub option is selected, the following screen will appear:



You can select any existing client that you have already setup from the left side of the screen by highlighting it as the client that you wish to Clone. The best choice would be to select a client that you already have setup that will be the closest in chart of accounts and setup to the new client that you wish to setup. For example, clone a similar type restaurant for a new restaurant, clone a similar type general contractor for a new general contractor, etc.. Once you have highlighted the existing client that you wish to Clone, enter the client id that you wish to use for the new client in the New Client ID field on the upper right of the screen. In the normal case you would also want to make sure that the check box to remove all employees and jurisdictions is checked as this will prevent any employees copying over. Click on the OK button and the new client will have all the same setup options as the existing client. (i.e. chart of accounts, cash accounts, profit and retained earnings accounts, payroll setup choices, state setup, payroll items, localities, etc., etc.) The only things that won't be copied from the original client is any proprietary information such as their company name, account balances, the ledger or payroll transactions, their federal and state ID numbers, their specific workman's compensation rate etc. etc..

Once you click on the OK button, the new client will appear at the top of the screen. Now you would add the company name and letterhead address, change account names as necessary, add or delete accounts as necessary, add, delete or modify cash accounts as necessary, add federal and state ID numbers and rates, enter initial balances etc.) and you are ready to go without the wasted time and effort of having to enter so much information that was already entered on another client.

# Delete

The **Delete** option allows the deletion of a client's data from the computer. To delete a client, highlight the client and click the **Delete** button.

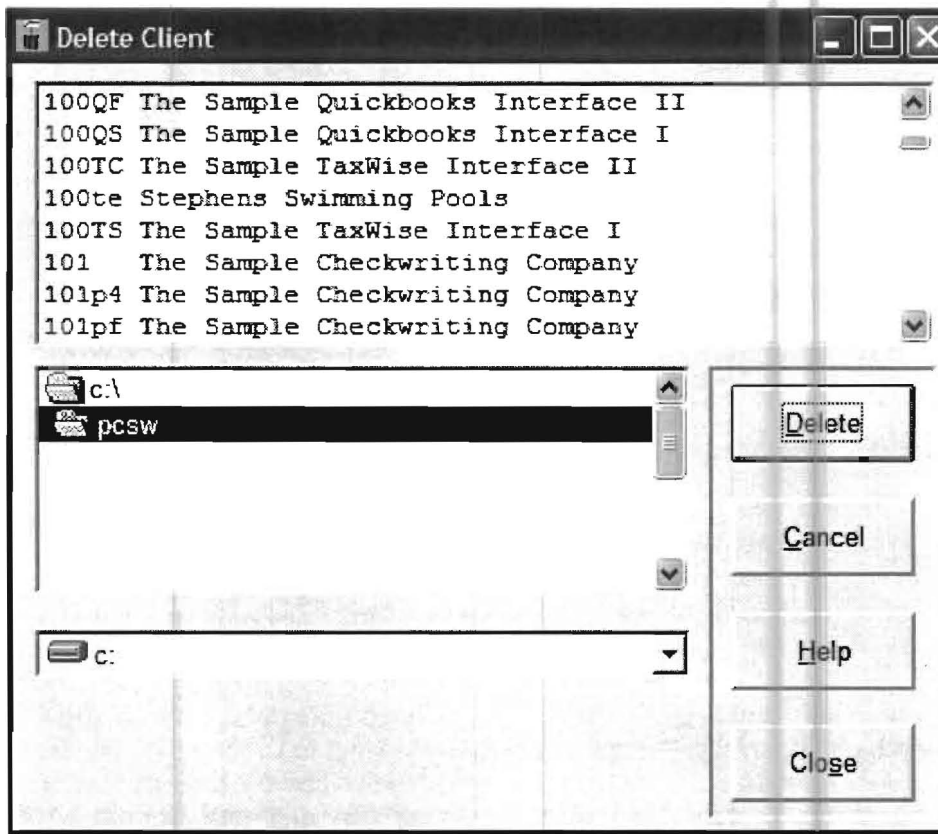


Figure 4-4: Delete Client

# Change Client ID/Relocate Client

This option allows the renumbering of a client on the computer. When this option is selected, a screen similar to the following will display.

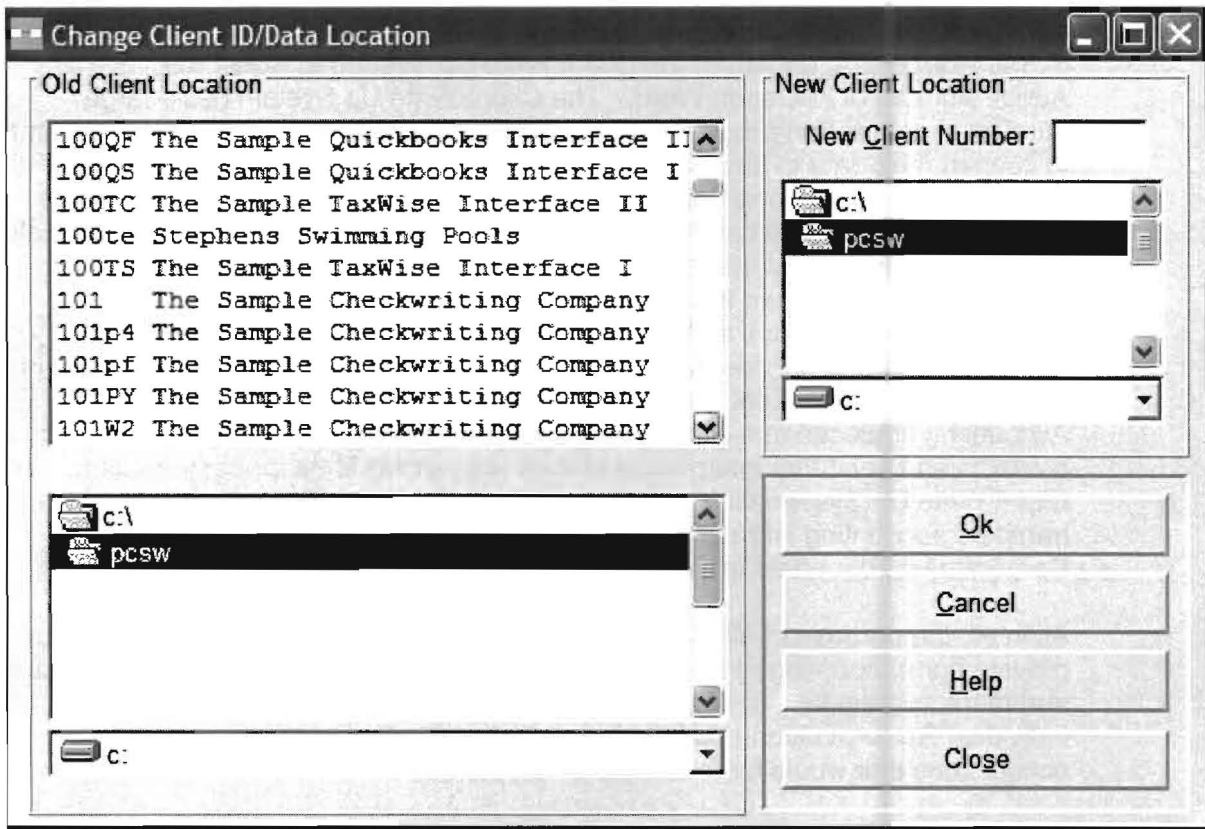


Figure 4-5: Relocate Client

To renumber a client, highlight it and enter the new client number in the **New Client Number** field. If you want the client on the same drive and folder as before, accept the screen by clicking the **OK** button. If you want the renumbered client to appear in a different drive or folder, change the drive and folder on the right side of the screen and click **OK**.

# Interfacing

P.C. Software has a wide array of interfaces, transfers and conversions that might be of great use to the user. The system can transfer in data from ASCII files, or EXCEL files. The system has a specially designed interface that allows the import of Quickbooks Pro information on a periodic basis usually month to month. The System can export data from the Client Write Up System to ASCII files, EXCEL, Adobe Acrobat or Microsoft Word. The Client Write Up System has a large number of conversion programs that allow users of other Client Write Up Systems to convert their data to this system. These conversion programs can be a great aid to firms that are switching from other Client Write Up Systems to this one. The Client Write Up System has many different custom tax package interfaces and also generic tax package interfaces. The Client Write Up System also has very sophisticated and refined interface to the TaxWise family of tax programs (Universal Tax Systems), as P.C. Software has “partnered” with TaxWise for a number of years to provide integrated solutions to users of the TaxWise family of tax programs. The Client Write Up System has interfaces so that clients of Accounting firms can use either the P.C. Software DOS or Windows Checkwriting Systems and send that information to their accounting firms for easy transfer. The Client Write Up System even has specialized interfaces like an interface that transfers accounting information from McDonalds franchises to McDonalds Corporate Headquarters in the corporate file format used by McDonalds.

All in all, the purpose of all of these interfaces, transfers and conversions is to provide our Accounting Firm customers with what they need to be more productive and more successful. In line with this, we are always happy to discuss your individual firm's situation and help you to better use the interfaces, transfers or conversions that would be most helpful to your firm.

When this option is selected, the following sub-menu options display:

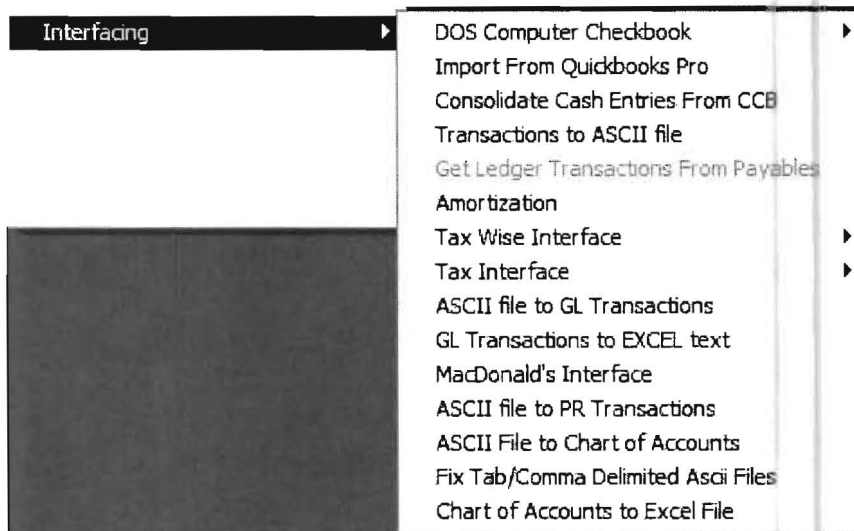


Figure 4-6: Interfacing Options

The following pages in this chapter describe the operation of most of the commonly used and simple “transfers or interface” sub options. This chapter will refer the user to other chapters of this book for some of the more sophisticated interfaces or explain where documentation can be obtained for specialized “transfers, interfaces or conversions” that might be needed by your firm.



## DOS Computer Checkbook

This option refers to the P.C. Software **DOS Computer Checkbook**. All DOS Computer Checkbook users were sent a documentation supplement entitled, **Interfacing and Data Conversion Supplement** that explains the features and operations of this sub option. If you are a *DOS Computer Checkbook* user and need a copy of this supplement, please contact P.C. Software.

## Import from QuickBooks™ Pro

This option allows the repetitive import of information from *QuickBooks Pro* usually on a monthly or quarterly basis and is discussed in **Chapter 14, "QuickBooks Interface."**

## Consolidate Cash Entries from DOS Computer Checkbook (CCB)

This option is used in PC Software's DOS Computer Checkbook and is discussed in the **Interfacing and Data Conversion Supplement** mentioned above under the DOS Computer Checkbook sub option.

## Transactions to an ASCII File

This option takes general ledger entries from the **PC Software Windows Client Write-Up System** and produces an ASCII interface file with the name, drive and folder selected by the user. When this option is selected, the following screen will display:

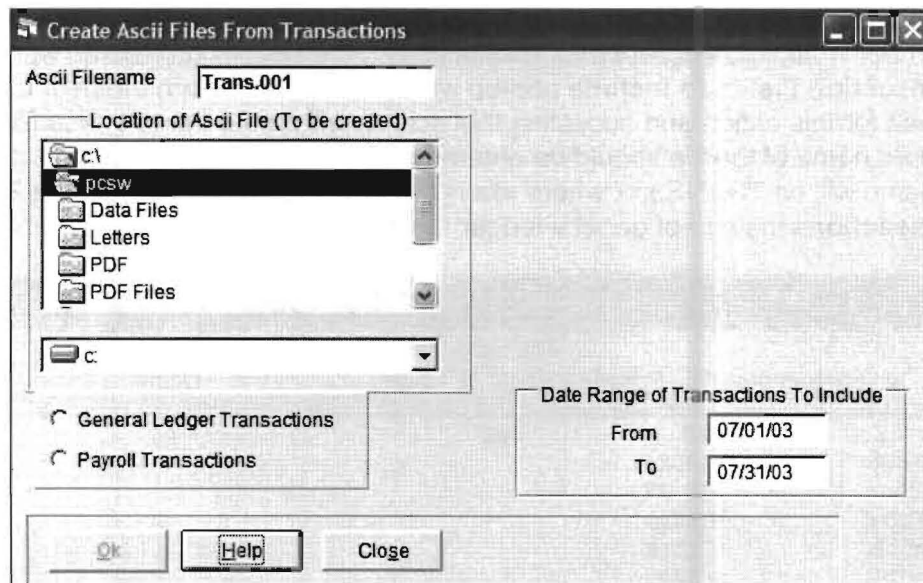
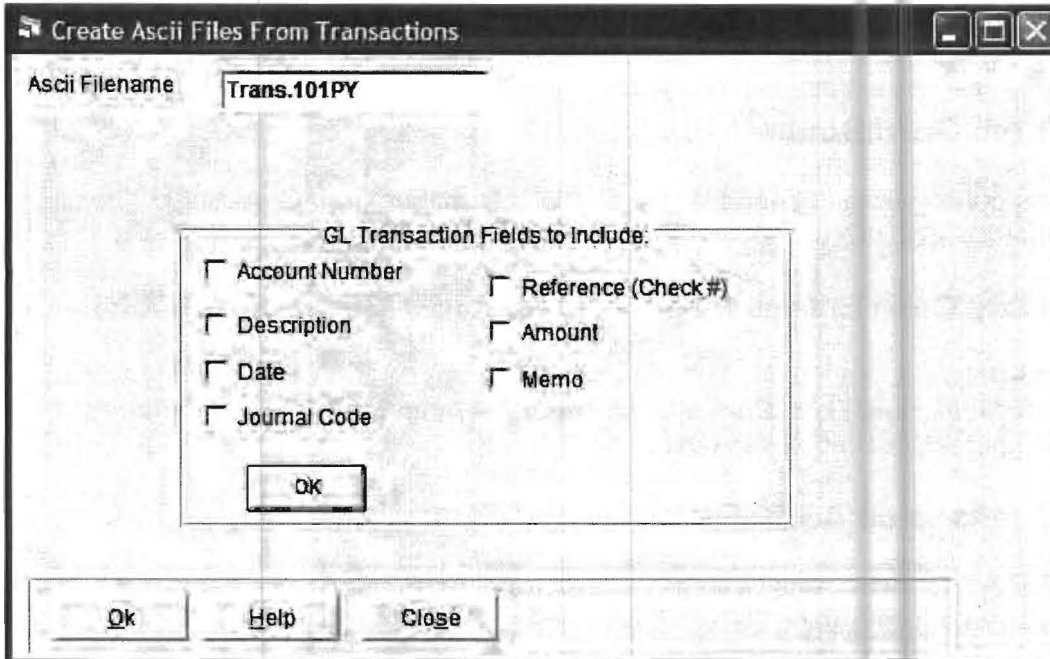


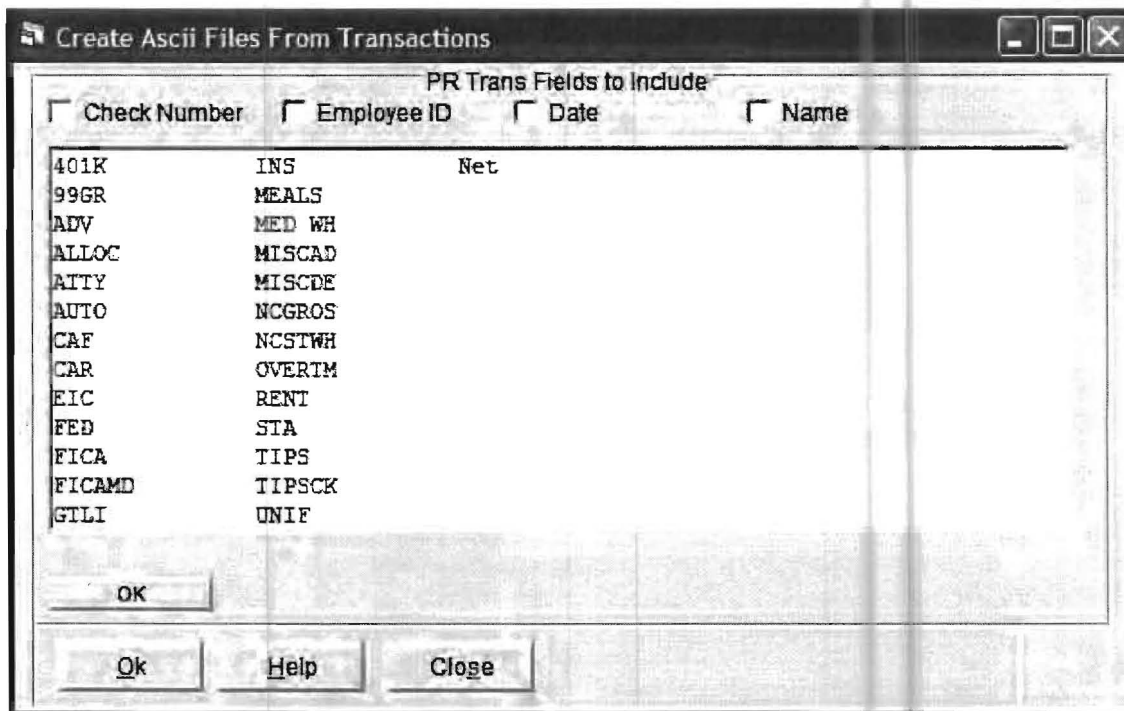
Figure 4-7: Create Ascii File

This screen allows the user to designate the name and location for the ASCII data file created from the client's **PC Software Accounting System** data.

The user can also designate the date range and the type of transactions desired, either general ledger or payroll. Depending on which transaction type option the user selects, a second screen will automatically display. If **General Ledger Transactions** are selected, the following screen will display:



The user can now designate which fields should be included in the ASCII interface file. The user would then accept their choices using the **OK** button located within the **GL Transaction Fields to Include** pop-up window. This will return the user to the original screen for this option and accepting that screen will create the interface file. Note that the desired name of the file should be entered into the **ASCII filename** field otherwise the filename will be TRANS.xxx where xxx is the Client ID. If the user selects **Payroll Transactions** instead of general ledger transactions, the following screen will display:



All **payroll items** set up for this client will be displayed as payroll fields. The user can then highlight any fields that they want to include in the ASCII interface file. Click the **OK** button to accept the choices made and you will be returned to the main screen for this option. Accepting the main screen with the **OK** button will create the interface file. (Once again the name of the desired file can be entered to override the default

**Note:** If you are planning to create an ASCII interface file for **both** general ledger and payroll transactions, one of the files should be given a different name or the last file will overwrite the original one when it is created.

## Amortization

When this option is selected, the **Amortization Information Screen** will display as shown below:

Amortization Information

Contract Date: 04/21/06 Status: Calculate

Payment Schedule: Monthly

First Payment Date: 05/21/06 Sub-Total Month: 0

Balloon Payment:

Report Headings

Principal Amount: 0

Annual Interest Rate: 0

Number of Payments: 0

Payment Amount: 0

OK

Cancel

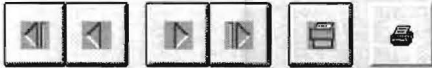
Close

Help

The top portion of this screen allows the user to enter basic details on the loan to be amortized, including a balloon payment if appropriate. The bottom portion of this screen has four numerical fields. Any three of them determine the loan details. You must select the one you do not wish to use by clicking the radio button in front of it and then enter the other three values.

When you click the **OK** button to accept this screen, the **Amortization Schedule** will be displayed. A sample amortization schedule is shown on the next page. The four arrow buttons on the display screen allow you to view the entire schedule, or you can print it by clicking on the **Print** button.

Number	Date	Payment	Principal	Interest	Old Balance	New Balance
001	05/21/06	400.76	275.76	125.00	20,000.00	19,724.24
002	06/21/06	400.76	277.48	123.28	19,724.24	19,446.76
003	07/21/06	400.76	279.22	121.54	19,446.76	19,167.54
004	08/21/06	400.76	280.96	119.80	19,167.54	18,886.58
005	09/21/06	400.76	282.72	118.04	18,886.58	18,603.86
006	10/21/06	400.76	284.49	116.27	18,603.86	18,319.37
007	11/21/06	400.76	286.26	114.50	18,319.37	18,033.11
008	12/21/06	400.76	288.05	112.71	18,033.11	17,745.06
009	01/21/07	400.76	289.85	110.91	17,745.06	17,455.21
010	02/21/07	400.76	291.66	109.10	17,455.21	17,163.55
011	03/21/07	400.76	293.49	107.27	17,163.55	16,870.06
012	04/21/07	400.76	295.32	105.44	16,870.06	16,574.74
013	05/21/07	400.76	297.17	103.59	16,574.74	16,277.57
014	06/21/07	400.76	299.03	101.73	16,277.57	15,978.54
015	07/21/07	400.76	300.89	99.87	15,978.54	15,677.65
016	08/21/07	400.76	302.77	97.99	15,677.65	15,374.88
017	09/21/07	400.76	304.67	96.09	15,374.88	15,070.21

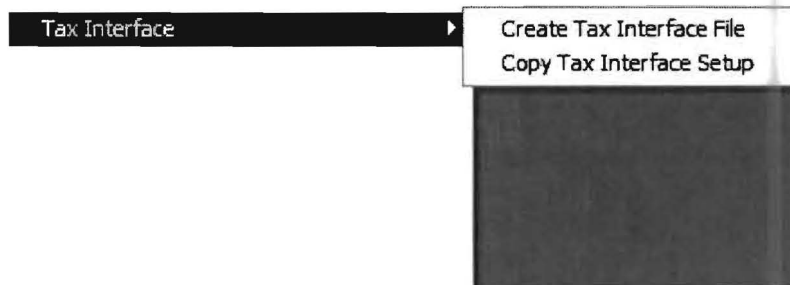


## TaxWise Interface

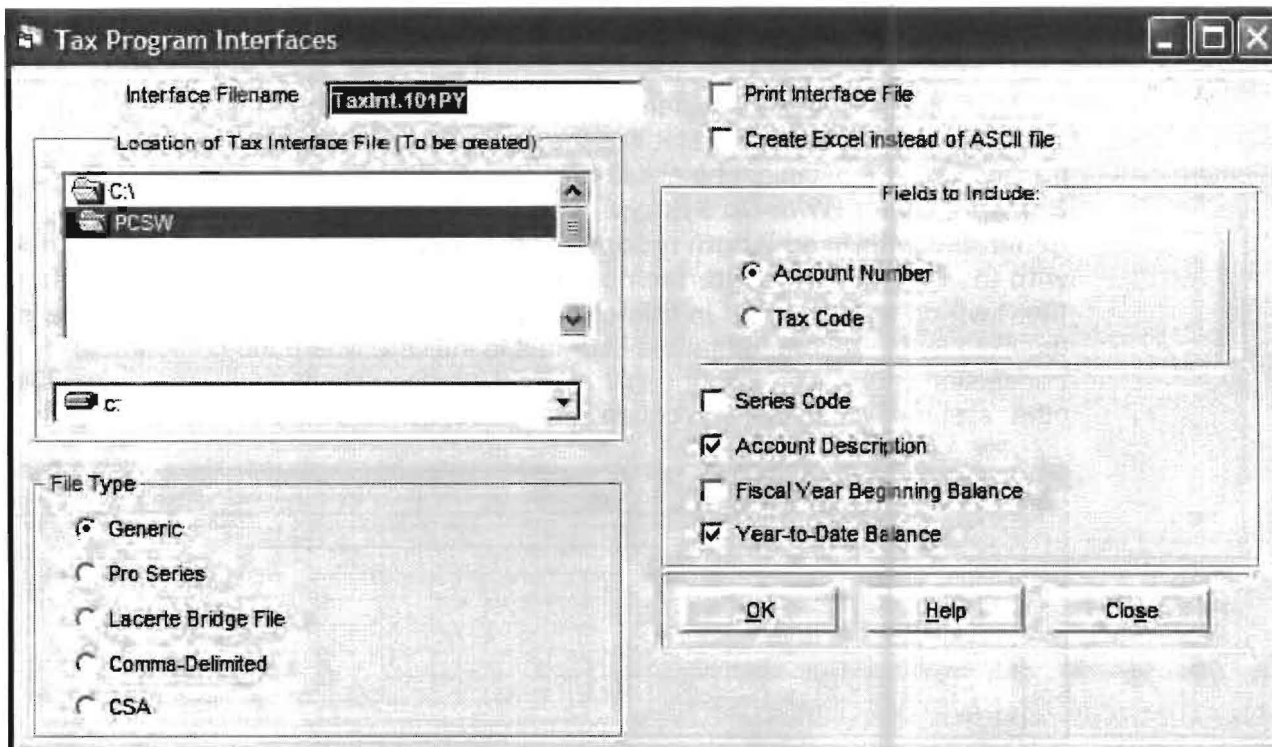
This option is discussed in **Chapter 15**, entitled, **TaxWise Interface**

## Tax Interface

There are two sub options under the Tax Interface option



The **Create Tax Information File** option provides a generic tax interface using an ASCII File. When selected, the following screen will display:

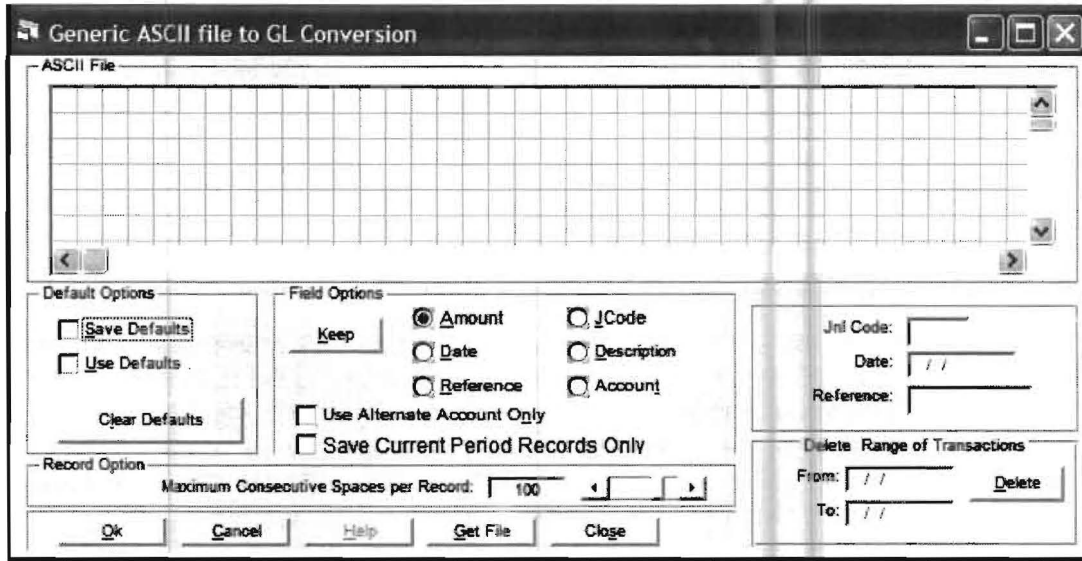


This screen allows the user to create an ASCII interface file of tax information with the desired name and location. To do this, the user needs to check the fields that should be included, name the file, select the drive and folder, and accept the screen with the **OK** button. Usually the tax program designates the file name that is required. Note that some specific formats for various tax packages can be selected under File Type. The user would then proceed to their tax program, access this interface file, and take the steps necessary to complete the interface. **PC Software Accounting** will be happy to answer any questions that either you or the personnel from your tax program provider have regarding this interface.

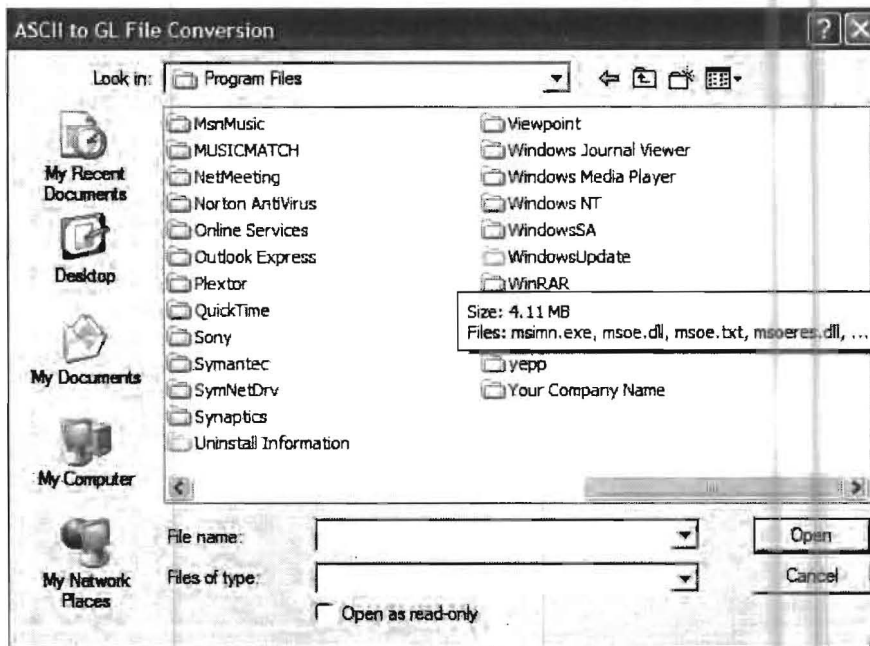
The **Copy Tax Interface Setup** option allows you to copy an existing tax interface setup from one client to another. This sub option primarily applies to copying special setup options that are required to use the **Pro Series** or the **Lacerte Bridge** file. Instructions for these interfaces are available upon request.

## ASCII File to General Ledger Transactions

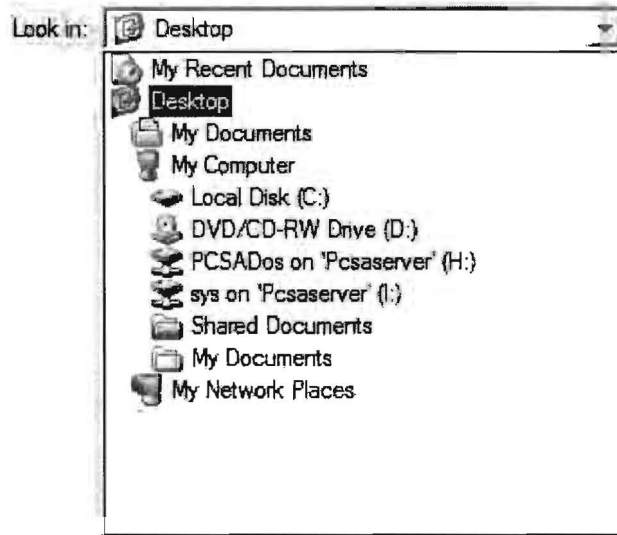
If a client is using another system for its monthly accounting (besides *Computer Checkbook* or *QuickBooks*) that has the capability to create an ASCII file of its transactions, then it might be possible to transfer these transactions into the **PC Software Client Write-Up System**. (The ASCII interface file needs to be generated with fixed length records or the ASCII file needs to be modified with the P.C. Software Interfacing option "FIX TAB/ COMMA Delimited Ascii files" which is discussed in this chapter on page 4-31.) Once the ASCII file is in the fixed length record format the user has to indicate where the comparable transaction information is found in the ASCII interface file that was created by the other system. When this sub option is selected, the following screen will display:



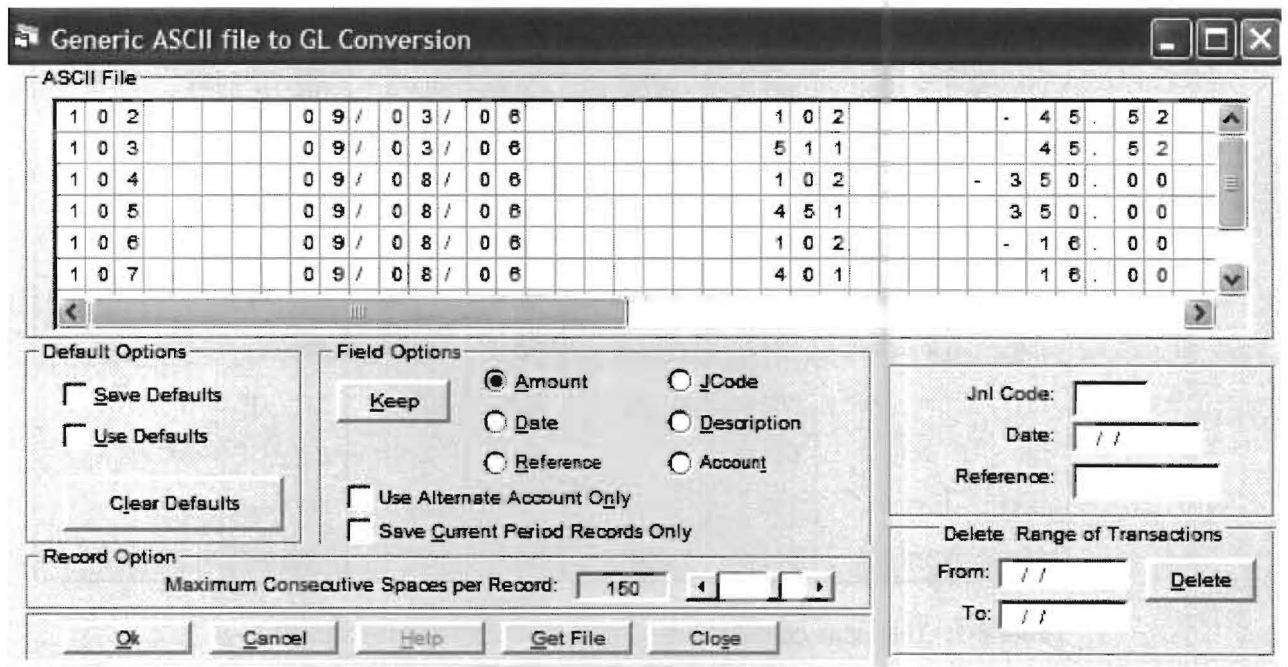
The first task that must be accomplished is to access the ASCII interface file created by the other system. Click on the **Get File** button, a screen similar to the following screen will display:



The information that displays depends on what is on the machine that you are using and will not be the same on your machine. Just use this screen to access the drive and file that you want to interface. Click on the down arrow to the right of the **Look-in** prompt (which on the following screen shows "Desktop" in the prompt) and this will display your drives in a manner similar to that shown below:



Access the drive and then the folder where the interface file is located and then; highlight the actual file that you want to interface. Then click on **Open**. A screen similar to the one shown below will display:



Part of the information from the file will be displayed. To help you visualize the overall picture, the following table contains sample data from the ASCII file in this example:

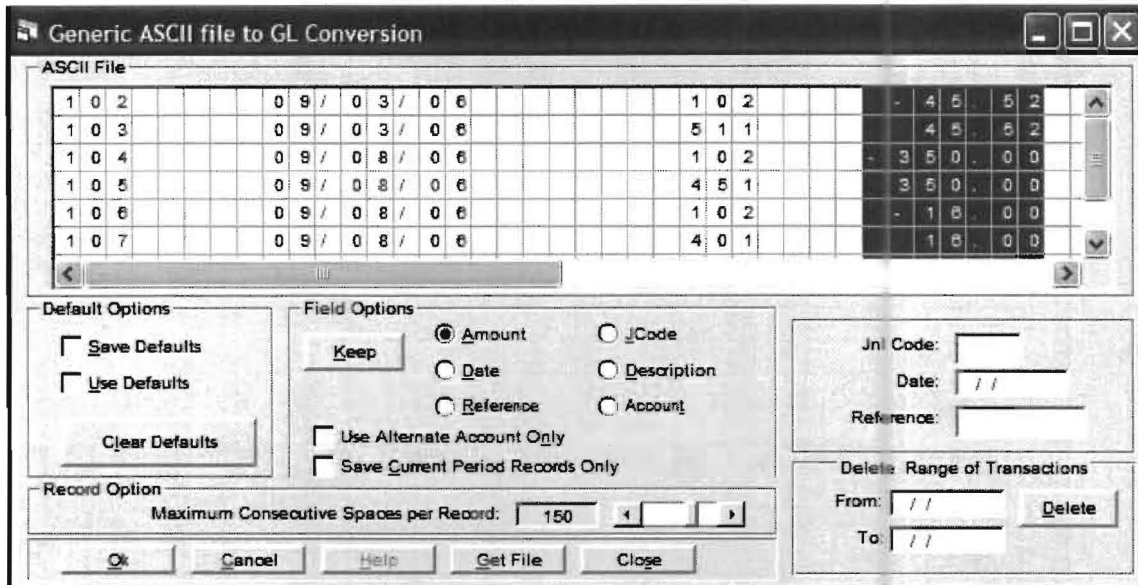
Trans No.	DATE	ACCT	AMOUNT	JNL	CHECK	PAYEE
102	9/03/06	102	-45.52	CD1	10309	CITY OF SARASOTA
103	9/03/06	511	45.52	CD1	10309	CITY OF SARASOTA
104	9/08/06	102	-350.00	CD1	10310	GEORGE A. JONES
105	9/08/06	451	350.00	CD1	10310	GEORGE A. JONES
106	9/08/06	102	-16.00	CD1	10311	CREDIT DATA SERVICES
107	9/08/06	401	16.00	CD1	10311	CREDIT DATA SERVICES
108	9/08/06	102	-256.26	CD1	10312	STAR PRINT SHOP
109	9/08/06	404	256.26	CD1	10312	STAR PRINT SHOP
110	9/08/06	102	-14.85	CD1	10313	SUSAN HARRIS
111	9/08/06	518	14.85	CD1	10313	SUSAN HARRIS
112	9/08/06	102	-32.68	CD1	10314	CELLULAR ONE
113	9/08/06	541	32.68	CD1	10314	CELLULAR ONE
114	9/08/06	102	-38.76	CD1	10315	JONES AGENCY
115	9/08/06	518	38.76	CD1	10315	JONES AGENCY
116	9/08/06	102	-16.00	CD1	10316	CREDIT DATA SERVICES
117	9/08/06	401	16.00	CD1	10316	CREDIT DATA SERVICES
118	9/11/06	102	.00	CD1	10317	VOID
119	9/14/06	102	-128.99	CD1	10318	SPRINT
120	9/14/06	541	128.99	CD1	10318	SPRINT
121	9/14/06	102	-17.90	CD1	10319	CITY OF SARASOTA
122	9/14/06	511	17.90	CD1	10319	CITY OF SARASOTA
123	9/21/06	102	-25.00	CD1	10320	MICHAEL SMITH
124	9/21/06	518	25.00	CD1	10320	MICHAEL SMITH

**Table 4-1:** This table contains the sample ASCII file in this example.

The Interface screen has six field options (**Amount, Date, Reference, Jcode, Description and Account**) that can be interfaced into the General Ledger Transactions. To the right of these six options are three fields: **Jnl Code, Date, and Reference**. Any data you enter in these fields will become the default values for these fields when transactions are interfaced into the system.



Suppose you want to interface all six fields from the file. This is accomplished with a three-step process for each field. First enable the *radio button* for the field you want to interface, second mark the field boundary and third accept the field boundary when satisfied. In the example shown below, the “**Amount**” *radio button* is enabled because the radio button in front of it is marked. To mark (highlight) the amount field in the ASCII data, we first placed the mouse pointer on the leftmost position of the amount field. Next we held down the left shift key and dragged the mouse to the rightmost position of the field. This highlighted the boundary of the field in question as shown below.



We would then click the **Keep** button to accept the amount field boundary. The highlight would disappear and the *radio button* for the next field would be selected. By doing this, we would have informed the interface program where the amount information will be found and are ready to do the same for the **Date** field. The same procedure that is described above is used for all six fields. Use the horizontal scroll bar or arrows to move the display screen to view and highlight other fields. Once this process is complete for all six fields, the interface program has all the information about the ASCII file that it needs. If you might want to utilize this same interface again, place an “**X**” in the **Save Defaults** *check box*.

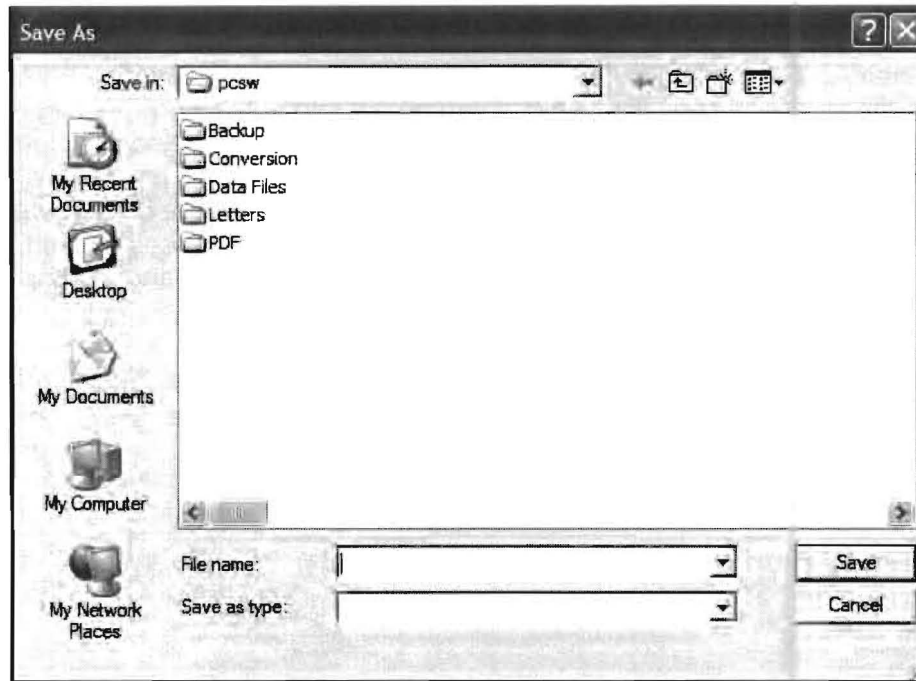
**Note:** If you want to set a default value for any of the three fields, **Jnl Cde**, **Date** or **Reference**, fill in that field or those fields with the values you want for all transactions and **do not** process that field or those fields as instructed above.

Click **OK** to process the interface. If the interface does not complete and indicates a missing account number this means that there is an account number in the ASCII file that does not exist in the Client Write Up System. If you get the account number error, the interface will not complete. You need to enter the missing account number in the Client Write Up System and process the interface again. (If you save all your defaults you will not have to set it up again.) If you want to process a previous interface, place an “**X**” in the **Use Defaults** *check box* and click **OK**. If you want to review the information you have selected for the various fields, enable the *radio buttons* for the different fields one at a time. Any boundary that has been incorrectly defined may be changed by following the original selection process.



This screen allows verification of the information to be exported.

Verify the information and then click the **OK** button, a screen similar to the one shown below will display:



After you have entered a file name and selected a drive and folder click **Save** and the Excel file will be created.

## McDonald's Interface

If you are processing clients with McDonalds Franchises in significant volume, you might want to use the McDonalds Corporation Interface which sends McDonalds corporate account information for franchises in the McDonalds corporate format. To do this you have to setup the McDonalds corporate accounts in alternate account numbers fields of your clients chart of accounts and then use this option to create the McDonalds File. Please call PC Software for instructions if this sub option would be helpful to your firm.

## ASCII file to PR Transactions

This option is similar in operation to the ASCII file to GL Transaction option discussed earlier in this chapter and works in exactly the same way except that it reads ASCII payroll transaction from other systems into this system rather than ASCII general ledger transactions.

## ASCII file to Chart of Accounts

This option can be very helpful in transferring balances from other systems into the Client Write Up System at year end. It works by transferring a trial balance that is in ASCII format into the Client Write Up System. Many systems can produce a trial balance in an ASCII format. For example, an ASCII trial balance can be produced in QuickBooks Pro once you have loaded a particular client by clicking on Reports and then Accounting & Taxes and then selecting a trial balance for the year end. Once the trial balance is displayed, it can be put into a ASCII format by printing it to a File by marking the File Radio button after Print is selected and then further selecting ASCII file type. When the user clicks on Print again, the user will be prompted to name the file and designate the location of the file to be created. At that time they can place it on a diskette or anywhere else on their system. A file that was created in this way is the starting point of this option and a sample file created in this way is displayed on the following page:

1:44 PM ABC Construction, Inc.  
 01/15/06 Trial Balance  
 Accrual Basis As of December 31, 2006

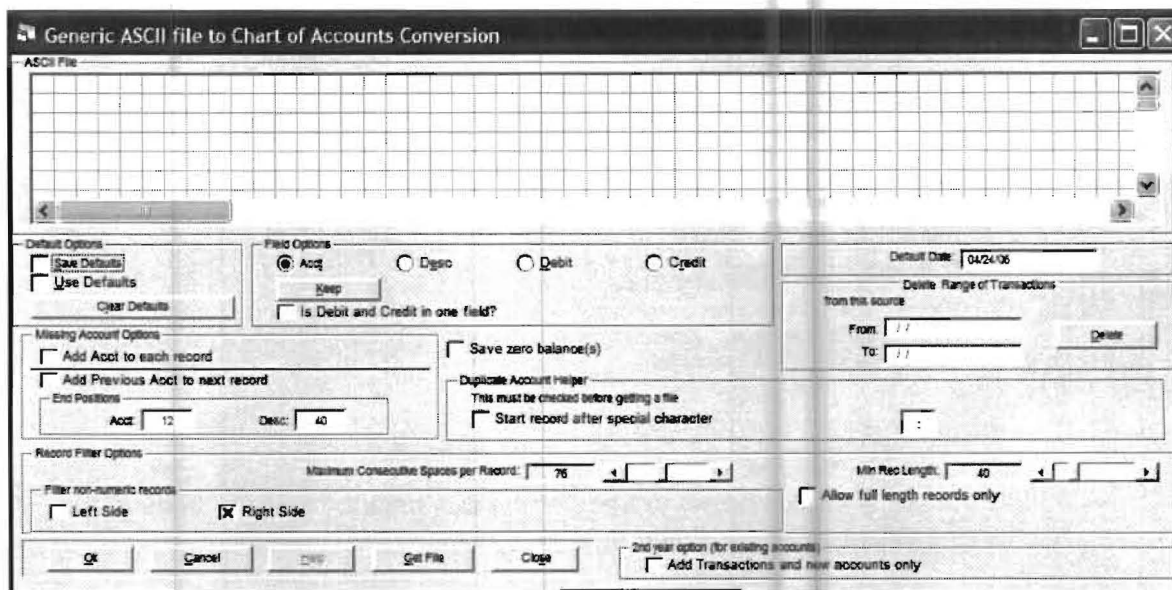
	Dec 31, 05	
	Debit	Credit
101 · Petty Cash	1000.00	
102 · Cash - Bank of America	12345.56	
110 · Loan to Officer	20,000.00	
145 · Office Equipment	5,432.10	
146 · Machinery & Equipment	128,345.67	
148 · Vehicles	68,544.20	
149 · Accumulated Depreciation		123,456.78
200 · Accounts Payable		13,450.25
219 · Payroll Liabilities	0.00	
232 · Fed Withholding Payable		546.63
233 · State Withholding Payable		290.30
235 · Suta & Futa Payable		333.73
250 · First National Bank		32,789.22
252 · Bank of America Truck Loan		12,044.49
280 · Retained Earnings	14,303.71	
281 · Common Stock		1,000.00
285 · Paid-In-Capital		10,000.00
286 · Dividends	30,000.00	
301 · Sales		365,234.56
302 · Sale of Assets		6,000.00
401 · Concrete	92,453.70	
403 · Gravel	23,354.82	
404 · Top Soil	1540.25	
406 · Materials & Supplies	14,934.11	
410 · Wages	42,156.00	
420 · Payroll Taxes	6,280.97	
409 · Subcontract Labor	3,000.00	
510 · Supplies	856.03	
512 · Postage/Freight	168.00	
520 · Rent	12,000.00	
526 · Utilities	3,423.19	
529 · Telephone Expense	4,371.43	
530 · Maintenance & Repairs	1,422.94	
534 · Advertising Expense	4,800.00	
535 · Insurance Expense	8,555.00	
536 · Health Insurance	7,521.34	
538 · Workers Comp. Insurance	4,567.18	
539 · Travel & Entertainment	923.45	
544 · Single Business Tax	2,678.88	
550 · Interest Expense	2,734.67	
552 · Automobile Expense	2,435.62	
553 · Truck Expense	9,578.23	
554 · Gas & Oil	8,444.84	
564 · Legal & Account Fees	4,055.84	
565 · Office Supplies	1,258.50	
575 · Depreciation Expense	12,670.24	
580 · Dues & Subscriptions	678.06	
595 · Miscellaneous	1,561.43	
596 · Bank Service Charges	250.00	
656 · Payroll Expenses	6,500.00	
<b>TOTAL</b>	<b>565,145.96</b>	<b>565,145.96</b>

Follow the steps shown below to transfer the trial balance shown above to the P.C. Software Accounting Client Write Up System.

(Note that this example assumes that mythical client who owns the ABC Construction Company, Inc., the sample file that is used in this example, has never been read in to the Client Write Up System previously and therefore does not currently exist on the Client Write Up System. Note also that this QuickBooks sample file has account numbers which many QuickBooks files do not have. The reason we have selected a client that does not currently exist as a client in the Client Write Up System, and a client whose trial balance has account numbers is because this is probably the most typical interface that the user would be accomplishing since all Accounting systems except QuickBooks Pro use account numbers and many QuickBooks Pro business clients also use account numbers in QuickBooks Pro especially if the accounting firm has asked their client to use account numbers. (It would be even better if the accounting firm provided all their QuickBooks Pro users with the chart of accounts used by the accounting firm and had the QuickBooks Pro users use that same chart of accounts. Accounting firms who use the P.C. Software Client Write Up System and have a large number of clients who are using QuickBooks Pro have found that recommending that their clients use the accounting firm's account numbering setup greatly simplifies interfacing.) (Note that files without account numbers can also be transferred and files with set account numbers can be updated from year to year. These capabilities will be discussed at the end of the sample interface and discussion of the ABC Construction company which follows.)

**The interface steps are shown below:**

1. Since the client does not currently exist in the Client Write Up System, you must create a new client. (Click on the New Client Icon and create a client. In this example, we will be interfacing a trial balance from 12/31/05 so that you could do the 2005 tax return. Therefore after you create the client, you would assign it a 12/31/05 year end and select one accounting period and then select 12/31/05, the only period, as the current period.
2. Now select the **File** pull down menu and then **Interfacing** and then **ASCII File to Chart of Accounts**. The following screen will appear:



3. Click on the Get file button. In the sample file used for this documentation, the file named QB.txt contains the trial balance from QuickBooks. It is on drive A. The file could have been named with any name and could have been in any location. You will have to indicate where the file is located, highlight it and click on the **Open** button to access it. This will cause the file to display in the grid on the screen.

4. Mark the checkbox to save zero balances as this will bring over all the account numbers that are setup in the other system. If you did not mark this checkbox, any accounts with zero balances would not transfer and then if you later had entries for one or more of those accounts, you would have to look up their account number or numbers and the account name/names in QuickBooks Pro and enter them in the Client Write Up System.
5. After bringing up the ASCII file with the Get File option, you would put in the correct highlights for the Account, Description and Debit and Credit fields and click on keep after each item. Here is how you would accomplish this process for the Account number. The Interface screen is shown below after getting the sample ASCII file with the Get File option.

Account Number	Description	Debit	Credit
101	Petty Cash	1000.00	0.00
102	Cash - Bank of America	12345.56	
110	Loan to Officer	20,000.00	0.00
145	Office Equipment	5,432.10	
146	Machinery & Equipment	128,345.67	
148	Vehicles	68,544.20	
149	Accumulated Depreciation		123,456.78

Mark the radio button in front of Acct and then highlight the left most column of the Account number column with the mouse and move the mouse to the right until the whole account number is highlighted. This will appear as shown on the next page:

Account Number	Description	Debit	Credit
101	Petty Cash	1000.00	0.00
102	Cash - Bank of America	12345.56	
110	Loan to Officer	20,000.00	0.00
145	Office Equipment	5,432.10	
146	Machinery & Equipment	128,345.67	
148	Vehicles	68,544.20	
149	Accumulated Depreciation		123,456.78

6. Now click on the **Keep** button and the account number location in the file will be saved. Repeat this process for the **Description**, **Debit amount**, and **Credit amount** making sure to click the **Keep** button after you have correctly highlighted a field.

7. Now change the date to 12/31/05 on right hand corner of the Interface screen. If you do not do this, the dates for the transactions in the Client Write Up System will be the date of the transfer and will be incorrect.
8. Press **OK** to transfer the chart of accounts and balances.
9. Check that the chart of accounts and balances are there, using the Chart of Accounts icon (the chart and graph icon) and check that the initial balance are there using the debit credit check icon. (The legal scale)
10. Now go to **File** and then **Data conversion** - and select **Fix Chart After Conversion**. This is necessary to indicate which QuickBooks accounts are assets, which are liabilities, etc., etc.
11. Enter appropriate heading accounts for the major accounting headings that are used in the ASCII trial balance. In this example, the following heading accounts are used, Assets 098, Liabilities 198, Equity 278, Income 298, Cost of Sales 398, and Expenses 498. Now remove any other numbers that display on the screen from previous transfers and are incorrect or unneeded, check your work and click **OK**. This step illustrates a great reason to recommend that all your clients use the accounting firm's standard chart of accounts because then these numbers would always be the same. To facilitate this situation, once these account numbers have been added on this system, the same account numbers will repeat when the option is taken again. If the account numbers are the same for the new client, the **OK** button could be pressed with no further setup. If they were different, the new account numbers could be added and then the **OK** button could be pressed.
12. Now go back into the chart of accounts entry screen and add the Current Earnings account into the equity section. In this example, the account number of the equity account is 290. It must be an equity account and a level five.
13. Take Setup, Company and add a company name such as Sample Year End QuickBooks Select the Options TAB and enter 290 for the Current Income account and 280 for the Retained Earnings account.
14. Do a transaction preparation and print the trial balance on the screen or printer.- mark the check box to Print Zero Balances. Remove the check in the checkbox for subtotal balance sheet accounts. Note all balances are transferred over including the zero balance for 219, payroll liabilities and also the profit for the year. The year to date profit should be 86059.84
15. If you plan to start doing books on a regular basis for this client, you could now see that a balance sheet and income statement could be printed at this time using the Reports/ Financial Reporting/ Statements and Schedules and selecting first a Balance Sheet and then an Income Statement for the current year. If you decided to start doing books for this client on a monthly or quarterly basis you would have to setup the number of reporting periods (i.e. 12 or 4) for the new fiscal year using **Setup, Date, Enter Change Fiscal Year**.



## Other Transfer Options

The original Get File screen for this option is shown below. There are many special features on this screen. If there are no account numbers in the QuickBooks ASCII file, you could add them by clicking on the **Add Acct to each record** radio button. If you do this, the program will generate account numbers starting with the number 1000. This will work but it is not as good a solution as having your clients use account numbers as every client that you have will have different account numbers and next year if they are still not using account numbers, you will have to do the whole transfer again since there is no way to link accounts with no numbers to accounts with existing numbers that is worthwhile from a time standpoint for a year-end conversion. The Client Write Up System does have this type of link setup on its monthly transfer from QuickBooks Pro which is discussed in Chapter 14 of this manual.

If you are transferring a trial balance with account numbers in it, you can transfer the next years balances without setting up the client again by clicking on the **2<sup>nd</sup> year option for existing accounts** radio button which will add transactions to existing accounts and create new account numbers that have been added in QuickBooks Pro or in another system that you are interfacing.

There are also options on this screen that automatically filter out the headings and extraneous lines of information such as the page numbers from the original QuickBooks file or the file from other another computer program that the client is using. These are usually preset to what you would need but might have to be set a certain way for certain situations.

There is another button that allows the transfer of QuickBooks accounts that are sub accounts in which case two or more QuickBooks accounts have the same account number and an imbedded sub account number is in the description. To transfer QuickBooks accounts with imbedded sub account you would need to set the **Start Record after Special Character** and indicate a ":" as the special character.

If you have trouble reading in a trial balance with the above situations or other unusual situations, please call P.C. Software Accounting as the program can probably handle your particular situation and we would just need to see a copy of the file to determine what settings you should make on this interface screen to be able to transfer your file or files.

## File Tab/Comma Delimited ASCII Files

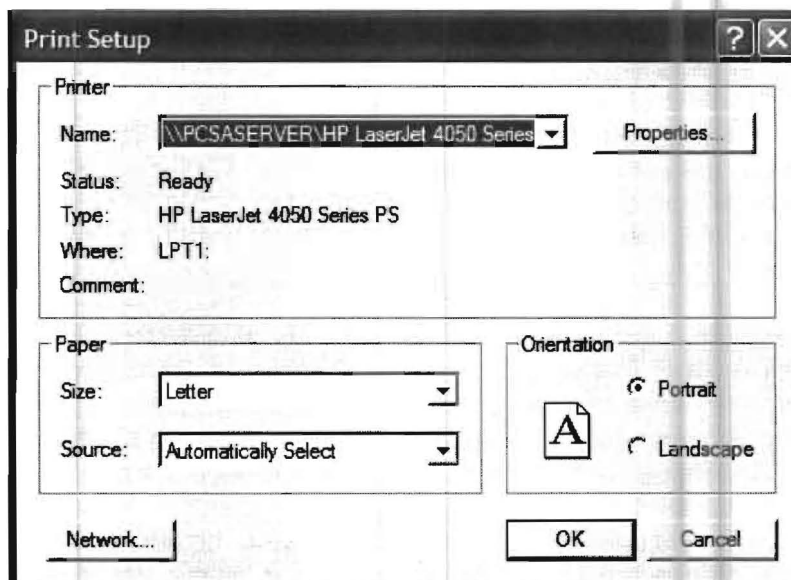
This option will convert ASCII files with comma or tab delimited fields to ones having fixed length fields. It is sometimes necessary to use it to "fix" an ASCII interface file that is produced by another system. All ASCII interface files that are read into the P.C. Software System (G/L Transactions, P/R Transactions or Chart of Accounts must have fixed length records.) To use this option first access the file that needs to be changed, using the **Get File** button. Then mark the file as either a comma delimited or Tab delimited file and then click **OK**. This will change the file to a fixed length format.

# Data Conversion

There are a significant number of data conversion programs that are shown on this menu. If you need to use one of them to convert your data from another client write-up system, contact P.C. Software Accounting, and specific instructions for your conversion will be provided.

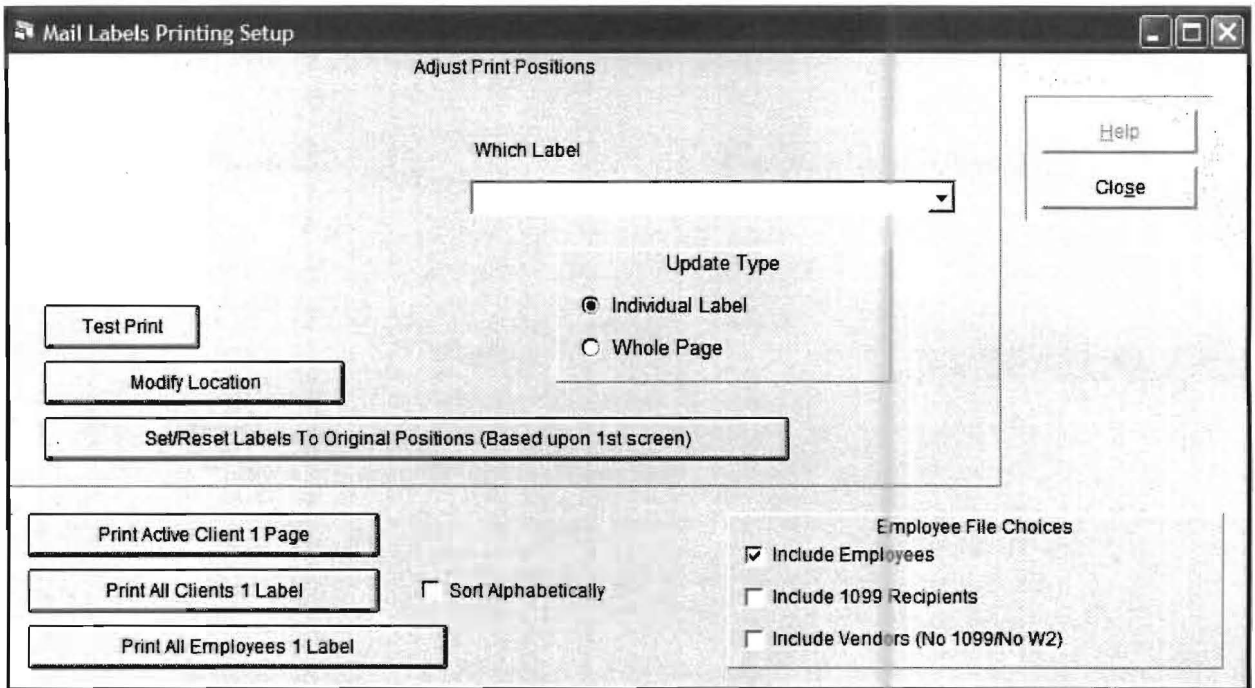
## Select Printer

This option allows the selection of a printer using the *Microsoft* printer selection screen that is also used by the **PC Software Accounting Windows Client Write-Up System**. The following screen displays a choice of printer and print features: Whatever printer is selected here becomes the default printer for the Client Write Up System.



## Mail Labels

This option will print mailing labels for clients or employees that are setup on this system. The standard label size is 3x10 meaning that the labels are three across and there are ten rows of labels on a page. (This is a common label format that is available from various form suppliers.) To print labels of this size and format just click on the **Reset to Std 3x10 Labels** button and the press **OK**. Other size labels may be printed, by adjusting the settings in this program. (If this is necessary, please call P.C. Software for assistance.) Note that the label information for clients is entered into the system using **Setup, Company, Company Name, and Address for Letterhead**. If there is no name and address information for a client in the Name and Address for Letterhead field than a blank label will print. After the **OK** button is clicked, the following screen will display.

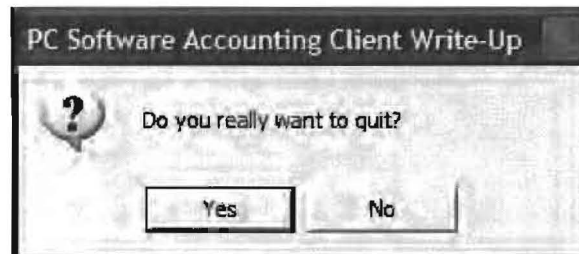


Note that you can print one page of labels for the Active Client or one label for each client. Also note that you can print labels for all employees (1 label per employee) and you can define "Employees" to include any combination of employees, 1099s recipients or vendors. (Note also that the clients or "Employees" will print in Client # or employee # order unless you click **Sort Alphabetically** in which case they will print in alphabetical order.

The name and address information that is printed for employees and for 1099 recipients is setup under **Setup, Payroll**, and by selecting the "**Employee/Vendor**" sub option and selecting a particular employee.

## Exit

When this option is selected the following screen will display:



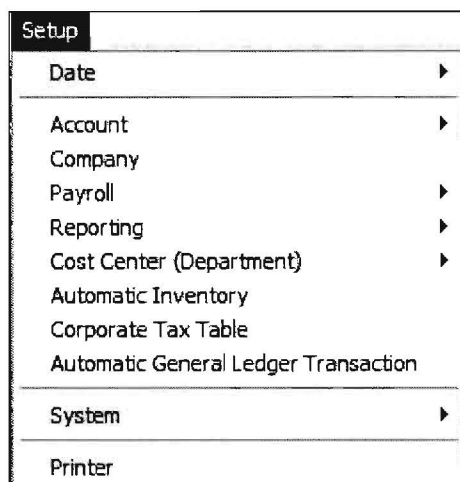
If the user wants to exit the system completely, then click "**Yes.**" This will close the **PC Software Accounting Client Write-Up System** and remove it from the *Windows Taskbar*. If the user does not want to do this, then click "**No.**" This will return them to the system.

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# Chapter 5

## The Setup Pull-Down Menu

The **Setup pull-down menu** provides access to the initial system setup options for your firm. It also includes the options needed to setup each client for financial reporting and after-the-fact payroll. When the Setup pull-down menu is selected, the following pull-down menu will display:



Some of the setup options are required for every client, others are optional. The required client options will be followed by the word "Required" and the word "Optional" will follow the options that will only be used for special processing.

**Date (Required):** This option is used to set the fiscal year end and the number of reporting periods in the client's fiscal year. (See page 5-3, Fiscal Year) It allows the user to set and change the current reporting period as necessary. (See page 5-4, Current Period)

**Account (Required):** This option is used to enter the Chart of the Accounts and to input their initial balances. It has sub-options that allow such things as budget figures to be entered or partners capital accounts to be designated. (See page 5-5, Account)

**Company (Required):** This option is used to enter the basic company information. (See page 5-14, Company)

**Payroll (Optional - Only Required if after-the-fact payroll is desired):** This option is used to setup the payroll information that is needed to process an after-the-fact payroll in the states and localities desired. It also allows the setup of individual employees. (See page 5-18, Payroll)

**Reporting (Optional):** A wide range of reports are automatically produced as a result of setting up the Chart of Accounts and the after-the-fact payroll. This option allows additional reporting features to be implemented and the customization of the standard reports by the user. (See page 5-25, Reporting)

**Cost Center (Optional):** This option is used to setup cost center processing. (See chapter 11, "Cost Center Accounting")

**Automatic Inventory (Optional):** Allows the setup of automatic inventory calculations. This option is used if the user desires to present cost of sales accounts with beginning and ending inventories. (See page 5-35)

**Corporate Tax Table (Optional):** This option is used to setup the corporate tax tables for the purpose of having the system automatically calculate and make accounting entries for corporate taxes each period. (See page 5-40)

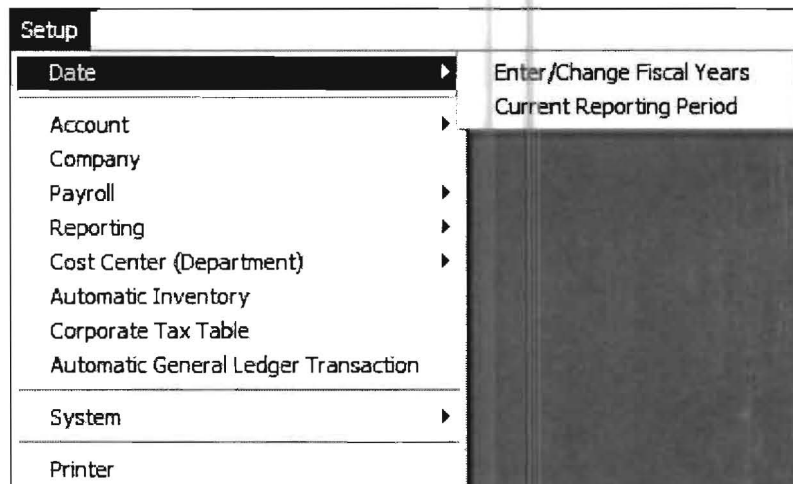
**Automatic General Ledger Transactions (Optional):** Allows the user to customize their transaction entry so that commonly used vendor information can be retained and accessed when needed to record a check to that vendor. Ledger transactions that repeat each month can be entered in an efficient manner. (See page 5-42)

**System (Required):** This option allows various system wide values to be set. FICA, Medicare and state unemployment limits can be set or changed here. System wide journal codes are setup from this option. Other miscellaneous items such as the default data directory for client data files are set here. (See page 5-44)

**Printer (Required):** This option accesses the standard *Microsoft* printer setup screen. The printer options set on this screen are used when a report is printed by the system. (See chapter 4, "File Menu," beginning on page 4-32)

## Date (Required)

This option is used to set the fiscal year end and the number of periods that should be processed in the fiscal year. It can also be used to set and change the current reporting period although that is typically done with the icon with a number 24 on it. When the Date option is selected, the two sub-options, Enter/Change Fiscal Years and Current Reporting Period will display to the right as shown:



## Enter/Change Fiscal Year

When Enter/Change Fiscal Years is selected, the following screen will display:

	Beginning	End
Period 1	01/01/06	12/31/06
Period 2	1/1/2007	2/28/2006
Period 3	3/1/2006	3/31/2006
Period 4	4/1/2006	4/30/2006
Period 5	5/1/2006	5/31/2006
Period 6	6/1/2006	6/30/2006
Period 7	7/1/2006	7/31/2006
Period 8	8/1/2006	8/31/2006
Period 9	9/1/2006	9/30/2006
Period 10	10/1/2006	10/31/2006
Period 11	11/1/2006	11/30/2006
Period 12	12/1/2006	12/31/06

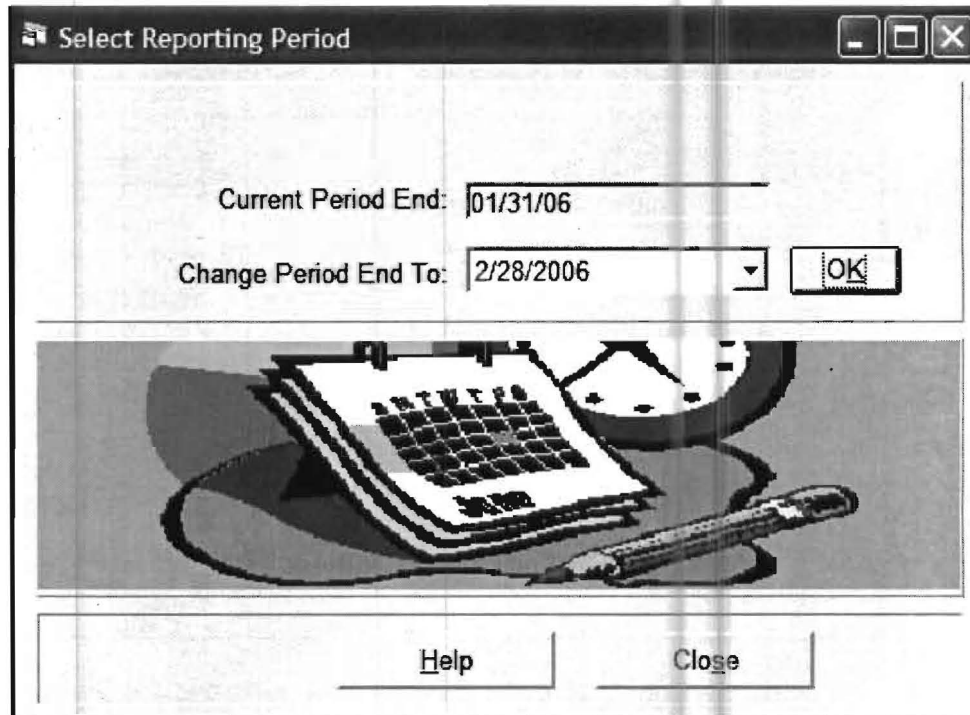
This screen is used to enter the client's fiscal year and the desired number of reporting periods. The fiscal year should be entered with slashes such as 12/31/05. Enter any standard period (1, 3, 4, 6 or 12) and the system will automatically calculate the correct beginning and ending dates for those periods. You may enter a nonstandard number of periods and manually supply the period dates with the only restriction being that the entered dates cannot overlap each other, since this system is "date sensitive". Note that there is also a Create Next Fiscal Year button that is helpful in most cases.

When you have entered the appropriate fiscal year and periods, accept the screen by clicking the OK button. This will accept your entry and return you to the Home Screen. If you have other fiscal years to enter, access this option again and enter the next fiscal year end and click **OK**. For example, you will want to enter the previous year's fiscal year end if you are planning to enter comparative data. Note that when you click the down arrow, all the fiscal year ends that you have entered will be accessible for review or changes.

## Current Reporting Period

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When the Current Reporting Period option is selected, the following screen will display: (This option may be directly entered using the calendar icon shown to the left.)



The screenshot shows a window titled "Select Reporting Period". It features two text input fields. The first field is labeled "Current Period End:" and contains the date "01/31/06". The second field is labeled "Change Period End To:" and contains the date "2/28/2006". To the right of the second field is an "OK" button. Below the input fields is a large image of a calculator and a pen. At the bottom of the dialog are "Help" and "Close" buttons.

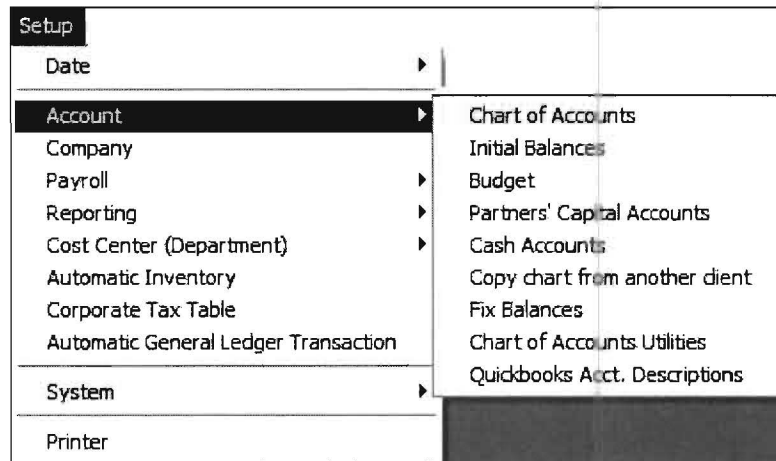
The current reporting period is displayed in the Current Period End field. The Change Period End To field will be preset to the next accounting period. Normally you would click **OK** at this point and the date would be updated

If you wish to change to a different reporting period, click on the arrow to the far right of the **Change Period End To** field and choose the reporting period you want from the displayed list by highlighting it and clicking the desired date. If the period you want does not appear on this list, make sure you have viewed the whole range of dates using the vertical spacing bar arrows. If you view the whole range of available dates and the period you want is still not showing, it is because the fiscal year containing those dates is not setup using the previous option **Enter/Change Fiscal Year**. To remedy a situation like this, you would have to return to that option and setup the fiscal year you need and then return to this option and select the correct date.



## Account (Required)

This option is used to enter a new Chart of Accounts or to copy one from an existing client. (Note that the best option to setup a new client including the chart of accounts is usually the clone client option discussed on page 4-11.) Initial account balances are entered from this option and a number of other sub-options allow such things as budget figures to be entered or partners capital accounts to be designated. When this option is selected, the following sub pull-down menu will display:



The sub-menu options are listed below with a brief description of their function:

**Chart of Accounts:** This option is used to enter the Chart of Accounts and the associated information for the Chart of Accounts. (See page 5-5 and also chapter 12, "Financial Statement Formatting," pages 12-1 to 12-5)

**Initial Balances:** This option is used to enter the initial balances for each account in the Chart of Accounts. (See page 5-7)

**Budget:** This option is used to enter the budgeted figures for any account in the Chart of Accounts. (See page 5-9)

**Partner's Capital Accounts:** This option is used to enter the Partner's Capital Accounts for automatic prorating of capital. (See page 5-10)

**Cash Accounts:** This option is used to enter each cash account that is used by the system and define its use. (See page 5-11)

**Copy Chart from another client:** This option is used to copy the Chart of Accounts from an existing client to a new client that is being set up. (See page 5-12)

**Fix Balances:** This is an override feature allowing incorrect account balances to be temporary overridden with correct amounts for the purpose of printing a statement. This feature should only be used in situations where the correct statement must be produced immediately and there is not enough time to rectify the incorrect amounts or support is needed to rectify the incorrect amounts and it is not immediately available. Once the crisis is past, the correct entries must be made! (See page 5-12)

**Chart of Accounts Utilities:** This option allows the elimination of ledger transactions having no associated account. It also allows the removal of zero balance accounts. (See page 5-13)

## Chart of Accounts Entry

When the Chart of Accounts sub-option is chosen the following screen will display:

The screenshot shows a window titled "Chart of Accounts Maintenance" with a standard Windows-style title bar (minimize, maximize, close buttons). The window contains the following fields and controls:

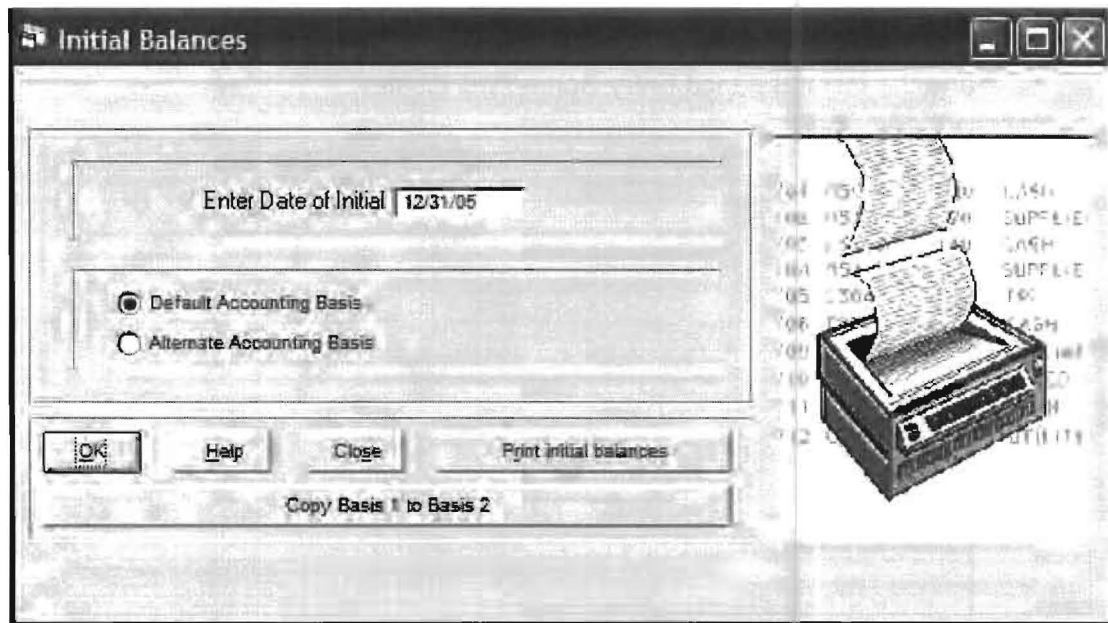
- Account Number: [ ] List
- Status: [ ]
- Navigation tabs: Main | Report Format | Miscellaneous | Tax Interface
- Description: [ ]
- Type: [ ] (dropdown menu)
- Level: [ ] Consolidation To: [ ]
- Buttons on the right side: Ok, Cancel, Help, Delete, Print, Close, Change Acct #, Combine Acct, L/Case Descs, U/Case Descs, Next Acct.

This option allows individual accounts to be entered into the Chart of Accounts. The entry of the accounts is pretty straight forward. Simply fill in each field, pressing the Enter key to advance to the next field. When each field in the screen is filled in to your satisfaction, then click the OK button or continue to press the Enter key to accept the screen. The screen will then be refreshed and ready for the next account. The meaning of the Type, Level and Consolidation To fields are discussed in detail in *chapter 12, "Financial Statement Formatting" pages 12-1 to 12-5*)

There are three additional tabs on this entry screen. The Report Format Tab allows the entry of formatting information that relates to statements and schedules. The options on this tab are discussed in chapter 12, "Financial Statement Formatting," beginning on page 12-6)

## Initial Balances

When this sub-option is selected, an Initial Balance Entry Screen similar to the one shown below will display:



*This option should only be used when setting up a client at the beginning of a fiscal year. There are two cases where this option should not be used at all. The first case is if you want to enter comparative historical balances. In this case, first setup the fiscal year end for the comparative periods using the Setup pull-down menu and then access Date and Enter/Change Fiscal Years, then change the *current reporting period* to the **first** comparative period desired. Next enter the comparative figures using the Transactions pull-down menu and Trial Balance Entry. Keep changing reporting periods to the next reporting period of last year and entering comparative figures using Trial Balance Entry until comparative figures are entered for all periods.*

The second case where you should not use this option is whenever a new client is being set up in midyear. In this case, you should use Trial Balance Entry rather than this option. First setup your fiscal year end (Setup, Date, Enter/Change Fiscal Years), and then change the *current reporting period* to the period where you want to enter the beginning balances, (the month before you plan to start entering transactions). Now use the Trial Balance Entry to enter the trial balance for the last day of the month before the month you will fully begin processing on the system.

In both cases, case 1 and 2 (comparative period entry or mid year start of a new client), you will end up with a correct trial balance for the end of the month before you begin fully processing a client on the system.

If you are not entering comparative figures and if you are entering a company for the first time at the beginning of a fiscal year, then you should use the Initial Balance option to enter the initial balances.

When entering initial balances, the date of the initial balances should be the fiscal year end of the previous year. Although most clients will only use the default basis, there are two sets of balances supported by this system; the default accounting basis and an alternate accounting basis (i.e., cash and accrual). If necessary change the basis for the initial balances that are being entered by clicking the appropriate radio button. The "Copy Basis 1 to Basis 2" button is helpful if only a few account balances are different between the two accounting methods. Click OK and the Initial Balance Entry Screen will display:

Account description	Account	Debits	Credits
Cash in Checking	110	0.00	0.00
Cash in Savings	120	0.00	0.00
Accounts Receivable	130	0.00	0.00
Prepaid Expense	140	0.00	0.00
Automobile	160	0.00	0.00
Computer	180	0.00	0.00
Furniture	190	0.00	0.00
Less: Accum. Depreciation	195	0.00	0.00
Accounts Payable	220	0.00	0.00
Federal W/H Payable	222	0.00	0.00
FICA Tax Payable	223	0.00	0.00
<b>Totals</b>		<b>0.00</b>	<b>0.00</b>
<b>Difference</b>		<b>0.00</b>	<b>0.00</b>

Buttons: Ok, Close, Cancel, Help, Print, Change Basis

This screen shows only "postable" accounts. (A "postable" account is an account that can have a balance as opposed to an account used for formatting the financial statements which cannot have a balance.) To the right of account number and its description will be two columns used to record the initial balance for that account. The left column is for debit balances and the right column is for credit balances. Only one column will be used for each account. Enter the initial balance for each account "unsigned" into the correct column. To switch columns without having to use the mouse, press the minus sign key. When you are finished entering initial balances, click the OK button to accept the balances and return to the Home Screen.

# Budget

When this sub-option is selected, the following screen will display:

The screenshot shows a window titled "Budgeting" with the following elements:

- Account Number: [ ] List
- Status: [ ]
- Account Name: [ ]
- Jan 04 [ ]
- Feb 04 [ ]
- Mar 04 [ ]
- Apr 04 [ ]
- May 04 [ ]
- Jun 04 [ ]
- Jul 04 [ ]
- Aug 04 [ ]
- Sep 04 [ ]
- Oct 04 [ ]
- Nov 04 [ ]
- Dec 04 [ ]
- Total For All Periods: [ ]
- Budget Method:
  - Account by Account
  - All Accounts-Current Budget
  - All Accounts-Zero Start
- Same Budget All Periods
- Buttons: Ok, Cancel, Help, Close, Swap Budgets
- This Budget Name: [ ]

This screen is used to enter budget figures. There are some special features on this screen that facilitate the entry of budgeted figures and they should be used when appropriate. Under Budget Method there are three options:

**Account by Account:** This option requires the user to enter the account numbers of the accounts that they want to budget. This is the only option that should be used when changing budgeted figures as it only allows changes to the desired account(s), not to all accounts at once. It should also be used when only a few accounts are going to be budgeted.

**All Accounts Zero Start:** This option begins with the first income account and steps through each account number automatically when you click OK. Starting each account budget with zero balances.

**All Accounts Current Budget:** This option begins with the first income account, and steps through each account number automatically, displaying each accounts current budget figures. This allows checking the figures and making any changes necessary.

**The Same Budget all Periods** *check box* can be very helpful in entering budgeted figures. If this box is checked, any number keyed into the first period will duplicate in all remaining periods.

**Swap Budgets:** There are two sets of budget information stored in the chart of accounts file. However, only one of these is available for reporting at a time. If you produce budgeted statements and you will need to be reporting over two years, jumping back and forth many times, here is the best way to handle the budget figures:

Input your budget figures for the first year. You might want to list them out to verify that you have them in correctly. (You can print your budget figures by selecting the Reports pull down menu and then Financial Reporting and then selecting the radio button for income statements and then clicking on the Report field arrow in the center of the screen and displaying the Budget List option. Now click on the **OK** button and your budget figures will print.)

Click on "Swap Budgets". This puts the budget figures that you just entered into the "inactive" budget slot.

Enter the other year's budget. At this point, you can print budgeted statements for the second year. If you need to print budgeted statements for the first year, click on Swap Budgets, and then go to a reporting period in the first year, and print the budgeted statement.

## Partner's Capital Accounts

When this sub-option is selected the following screen will display:

Account	Account Description	Percent

This option allows the user to enter the partner's capital accounts and percentages so that the end-of-year retained earnings can be distributed automatically to them according to the entered percentages. If the option "Split Net Income on Balance Sheet by Percentage" is turned on, then these percentage distributions will also be shown on any balance sheet that is printed during the year (even though no actual posting occurs until the end of the fiscal year). This option is also used to identify multiple retained earnings that need to be consolidated on the "Beginning Retained Earnings" line on a *Statement of Retained Earnings*. In this case, you could enter 100% for one account and 0% for several other accounts. This would allow all of the year-end revenue and expense balances to be transferred to a single retained earnings account, but still have many accounts summed into the Beginning Retained Earnings line of the Statement of Retained Earnings. To achieve this effect, enter all of the retained earnings accounts here, and check the check box Using Multiple Partner's Capital and Retained Earnings Accounts.

Note: Since the partners' percentages can change annually, they are tied to a fiscal year record and can be entered for each fiscal year. Before entering accounts and percentages, select the applicable fiscal year. If you are using this feature, and you create a new fiscal year, the partnership accounts and percentages will be duplicated into the new fiscal year record. (If the accounts or percentages have changed for the new fiscal year, you would use this option to change them.)

## Cash Accounts

This option is used to inform the system which cash accounts will be reconciled and provides necessary bank reconciliation journal code information. If you plan on using the *Bank Reconciliation* feature you must first select this option to tell the system which accounts are cash accounts and therefore can be reconciled. This screen is discussed in detail in *chapter 10, "Bank Reconciliation,"* beginning on page 10-1.

There is one option on this screen that does not relate to *Bank Reconciliation*. It is the "Prevent posting of credit to cash from payroll" *checkbox*. This *checkbox* would be checked, if the user desires to make their own entry to cash for all the checks for the month and does not want the system to automatically make an entry to cash for the net of the payroll checks. When this option is selected the following screen will appear:

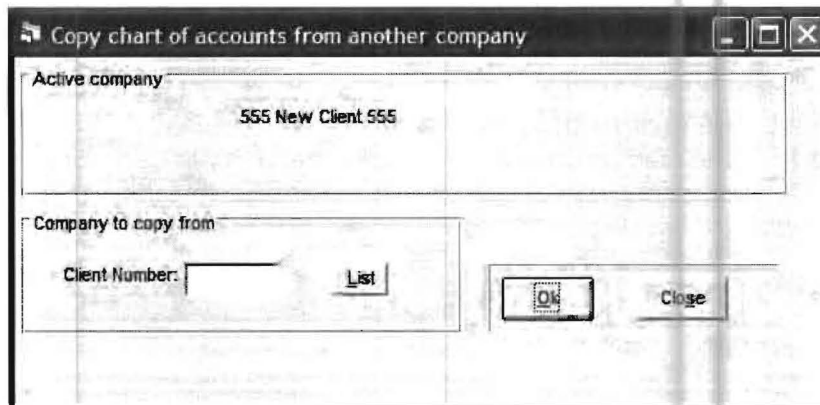
The screenshot shows a software dialog box titled "Cash Accounts". At the top, there are two input fields: "Cash Account:" followed by a "List" button, and "Status:". Below these are several tabs: "Chk Writing Name & Adrs. Override", "Recon. Etc.", "Ck-Writing Bank Data", "Check-Writing Logos", "Change Emp Net Acct", and "NACHA Setup". The "Recon. Etc." tab is selected, revealing a "Reconciliation Information" section. This section contains a checkbox labeled "Reconcile this cash account:", followed by two dropdown menus: "Disbursements journal code:" and "Receipts journal code:". Below this is another checkbox labeled "Prevent posting of credit to cash from payroll.". At the bottom of the dialog box are five buttons: "Ok", "Cancel", "Help", "Delete", and "Close".

**Disbursements and Receipts Journal Code** It is important to understand that the journal codes chosen for a cash account must be used for only one cash account. This is a critical requirement as having journal codes specific to a bank account allows for the proper functioning of Bank Reconciliation, Check Registers, and several other features. Our recommendation is that you use CD1 and CR1 for the first cash account even if there is only one cash account. Use CD2 and CR2 for a second cash account, CD 3 and CR3 for a third account etc.

There are five other TABS on this screen. Four are only used in writing checks using Computer Checkbook and are explained in the documentation for that system. The TAB labeled CHANGE EMP NET ACCT allows you to quickly change the cash account for all employees or an individual employee without having to use **SETUP/PAYROLL/EMPLOYEE VENDOR**.

## Copy Chart from another Client

This option allows a Chart of Accounts from an existing client to be copied to the client being set up. This option copies the account but does not copy any balances. When selected, the following screen will display:



Copy chart of accounts from another company

Active company: 555 New Client 555

Company to copy from:

Client Number:  List

OK Close

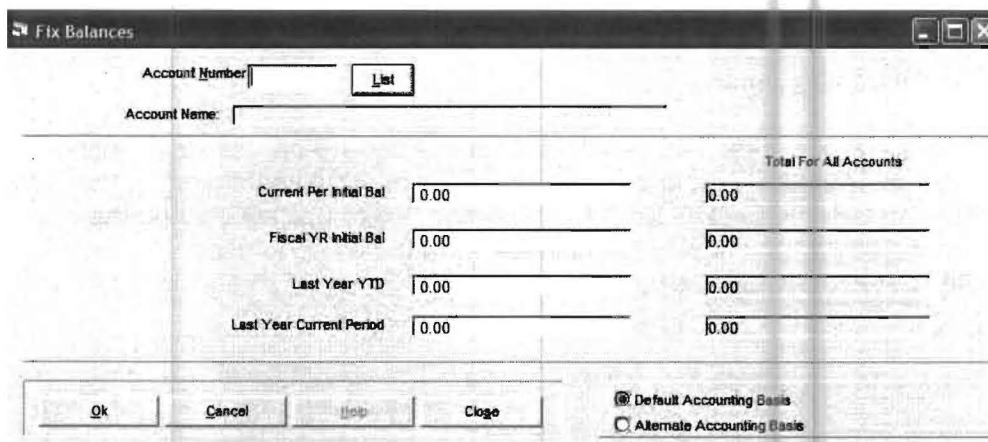
First activate the company you want to copy the Chart of Accounts to, then select the company you want to copy the Chart of Accounts from, using the drop down list if necessary. Click OK to transfer the Chart of Accounts.

(Note that you would normally setup a new client by using the Clone Client sub option which copies not only the Chart of accounts but all other standard setup items and is a great timesaver. See page 4-11 for a discussion on this important option.)

Note: The Copy Client Selectively option which is discussed in chapter 8, "The Utility Menu," beginning on page 8-6, allows the selective copying of many setup options from client to client and in certain cases can be used in conjunction with clone client to duplicate particular items from one client and other items from another client.

## Fix Balances

When this sub-option is chosen, a warning screen will appear that informs you that this option only provides a temporary fix for the immediate printing of statements. After reading it click on Proceed and the following screen will display:



Fix Balances

Account Number:  List

Account Name:

		Total For All Accounts
Current Per Initial Bal	0.00	0.00
Fiscal YR Initial Bal	0.00	0.00
Last Year YTD	0.00	0.00
Last Year Current Period	0.00	0.00

OK Cancel Help Close

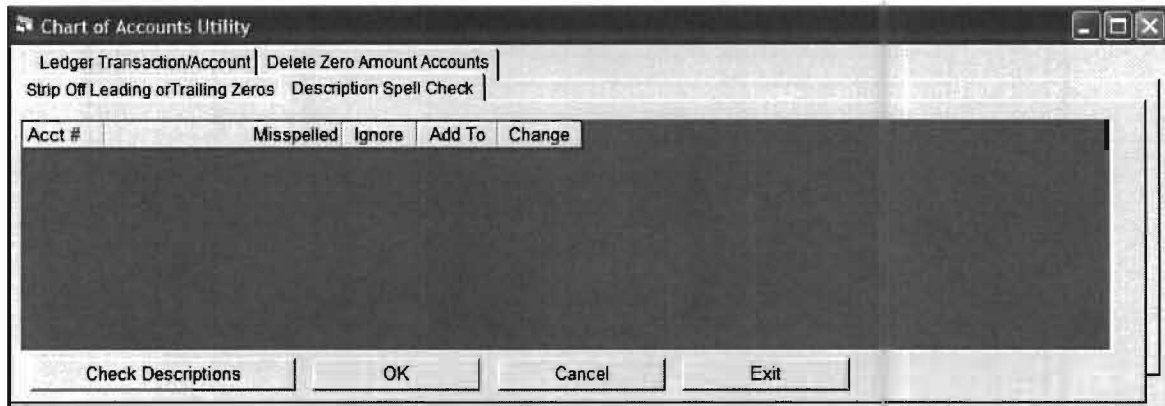
Default Accounting Basis  
 Alternate Accounting Basis



This option provides a “quick fix” for a problem balance that would require more time than is available to correct. It allows correct financial reports to be printed as soon as the “quick fix” is made. The numbers entered here will temporarily override the account balance figure in the system, until the problem can be worked out. This allows the printing of correct financials if they are immediately needed. (This is an emergency option not a normal procedure!) The “quick fix” figure will stay in the system until the current reporting period is changed. The correct entries to permanently change the system should be made as soon as possible so that they are not forgotten.

## Chart of Accounts Utility

When this sub-option is selected the following screen will display:



This sub-option provides several utility functions. The first, “Ledger Transaction/Account” will delete any transaction not tied to an account in the Chart of the Accounts. When selected the system will examine each transaction in the system and permanently delete any transaction having an invalid account number (one not listed in the clients Chart of Accounts).

The second “Delete Zero Amount Accounts” will examine each account in the Chart of Account and delete any account having a zero balance and no transactions posted to it. This option is usually selected if you have added an account and you do not need it after all and haven’t posted anything to it yet. There is also a capability to strip off leading or trailing zeroes. This is a special use option for some conversions and should only be used under the direction of P.C. Software personnel.

If you want to spell-check your chart of account descriptions, you can take the Spell-Check tab. This option puts the chart of accounts descriptions through a spell-checker, and shows the problem accounts on a grid. You will be able to indicate that you want to ignore it, change it, or add the offending word to the list of acceptable words. When you click on OK, you will be allowed to change each word that you have indicated by checking the “Change” box. They will display one by one so that you can change them.

## Company (Required)

This option allows you to enter basic company information. When this option is selected a screen similar to the one shown below will display:

The screenshot shows the 'Company File Maintenance' dialog box with the 'Name & Address' tab selected. The dialog has three tabs: 'Name & Address', 'Options', and 'Options 2'. The 'Name & Address' tab contains the following fields:

- Company Name for Statements and Reports:** A text field containing 'New Client 555'.
- Company Name and Address for Letterhead:** A multi-line text area that is currently empty.
- Contact Name:** A text field that is currently empty.
- Contact Phone:** A text field that is currently empty.

At the bottom of the dialog are four buttons: 'Ok', 'Cancel', 'Help', and 'Close'.

This is the first screen of company information. The top part of this screen allows you to enter the clients name and address as you want it to appear on statements and reports. The bottom portion of the screen allows you to enter the name and address to be used as the client letterhead. The contact name and phone are currently used in the W3 form. The second screen of the company information is accessed with the Options Tab and is shown below:

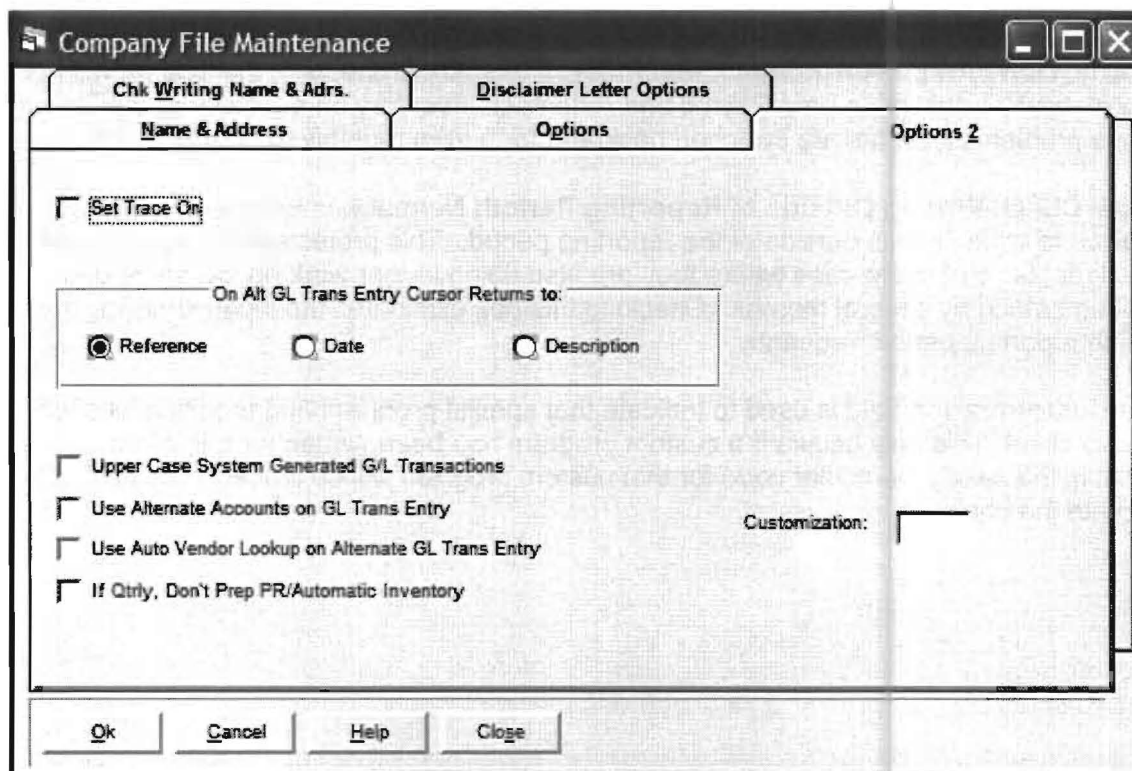
The screenshot shows the 'Company File Maintenance' dialog box with the 'Options' tab selected. The dialog has three tabs: 'Name & Address', 'Options', and 'Options 2'. The 'Options' tab contains the following options:

- Equity Account Information:** Two fields for 'Profit Account:' and 'Retained Earnings Account:', each with a 'List' button next to it.
- Print Additional G/L Description Lines On:** A list of checkboxes:
  - General Ledger Transaction Listing
  - Current Period General Ledger
  - Year-To-Date General Ledger
  - Working Trial Balance
  - Journals
- Using Auto-Inventory:**
- Using Corporate Tax Calculation:**
- Using Cost Centers/Departments:**
- Exclude AR1 and AR2 on YTD G/L:**
- Double Space Trial Balance:**
- Using Divisors:**

At the bottom of the dialog are four buttons: 'Ok', 'Cancel', 'Help', and 'Close'.

The top part of this screen is used to indicate the company profit and retained earnings accounts. The bottom left hand portion of the screen is used to indicate which reports the user desires the “additional GL description” to appear. The “additional GL description” may be entered on any ledger transaction by using the “Journal Notes” button found on the Ledger Transaction Entry Screen. This feature allows almost unlimited text to be entered and attached to any particular ledger transaction. The bottom right hand side of the screen indicates which optional system reports and features will be used with this company. Check any box corresponding to the option you plan on using with this company.

There is an option for auto cents. If this box is checked, then the system will turn on the *automatic cents feature*. The *automatic cents feature* assumes that any amount entered has two decimal places associated with them and inserts the decimal point. There is also an option for “Manually Save PDF File”. If checked, when a PDF file is created, you will get a dialogue box that allows you to change the location of the PDF file. The Options/2 Tab screen of company information will display as follows:



The “Set Trace On” *check box*, allows technical support personnel from companies that support this program to follow the computer lines that the program is following. Occasionally this can be helpful in solving a “hard to understand” problem. The upper left portion of the screen has a place to set the default cursor position options for the Alternate Transaction Entry screen, entitled, “**Set ALT GL Trans Entry Cursor Returns To.**” These options can be helpful based on how you are entering your transactions for a client. Normally the cursor will be set to display in the **Reference Number** field and that is how these radio buttons will it will be marked if you have not changed them. If you mark the **Date** radio button, the cursor will now default to the **Date** field and the **Reference Number** field will be automatically bypassed. Likewise, if you mark the **Description** field, the cursor will immediately go to the **Description** field on each new line of data.

There are also five more check boxes which are explained below:

**Upper Case System Generated G/L Transactions:** If this box is checked, then transactions that are automatically generated by the client write up system will be in all capital letters. This option is provided so that accounting firms that enter transactions with all capital letter will have consistency in transaction appearance

**Use Alternate Accounts on G/L Trans Entry:** If this box is checked, and alternate account numbers are being used, then the user should enter the alternate account numbers instead of the actual account numbers during general ledger transaction entry. The alternate account number option is explained in this chapter beginning on page 5-49.

**Use Auto Vendor Lookup on Alternate G/L Trans Entry:** If this box is checked vendors will be automatically looked up in alternate G/L Transaction entry.

**If Qtrly, Don't Prep PR/Automatic Inventory:** If this box is checked, the system will not automatically transaction prep Payroll and Automatic Inventory on quarterly clients which can cause problems if clients are switched back and forth from monthly to quarterly processing.

**Allow Check-Writing Outside of Reporting Period:** Normally, checkbook customers are not allowed to write checks outside of the reporting period. This protects them against incorrect check dates. But in the case where they are also doing ledger work on the same data, the ledger is often behind by several months. Checking this box eliminates the inconvenience of having to switch reporting period frequently.

The **Customization** field is used to indicate that special programming modifications will be used for this client. This only occurs if a custom program has been written for this client at your request. If that is the case a particular code for that custom program will be placed in this field in order to activate the changes.

When the **Disclaimer Letter Options** tab is selected the following screen will appear:

The screenshot shows a window titled "Company File Maintenance" with three tabs: "Name & Address", "Options", and "Options 2". The "Options" tab is active, and within it, the "Disclaimer Letter Options" sub-tab is selected. The main area contains a "Disclaimer Letter Substitutions" section with five input fields: "Engagement Fee (1)", "Engagement Fee (2)", "Engagement Fee (3)", "Salutation", and "Signature Line". Below these fields are two checkboxes: "Replace Left Alignment with Right / Left Justify (Each line must be entered ; i.e. no wrap around lines)" and "Extend the Area of the Disclaimer Letter (Report Section)". A note states: "Note: Letters that contain wrap around lines will not be R/ L Justified." At the bottom are "Ok", "Cancel", "Help", and "Close" buttons.

The three **Engagement Fee Lines**, the **Salutation** and the **Signature Line** fields can be added here to allow the disclaimer letter option to also be used for engagement letters. If entries are made in any of these boxes they will be able to be inserted into a letter that is being setup with the Setup pulldown menu, then the Reporting sub menu and then the Disclaimer letter option. This option is discussed on chapter 16 of this document beginning on page 1.

There are also two check boxes on this screen the first one, "Replace Left Alignment with Right/Left Justify etc." provides a way to right/left justify a disclaimer letter without rewriting it into Microsoft Word and having to right/left justify it using the special options on the Disclaimer Letter Setup.

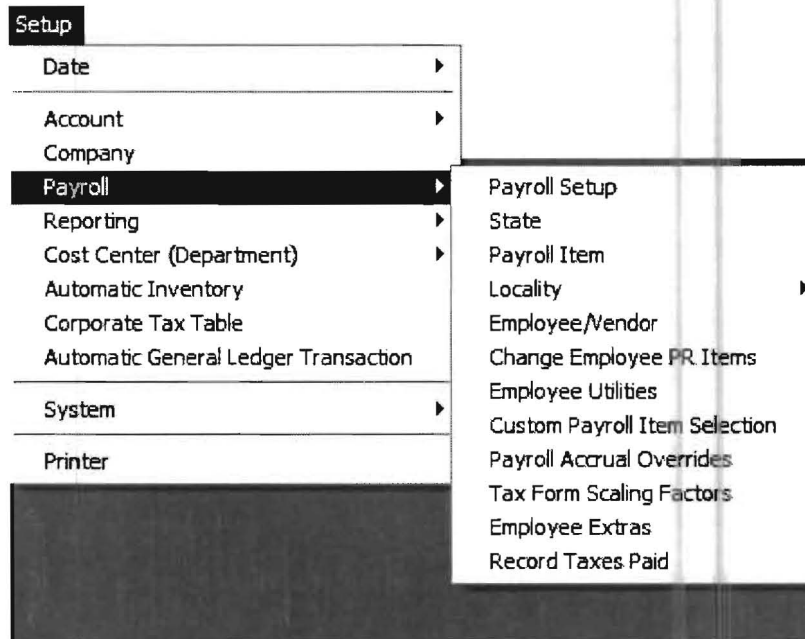
If you check this box the system will attempt to convert any left aligned text to both Left and Right alignment. This is similar the Justify feature that is part of Microsoft Word.

There are a few criteria's that are required for this feature to work.

- a. Each line in the Disclaimer letter must be entered using the <Enter Key>. In other words, if there is no carriage return at the end of each line then this will cause word wrapping. If word wrapping is detected then the RL justify is ignored.
  - b. Lines that have a narrow width compared to the maximum line width will not be RL Justified.
2. The check box labeled "Extend the Area of the Disclaimer Letter (Report Section)" can be used if the disclaimer letter requires the full area of the page from top to bottom and from left to right. The margins will be set the minimum length. Note that this feature should not be used for normal Disclaimer letters that do not require the full area of

## Payroll (Required)

This option is used to setup the necessary payroll information which is needed to process an after-the-fact payroll in the states and localities desired. It allows the individual setup of employees. When selected, the following sub-menu will display:



The sub-options under the payroll option are:

- Payroll Setup
- State
- Payroll Item
- Locality
- Employee/Vendor
- Change Employee PR Items
- Employee Utilities
- Custom Payroll Item Selection
- Payroll Accrual Overrides
- Employee Extras
- Record Taxes Paid

### **Payroll Setup, State, Payroll Item, Locality, Employee/Vendor and Payroll Accrual Overrides**

These six options deal with setting up after-the-fact payroll and are covered in chapter 13 entitled "More About Payroll". Each of these options is discussed in detail with examples of their uses.

## Change Employee Payroll Items

This is a utility option that allows a payroll item designation to be changed. It is conceptually similar to the button on the Chart of Accounts Entry Screen that changes one account number to a different one. When you change a payroll item, all the history that is linked to that payroll item also changes. When this option is selected, the following screen will display:

ID	Last Name	First Name	Middle Name
----	-----------	------------	-------------

This option allows a *payroll item* to be selected from a drop list and changed to any other existing *payroll item* that is within the same group (i.e. an addition can only be changed to another addition). It can be changed for all jurisdictions or for a specific jurisdiction and it can be changed for all employees or for any employee or group of employees.

## Employee Utilities

This sub-option accesses a wide array of employee utility programs that can save time, correct errors and increase productivity with the *Payroll System*. They can be a great aid in accomplishing a client payroll setup. These options are also available on the Utility pull-down menu and a discussion of these options can be found in *chapter 8, "The Utility Menu," beginning on page 8-9.*

## Custom Payroll Item Selection

The Custom Payroll Item Selection option gives the user the capability to design custom payroll reports which can be a great help in payroll reporting and related payroll tasks. To be more specific this gives the user the capability to show the exact columns of information on either the payroll summary report or the payroll transaction report that the client needs.

For example, here is a small section from a normal payroll summary Report

Sample Reconciliation Payroll Summary							
1/1/2006 to 1/31/2006				Client No: 951CP		Page 1	
Check	Date	Gross	Fed	Fica	State	Deds	Net
<b>1 James Michael Smith</b>				<b>987-65-4321</b>			
3650	1/16/06	1,500.00	415.00	91.80	0.00	150.00	843.20
3655	1/30/06	1,500.00	415.00	91.80	0.00	50.00	943.20
MTD		3,000.00	830.00	183.60	0.00	200.00	1,786.40
YTD		3,000.00	830.00	183.60	0.00	200.00	1,786.40
<b>2 Michael T Harris</b>				<b>456-12-3789</b>			
3656	1/15/06	1,000.00	175.00	76.50	53.00	75.00	620.50
3657	1/30/06	1,000.00	175.00	76.50	53.00	75.00	620.50
MTD		2,000.00	350.00	153.00	106.00	150.00	1,241.00
YTD		2,000.00	350.00	153.00	106.00	150.00	1,241.00

This report is fine as long as there are not such things as multiple states or multiple deductions besides fed, fica-medicare or a state withholding that need to be individually tracked for various reasons. Let us suppose that this client had payroll in two states Florida and Georgia and also had advances and insurance deductions that needed to be individually tracked. This option would allow the user to quickly design a client specific report that would have the column headings shown on the below:

Sample Reconciliation Payroll Summary										
1/1/2006 to 1/31/2006						Client No: 951CP		Page 1		
Trn#	Check	Date	Fl Gross	Ga Gross	Federal Wit	Fica + Medi	Ga State Wit	Repayment 0	Health Insu	Net
<b>1 James Michael Smith</b>			<b>987-65-4321</b>							
3	3650	1/16/06	1,500.00	0.00	415.00	91.80	0.00	100.00	50.00	843.20
4	3655	1/30/06	1,500.00	0.00	415.00	91.80	0.00	0.00	50.00	943.20
	Period	Total	3,000.00	0.00	830.00	183.60	0.00	100.00	100.00	1,786.40
<b>2 Michael T Harris</b>			<b>456-12-3789</b>							
5	3656	1/15/06	0.00	1,000.00	175.00	76.50	53.00	0.00	75.00	620.50
6	3657	1/30/06	0.00	1,000.00	175.00	76.50	53.00	0.00	75.00	620.50
	Period	Total	0.00	2,000.00	350.00	153.00	106.00	0.00	150.00	1,241.00

Each custom report can have up to 15 columns of information and will automatically print in landscape mode if that is needed to accommodate the number of columns used. There is no limit to the number of custom reports that can be setup for a client.



The reports just have to be given different names and setup with the different columns that are needed for that specific report. There are two formats available, a payroll summary format or a payroll transaction format. When this option is taken a screen similar to the following will appear.

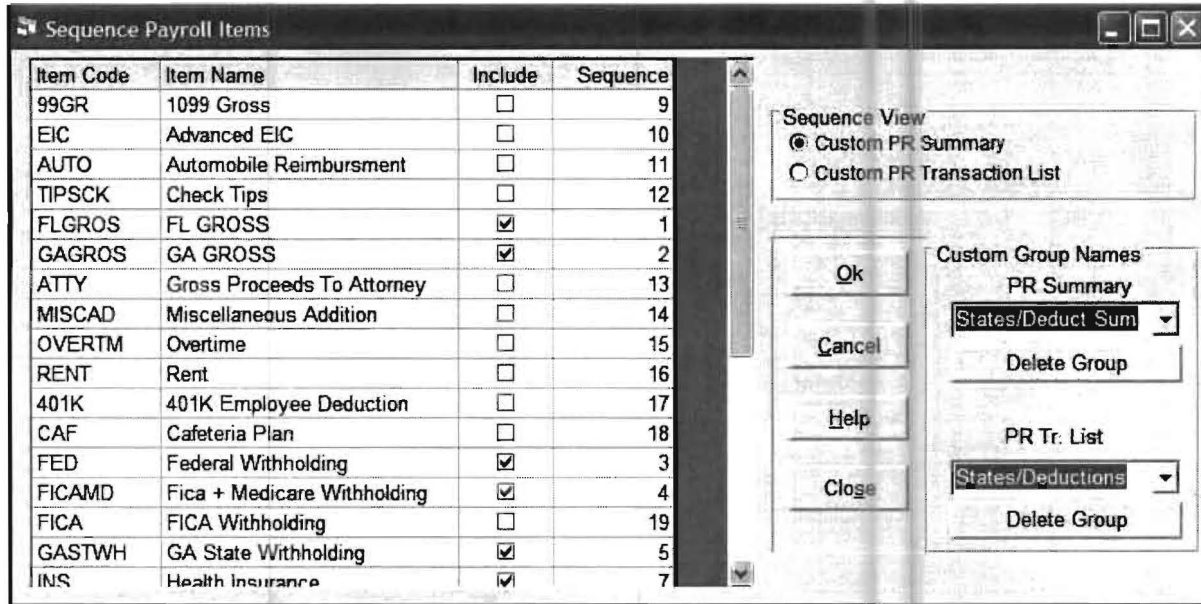
Item Code	Item Name	Include	Sequence
99GR	1099 Gross	<input type="checkbox"/>	1
EIC	Advanced EIC	<input type="checkbox"/>	2
AUTO	Automobile Reimbursement	<input type="checkbox"/>	3
TIPSCK	Check Tips	<input type="checkbox"/>	4
FLGROS	FL GROSS	<input type="checkbox"/>	5
GAGROS	GA GROSS	<input type="checkbox"/>	6
GAEX	Georgia Exempt	<input type="checkbox"/>	7
ATTY	Gross Proceeds To Attorney	<input type="checkbox"/>	8
MISCAD	Miscellaneous Addition	<input type="checkbox"/>	9
OVERTM	Overtime	<input type="checkbox"/>	10
RENT	Rent	<input type="checkbox"/>	11
401K	401K Employee Deduction	<input type="checkbox"/>	12
CAF	Cafeteria Plan	<input type="checkbox"/>	13
FED	Federal Withholding	<input type="checkbox"/>	14
FICAMD	Fica + Medicare Withholding	<input type="checkbox"/>	15
FICA	FICA Withholding	<input type="checkbox"/>	16
GASTWH	GA State Withholding	<input type="checkbox"/>	17
INS	Health Insurance	<input type="checkbox"/>	18

To customize what these reports will look like for a particular client, you first have to decide whether you want a payroll summary type format or a payroll transaction type format for this particular report. Then you mark the appropriate radio button in the upper right portion of the screen under the caption Sequence View.

Next you have to name your report in the appropriate field, for example, if you wanted a payroll summary format report and you wanted it to show detail for the state gross pays and some individual deductions, you could name your report something like "States/Deds Sum." The first part of the name should tell you what the report does in case you add other custom payroll reports later and the second part of the name should indicate Sum so that you can see it is a payroll summary report. Once you have come up with a name you want to use, you would enter this name in PR Summary field over the Default PR Sum name which is default and shown on the screen above.

The next step is to define the columns that you want. A list of all the standard payroll items plus any that you have defined will be showing on the left hand side of the screen. (Remember that to define a payroll item that is not a state, you have to add it and assign it an account number on the payroll item screen.) To select a payroll item for a report such as FLGROS, you would click on the Include box to the right of it which will place an X in the include box. Then you would sequence that field and if it was the information you wanted to be in the first column of the report, you would sequence it with a "1" by placing a one in the sequence column in the same row. Likewise, if you wanted GAGROS to be in the second column, you would click to include it and put a "2" in the Sequence column in that row. etc. etc. (Note that there is also a Net payroll Item that you can also select and that is usually selected as the last column as a convenient check of completeness.)

The following screen shows most of the entries that were used to produce the sample Florida, Georgia and Insurance, Automobile deduction report on the previous page.



The actual report is printed using the Reports pull down menu, the Payroll Reporting sub option, the Payroll summary option and then selecting the Custom report radio button rather than the normal Narrow report option. You would then be able to display the name of your report in the lower right portion of the screen in the Custom Group Names field. If it was not already displayed, you could find it with the drop down arrow and once it displayed, you could press OK to print your report.

Payroll Transaction reports can be customized and created in the same manner. The only difference is that the Sequence View must be marked with Custom PR Transactions and the name of your report must be entered in the PR TR List field in the lower right portion of the screen. Marking a payroll item for include and selecting its column sequence works the same for the Payroll Transaction format reports as it does on the Payroll Summary format reports. The Payroll Transaction format reports would not be printed from the Payroll Reporting pull down menu and the Payroll Summary option. Instead they are printed by selecting the Reports pull down menu and then File Listings and then selecting payroll transactions and then indicated a Custom List and selecting the name of your report in the Custom Group Names field if it is not already displayed. By the way you can not give the name of your Payroll transaction list the same name as you gave the Payroll Summary report as that would cause the original report to be overwritten with the new one. A good solution would be to use the same base name and end the report with TR so you can relate the two reports, in this case "States/Deds TR." When you print the Custom Payroll Transaction list it would appear as below as far as its column headings and format goes:

Sample Reconciliation								
Payroll Transaction Listing								
1/1/2006 to 1/31/2006				Client No: 951CP Page 1				
Trn #	Check	Date	Gross	Fed WH	Fica/Med	State WH	Deds	Net
<u>James Michael Smith - 1</u>								
3	3650	01/16/06	1,500.00	415.00	91.80	0.00	150.00	843.20
4	3655	01/30/06	1,500.00	415.00	91.80	0.00	50.00	943.20
	Emp	Total	3,000.00	830.00	183.60	0.00	200.00	1,786.40
<u>Michael T Harris - 2</u>								
5	3656	01/15/06	1,000.00	175.00	76.50	53.00	75.00	620.50
6	3657	01/30/06	1,000.00	175.00	76.50	53.00	75.00	620.50
	Emp	Total	2,000.00	350.00	153.00	106.00	150.00	1,241.00
	W2	Total	5,000.00	1,180.00	336.60	106.00	350.00	3,027.40
1099	Total		0.00	0.00	0.00	0.00	0.00	0.00
Final	Total		5,000.00	1,180.00	336.60	106.00	350.00	3,027.40

## Employee Extras

When you take the employee extras menu option, the following screen will appear:

The screenshot shows a software window titled "Employee Extras". At the top, there are standard window control buttons (minimize, maximize, close). Below the title bar is a table with the following columns: "Emp ID", "Employee Name", "Corporate Officer", "Class Code", and "Subject To". The table area is currently empty. Below the table, there are four buttons: "Ok", "Cancel", "Help", and "Close". To the right of these buttons, there are several controls: "WC Code:" followed by a dropdown menu showing "List"; "Sort By:" followed by two radio buttons, "ID" (which is selected) and "Name"; and a legend with three lines: "U = Unemp. Only", "W = WC Only", and "B = Both".

This screen will allow you to enter extra information that may be required by some state unemployment and withholding reporting.

## Record Taxes Paid

When you select the Record Taxes Paid option, the following screen appears.

States		
ST	Unemp Paid	WH Paid

Localities	
Local	WH Paid

The main purpose of this screen is to allow the recording of the interim tax payments for the 940, 941, state unemployment, or the state and local withholding liabilities, so that when the related payroll report is being processed, the payments that have been recorded with this option will be automatically be filled in. This screen also allows the viewing of previously entered payments.

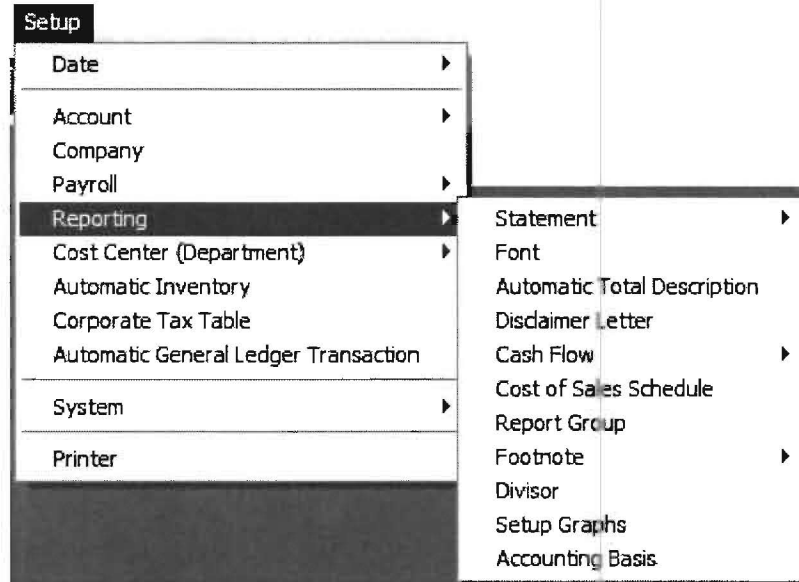
To record a tax payment, enter the date paid, which would be the check date. The liability date **MUST BE INSIDE THE REPORTING PERIOD**. (The liability date is NOT the due date or the penalty date of the form itself.) It is also a good practice to enter the check number in case later review of a particular payment is needed.

Next, move the cursor to the field that represents the type of tax you are paying. For example, if you are recording a 941 payment, then put the cursor in the 941 field. Enter the amount of the payment, and click on OK.

The lower left portion of this screen allows the review of all tax payments that have been entered. To do this for a particular tax, set the desired date range, and put the cursor in the amount field for the appropriate tax and then click on "View Payments". You can also print a report of the recorded tax payments using the **Reports** pulldown menu, the **File Listings** option, and the **List Taxes Paid** option.

## Reporting

The reporting capabilities in this system are quite extensive and a large number of setup options are devoted to reporting. If you haven't read the basic Statement Setup and Formatting section of *Chapter 12*, (pages 12-1 to 12-5), do so before you attempt to make any changes to the reports that automatically flow from the Chart of Accounts setup. When the Reporting option is selected, the following screen will display:



The sub-menu options are listed below with a brief description of their functions:

**Statement:** This option allows access to a number of additional Statement options. The *Statement* sub-options for are discussed in greater detail in *Chapter 12, "Financial Statement Formatting,"* beginning on page 12-9.

**Font:** This option allows the font to be set for items like headings and disclaimer messages that apply to all statements and also allows the fonts to be set for reports such as the general ledger and trial balance. The option is discussed in *Chapter 12, "Financial Statement Formatting,"* beginning on page 12-26, and particularly on page 12-27.

**Automatic Total Description:** This option allows the overriding of the "automatic total line descriptions" on financial statements. This option is discussed in detail in *Chapter 12, "Financial Statement Formatting,"* beginning on page 12-28.

**Disclaimer Letter:** This option allows the setup of disclaimer letters. This option is discussed in *Chapter 16, "Special Topics,"* page 16-1.

**Cash Flow Accounts:** This option allows the setup of cash flow statements and is discussed in *Chapter 12, "Financial Statement Formatting,"* beginning on page 12-17.

**Cost of Sales Schedule:** This option allows the setup of cost of sales schedules and is discussed on page 5-28 of this section.

**Report Group:** This option is used to setup a group of reports to be processed and printed at one time and is discussed in *Chapter 3, "The Practice Set,"* beginning on page 3-43.

**Footnote:** This option allows the setup of footnotes and is discussed on page 5-32 of this chapter.

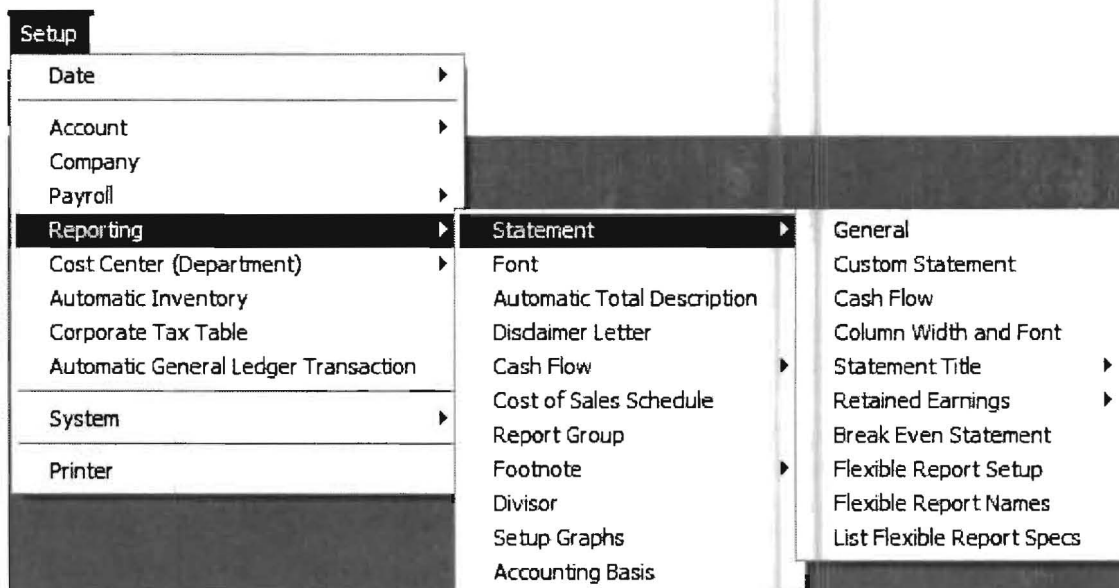
**Divisor:** This option is used to setup *divisors*. Divisors are used to produce Cost of Sales Schedules and also in Automatic Inventory and other flexible options. Divisors are discussed in conjunction with their use in the cost of sales schedule beginning on page 5-33 of this chapter.

**Setup Graphs:** This option allows you to produce *Pie* and *Bar Charts* and it is discussed in *Chapter 18, "Other Special Reporting Features."*

**Accounting Basis:** This option allows the setup of the two different accounting basis for each client and is discussed on page 5-33 of this chapter.

## Statement

This option allows access to a number of additional Statement options. When selected, the following menu will display:



The sub-options are listed below with a brief description of their functions:

**General:** This option consists of four screens of options and information relating to financial statements. The options allow various choices in statement presentation such as a one or two page balance sheet. General information is also entered from these screens such as the disclaimer message which is used for all financials and the information needed to produce "whole dollar" statements. This option is discussed in greater detail in *Chapter 12, "Financial Statement Formatting," beginning on page 12-10.*

**Custom Statement:** This option allows the user to design their own financial reports with control over every column of information. All system information is available and can be printed in the designated columns. This option is discussed in *Chapter 12, "Financial Statement Formatting," beginning on page 12-13.*

**Column Width and Font:** This option allows the user to "customize" the standard statements and schedules generated from the Chart of Accounts setup. This option is discussed in *Chapter 12, "Financial Statement Formatting," beginning on page 12-25.*

**Statement Title:** This option allows standard *Statement Titles* to be overridden with the titles entered by the user. This option is discussed in *Chapter 12, "Financial Statement Formatting," beginning on page 12-22.*

**Retained Earnings:** This option allows the setup of a Retained Earnings Statement and is discussed in *Chapter 12, "Financial Statement Formatting," beginning on page 12-23.*

**Break Even Statement:** This option allows the setup of a special "Break Even Statement". This option is discussed in *Chapter 12, "Financial Statement Formatting," beginning on page 12-29.*

**Flexible Report Setup:** This option is used to setup "customized" financial statements and is discussed in the *Chapter 17, "Flexible Report Writer."*

## Font

The option is discussed in *Chapter 12, "Financial Statement Formatting," in conjunction with the discussion on column width and font beginning on page 12-26, and particularly on page 12-27.*

## Automatic Total Description

This option is discussed in *Chapter 12, "Financial Statement Formatting," beginning on page 12-30.*

## Disclaimer Letter

This option is discussed in *Chapter 16, "Special Topics," beginning on page 16-1.*

## Cash Flow

This is discussed *Chapter 12, "Financial Statement Formatting," beginning on page 12-17.*

## Cost of Sales Schedule (Optional)

The purpose of this option is to quickly and easily produce "Cost of Sales Schedules". To setup a *Cost of Sales Schedule*, access the Setup pull-down menu then Reporting, and then Cost of Sales Schedule. The following screen will display:

This screen must be properly filled out to produce the *Cost of Sales Schedule*. You will notice that one of the prompts on this screen is for a Divisor. A *Divisor* is an account or a group of accounts in the Chart of Accounts that are used to form the 100% basis for income statements or related schedules. Before you can fill out the previous screen, you will need to set up the *divisors* that you want to use. To illustrate this process, suppose you have the following accounts in the Chart of Accounts that relate to a *Cost of Sales Schedule*:

Sales Accounts		Cost of Sales Accounts	
Account No.	Description	Account No.	Description
410	Product A	510	Costs of Product A
		511	Special Costs of Product A
420	Product B	520	Costs of Product B
430	Product C	530	Costs of Product C

Table 5-1: This table shows accounts that relate to a Cost of Sales Schedule.



Suppose you want a *Cost of Sales Schedule* for Products A, B, C and an overall schedule that includes all the products. To do this, four *divisors* are needed. The *Product A Schedule* should have its 100% of sales based on product A and hence its *divisor* would be account 410. The *Product B* and *C Schedules* likewise should have their 100% of sales based on product B and product C respectively and their *divisors* would be 420 and 430. The cumulative schedule should have a 100% of sales based on all three products and therefore its *divisor* should be the sum of accounts 410, 420 and 430. These *divisors* are set up by accessing the Setup pull-down menu then Reporting, and Divisor. When this is done, the following screen will display:

Each *divisor* has to have a unique name. In this example, the following table lists the *divisor* names used with the corresponding accounts to include.

Divisor Name	Included Accounts
Product A	410
Product B	420
Product C	430
Total ABC	410,420,430

Table 5-2: This table lists Divisor Names.

To setup these *divisors*, key in the *divisor* name and enter the appropriate accounts that should be included. In this example, you would enter four *divisors*. The first three would be the *divisor* name for the respective product and the single related account. The fourth *divisor* would be the total *divisor* for all three products with the name "Total ABC". The following screen illustrates the *divisor* "Total ABC" previously shown in the table:

The screenshot shows the "Divisor File Maintenance" window. The "Divisor Name" is set to "Total ABC" and the "Status" is "New". Under "Select Accounts by:", the "Individual Account" radio button is selected. The "Accounts to Include" table is as follows:

Account				
410				
420				
430				

Buttons at the bottom include Ok, Cancel, Help, Delete, and Close.

If it is more appropriate to enter an account range then enable the Account Range radio button. A range is typically done with cost centers or more complex *Cost of Sales Schedules*. If Account Ranges are used they would be entered as shown below: (Using Total ABC as an example)

The screenshot shows the "Divisor File Maintenance" window. The "Divisor Name" is "Total ABC" and the "Status" is "New". Under "Select Accounts by:", the "Account Range" radio button is selected. The "Account Range" section shows "From: 410" and "To: 430". There is also a "Centers" section with two columns of empty boxes and a "List" button. Buttons at the bottom include Ok, Cancel, Help, Delete, and Close.

This option allows *divisors* to be selected by both account range and also by center number at the same time when this would be appropriate for a more complex client setup.

Once the *divisors* are selected and entered, you should return to the *Cost of Sales Schedule* using the Setup pull-down menu then Reporting and the Cost of Sales Schedule option. The following screen would be displayed:

You are first prompted for a Sequence Number. Each *sequence number* refers to a different screen and each screen will produce a different *Cost of Sales Schedule*. In this example, you want four different *Cost of Sales Schedules* so you will use four different *sequence numbers*. You could use the number's 1,2,3 and 4 but to be on the safe side, you should probably use the number's 1,5,10 and 20. That way if you decide to add a new product some day that logically fits between Product A and Product B, you could easily do so by giving it a *sequence number* between the number 1 and 5, such as 3. The screen shown below shows the completed *Cost of Sales Schedule* for Product A:

If headings are desired, they may be entered for Sales, Cost of Sales and Gross Profit in the Headings Section. Once Product A is completed and accepted (clicking the OK button) you would do the same thing for Products B and C using sequence numbers 5 and 10. The final step would be to enter the Total ABC screen using sequence 20.

The screen for the Total ABC *Cost of Sales Schedule* follows:

Cost of Sales Schedule Setup

Sequence: 20 List Divisor: Total ABC Status: New

Printing Options

- Start on New Page
- Print Sales Heading
- Print Cost of Sales Heading
- Consolidate Sales Accts
- Consolidate C/S Accts

Headings

Sales: \_\_\_\_\_  
Cost of Sales: \_\_\_\_\_  
Gross Profit: \_\_\_\_\_

Sales Accounts	Cost of Sales Accounts
410	510
420	511
430	520
	530

Remove List Remove List

Ok Cancel Help Delete Close

## Report Group

This option allows a group of reports to be processed and printed at one time. This option is discussed in *Chapter 3, "The Practice Set," beginning on page 3-43.*

## Footnotes

This option is used to setup *footnotes*. You have the choice of entering *footnotes* that will be used only with the current active client's database (Notes - Active Client) or *footnotes* that can be used with any client on the system (Notes - Global). When this option is selected, the following screen will display:

Footnotes File Maintenance - Active Client

Footnote Number: List Status:

Description: \_\_\_\_\_

Ok Cancel Help Delete Close

To enter a new *footnote* key in a number in the Footnote Number field and press Enter. If there is already a footnote in the system that corresponds to that number, the existing footnote will be displayed to allow you to change it.

The focus will move to the Description field, where you enter a description to serve as a reminder of what the *footnote* contains when making selections for the Footnote Report (Reports, Financial Reporting and Footnotes). The large box in the middle of the screen is where the actual footnote is entered. New lines, blank lines, indentations, and other formatting are all preserved. Clicking on the List button will display a list of the *footnotes* that have already been entered.

## Divisor

This option allows the setup of *divisors* which allow different accounts to be used as the 100% total for purposes of calculating percentages on income statements and income statement schedules. This option is discussed in conjunction with the *Cost of Sales Schedule*, which was discussed earlier in this section, beginning on page 5-28. Divisors are discussed in detail on pages 5-28 through 5-30 of this Cost of Sales section.

## Accounting Basis

This option allows the setup of the two different accounting basis for each client. When the Accounting Basis option is chosen, the following screen will display:

Accounting Basis Names	
Default Name:	Default Accounting Basis
Alternate Name:	Alternate Accounting Basis

Alternate Bases of Accounting	
<input checked="" type="checkbox"/> Use basis description as the last line of the statement title?	
Basis Description	Adjusting Journals
Default Accounting Basis	
Alternate Accounting Basis	
	Excluded Journals

This screen allows you to enter more descriptive names for the two accounting basis other than *Default* and *Alternate*. The Adjusting Journals fields provide for the entry of *journal codes* that will only affect the Working Trial Balance. In other words, for a transaction to show on the *working trial balance*, it must have an *adjusting journal code* that is shown on this screen. The Excluded Journals fields are used to enter *journal codes* that will be excluded on every document produced for the alternate accounting basis. Here is an example of designating excluded journal codes for multiple accounting basis reporting:

Suppose you wished to maintain both a cash and an accrual basis for this client and wanted to be able to print financials for either basis as desired. To do this you would first decide which basis would include all the entered transactions. In this case, the accrual basis would include all entered transactions. Therefore you would setup the accrual basis as the default accounting basis and the cash basis as the alternate accounting basis.

In a normal accounting period you would process this situation by first entering all the cash basis transactions. Now you would run a Transaction Preparation for the cash basis transactions. Then run a Trial Balance and verify that your cash basis entries are correct. Now choose the accrual basis, and then enter the "ACR" journal entries to complete the entries needed for the accrual basis. Now run a transaction preparation and verify the correctness of the accrual entries. At this point both accounting basis are ready to produce statements – choose the desired accounting basis from the report menu, and print the statements.

The important point to note is that since the accrual accounting basis includes ALL of the transactions, it is the name of the default accounting basis. The cash accounting basis excludes the ACR journal. Therefore, the cash basis must be the alternate accounting basis with excluded journal ACR, as setup on the screen below:

**Accounting Basis Maintenance**

**Accounting Basis Names**

Default Name:

Alternate Name:

**Alternate Bases of Accounting**

Use basis description as the last line of the statement title?

Basis Description	Adjusting Journals	Excluded Journals
Accrual Accounting Basis	<input type="text"/>	
Cash Accounting Basis	<input type="text"/>	ACR <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Ok Cancel Help Close

Note: The *journal codes* must be valid codes that have already been entered into the system (Setup, System and Journal Codes).

## Cost Center (Optional)

This option is used to setup cost center processing and is discussed in *Chapter 11, "Cost Center Accounting."*

## Automatic Inventory (Optional)

This option is used to setup *automatic inventory* on the system and is used if you want to present cost of sales accounts with beginning and ending inventories. It also allows the actual beginning and ending inventory to be presented on the financials each month, instead of a less meaningful inventory adjustment balance. The system will perform the tedious inventory accounting calculations for you. This calculation is appropriate when a fixed percentage of sales relate directly to the amount of product sold and there is little or no variation in sales prices or inventory costs. Before beginning, the user should be familiar with the most significant *automatic inventory* rules which follow:

- 1) The only manually entered inventory account balances are the initial balances for the three inventory accounts (Beginning, Ending and Balance Sheet).
- 2) In the future all additional entries to the inventory accounts will be automatically calculated and made by the system.
- 3) You must not make any other manual entries to the inventory accounts for any reason, otherwise the automatic inventory calculations will not be correct.
- 4) You should enter the initial balances as explained below if you are starting automatic inventory at the beginning of the setup of a client. (Initial balances are always entered on the day immediately preceding the beginning of the fiscal year, i.e., 12/31/05 for a 01/01/06 to 12/31/06 fiscal year.)
  - a) Balance Sheet: This is a normal balance sheet account. Enter a debit for the inventory amount.
  - b) Beginning Inventory: Enter a debit for the inventory amount as of the beginning of the fiscal year.
  - c) Ending Inventory: Enter a credit in the same amount as the balance sheet inventory amount.
- 5) If you already have an existing client, and you want to convert to Automatic Inventory, then the rules are a little different. Call up the "Change In Inventory" account. Change the description to Ending Inventory. You may also need to change the account number to position it at after the Purchases and Freight accounts. Therefore, the Ending Inventory account will already have the GL transactions that adjust inventory. Add a Beginning Inventory account. Now key in the Automatic Inventory record. Then go to Setup/Company, choose the option tab, and mark the checkbox that indicates that you are using Auto Inventory. Now, choose a reporting period. The opening balances for the fiscal year will be adjusted so that the Beginning and Ending Inventory accounts start out with the same balance as the balance sheet inventory. You are now ready to use Automatic Inventory and produce statements.

## Automatic Inventory Setup Process

The following section will step you through the process of setting up *Automatic Inventory*. Click on the Setup pull-down menu then Company. Now select the Options Tab, and check the box Using Automatic Inventory. At this point your screen should look similar to the screen shown below. After you verify this you can click **OK** to accept this screen.

Now click on the Setup pull-down menu then Automatic Inventory and an Automatic Inventory Setup Screen will display. This screen allows the setup for a large number of different inventory account situations. Suppose you had the following accounts that related to inventory for a certain company:

Acct No.	Description
150	Balance Sheet Inventory
410	Sales (This is the only sales account.)
450	Beginning Inventory
455	Purchases
460	Freight
465	Ending Inventory

Table 5-3: Possible inventory-related accounts.



Further suppose that the cost of sales for this inventory was normally 40% and a physical inventory is taken in June and December of each year and the figures need to be adjusted to actual at those times. Here is how you would fill in an Automatic Inventory Setup Screen for the above example:

Automatic Inventory Setup

Beginning Inv: 450 List List Inv Recs

Ending Inventory: 465 List

Balance Sheet Inv: 150 List

Status: New

Sales

Account:

Cost Center:

All Accounts

Cost Center: List

Method: Account Range

Cost of Sales Percentage: 40.00

Ok Cancel Help Delete Close

As to the All Accounts *radio button* being enabled, this will work since there is only one account. You could also have selected the Account choice under Sales and entered account number 410 in the resulting prompt. Account Range is selected as the method which means that cost of sales will be used based on the accounts you have selected and no physical inventory calculation will be considered.

Each month from January thru May, the system would calculate the correct ending inventory based on sales, purchases, and freight transactions and the income statement will reflect this amount. When June arrives, the user would again have to access Setup, Automatic Inventory and Automatic Inventory Setup. Everything would remain the same, except the method on the screen above would be changed to *physical inventory*. This will result in a new pop up window being displayed, prompting you for the Physical Inventory Amount. The screen should look similar to the one shown below. We have entered \$63,432.50 into the Physical Inventory Amount field for this example.

Automatic Inventory Setup

Beginning Inv: 450 List List Inv Recs

Ending Inventory: 465 List

Balance Sheet Inv: 150 List

Status: New

Physical Inventory Amount

63,432.50

Sales

Account: 440 List

Cost Center:

All Accounts

Cost Center: List

Method: Physical Inventory

Cost of Sales Percentage: 40.00

Ok Cancel Help Delete Close

When the *income statement* is printed for June, the *ending inventory amount* will be \$63,432.50 and the *cost of sales percentage* will be calculated based on that amount. In July the user would again access the Automatic Inventory Setup Screen and change the method back to *Account Range*. This will result in the inventory statement again reflecting

a 40% cost of sales percentage. August through November would automatically calculate in the same manner as in the previous automatic months. In December the user would again access the Automatic Inventory Setup Screen and change the method back to *Physical Inventory* and enter the actual physical inventory amount. This will result in the December income statement reflecting an ending inventory that equals the physical inventory amount and the cost of sales percentage being calculated based on the actual percentage.

Note: Whenever "*physical inventory*" is the designated method, a pop-up window will display asking you to enter a physical inventory balance. You must enter this physical inventory before the transaction preparation can be completed.

Great flexibility can be achieved with this option. You can have multiple sales, beginning and ending inventory or costs of goods sold accounts. They can be grouped together by type of account or separated to provide separate cost of goods sold percentages. Suppose the following accounts were in the Chart of Accounts that related to inventory:

Acct No.	Description
150	Department A - Inventory
155	Department B - Inventory
160	Department C - Inventory
410	Sales Department A
411	Sales Department B
412	Sales Department C
511	Beginning Inventory Department A
512	Purchases Department A
513	Ending Inventory Department A
521	Beginning Inventory Department B
522	Purchases Department B
523	Ending Inventory Department B
531	Beginning Inventory Department C
532	Purchases Department C
533	Ending Inventory Department C

Table 5-4: Inventory-related accounts in a chart of accounts.

To setup *Automatic Inventory* for this example we would need to fill in the Automatic Inventory Screen three times, once for each department. The first screen would be filled in as follows:

The two additional screens would be set up in a like manner. The three set of inventory accounts are shown in the table below.

Beginning Inventory	Ending Inventory	Bal Sheet Inventory	Sales Acct.	Method	Cost of Sales %
511	513	150	410	Acct Range	45
521	523	155	411	Acct Range	35
532	533	160	412	Acct Range	25

Table 5-5: This table lists a set of inventory accounts.

There are other situations that commonly occur in automatic inventory calculations. Accounts may be selected by cost center by enabling the *Cost Center radio button*. This allows *Automatic Inventory* to work efficiently for cost centers, calculations will be accomplished by center even if the accounts are grouped together by like accounts (such as beginning inventory product A 510.10, beginning inventory product B 510.11 and beginning inventory product C 510.12). The following field descriptions indicate how each field may be used both normally and for special flexibility.

Beginning Inventory: Enter the beginning inventory account.

Ending Inventory: Enter the ending inventory account.

Balance Sheet Inventory: Enter the balance sheet inventory account

**Sales: Choose one of the following options:**

Account: If enabled an account number prompt will appear. The account entered will be used to determine the product sales.

Cost Center: If enabled the sales accounts that are also in the center indicated will be used for to determine the product sales.

All Accounts: If enabled all sales accounts will be used to determine the product sales.

**Method: Choose one of the following options:**

Account Range: If selected, the sales accounts used for the calculation will be determined by your other answers. Depending on how you answered the sales account question, the individual account number you selected, all sales accounts with the cost center you selected, or all sales accounts will be used.

Physical Inventory: If selected, each automatic inventory setup screen may have a physical inventory amount which allows cyclical inventories to be calculated. For example, if there were twelve different products and associated inventories, a different physical inventory could be taken each month and the other products could be calculated based on an entered cost of sales percentage based on previous history.

**Cost of Sales Percentage:** Enter the percent of sales to be used for the calculation.

## Corporate Tax Table (Optional)

This option is used to setup the *Corporate Tax Tables*, which allows the system to automatically calculate and make accounting entries for corporate taxes each period. When this option is selected, the following screen will display:

Tax Table	
Upper Limit	Percentage
1	
2	
3	
4	
5	
6	
7	
8	
9	

If this option is completely filled in for any taxing entity and if the user indicates that *corporate tax calculation* should be made using the Setup pull-down menu then Company and the Options Tab, then the appropriate taxes will be automatically accrued and entries made to the debit and credit accounts that have been entered. The corporate taxes should be filled in based on the current taxes that apply. Any carry forward amounts should be entered. The corporate tax table must be changed by the user if the government changes the rates. The corporate tax rates for 2005 are shown as an example of how to fill in the table.

	Upper Limit	Percentage
1	50,000.00	15.00000
2	75,000.00	25.00000
3	10,000,000.00	34.00000
4	99,999,999,999.00	35.00000
5	0	0.00000
6	0.00	0.00000
7	0.00	0.00000
8	0.00	0.00000
9	0.00	0.00000

An important feature to understand is the use of the Exemptions *checkboxes*. Here is a common example:

Federal Tax Rate:	15%
State Tax Rate:	5%
Income Before Taxes:	\$10,000.00

Without exemptions, the taxes would be \$500 for the state, and \$1,500 for the Federal. However, income before taxes is reduced by the amount of the state tax for the purposes of the federal calculation.

Federal Tax Rate:	15%
State Tax Rate:	5%
Income Before Taxes (State):	\$10,000.00
Income Before Taxes (Fed):	\$ 9,500.00

The state tax remains \$500, but the federal tax is reduced to \$1,425. To achieve this effect, on the Federal Tax screen, mark the State *checkbox* under Exemptions.

Note: The calculation needs one record (State, Federal, or Other) which has no exemptions in order to have a place to start. Here is an example of one potential problem:

Federal Tax Screen	Federal	X State	Local
State Tax Screen	X Federal	State	Local

In this case, the state tax cannot be calculated until the federal tax is known, and the federal tax cannot be calculated until the state tax is known.

## Automatic General Ledger Transactions (Optional)

This feature greatly facilitates the repetitive entry of transactions for vendors. Information that is always or almost always the same for certain vendors is coded with a Vendor Lookup Abbreviation. This lookup abbreviation is then used to access the repetitive information during transaction entry. This feature will significantly reduce the need to code checks on a monthly basis. The *Vendor Lookup Abbreviation* is entered in the Account Number Field on the General Ledger Transaction Entry Screen and the repetitive information for that vendor is then inserted into the appropriate transaction entry fields. To setup an automatic general ledger transaction, access the Setup pull-down menu then Automatic General Ledger Transaction. The following screen will display:

The screenshot shows a window titled "Automatic Transaction Entry Setup". It contains the following fields and controls:

- Vendor Look Up:** A text input field with a "List" button to its right.
- Status:** A text input field.
- Vendor Look Up Desc:** A text input field.
- Default Values:** A section containing several fields:
  - Account Number:** A text input field with a "List" button to its right.
  - Transaction Description:** A text input field.
  - Transaction Amount:** A text input field.
  - Reference:** A text input field.
  - Cursor Position:** A dropdown menu currently showing "Account".
  - Next Automatic Transaction Key:** A text input field with a "List" button to its right.
  - 1099 ID:** A text input field with a "List" button to its right.
  - 1099 Name:** A text input field.
- Buttons:** A row of buttons at the bottom: "Ok", "Cancel", "Help", "Delete", and "Close".

This screen allows the user to setup the information that will be the same or almost always the same for any vendor and also assigns a *Vendor Lookup Abbreviation* code to that vendor. The cursor will be in the Vendor Look Up Field. You can enter up to a six digit alphanumeric *Vendor Lookup Abbreviation*, this abbreviation will distinguish this vendor from the other vendors. The first character must be non-numeric, otherwise the system cannot distinguish between a *Vendor Lookup Abbreviation* and an invalid account number. A typical abbreviation might be VER for the "Verizon" or FPL for "Florida Power and Light". If you want to use the ten key pad for entry, you may preface your numeric codes with an asterisk (\*). This allows you use \*1 for GTE and \*2 for FPL etc. The List button to the immediate right of the Vendor Look Up Field will list the existing *Vendor Lookup Abbreviations*. When you have entered the *Vendor Lookup Abbreviation*, press Enter to proceed to the Vendor Lookup Description Field. The vendor lookup description is the vendor name that you want to print on the vendor report, not the default description (payee) that you want to put on each check. (That entry is the transaction description and will be entered shortly.) Once you have entered the vendor lookup description press Enter to accept the description.

Note: *Vendor Lookup Abbreviation* can be one character or as many as six. With the only restriction being that the first character must be non-numeric.

The Default Values are the actual items that will repeat on the transaction entry screen each time the corresponding *Vendor Lookup Abbreviation* is entered. The first field is the Account Number Field. This is the main account number for the vendor. The List button to the right of the *account number field* allows you to view or list the account numbers currently found in the chart of accounts for the active client.

The next field is the Transaction Description Field. This is the description that will repeat on the transaction entry screen each time the corresponding *Vendor Lookup Abbreviation* is entered. Key in this description and press Enter.

The next field is the Transaction Amount Field. This field should be left as 0.00 unless the vendor generally receives a fixed amount on each vendor check. The next field is the Reference Number Field. This field should typically be left blank unless there is a certain *reference number* that is used for this transaction each month. The next field is the Cursor Position Field. Using the *Drop List* to the right of the *Cursor Position Field*, select the field you would like the cursor to move to after entering the *Vendor Lookup Abbreviation*. Typically you would select the amount field.

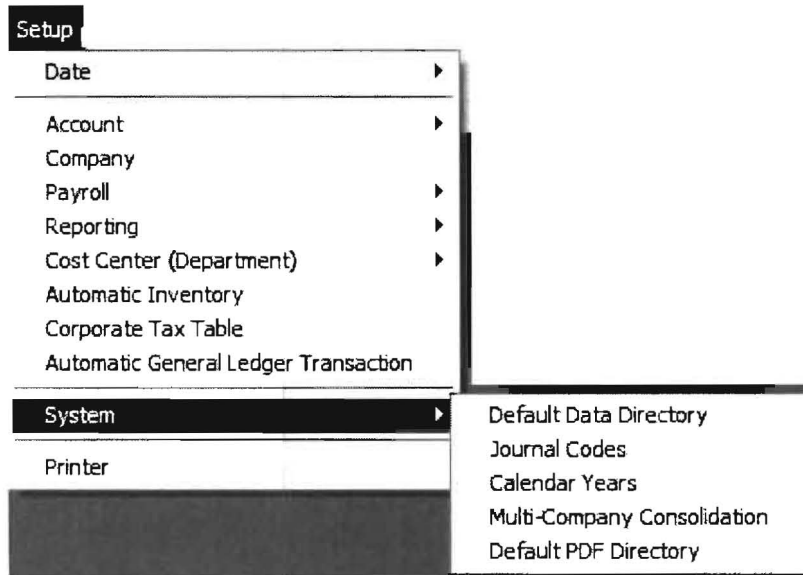
The next field, Next Automatic Transaction Key, can be especially helpful to the user in certain situations. One situation is where a client has the same vendors each month, this is typical for certain types of clients such as property managers. The *Next Automatic Transaction Key* allows the user to link all of these vendors together. The user would enter the next *Vendor Lookup Abbreviation* to be accessed after the current one has been entered and completed. This eliminates the need to manually key in *Vendor Lookup Abbreviation* after *Vendor Lookup Abbreviation*. This is a tremendous time saver on certain clients.

The next field is the 1099 ID Field. This is the Employee ID setup under Employee/Vendor File Maintenance for this vendor and their 1099 information. It is accessed using the Employee/Vendor File Maintenance Icon shown to the left. If you want to save information for 1099's, then you must indicate what 1099 this vendor will receive. You may also indicate that this vendor will not receive a 1099. Transactions entered for vendors that are designated to receive 1099's will show on the *payroll summary* in the 1099 section.



## System (Required)

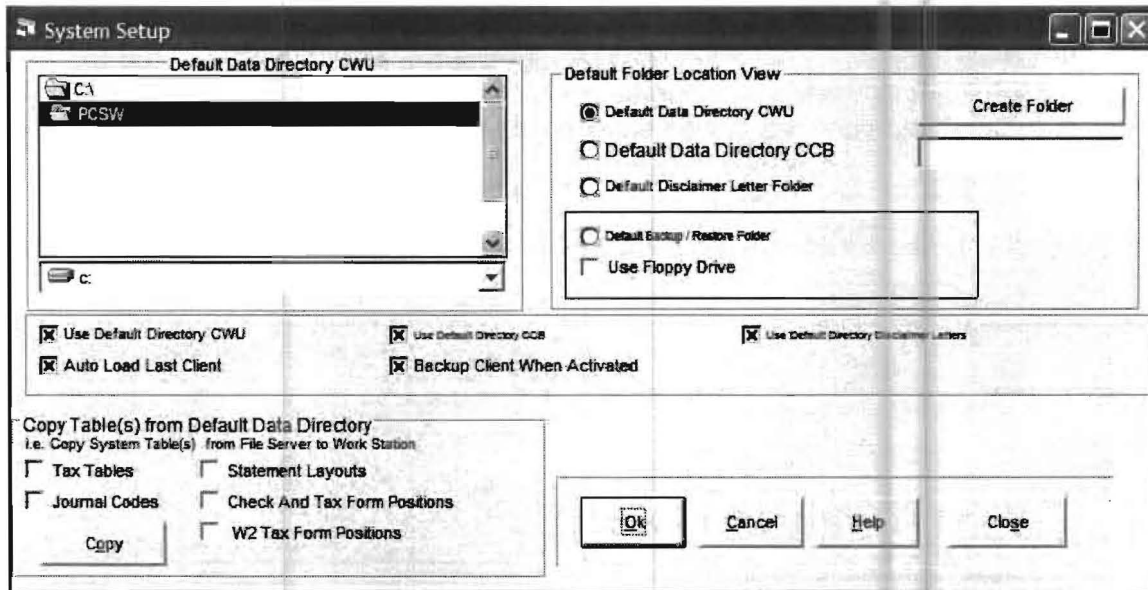
When this option is selected, the following sub-menu will display:



The sub-options are listed below with a page reference or are discussed in this section.

## Default Data Directory

When this sub-option is selected, the following screen will display:



This option allows the user to set a default drive and folder that designates where the clients' data will be kept. Set the drive and folder as desired, but remember that the default drive and folder must be accessible by the system whenever you enter the *Client Write Up System*.



## Journal Codes

When this sub-option is selected, the following screen will display:

The screenshot shows a window titled "Journal Code File Maintenance". It contains a checkbox for "Client Specific Journal Codes". Below this are two input fields: "Journal Code:" and "Status:". A "List" button is positioned between these two fields. Below the "Journal Code:" field is a "Journal Name:" input field. At the bottom of the window are five buttons: "Ok", "Cancel", "Help", "Delete", and "Close".

There are a number of standard *journal codes* that come with the system. This option prevents invalid *journal codes* from being accidentally entered. When you click on the List button, a Journal Code List window will display. This window lists the previously entered *journal codes*. If a *journal code* is not present under the *Journal Code List*, it will not be accepted by the system. If you wish to use a *journal code* that is not in the system, enter it using this option along with a name and click the OK button to accept it.

## Calendar Years

When this sub-option is selected, the following screen will display:

The screenshot shows a window titled "Calendar Year Tax Rates". It features a "Year:" dropdown menu set to "2005". The window is divided into two main sections: "F.I.C.A. Medicare" and "Unemployment".

**F.I.C.A. Medicare**

	Employee %	Employer %	Maximum amount
F.I.C.A.:	6.2000	6.2000	90,000.00
Medicare:	1.4500	1.4500	.00
Combined:	7.6500	7.6500	

**Unemployment**

	Percentage	Maximum amount
Federal Unemployment:	0.8000	7,000.00

At the bottom, there is a table with columns "Type" and "Amount":

Type	Amount
Alabama	8,000.00
Alaska	26,700.00
Arkansas	10,000.00

On the right side of the window are five buttons: "OK", "Cancel", "Delete", "Help", and "Close".

All calendar years that are being processed on the system must have their tax rates and maximums entered into the system using this screen. Starting each year, the new rates should be entered for that year using this option and accepted by clicking the OK button. If you get a message, "Calendar Year Does Not Exist," it means that you are trying to access a reporting period in a new year that is not yet setup with this option. Every new year (i.e. when going from 2006 to 2007) has to be setup with this option. The reason for this is that the limits and the tax rates change and they have to be updated each year.

## Multi-Company Consolidation

The purpose of this option is to allow multiple companies to be regarded as a single company for the purposes of producing consolidated financial reports. It can also be used to consolidate the payroll information of companies being processed separately on the system, yet need to be combined into a single entity for the purpose of producing consolidated payroll reports.

Note: Employee's with identical numbers for the different companies will be changed to a new number in the consolidated client number. The determination as to the employee identity is based on the social security number.

## Multi-Company Consolidation for Financial Reporting

These are the steps and the rules for accomplishing a consolidation into a single company without consolidating the payroll:

1) Identify the companies you want to consolidate into one company. Check each of these companies and insure that they have the same:

- A) *Fiscal Year End Date*
- B) *Current Reporting Period*
- C) *Profit and Loss Account Number*
- D) *Retained Earnings Account Number*



Also make sure that each of these companies is completely in balance using the Debit-credit Check Icon.

2) Create an entirely new company using the following steps:



a) **Create it using the Create New Client Icon.**

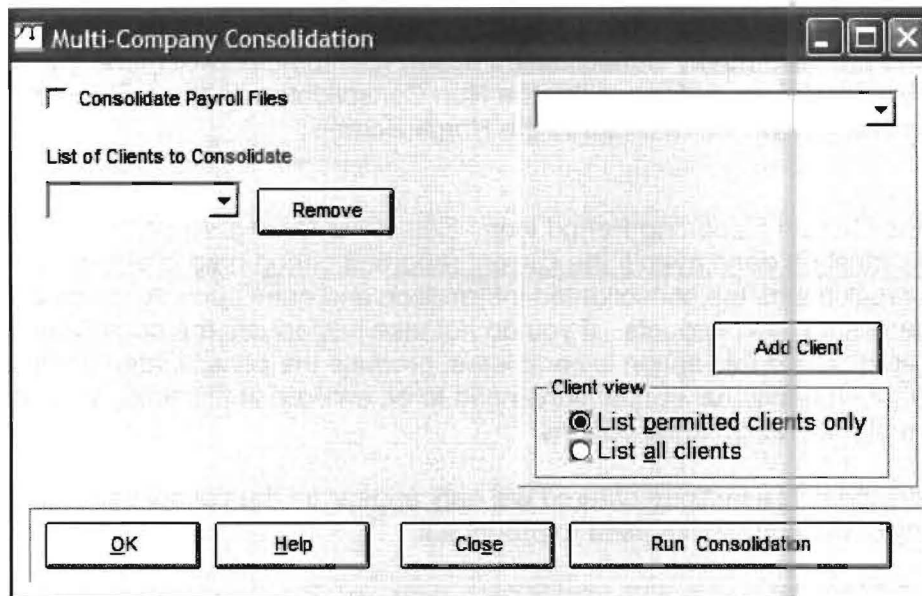
b) Enter the *fiscal year end date* and *current reporting period* to match the companies that will be consolidated.

c) Name it appropriately.

d) Enter the *Profit and Loss* and the *Retained Earnings Accounts*. Match them to the accounts used by the companies to be consolidated.

3) Insure that the new company that was created is the active client. Using any other company to consolidate will destroy the integrity of that company's data. (For example, suppose you need to consolidate six related companies into one. You cannot do this by consolidating five of those companies into a sixth existing company because it would destroy the data of the sixth company. Instead you have to create a seventh company just for consolidating the other six companies.)

4) Go to Setup, System, and Multi-Company Consolidation with the specially created Multi-Company Consolidation company activated and select the Multi-Company Consolidation option. The following screen will display:

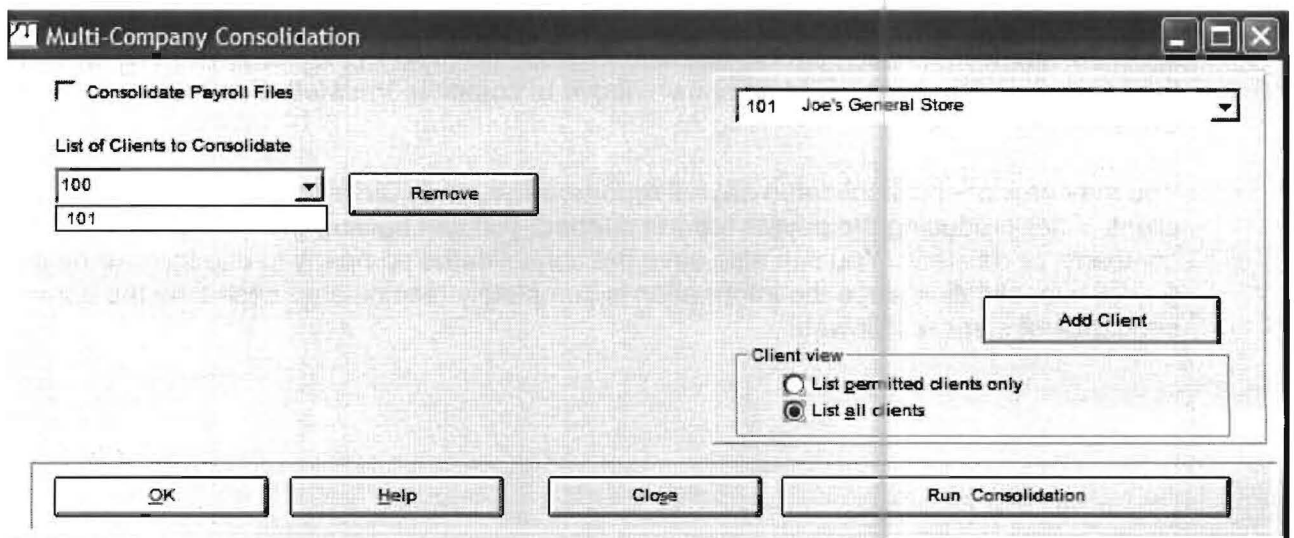


5) Click on the down arrow in the top right-hand side field to display the companies that are currently active in the system.

6) Select a company that needs to be consolidated and highlight it. The first company selected will provide the Charts of Account descriptions for the consolidated company. Click the Add Client button to include it.

7) Select the next company that needs to be consolidated in the same manner. Continue selecting companies that should be included in the consolidation.

8) Once you are done selecting companies. Press the down arrow at the end of the List of Clients to Consolidate field. A screen similar to the one shown below will display:



Check the list to insure that you have included all the companies you want to consolidate. Be certain that there are no duplicate companies. If there are duplicates, remove them. If all the companies to consolidate are not listed, add them. Once you are sure you have all the companies you want to consolidate, click the OK button to return to the Home Screen.

9) Return to the Multi-Company Consolidation option (Setup pull-down menu then System and Multi-Company Consolidation). Click the Run Consolidation button. The consolidation will take place and you will be returned to the Home Screen.



10) Click on the Current Reporting Period Icon. Select the *Current Reporting Period* and click OK. This must be done even if the current reporting period date is already correct because this recalculates the consolidated information and does such things as consolidate the initial balances for like accounts. If you do not take this option, the consolidation will not be completed. Once this option is completed, produce the consolidated financial reports you want. If additional transactions need to be entered at this time, enter them using the normal transaction entry options.

Note: Any additional transactions entered will only appear on the consolidated company and not on any of the companies used to produce it.

11) After you have produced the financials you want, you may delete this consolidated company or use it as a starting point whenever you wish to consolidate these companies again. This is permissible because consolidation information is completely recalculated when you go through this sequence of steps again.

## Multi-Company Consolidation for Payroll Reporting

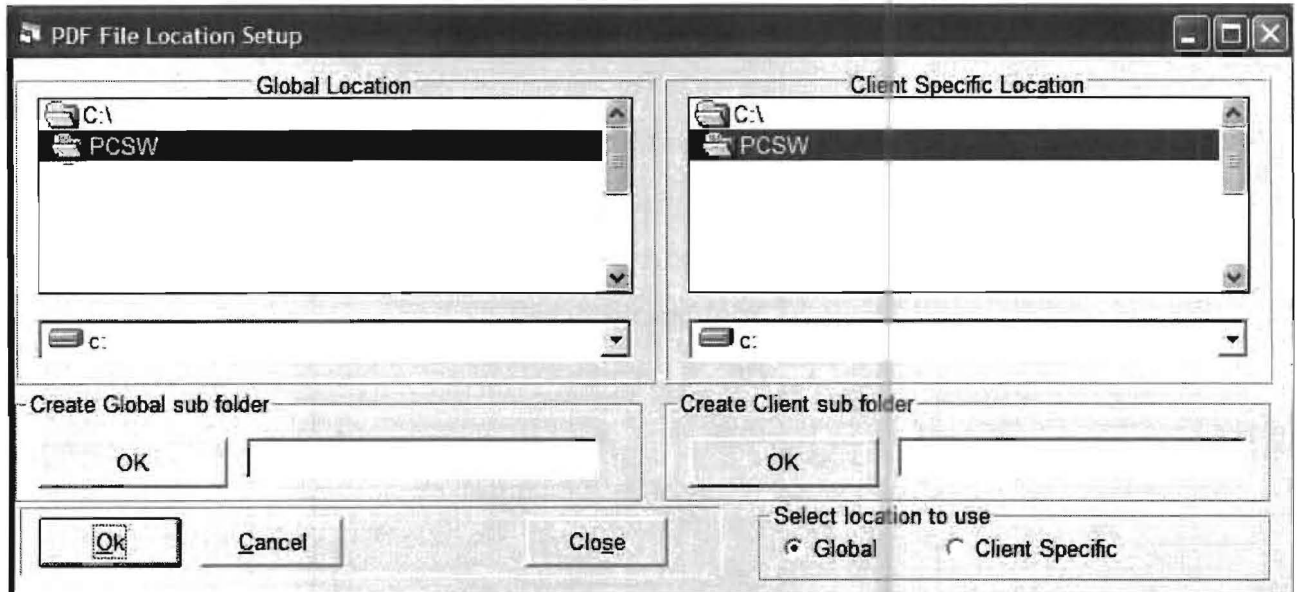
Follow *steps 1-4* previously explained to accomplish the *Multi-Company Consolidation for Financial Reporting*. Remember, employees having the same employee numbers but different companies will have their number changed to a new number in the consolidated company. Any employee existing in multiple companies with the same number and SSN will have their payroll information combined in the consolidated company. After you have accomplished *steps 1-4* above, do the following:

Access the *Multi-Company Consolidation* with the Setup pull-down menu then System and Multi-Consolidation, check the Consolidate Payroll Files box on the upper lefthand side of the screen. Follow *Steps 5-11* as shown above to complete the *Multi-Company Consolidation*.

You may now print consolidated payroll reports, W2's, and 1099's as you would for any client. After producing the payroll reports needed, you can backup the consolidated company, or delete it. You can also save the consolidated company to use for your next payroll consolidation since the information is completely recalculated each time the above sequence of steps is followed.

## Default PDF Directory

When this option is selected the following screen will display:



This option allows the user to set a default drive for all PDF files that are created and also allows the setting of a default drive by client for all PDF files that are created for that particular client.

Note there is also an option that can be set on the Company File Options Tab that allows a manual prompt each time a PDF file is created so that the user can enter a destination folder and file for that particular PDF.

## Alternate Account Numbering

This system allows the user to produce financial statements and schedules that are not in account number order. This is commonly used to group related balance sheet or income statement accounts into single line items when the actual accounts are found throughout the chart rather than in a related sequence (and renumbering the account numbers is not a feasible solution). The alternate account number description can be used to change the normal description of the account. Before using this option for the purpose of reordering the sequence of your financial statements, consider using the Renumber option found on the Chart of Accounts Entry Screen. This option allows you to renumber any account in the chart and automatically renumbers all previous transactions related to that account. If you had three insurance accounts you wanted to group, but they were not numbered in sequence in the chart of the accounts, you could quickly renumber them sequentially and consolidate them into a single line item using the standard consolidation account feature of the system.

The first task is to look at the existing financial reports and determine what account balances should be grouped together, where they should be positioned, and what they should be named. The next step is to choose alternate numbers for these accounts. Note that accounts that need to be repositioned must have alternate account numbers assigned to them. For example, suppose you had eight expense accounts numbered as below and they appeared on the income statement in that same order.

<b>Account Number</b>	<b>Account Description</b>
610	Telephone
615	Electric & Water
620	Yard Maintenance
625	Health Insurance
630	Rent
635	Workman's Compensation Insurance
640	Office Maintenance
645	Renter's Liability Insurance

Table 5-6: A list of eight expense accounts.

Suppose you could not renumber the accounts because of some national corporate restraints or other reason, yet wanted rent to show by itself and have it followed in order by three other consolidated accounts, "Insurance," "Maintenance," and "Telephone and Utilities." You could assign alternate account numbers and descriptions to these accounts thus allowing you to present them as desired on the income statement (check the Use Alternate Account Numbers box on the Print Statement Screen). The system works by using the alternate account numbers and description in lieu of the actual numbers and descriptions. The chart below shows alternate account numbers and descriptions that would produce the desired result.

<b>Existing Account</b>		<b>Alternate Account A</b>	
<b>Number</b>	<b>Description</b>	<b>Number</b>	<b>Description</b>
630	Rent	605	Not needed
625	Health Insurance	611	Insurance
635	Workmen's Comp. Insur.	611	Not needed
645	Renter's Liability Insur.	611	Not needed
620	Yard Maintenance	616	Maintenance
640	Office Maintenance	616	Not needed

Existing Account		Alternate Account A	
Number	Description	Number	Description
610	Telephone	621	Telephone & Utilities
615	Electric & Water	621	Not needed

Table 5-7: This table shows alternate account numbers and descriptions.

If you were to set up and actually run this example, the expense accounts would show as:

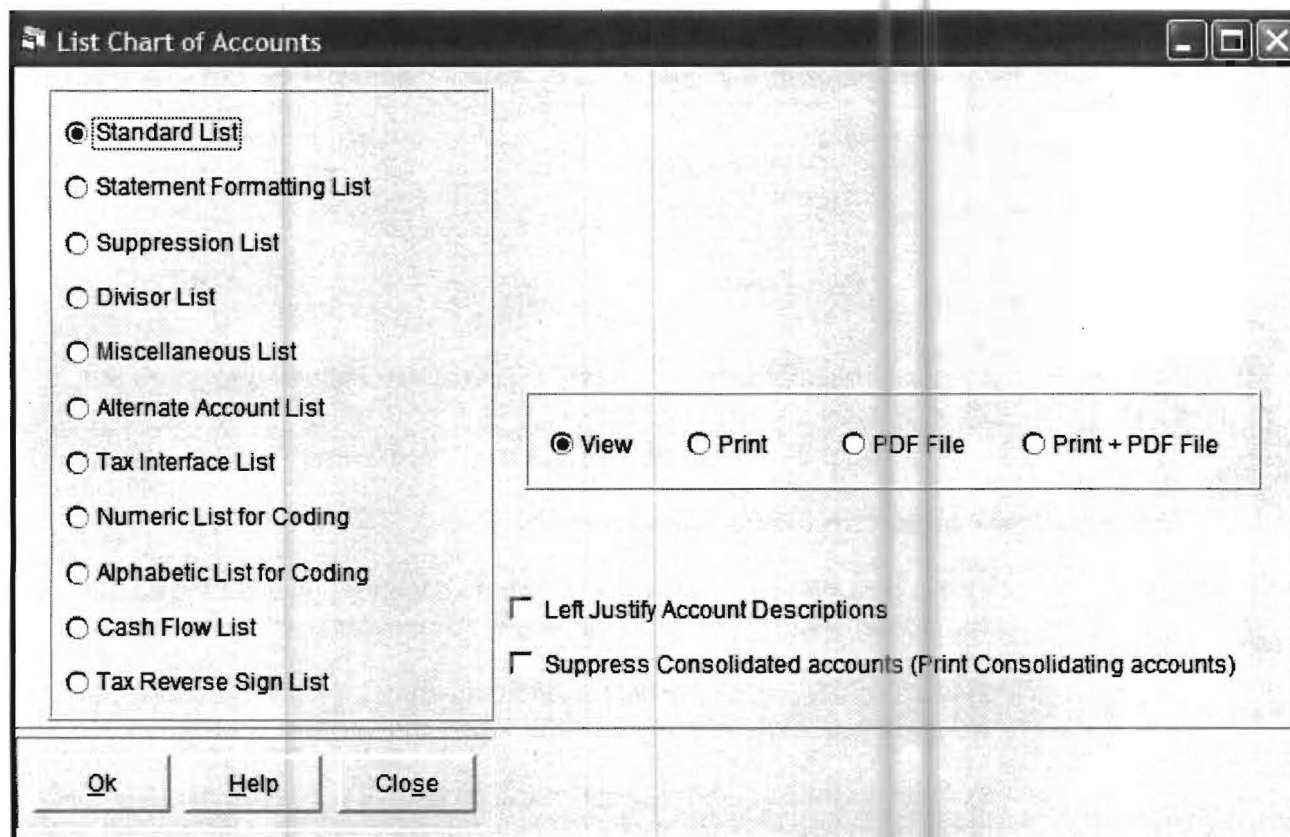
Account Descriptions	Resulting Balances
Rent	(Balance would be balance of 630.)
Insurance	(Balance would be sum of 625,635,645.)
Maintenance	(Balance would be sum of 620 and 640.)
Telephone and Utilities	(Balance would be sum of 610 and 615.)

Table 5-8: This table shows how the expense accounts would be presented.

**There are some important things to remember:**

- 1) If an account number is already situated where you want the account to show, you do not need to assign an alternate account number.
- 2) Multiple accounts may be assigned the same alternate account number. They will accumulate and display as if they were that single account.
- 3) The current account description will be used if you leave the alternate account description blank. That is why we didn't need to enter an alternative description for Rent.
- 4) You only need to assign one alternate account description per grouping. The name of the alternate account group is determined by the first alternate account description found. It is not necessary to repeat the alternate account description for each account that should be grouped in the same line item.

This feature may be used on any financial statement. To work you must have the alternate numbers and descriptions entered and you must specify that you are using alternate account numbers when running the statement or schedule. If you do not, the statement will revert to the standard system produced statement. To set up alternate account numbers and descriptions, access the account number using the Setup pull-down menu then Account and Chart of Accounts and select the Miscellaneous Tab. There is a place for an *alternate account number* and an *alternate account description*. There is a Chart of Accounts listing specifically designed to assist you in setting up the alternate account number feature. To access the listing by selecting the Reports pull-down menu then File Listing and Chart of Accounts or from the Chart of accounts Entry Screen using Print. The following options will display:



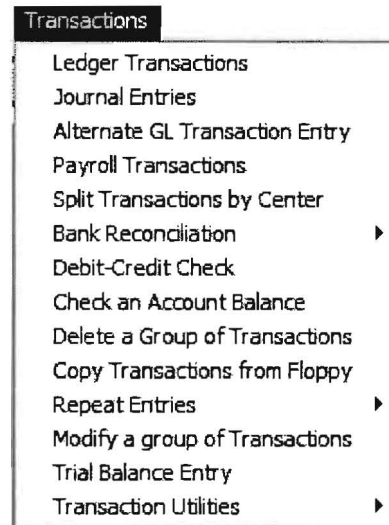
Enable the Alternate Account List option then click the OK button. The resulting listing will show you what alternate accounts and descriptions you have setup, it will be in alternate account order. This is the same order that they will appear on the financials. If you do decide to use alternate account numbers, you should realize that the other method for grouping accounts will not be valid and may produce unexpected results. The other method of grouping accounts is *Consolidated Accounts*. You should be very careful about combining Consolidated Accounts and alternate accounts on the same statement.



# Chapter 6

## The Transaction Pull-Down Menu

When the Transaction pull-down menu is selected, the following screen will display:



Since you will spend most of your time in a client write up system in transaction entry, it makes good sense to accomplish your transaction entry as efficiently as possible. To help you to do this, we provide a wide variety of special transaction entry and transaction transfer tools. You should be aware of what they are and how they work so that you can use the ones that are best suited to particular situations for particular clients. For this reason, all of these special transaction entry or transferring tools are discussed in general terms below. That discussion is followed by a general discussion of the various ways that transactions may be keyed into the system. Once these general discussions are completed, the remainder of this chapter provides an option by option discussion of the menu items that are found on the Transaction Pull Down menu that is displayed above.

## Tools for Special Transaction Entry or Transfer:

### Interfacing Tools

Since interfacing transactions brings transactions into the system without rekeying them, you should consider interfacing transactions with any client who has a computerized bookkeeping system. The *PC Software System* has a specific interface for its own *Computer Checkbook Systems* and its other accounting systems. It has also a specific interface for QuickBooks Pro. *It has a general purpose ASCII interface that will allow interfacing with many other systems.* If you can use an interface program to bring client transaction data into the system, you will save a tremendous amount of time. The various interfaces that P.C. Software has are listed below with a brief statement as to where further information on these interfaces can be found.

## **Interfacing from PC Software Windows Computer Checkbook -**

Please refer to the *Windows Computer Checkbook Manual* for more information and step by step instructions.

## **Interfacing from PC Software DOS Computer Checkbook -**

Please refer to the *Interfacing and Data Conversion Supplement* for DOS for more information and step by step instructions.

## **Interfacing from DOS PC Software G/L, Check Writing Payroll,**

**Accounts Payable** - Please refer to the *Interfacing and Data Conversion Supplement* for DOS for more information and step by step instructions.

## **Interfacing from QuickBooks and the QuickBooks Family -**

Please refer to Chapter 14, of this manual entitled, *Quickbooks Interface*, for more information on this interface.

## **Interfacing with Other Systems Using a Standard ASCII File**

If a client is using some other accounting system, besides *Computer Checkbook* or *QuickBooks*, and that accounting system has the capability to create an ASCII file of its transactions, then there is a good possibility that transactions can be imported directly into the *PC Software Client Write Up System*. There are two options, one for "general ledger" transactions and one for "payroll transactions." They both operate identically, the only difference being the field names that can be interfaced. The use of the general ledger option is discussed in chapter 4, *The File Menu*, beginning page 4-20.

## **Various Transaction Entry Tools**

### **Repeating Transaction Entry**

This option allows entries that are repeated each month, quarter or even annually to be stored in the system for easy entry into the current period. This option is discussed in this chapter beginning on page 6-30.

### **Automatic Pro-Ration of Cost Center Entries**

This automatic pro-ration of cost center amounts can enhance accuracy and save lots of time. This option allows summary transactions for the entity as a whole to be entered into the system using the normal *General Ledger Transaction Entry Screen*. It also allows pro-ration percentages by cost center to be recorded in a special split transactions entry screen. The automatic feature then splits the summary transactions into the correct allocations for each cost center and enters those transactions while deleting the original summary transactions. This option is discussed in this chapter beginning on page 6-25.

## **Automatic Reversing Entries**

This automatic reversing feature allows transactions previously set up in this category to reverse themselves each accounting period. It works by indicating the transactions to be reversed with the AR1 Journal Code. In the next period, these transactions will be reversed by the automatic creation of a series of transactions having the AR2 Journal Code. There are no setup options required to activate this feature, just use the AR1 journal code for transactions that you wish to automatically reverse next period.

## **Automatic After-the-fact Payroll Journal Entries**

The system automatically generates the ledger entries from the after-the-fact payroll entries.

## **Automatic Duplication of Standard Payroll Checks**

The system has a powerful Standard Check feature which allows a paycheck that is usually the same from pay period to pay period for an employee to be repeated from the previous pay period on payroll transaction entry. This option is discussed in *Chapter 13, More About Payroll* beginning on page 13-31.

## **Automatic Duplication of Standard Disbursement Checks**

This system has a powerful Automatic General Ledger Transaction feature which allows commonly used vendor information to be remembered and duplicated on transactions for that vendor. This option is discussed in chapter 5, The Setup Pull Down Menu, beginning on page 5-42. This is also discussed in this chapter on page 6-18.

## **Automatic Payroll Accrual Entries**

The system automatically generates such entries as federal and state unemployment. If these accruals are desired, the account numbers are entered in the payroll setup options entitled Payroll Setup for federal accruals and State for state accruals. See *Chapter 13, More About Payroll* page 13-4 for federal unemployment and page 13-6 for state unemployment.

## **Automatic Corporate Tax Entries**

The system automatically accrues federal, state and local corporate taxes if desired. This option is discussed in chapter 5, The Setup Pull Down Menu, beginning on page 5-40.

## **Automatic Inventory Entries**

The system can automatically generate entries for inventory based on purchases, desired percentages, or physical inventories. This option is discussed in chapter 5, The Setup Pull Down Menu, beginning on page 5-35.

# Methods of Keying Transactions

The methods used to key transactions into the *PC Software Accounting Windows System* are designed to be straightforward and efficient. They are designed to make use of as many automatic and helpful features as possible.

## **Ledger Transactions** (which includes a link to After-The-Fact Payroll Transaction Entry)

This option is the mainline transaction entry program in the system for operators who are average typists. It is used to enter, change or delete ledger transactions in the *PC Software Windows Client Write Up System*. It has many special features that assist you in the entry and balancing of transactions. Ledger transactions are considered to be classic debit/credit accounting entries but not after-the-fact payroll entries. However, this option is directly linked to the after-the-fact payroll entry screen. Therefore the user may go back and forth between entering ledger transactions and after-the-fact payroll transactions. This option allows the entry of all journals for all accounts, thus disbursements, receipts, and journal entries related to any cash or other ledger account may be made from this option. This entry program is discussed in this chapter beginning on page 6-6.

## **Journal Entry**

This option is designed to enter high volume journal entries where a typical journal entry has a number of multiple sub entries. (i.e. 5, 10 or even 100 per reference number.) This entry should not be used to enter normal journal entries each month, since normal journal entries (i.e. mostly one debit and one credit or two to three entries per reference) are much easier to enter in either the Ledger Transaction option or in the Alternate GL Transaction option depending on which one you normally use. This entry program is discussed in this chapter beginning on page 6-14.

## **Alternate General Ledger Transaction Entry**

This option allows ledger and payroll transactions to be entered in high speed mode and for that reason is greatly preferred by above average or excellent typists. The advantage of this type of entry is that it is a much faster entry method than Ledger Transaction Entry for above average and excellent typists. The transactions that are entered into the system from this option will end up in exactly the same format as if they were entered into the system with the ledger transaction entry option described above. This entry program is described in this chapter beginning on page 6-16. Note that if you use this option for transaction entry, you still might want to use Ledger Transactions to change entries after the initial entry because it has better facilities for changing transactions.

## **Payroll Transactions**

This option directly accesses the entry of after-the-fact payroll transactions in the system. It is the same after-the-fact payroll option that is used in Ledger Transactions described above, but this option is more convenient if you are only entering or changing after-the-fact payroll transactions during an entry session. This entry program is discussed in this chapter beginning on page 6-20.

## Trial Balance Entry

This option allows transaction entry from a trial balance and can be used when the accountant is given a trial balance as input. It displays an existing trial balance of the client and allows the user to override figures. When the user completes their entry, the program calculates net change transactions and enters them into the system. This is a great method of initial entry for end of year processing or for beginning new clients from a midyear trial balance starting point. This option is generally also used to enter comparative figures for new clients as it is very efficient for that task. This option is further discussed on page 6-34 of this chapter.

# Detailed Discussion Of Options On The Transaction Pull Down Menu

## Ledger Transaction Entry

This option is the mainline transaction entry program in the system for average typists. It is used to enter, change or delete ledger transactions in the *PC Software Windows Client Write Up System*. It has many special features that assist you in the entry and balancing of transactions. "Ledger" transactions are considered to be classic debit/credit accounting entries but not after-the-fact payroll entries. However, this option is directly linked to the after-the-fact payroll entry screen. Therefore the user may go back and forth between entering ledger transactions and after-the-fact payroll transactions. This option allows the entry of all journals for all accounts, thus disbursements, receipts, and journal entries related to any cash or other ledger account may be made from this option. This option can be accessed with the Transactions pull-down menu then Ledger Transactions or directly by using the Transaction Entry Icon shown at the left. When this option is selected, the following screen will display:



General Ledger Transactions

Transaction: 25 Journal code: List Date: 05/31/05 Status: New

Account: List Amount:

Description: Reference: Day: 31

Current period only

Vendor ID: List Vendor Name:

Add new  Update

Reverse Prior Entry Debits: 0.00 Credits: 0.00 Balance: 0.00

Transaction	Journal	Account	Date	Amount	Description	Reference
-------------	---------	---------	------	--------	-------------	-----------

Ok Cancel Help Delete Print Close Journal notes Payroll Auto Cents

Create Automatic Balancing Cash Entry

The following pages discuss each field on this screen in detail.

## Transaction Number

The Transaction Number is a unique number assigned by the system to each transaction that is entered. The system numbers the first transaction number 1, the next, number 2, etc., etc. This is done so that each transaction has its own unique number which insures that it can be quickly accessed. (Other methods of accessing a transaction such as by check number or by some other combination of information sometimes causes problems particularly if you want to change the check number or other combination of information.) You never have to enter the *transaction number* on new entries and the cursor will not even go to that field. However, if you want to access an old transaction and you can not find it to click on it, then you may also enter its *transaction number* in the Transaction Number Field. (This process is further discussed when the Add New/Update button is discussed beginning on page 6-12) You will notice as you use the system, that the *transaction number* will be displayed next to the actual transaction on all report listings. Thus if a transaction needs to be changed, you can access the transaction using the *transaction number* off the listing.

There are some facts that you should know about *transaction numbers*. When you enter the initial balances for a client, these transactions will be numbered beginning with the number 1. Initial balances are entered and changed using the Setup pull-down menu then Account, and Initial Balances or in some cases, using the Trial Balance Entry feature. This is why the *transaction number* you first see when you enter the first ledger transaction into the system will not be number 1.

Another important thing to note concerning *transaction number* is that there are occasionally good reasons to renumber transactions. One good reason might be if you have been using the system for a number of years and have deleted large numbers of old transactions for periods that are no longer applicable and the current *transaction numbers* are so large that they are cumbersome. To renumber transactions use the Utilities pull-down menu then the Renumber Transactions option. Remember that if you do this, you cannot use an old listing of transactions, with old transaction numbers, to access transactions on the renumbered system. You would have to list the transactions again and use the new number to access that transaction. It is easy to find the transactions for the period you want because you can list the transactions by date. (Reports pull-down menu, then the File Listings option, then the Ledger Transactions option)

## Journal Code

The Journal Code is a code that can be up to three digits long. Valid *journal codes* may be viewed by clicking on the list box to the right of the Journal Code Entry Field. The purpose of the *journal code* is to segregate transactions by bank account and also by type of transaction. For example, many companies have two or more bank accounts. To illustrate how journal codes are used in this system, the following table shows the journal codes that could be used for a company with two bank accounts: (Note you would typically use the same GJ or other journal code for journal code entries.)

Type of Journal	Bank Account Number 1	Bank Account Number 2
Journal Code for Disbursements	CD1	CD2
Journal Code for Receipts	CR1	CR2
General Journal Entries	GJ	GJ

**Table 6-1:** Possible journal codes for a company with two bank accounts

Thus the first bank account's checks would have a *journal code* of CD1 and its deposits would have a *journal code* of CR1. The second bank account's checks would have a *journal code* of CD2 and its deposits a *journal code* of CR2.

Using *journal codes* such as these makes the system work much more efficiently. First, *journal codes* allow the segregation of different bank accounts and disbursements from receipts. (This is necessary to make the bank reconciliation feature work). Second, when you are looking for transaction entry errors, you can run a report by *journal code* called the journal report that will sort the checks and receipts in order by bank account and gives a total for each bank account. This makes finding omissions or a keying error much easier than if the transactions were not segregated.

This journal report can be run by accessing the **REPORTS** pull-down menu then **FILE LISTINGS, LEDGER TRANSACTIONS**, and then choosing the JOURNAL REPORT option. This is a very valuable report in this system.

The client write up system is shipped with many typical *journal codes* such as CD1, CD2, etc., already pre-set into the system. However, if you prefer to use some other journal codes besides the pre-set ones, you may easily do so. All you have to do is enter any other journal codes that you want to use into the system, using the **SETUP** pull-down menu then **SYSTEM, and JOURNAL CODES**. You should be aware that the system will automatically convert any *journal code* entered to all uppercase letters. This cuts down on the confusion that might be caused by similar *journal codes* not being equal, (i.e. CD and cd are not the same to a computer). You should also be aware that any *journal codes* that you enter into the system are available to all clients, which means that you don't have to re-enter the same *journal codes* for every client. The Journal Code Entry Screen appears as below:



Enter any *journal code* that you want and click to OK button to accept it. Repeat this process until you have all the journal codes that you need. Note that if you were entering transactions and noticed that you used the incorrect journal code and this incorrect journal code has been repeated into a large number of transactions, you can change the journal code quickly for all those transactions. This could be done en masse by accessing the Transactions pull-down menu then the Modify a Group of Transactions Option. This option lets you select a starting and ending *transaction number* and a replacement *journal code* and is further discussed on page 6-33.

## Date

The Date Field is used to indicate the date of the transaction. It will default to the end of the current period and if not changed, all transactions for that period will show with that date. If you want to date the transactions with the actual day of the transactions, you would not usually change the day on the date field but instead of that you would enter the actual day of the transactions in the day field which allows more convenient and faster entry of the individual day.

## Account

The Account Number Field allows you to enter the account number for this particular transaction. If you do not know the correct account number to use, click List to display the valid account numbers for this client.

An *Automatic General Ledger Transaction Key* can also be entered in the Account Number Field. This key is just the first few letters of the vendor's name. What this does is look up the vendor name and the account number for that vendor and place your cursor in the amount field. This is a great feature and you should give serious consideration to setting up all your disbursement transactions in this way. If you do this, then you will not have to enter the vendor's name and you will not have to code the checks for them to their general ledger account numbers because that information will already be on file in the Automatic General Ledger setup. This is done using **SETUP/ AUTOMATIC GENERAL LEDGER TRANSACTION** described in chapter 5, The Setup Pull Down Menu beginning on page 5-42. (This is also particularly valuable if you also want to keep 1099 records for a vendor as you can setup this option to also automatically capture 1099 amounts when you enter transactions to 1099 recipients.)

Another Account Number Field feature deals with cost centers. If you are using multiple cost centers and want to automatically pro-rate transactions to the centers, enter the account number with the suffix of 99 as in 610.99. After you finish entering the transactions with the suffix of 99, you can split them as desired. This is done by accessing the Transactions pull-down menu then Split Transactions by Center. If you want to split accounts more than one way, enter the first batch and then enter the percentages you want on this option and split them. Then enter the next batch of transactions into the ledger entry screen and then split them with using different percentages. (Pro-rating or splitting transactions by center is explained in more detail on page 6-25).

## Amount

The Amount Field allows you to enter the amount of the transaction, either as a debit or credit. A debit amount is entered with no sign. A credit amount needs to have a minus sign either before or after it.

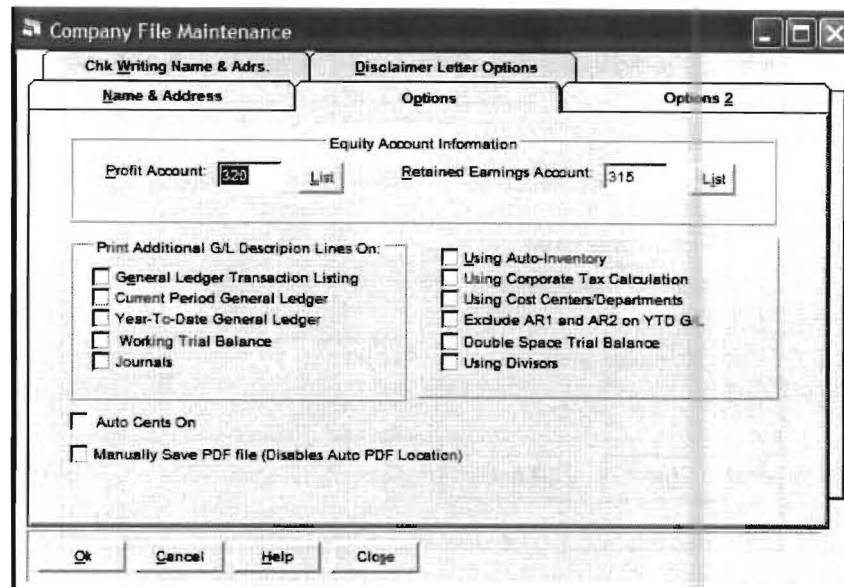
A special feature (Auto Cents) affects how you enter amounts in this field. If it is off, you must enter the amount with a decimal point. If it is on, the system will assume two decimal places for any amount entered. This feature can be turned on or off by clicking on the Auto Cents Button in the lower right part of the screen. Note that by accessing the Setup pull-down menu then Company and the Options2 Tab, you could set the *Auto Cents* to on or off and it would stay that way on your workstation unless you changed it.

There is another special feature you can take advantage of from the *amount field*. If you have a transaction for the same amount as the previous one except it is oppositely signed (i.e., If the previous transaction was a debit and this one will be a credit, or vice versa). Click on the Reverse Prior Entry Button after you enter the account number (or press Alt-V) and the system will automatically fill in the exact amount of the previous transaction in the amount field, but with the oppose sign. This is a good option for two sided journal entries that do not affect cash. (Note that the cash entries for disbursements or receipts are usually summarized rather than entered entry by entry which would be much slower.)

## Description

The description is typically the payee of the check or a notation concerning the transaction. Because many transactions have **multiple distributions** going to various accounts, there is a special feature incorporated into the system to facilitate this type of entry. If you place a period symbol . in the Description Field, the description from the previous transaction will duplicate as will the check number. This facilitates the rapid entry of multiple distribution checks or other types of multiple distribution transactions with the same reference number. This multiple distribution feature also provides a running total of the multiple distribution to help you make sure the individual distributions add up to the total check.

There is another special Description Field feature. You can activate it by pressing the **Journal Notes Button** on the bottom line of the screen. This will display a screen that allows you to enter virtually unlimited information on any transaction. This can be used to detail a transaction involving a fixed asset or the particulars of a loan, etc. These extra description lines can be printed or not on various reports based on your stated preference. Your preference can be set by accessing the Setup pull-down menu and then Company and then selecting the Options Tab. Set your preferences by checking where you want this information to print. The check boxes are shown below under the heading Print Additional G/L Description Lines On: (Note you can change your preferences at any time, for example, you might just want to print these entries when you are preparing reports to assist you in filling out a client's tax return.)



## Reference

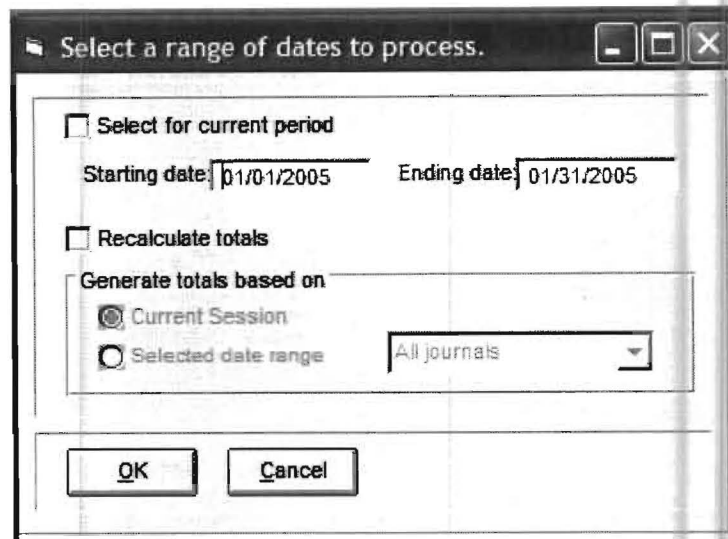
This is the Reference Number of the transaction which is usually the check number. The system automatically increments the *reference number* entered by one for each ensuing new transaction. Note that you should strongly consider referencing your debit memos beginning with DM as in DM1, DM2, DM3 and your credit memos with CM1, CM2, CM3 etc., because this will keep these entries separate which will help you reconcile. To help you do this, the DM1, DM2, DM3, etc references will automatically increment as will the CM1,CM2,CM3 etc credit memo entries. If you are using the Bank Reconciliation feature, it is recommended that you give deposit entries for a particular day a unique reference number. (i.e. All checks making up the first deposit for the month would have a reference number of 1. The next group of deposited checks would be 2. This way they will total to the deposit amount for that day and thus make it easier to reconcile to the monthly bank statement. Note: The overall offset to cash should have a reference number of DEP).

## Day

As discussed in the Date field description, this field allows you to enter the day of the month this transaction took place. If the *date field* is bypassed and the day is entered here, then the system will use this day and the month and year from the *date field* to date this transaction. This facilitates entering transactions with their actual transaction date rather than just a month end date.

## Current Period Only

This *checkbox* allows the user to implement two features. **The first allows the user to access and change transactions in a previous period without resetting the Current Reporting Period. The second feature is used to recalculate the automatic debit and credit totals that are produced on the screen for each session.** You can tell the system to total up the whole period (useful if entry was started previously and then interrupted) or to total by journal (which is useful to check out-of-balance conditions by bank account and type of transaction). When this *checkbox* is accessed, the following screen displays:



## Add New or Update

These *radio buttons* determine whether transactions that are entered are new entries or changes to previous entries. If Add New is enabled which is the default entry when you enter the Ledger Transaction option, then the *transaction number* is automatically generated and transactions entered are considered new. If update is enabled, the user can enter a *transaction number* that they wish to change. If the user clicks on a previously entered transaction that is shown on the bottom portion of the entry screen, the transaction will be brought to the top of the screen for the purposes of changing it and the update button will be automatically activated.

**When the user finishes changing that transaction, they will have to click on the Add New button to again be allowed to again enter new transactions. Likewise, if you are adding new transactions, and want to access a previous transaction by its transaction number, you have to click on the Update button so that you can enter the transaction number to change.**

## Vendor ID (1099 ID on some versions)

This Vendor ID is only used for one reason and that is to allow 1099 information to be captured on a general ledger screen instead of on a payroll screen. (Both entry methods work well or even a combination of both methods works well for the same 1099 recipient.) If you click on the List button to the right of the Vendor ID, you will see a list of valid Vendors ID's. If you want to use this feature, make sure you refer to chapter 5, the Setup Pull Down Menu beginning on page 5-35, and set up all 1099 vendors as Automatic General Ledger Transactions. In this way you will not forget to enter their vendor ID in this field and not capture their information for 1099 purposes. Long time users of this system or of the P.C. Software DOS Client Write Up System may wonder how this option will affect the old way that they have done 1099's through the After-the-fact Payroll Entry Screen. If a person is entered as a 1099 individual and gets after-the-fact checks from the *payroll entry screen*, these checks will show on the payroll summary under the 1099 section and the totals will be available at the end of the year. If you start using the vendor code on the *ledger entry screen*, an entry will show on the payroll summary from the ledger entry, provided that vendor is coded for a 1099. Any entries made in the past or future from the payroll screen will also show on the payroll summary. Either type of entry will add to the 1099 total.

Here are the differences between the two types of entries. Transactions entered using the Payroll Entry Screen will be considered payroll entries. They will generate general ledger transactions. Entries entered on the Ledger Entry Screen with a Vendor ID code will not show as payroll transactions because they are not payroll transactions. They will not generate ledger entries since they are already ledger transactions. But the ledger entries with a Vendor ID code for vendors coded as receiving a 1099 will appear on the payroll summary because they have been programmed to do so. All entries entered as vendor entries in the ledger will print on the vendor report regardless of whether or not the vendor is coded to receive a 1099. 1099 entries entered through payroll entry will not be printed on the vendor report. If you see an entry on the payroll summary report, you can determine its origin by the *transaction number*. It will have a P for payroll or an L for ledger preceding it. The P or L should not be included as part of the transaction number when accessing a transaction, they are there to show you where to look for a particular transaction. The P-entries must be changed on the A-T-F payroll screen; L entries must be changed on the ledger entry screen. There are two new listings that assist in implementing this feature.

This first listing will only print ledger transactions that have a non-blank vendor code so you may check them. This listing is available from **Reports, File Listings, and Ledger Transactions**. Choose Vendor Coded only. Any invalid vendor codes will be noted on the report. The second listing will be a vendor report. This report is accessed from **Reports, File Listings** and choosing the **Vendor** option. This report will print transactions that have been coded to vendors grouped by vendor.

## Previous Transaction Display

The most recently entered transactions are displayed at the bottom the ledger entry screen. Use the *scroll bar* to the right to of this section to display/access more entries. A special feature of the system allows you to access/change any of these transactions by clicking on them in lieu of keying in their transaction number in the Transaction Field. The mode is automatically set to *Update* so the transaction can be changed. **A very useful and extremely important feature of the system, allows you to click on any of the headings for these previously displayed transactions and the previously displayed transactions will be sorted in order of that heading.** For example, suppose you were looking for a transaction of a certain amount, say \$245.

Instead of scrolling through hundreds of transactions at random, looking for it, you could click on the Amount heading and all previously entered transactions for this period would be placed in high to low or low to high order (depending on how many times you click on the heading). Now you can quickly go to the place on the list where the \$245 transaction should be. You can sort by any heading by clicking on it. For example, if you click on the heading labeled Account, the transactions will be sorted in account number order and you can quickly find transactions to any particular account that you want to check or change. If you click on the Description heading, the transactions will be placed in alphabetical order by payee. To place transactions in check number order, click on the Reference heading. To place transactions back into the order that they were originally entered, click on the heading labeled Transaction. The correct use of this feature can save you much time and effort.

## Debit - Credit - Balance Fields

These fields keep a running total of the debits, credits and balance that have been entered since you started this session. As discussed, use the Current Period Only Check Box to recalculate these totals to include all transactions in the current period or to total them by journal code. This feature also allows recalculation of the totals for different situations for example by journal codes or by various date ranges.

## Print Button

This allows you to print or view the ledger transactions.

## Payroll Button

This button allows you to access the After-the-fact payroll Entry Screen. (The After-the-fact payroll entry screen also contains a button to return you to the General Ledger Transaction Entry Screen.) These buttons allow you to switch back and forth between the two entry screens as needed. The payroll entry screen is discussed in this chapter beginning on page 6-20.

## Journal Entries

While this is an important option it should not be used for the everyday entry of transactions. You should use the General Ledger Transaction Entry Screen for everyday transaction entry. This option is most commonly used to enter a transaction having multiple entries with the same reference number and all going to the same journal. (i.e.: In the old days, this option would be used to enter your classic end-of-year adjusting entries, all going to the AJE - Adjustment Journal). It could also be used if summary journal entries were provided by the client or composed by the accounting firm each accounting period. This option is accessed from the **Transactions** pull-down menu then **Journal Entries**. When this option is selected, the following screen will display:

Account	Account Description	Debits	Credits	Description	Memo

Totals: Debits: Credits: Difference:

Date Range: Start: 01/01/2005 End: 01/31/2005

Ok Cancel Help Remove Close Print Entries Enable Out Of Balance Warning

## Journal

The Journal Code is selected using the *drop down list* of available journal codes, entered into the system file using the Setup pull-down menu then System, and Journal Codes.

## Reference

The Reference Number you enter will be used for all entries on the screen. If you want to change the number you will have to start a whole new journal entry. Note, the system allows for an unlimited number of entries per *reference number*. If the screen fills don't worry, the system will just keep bringing up blank lines to allow you to keep adding entries under this *reference number*.

## Account

This is the general ledger account number for this particular transaction.

## Account Description

This is the account description found in the Chart of Accounts for the account number that was just entered.

## Debit-Credit Fields

Amounts may be entered in either the debit or credit column.

## Description

This is your description of the transaction.

## Memo

This is a memo you can enter concerning this transaction.

Note: Transactions entered from the *Journal Entry Screen*, have the exact same final format as transactions that are entered from the Ledger Transaction Entry Screen and can also be accessed from the *General Ledger Transaction Entry Screen*.

# Alternate GL Transaction Entry

This option allows ledger and payroll transactions to be entered in high speed mode and for that reason is greatly preferred by above average or excellent typists. The advantage to this type of entry is that it is a faster entry method than Ledger Transaction entry especially for above average or excellent typists. The transactions that are entered into the system from this option will end up in exactly the same format as if they were entered into the system with the ledger transaction entry option. The main field names such as account, amount, reference, description, etc. have the same meaning and format as the comparable field names that are used in Ledger Transaction Entry and are described on pages 6-5 to 6-14 of this chapter. Regardless of which program the transactions are entered from they are in identical format, they go to the same place, and they can be accessed later by either entry program. (By the way many experienced operators prefer to enter transactions with this option and change any transactions that need changing with the Ledger transactions option since it has better facilities for changing transactions than this one.) This option also accesses the same after-the-fact payroll screen as the Ledger Transaction Entry system. Once again, the main difference in this entry program is that is designed with for high speed entry. In this case, that means that instead of a whole screen being used to input a transaction, a single line is used. This screen is also designed to minimize going to fields that are not being used. When this option is selected the following screen will appear:

**General Ledger Transactions**

**Function Key Descriptions**  
F3 = Multiple Distributions  
F4 = Payroll  
F6 = OK the transaction  
F9 = List Journal Codes or Accounts  
F10 = Calculator (must be on amount field)  
F12 = Toggle Auto Vendor Lookup

Jnl Code: \_\_\_\_\_

Balance: \_\_\_\_\_ 0.00  
Net PR: \_\_\_\_\_ 0.00  
Hash totals: \_\_\_\_\_ .00

Acct Desc: \_\_\_\_\_

Tran #   Ref	Jnl	Date	Description	Acct	Amount

1 | \_\_\_\_\_ | 01/31/06 | \_\_\_\_\_ | \_\_\_\_\_ | \_\_\_\_\_

List List Multiple Dist.

Help Delete Payroll Close Create Auto GL Trans Journal notes Auto-Cents

Create Automatic Balancing Cash Entry Use Mouse Wheel

Notice the Function keys on the top left hand corner of the screen,

- F3' Multiple Distribution
- F4' Payroll
- F6' OK the Transaction
- F9' List Journal Codes or Accounts
- F10' Calculator
- F12' Toggle Auto Vendor Lookup



F3- the F3 function key allows you to switch into a multiple distribution mode without using the mouse to click on the multiple distribution button. This mode is designed to help you enter checks with multiple distributions (line items) into the system. Once the first distribution (or line item) of a check is entered normally, pressing this function key will duplicate the same check number, journal code, date and description and place the cursor into the account number field. You will only have to enter the account and amount of each distribution until you have completed entering all the line items. Notice that a subtotal is automatically displayed in the upper portion of the screen for any multiple distribution check once the second line item has been entered. To end multiple distribution mode, just press the F3 key again.

F4- the F4 function key allows you to switch back and forth between normal ledger entries and payroll entries without using the mouse to click on the payroll and G/L trans buttons.

F6- the F6 function key allows you to OK either a ledger or a payroll transaction without using the mouse or the Alt O keys simultaneously.

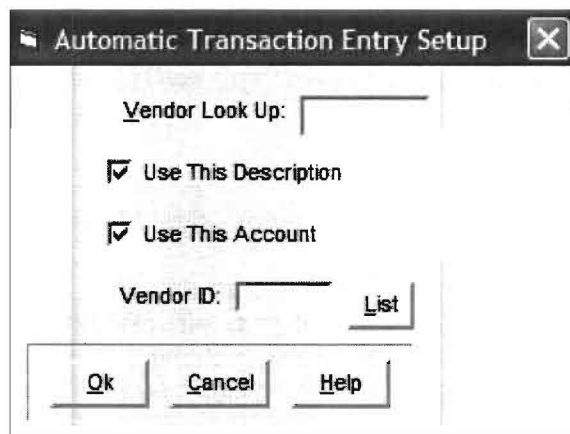
F9- the F9 function key allows you to list journal codes or account numbers if you are in the journal code or account number field without having to hit the list button.

F10- the F10 function key allows you to access the system calculator if you are in the amount field and this option will automatically place the result of the calculations in the amount field when you press the **OK** button.

F12- The F12 function key allows you to access the auto vendor lookup screen.

Now notice the fields on the top right hand portion of the screen. The **JNL CODE** field displays the current journal code that has been last entered during this session. The **BALANCE** field on this screen provides the net debit-credit balance of transactions that have been entered during the current session. The **NET PR** screen is a field that is not found on the Ledger Transactions Entry screen. It provides a total of the net of all paychecks that have been entered using the after-the-fact payroll screen during this session. Note that the same after-the-fact payroll screen used in the Ledger Transaction entry option is accessed with the **PAYROLL** button found on the lower left side of this screen. The **HASH TOTALS** field is a new field for this screen. It provides a total of all the account numbers that have been entered in this session as a cross check that they have been entered exactly as same as they are on the source documents. The **ACCOUNT DESCRIPTION** displays on top of this screen. This will reflect the chart of accounts description for whatever line is active during the entry of individual transactions.

Now look at the bottom of the screen. The headings for the individual transactions contain the same fields as the headings in the Ledger Transaction entry but they are in a different order and some of them are abbreviated for the purposes of spacing. Transactions are entered on the lowest line and entered transactions roll up into the center portion of the screen. Previously entered transactions may be accessed and changed by clicking on them. There is a **QUICK ENTRY** button, that you can check. If you check it, the cursor will skip directly to the account field and you will only be prompted for **ACCOUNT AND AMOUNT** on each transaction. (Note: you may also use quick entry to be prompted only for **DESCRIPTION, ACCOUNT AND AMOUNT**. To do this you also have to select Company Setup, and then options 2 and designate that this is what you want to do on quick entry.) If you use either variation of quick entry and if you wish to access another field because it has changed, you will have to click on it. There is another button on the bottom of this screen. It is the **CREATE AUTO GL TRANS** button. This button will create an automatic transaction for the description and the account number. This would usually be used to memorize a vendor. If you click on this button with an active transaction, a window will pop up on the top of the screen that appears as follows:



You could now enter a vendor look up code, (ie: the first few letters of the vendors name and the transaction would be permanently memorized with this vendor look up code).

Once this has been done, and another check comes up for that vendor, you can just key in the same vendor lookup code into the description field and the vendor name will be looked up, the account number added if you specified that, and the cursor will be placed in the amount field.

The individual fields on the Alternate GL Transaction Entry screen for each transaction are shown below and comments as to their use in this option are given.

**TRAN #** - This is the same transaction number as in the Ledger Transaction Entry option that is entitled **TRANSACTION NUMBER** (see page 6-7). Previous Transactions may be entered by keying in the Transaction number of the previous Transaction. These transaction numbers of previously entered transactions can be viewed or printed on all detailed reports that contain transactions.

**REF** - This is same reference number as in the Ledger Transaction Entry option that is entitled **REFERENCE** (see page 6-11). If it is numeric, it will automatically increment by one just like in the other system. You can either key in a new reference or you may use the spin button below it to increase or decrease it. If you wish to access it to change it for some reason you have to click on it. If you wish to enter a multiple distribution and keep the reference number the same, enter a . in the reference field. This will duplicate the previous reference number and begin to accumulate a multiple distribution total. This total will pop up on the top of the screen with caption total for reference and have an associated amount.

**JNL** - This is the same Journal Code as in the Ledger Transaction Entry option that is entitled **JOURNAL CODE** (see page 6-7). To duplicate the previous journal code, just press the enter key. Note that there is a LIST button to check journal codes that are set up in the system or to select one from the existing list.

**DATE** - This is the same **DATE** as in the Ledger Transaction Entry option that is entitled **DATE** (see page 6-9). There is no **DAY** field in this option, but the day may be easily changed with the spin button located directly below it. To duplicate the previous **DATE**, just press the enter key.

**DESCRIPTION** - This is the same **DESCRIPTION** as in the Ledger Transaction Entry option that is entitled **DESCRIPTION** (see page 6-10). To duplicate the previous description, just press the enter key. If you wish to use an Automatic Transaction Look up Key to look up a memorized vendor, enter the Look Up Key in this field.

**ACCT**- This is the same account number as in the Ledger Transaction Entry option that is entitled **ACCOUNT** (see page 6-9). To duplicate the previous account number, just press the enter key.

**AMT** - This is the same amount field as in the Ledger Transaction Entry option that is entitled **AMOUNT** (see page 6-10). The amount must be entered. If you press the enter key without entering a transaction, the amount will be entered as a zero.

Note that the Journal Notes accesses the same Journal Notes screen that the Ledger Transactions Entry option accesses. The function of this screen is described on page 6-10.

# After-the-fact Payroll Transaction Entry

This option is used to enter, change or delete after-the-fact payroll transactions in the *PC Software Windows Client Write Up System*. After-the-fact payroll entries can only be entered using this option. This option may be directly accessed from the Transactions pull-down menu then Payroll Transactions or by clicking on the Transaction Entry Icon shown to the left and then clicking the Payroll Button on the lower part of the ledger entry screen. (Since ledger and after-the-fact payroll screens are linked). When this option is selected, the following screen will display:



Transaction:	Check:	Employee ID:	Status:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Name:	Date:	Center:	Unemp State:
<input type="text"/>	01/31/05	<input type="text"/>	<input type="text"/>

Additions	Account	Amount

Deductions	Account	Amount

Notations	Account	Amount

Employer paid items	Account	Amount

Account	Amount
	0.00

Buttons: OK, Cancel, Help, Delete, Close, List, GL Trans, Auto Cents

Memo:

Make Std Check

## Transaction

The Transaction Number is a unique number assigned by the system to each transaction that is entered. The system numbers the first transaction number 1 and the next number 2, etc. It does this so that each transaction can be quickly accessed by that number. (Other methods of accessing a transaction such as check number or some other combination of information sometimes causes problems particularly if you want to change the check number or other combination of information.) You never have to enter the *transaction number* on new entries as the cursor will not go to that field. However, if you want to access an existing transaction, there are a number of ways to do this. The first is by finding its transaction number. You may obtain any transaction number by first printing (or viewing) the transactions for a particular period as all payroll reports with detailed information will have a transaction number for each transaction. Once you have the transaction number, you can just key it into the Transaction number field and that payroll transaction will be accessed. If you do not already have a specific report as a reference and a transaction number that you want to change, you can also access payroll transactions by clicking on the List button next to the *Transaction Number Field*. This allows you to view all the checks that have been written in this period or if you have large numbers of transactions, you can click on the employee button and isolate the transactions for a single employee.

Once you see the check you want to access, you can click on it and it will become the active check so you can change it. You can print the payroll transactions from the Print button on this screen or from the Reports pull-down menu then File Listings, and Payroll Transactions. Throughout the system other payroll transactions listings such as the Payroll Summary Report also show the transaction numbers of individual transactions. This *transaction number* for payroll is independent of the *transaction number* in the ledger entry screen. The *transaction numbers* for each set of transactions (ledger and after-the-fact payroll) start with the number one and proceed from there. Occasionally, there are good reasons to renumber transactions. One good reason might be if you have been using the system for a number of years and have deleted large numbers of old transactions for periods that are no longer applicable and current transaction numbers are so large that they are cumbersome to use. To renumber transactions select the Utilities pull-down menu and then select the Renumber Transactions option. Remember, if you do this, you could not use an old listing of transactions with old transaction numbers to access transactions on the renumbered system. You would have to list the transactions again and use the new number to access those transactions. It is always easy to find the transactions for the period you want because you can list the transactions by date (Reports pull-down menu then the File Listings option then Payroll Transactions). Then you can find any specific transaction that needs to be changed by examining the report and getting its transaction number.

Note: The only way to access previously entered payroll transactions on this screen is by *Transaction Number* or by using the *List Button*. They cannot be accessed by keying in the check number into the check number screen.

## Current

The Current Check Box tells the system in what period the payroll transactions can be entered or changed. If this box is checked, then only after-the-fact payroll transactions from the current period may be entered. If the box is unchecked, then transactions from any previous periods may also be accessed and changed.

## Check

The Check Field is where you enter the check number of a particular payroll transaction.

Note: The program will automatically increment the check number by one to make the normal entries easier. (The program also increments the check number by one when it goes between the ledger entry screen and the payroll entry screen.)

## Employee ID

The system needs to know which employee this transaction is for, and the Employee ID Field is used for this purpose. Remember, the employee should have already been entered in the system using the Setup pull-down menu then Payroll, and Employee/Vendor or by clicking on the Employee File Maintenance Icon, shown to the left. A list of valid employees may be viewed by pressing the List button to the right of the *Employee ID field*. The list will be either in Employee ID number sequence or alphabetic sequence by last name depending on your previous choice. This preference is set on the Employee File Maintenance Screen using the List Button next to the *Employee ID Field*. Note that you can also enter the first letter or the first few letters of the employee's first or last name to access an employee.



## Date

The date of the check is entered here. You may use the *Spin Buttons* at the end of this field to change the date if you wish.

## Center

### The Employee's Check Itself

If the employee's company is using the *multiple cost center feature* and this check should be applied to one of those centers not just for the gross pay but for other payroll items as well such as federal and FICA withholding, then enter the correct center number here. This will change the normal accounts that were set up for this employee in their STANDARD CHECK to the accounts specified for that center that were previously setup using SETUP pull-down menu then COST CENTER DEPARTMENT, then COST CENTER and then the PAYROLL OVERRIDES Tab. These accounts will then show on this paycheck. **(If the employees check just needs to be distributed to the different center's salary account and not to other center's accounts for such items as the federal and FICA liability, then just leave the center field blank, and change the gross account from its normal default on the screen to the correct account for this check.)**

### Company Accruals if Set Up

If you have also setup the client for matching payroll accruals using SETUP/ PAYROLL/ PAYROLL SETUP and the OPTIONS AND TAB STOPS tab, then the the Transaction Preparation (which creates the payroll accrual entries) will first look for the existence of an account number tied to the specified cost center, before it makes the automatic accrual entry. Here is an example:

Federal Unemployment Accounts in the Chart of Accounts for this client

Acct	Desc	Consol.
227	Fed Unempl.	227.20
227.10	Fed Unempl.	
227.20	Fed Unempl.	

The Federal Unemployment credit posting account has been entered as 227.10 on the PAYROLL SETUP/ OPTIONS AND TAB STOPS Tab. During Transaction Preparation, a payroll transaction is found with the cost center of 20 because the employees normal cost center has been overridden by the entry of a 20 in Cost Center on the payroll transaction. Here is how the system will work. The system will first check to see if account 227.20 exists. It does in this case, and therefore, the unemployment accrual liability will be posted to that account. If account number 227.20 had not existed, the unemployment accrual liability would have been posted to the designated account in Payroll Setup of 227.10.

## Unemployment State

This is the state that the wages for this transaction will apply for unemployment purposes. Each employee should have a default state for unemployment designated on their employee screen. This can be overridden when necessary.

## Additions, Deductions, Notations, Employer Paid Items

The next four sections of the screen are called Additions, Deductions, Notations, and Employer Paid Items. They show the components making up the payroll check for this employee. These items are setup using Setup, Payroll, Employee/Vendor. If any item needs to be added or changed, the user must return to Setup, Payroll, Employee/Vendor. (Setup of these items is discussed in *chapter 13. More about Payroll*, beginning on page 13-1). Each addition, deduction, notation or employer-paid item has a field for a description and an amount. There are also account numbers on additions and deductions. The account numbers that automatically show up on a payroll transaction come directly from the employee setup, Standard Check screen.

You can check the *Payroll Items* and accounts that are currently setup for an employee by accessing Setup, Payroll, Employee/Vendor and taking the Standard Check Option. A screen similar to this sample screen for James Smith will appear:

Employee File Maintenance

Employee ID:  List James Michael Smith Status: Active

Use this record as default (standard new employee settings)

Basic information  Items  Standard Check  Employee/Vendor Memo

Code	Name	Account	Account Name	Amount
GAGRO	GA GROSS	465	Salaries	0.00

Additions  
 Deductions  
 Notations  
 Employer Paid Items

List List Update Item Posting Accounts

Net	Account	Account Name	Amount
	110	Cash in Checking	0.00

Ok Cancel Help Delete Close

Find Next Available Employee ID  
Employee ID Starting Point:

This is where default account numbers are entered for each item on the employee's payroll check. Note that even though the default account number is set on the standard check screen for an employee, as it must be, it can always be overridden on any particular item on any payroll transaction and will stay with that transaction permanently until it is changed. This is necessary so that an employee's wages of other additions or deductions may be placed in different accounts in the general ledger if they work in other than the default account and changing them to a different account number is desired.

The Standard Check Option also allows the system to recall the normal paycheck that an individual receives. Many employees get the same paycheck weekly, or from period to period. If this is the case, the amounts for the various payroll items should be entered under the *Standard Check Option*. Later when you enter this employee's number into the system on a payroll transaction, the standard check amounts will automatically display and will only need your approval. Since the check number and the date carry over from previous transactions, this makes for very fast entry of payroll transactions.

There are some other special features that can be used in this section of the after-the-fact payroll entry which concern the calculation of FICA. They may be setup under Setup, Payroll, and selecting Payroll Setup and further looking on the General Tab. Here are the options:

If Auto FICA Fix is selected, the system will automatically calculate the correct FICA and if the entry for FICA differs from this amount, the system will put the correct entry in FICA and adjust the difference to federal withholding. If Correct YTD FICA on Payroll Transaction Entry is selected, the system will look at all the employee's transactions for the year and make sure FICA is the correct amount. It will make adjustments to FICA to correct the amount if it needs to and adjust the difference to federal withholding. This situation commonly occurs if the client is new to the system and mistakes have been made on their previous FICA calculations. If selected the last option will Prevent FICA Recalculations from being made on a standard check. (This might be needed if an employee has two jobs and has or will exceed the FICA maximum). If the box is not checked, standard checks will be handled in the same way as other checks depending on the choices made for *Auto FICA Fix* and *Correct YTD FICA on Payroll Transaction Entry*.

## Net

The last item on this screen is the Net check. This amount is automatically calculated based on the entries that have been made above provided the checkbox on SETUP/ PAYROLL/ PAYROLL SETUP/ OPTIONS AND TAB STOPS labeled On Payroll Trans Entry, Use Net Calculation is checked. Checking the calculated amount with the net amount that appears on the check provides a confirmation that the entries have been made correctly. The account number on the net check comes from the entry made in the employee setup using Setup, Payroll, Employee/Vendor.

## List

This button allows the listing of previously entered payroll transactions.

## G/L Trans

This button switches you to the General Ledger Entry Screen.



# Split Transactions by Center

This option is used to automatically pro-rate center or split cost center transactions. First, you must be using cost centers and have them set up as explained in *Chapter 11, Cost Center* beginning on page 11-1. Second, you must enter the transactions to pro-rate or split into the General Ledger Transaction Entry Screen. These transactions are entered for the total amount to be pro-rated with a center number of "99" (reserved for this purpose). The 99 center number must be in positions 5 and 6 of the account number, (i.e., 610.99 or 623099 would be valid entries whereas 61099 would not). This option will only work if center transactions to be split were entered with Center #99 on the *General Ledger Entry Screen*. Once you have entered the transactions that you wish to be split into the general ledger entry screen, you should take this option, Split Transactions By Center, to actually split or pro-rate them. When this option is taken a screen similar to this one, which has sample data already entered, will display:

Center	Name	Percent
10	First Location	25
20	Second Location	25
30	Third Location	25
40	Fourth Location	25

The centers you have setup will be displayed. (i.e. Centers 10,20,30 and 40). Enter the pro-ration percentage desired. The screen shown above already displays a 25% split for each center.

You should enter the percentages as whole numbers (i.e., 25 for 25%.) Note: The system will prevent you from leaving the entry screen unless the percentages total 100%. As a convenience the total is shown on the top of the screen.

When the percentages total 100% and you accept the screen with the OK button, the transactions will be pro-rated and added to the transaction entry file. The original whole amount transactions to center 99 will be deleted.

Note: You might have more than one set of percentages needed for a company. The way you do this is to enter the transactions that should be split by the first set of percentages using the *General Ledger Transaction Entry Screen* and then take this option which will pro-rate the first group of transactions. Then go back to the *General Ledger Transaction Entry Screen* and enter the next set of transactions that should be split using a different set of percentages. Return to this option and split the new transactions by the second set of percentages. This may be done as many times as needed until all the transactions are pro-rated.

## Bank Reconciliation

The purpose of this option is to provide a bank reconciliation feature that is accurate, easy to use and provides professional reporting. This option is discussed in *Chapter 10, Bank Reconciliation*, beginning on page 10-1.

## Debit-Credit Check

The purpose of this option is to allow the user to check the total debits and credits of various segments of data that make up the system. To access this option either click on the Debit-Credit Icon shown to the left or use the Transaction Pull-down menu and then select Debit-Credit check. When this option is taken a screen similar to the following will display:



Activity			
Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	0.00	0.00	0.00
Alternate Accounting Basis	0.00	0.00	0.00

Current Period Initial Balances			
Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	28,619.21	28,619.21	0.00
Alternate Accounting Basis	0.00	0.00	0.00

Fiscal Year Initial Balances			
Accounting Basis	Debits	Credits	Difference
Default Accounting Basis	28,619.21	28,619.21	0.00
Alternate Accounting Basis	0.00	0.00	0.00

Help	Close
------	-------

The Activity part of the screen displays the total debits and credits for the current period transactions. The Current Period Initial Balances part of the screen displays the current period's initial debits and credits and the Fiscal Year Initial Balances part of the screen displays the fiscal year's initial debits and credits.



# Delete a Group of Transactions

This option allows the user to delete a group of transactions at one time. It is a convenient option if a large number of transactions are inadvertently duplicated or are otherwise entered in error. When this option is selected, the following screen will display:

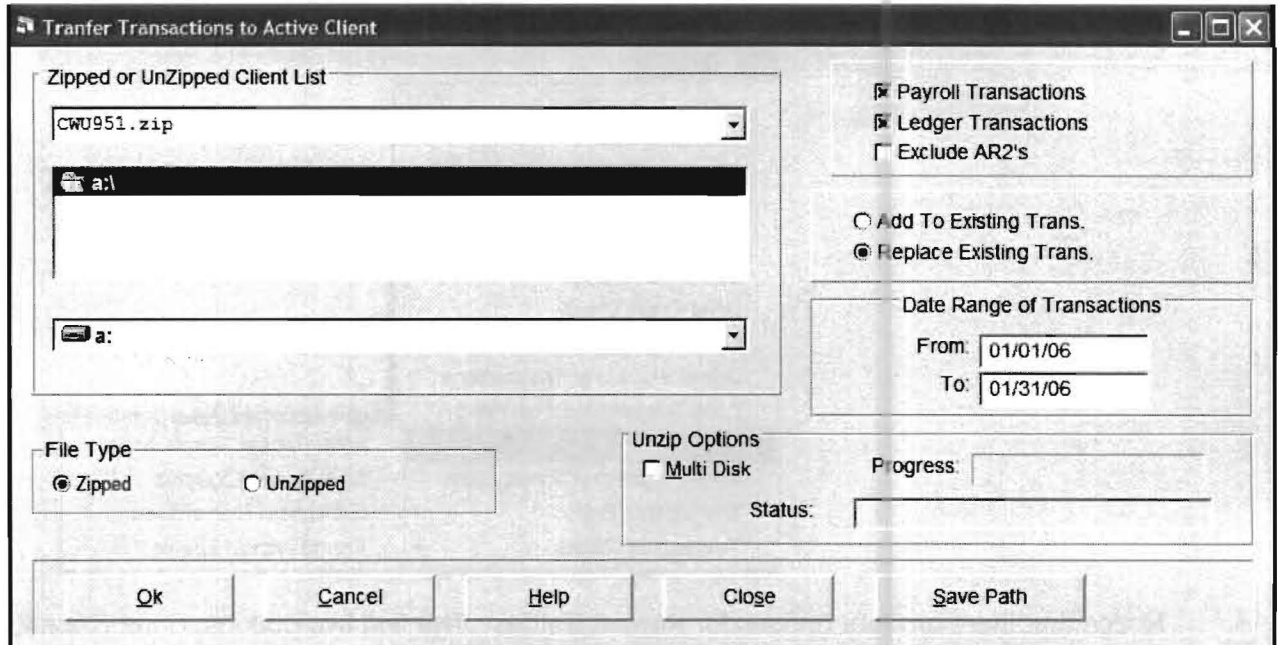
The screenshot shows a dialog box titled "Delete A Group of Transactions". At the top, under "Transactions To Delete", there are two radio buttons: "General Ledger" (which is selected) and "Payroll". Below this, there are two sections for transaction ranges. The first section, "General Ledger Transaction Range", has two input fields for "Starting GL Transaction Number" and "Ending GL Transaction Number", and a "List GL Trans" button. The second section, "Payroll Transaction Range", has two input fields for "Starting PR Transaction Number" and "Ending PR Transaction Number", and a "List PR Trans" button. At the bottom of the dialog are four buttons: "Ok", "Cancel", "Help", and "Close".

This option allows both general ledger and after-the-fact payroll transactions to be displayed for verification and then deleted as a group. Only one type of transaction can be deleted at a time. The *radio buttons* on the top of the screen allows the user to choose the type of transactions that they wish to delete with the default being general ledger transactions. Transactions are deleted by *transaction number*. After the user has verified which *transaction numbers* should be deleted by using the appropriate List Button, the first and last *transaction numbers* of any group should be entered and accepted with the OK button. This will delete the transactions.

Note: This option will not automatically renumber the remaining transactions. They will still have the same *transaction numbers* as before so that you can continue you use your old listing to find the transactions. If you desire to renumber the remaining transactions go to the Utilities pull-down menu and then select the Transaction Utilities option and then select Renumber Transactions.

# Copy Transactions from Floppy

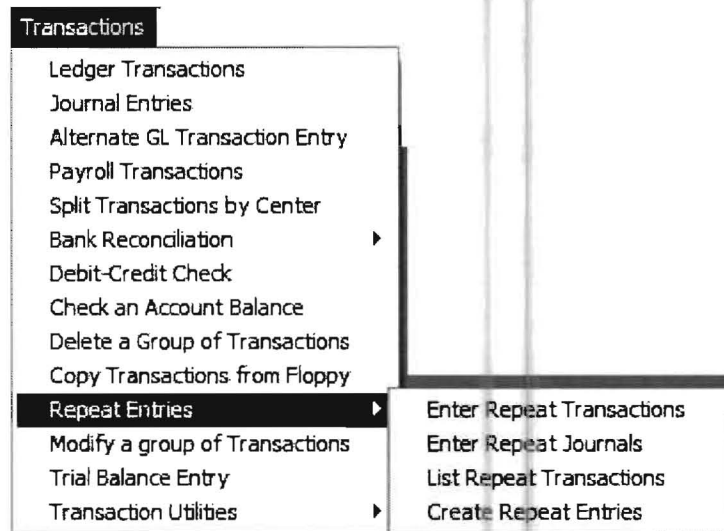
The purpose of this option is to transfer transactions from diskette to the active client. The diskette has to contain a complete client. Furthermore the diskette has to contain a zipped file which must have been produced by either the *PC Software Windows Client Write-Up System* or *PC Software Windows Computer Checkbook System* using either the Copy a Client Icon (shown to the left) or the simple or advanced copy client function. These options are accessible from the File pull-down menu under Copy. Place a diskette in the drive and select the option. The following screen will display:



The user has to highlight the client file (in this case client #951, which will only appear if the client data is on an inserted diskette) and select the desired options. If the client takes more than one diskette, the Multi-Disk Unzip option must be selected. When the desired options have been selected, click OK and the transfer will occur.

# Repeating Entries: G/L Transactions

Repeating general ledger transactions are typically journal entries that are repeated each month such as depreciation entries. Once these entries are entered into the system they may be changed or listed at any time. These entries should be coded by *journal code* if there is more than one possible repeating cycle. For example, you might have one set of entries that repeats each month and one set that repeats each quarter. Using different *journal codes* for these two different cycles will allow you to select the appropriate set and place it in a certain period. To select this feature, use the Transactions pull-down menu and then select Repeat Entries. The sub-menu will display as shown:



Notice that there are four options for Repeat Entries. The first two options, Enter Repeat Transactions and Enter Repeat Journals may be used to enter repeat transactions. The Enter Repeat Transaction's Entry Screen has the same format as the *Ledger Transaction screen* and would be used for normal entries. The Enter Repeat Journals would be used to enter your repeat transactions in *journal entry format*.

Once you have entered the repeat transactions using the appropriate entry format or using both formats, you can then list them using the List Repeat Transactions option or enter them into any desired period by creating them with the Create Repeat Entries option. Note: Repeating entries are not automatically duplicated each month as in the *PC Software Accounting DOS System* because there is no single closing to signal the system that these entries should be generated. The *Create Repeat Entries* must be selected to add them into a period. When Enter Repeat Transactions is selected, the following screen will display:

Repeat Transactions

Transaction: [ ] Journal code: [ ] List Date: 01/31/05 Status: New

Account: [ ] List Amount: [ ]

Description: [ ] Reference: [ ] Day: [ ]

Current period only

Vendor ID: [ ] List Vendor Name: [ ]

Add new  Update

Reverse Prior Entry Debits: 0.00 Credits: 0.00 Balance: 0.00

Transaction	Journal	Account	Date	Amount	Description	Reference

Ok Cancel Help Delete Print Close Journal notes Payroll Auto Cents

Create Automatic Balancing Cash Entry

The Repeat Transaction Entry Screen has the same format as the *General Ledger Entry Screen*. However, the transactions entered on this screen are kept in a special location, totally separate from the normal ledger transactions until you run the Create Repeating Entries option. Enter your repeat transactions as you would any other transactions, remembering to use different *journal codes* for each different repeating cycle. The next entry option in the repeat transactions sub menu allows you to enter transactions in the *Journal Entry format* although in most cases, this option will never be used as all repeating transactions are usually entered with the ledger format described above.

This screen has the same format as the *Journal Entry Screen*. Any repeating entries made here will also be kept separate from other journal entries made. These entries may be listed or used to create new entries into any period you desire. The List Repeat Transactions options lists the repeating transactions in the same manner as ledger transactions are listed. The option Create Repeat Entries actually places the repeating entries you have entered into any particular period that you wish. When this option is chosen, the following screen will display:

**Create Repeat Entries**

Repeat ALL Journals  
 Select Journals to Repeat

Add To Existing Repeat Entries  
 Replace Existing Repeat Entries

**Date Range of Transactions**

From: 01/01/05  
To: 01/31/05

OK Help Close

This screen provides the flexibility to place any repeat transactions into any period, with the default being the *Current Period*. You may Repeat All Journals or Select Journals to Repeat by *journal code*, Add to Existing Repeat Entries in a period or Replace Existing Repeat Entries for that period. You may also add the repeat entries to any period you select. Repeat entries will always be created with the date of the reporting period. The Date Range of Transactions function is to identify transactions that need to be deleted if you choose the *Replace* option. After you have made the desired selections, you may generate the entries using the OK button.



# Modify Groups of Transactions

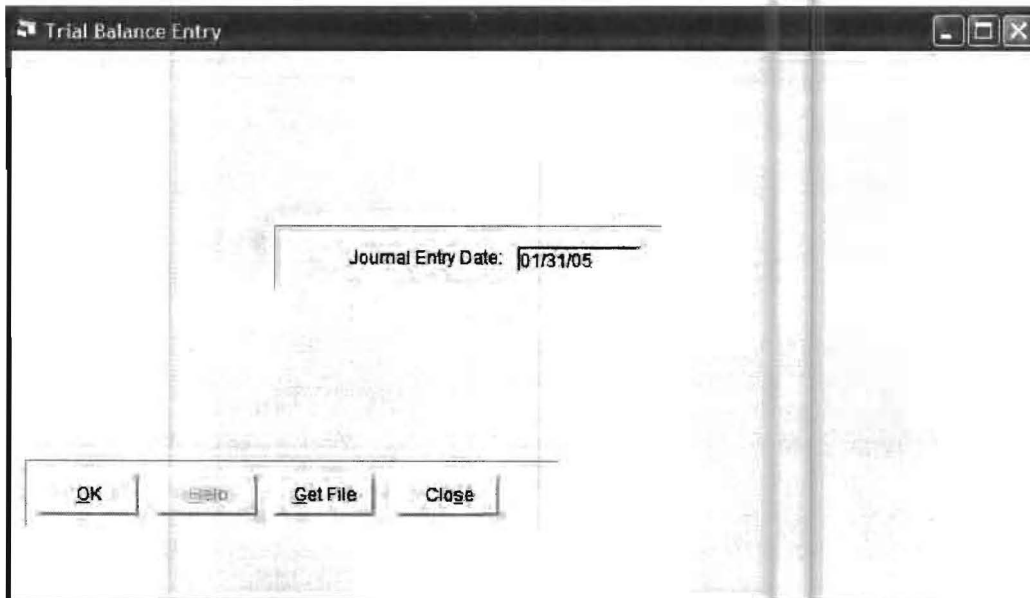
This option allows the quick modification of transactions when an error has been made. When this option is selected, the following screen will display:

The screenshot shows a window titled "Modify A Group of Transactions". The window is divided into three main sections. The top section, "General Ledger Transaction Range", contains two input fields: "Starting GL Transaction Number" and "Ending GL Transaction Number". To the right of these fields is a button labeled "List GL Trans". The middle section, "Change Date", is split into two sub-sections. The left sub-section, "Change Date", has three checkboxes: "Month:", "Day:", and "Year:", each followed by an input field. The right sub-section, "Change Journal Code", has a checkbox labeled "Journal Code" followed by an input field, and a button labeled "List". The bottom section contains four buttons: "Ok", "Cancel", "Help", and "Close".

The General Ledger Transaction Range section of the screen allows you to enter a single *transaction number* of a group of numbers to modify. The Change Date section allows the date and *journal code* to be changed for a group of transactions at the same time. Once the *transaction numbers* to be corrected are verified, enter the information and accept the screen with the OK button. The best way to get the affected transaction numbers is to access **Reports, File Listings, Ledger Transactions**, and print the transactions in transaction number order which is done by using the first option on the screen entitled "List General Ledger Transactions" which is the default entry when you enter this option. The key to modifying transactions is to get ranges of numbers from this report that are continuous so you can make accurate changes quickly. Although this option can be a great timesaver, it can also cause loss of data if you enter wrong starting and ending transaction numbers so be very careful!

# Trial Balance Entry

This option allows transaction entry from a trial balance and is designed to be used when the accountant is given a trial balance as input. It should also be used to enter historical balances for comparative statements. Historical comparative balances should be entered this way and the Setup Initial Balance Entry Screen should not be used at all for clients with this situation. The Trial Balance Entry Screen displays an existing trial balance of the client and allows the user to override figures. When the user completes their entry, the program calculates net change transactions and enters them into the system. This is an efficient method of initial entry for end-of-year processing or for beginning new clients from a trial balance starting point. When this option is selected, a "transaction preparation" screen that allows any existing transactions to be posted might display depending on the status of the client's existing data. Choose to complete the transaction preparation. The following screen will then display:



Once the OK button is accepted, the screen on the following page will display:

Account description	Account	Debits	Credits
Cash in Checking	110	2,044.71	0.00
Cash in Savings	120	3,000.00	0.00
Accounts Receivable	130	2,425.00	0.00
Prepaid Expense	140	300.00	0.00
Automobile	160	14,559.65	0.00
Computer	180	3,250.00	0.00
Furniture	190	4,242.00	0.00
Less: Accum. Depreciation	195	0.00	6,235.14
Accounts Payable	220	0.00	1,875.34
Federal WH Payable	222	0.00	234.30
FICA Tax Payable	223	0.00	160.65
<b>Totals</b>		<b>32,880.84</b>	<b>32,880.84</b>
		<b>Difference</b>	<b>0.00</b>

Buttons: OK, Close, Cancel, Help, Print, Zero All Balances

This screen shows the current trial balance for the active client. A new trial balance may now be entered. After the entries are made and the OK button is accepted, the system will generate net change entries based on the old and new trial balances. The system will make these entries with a TBE *journal code*. You might have to enter the TBE *journal code* into your system using the Setup pull-down menu then System, and Journal Codes if you had the system before this feature was added.

## Transaction Utilities

This option will display the following sub-menu:

Transactions	
Ledger Transactions	
Journal Entries	
Alternate GL Transaction Entry	
Payroll Transactions	
Split Transactions by Center	
Bank Reconciliation	▶
Debit-Credit Check	
Check an Account Balance	
Delete a Group of Transactions	
Copy Transactions from Floppy	
Repeat Entries	▶
Modify a group of Transactions	
Trial Balance Entry	
<b>Transaction Utilities</b>	▶
	Remove Duplicate Transactions
	Compress GL Transactions
	Renumber Transactions
	FICA/Medicare Diagnostic
	Misc GL Trans Utilities
	Delete A Group Of Trans History
	Add Missing Vendor ID's
	Assign Vendor ID to GL Transaction(s)
	Search/Print GL Transactions

The options on this menu provide a wide variety of utility programs that will occasionally be very helpful to the user.

These options are fully explained in chapter 8, entitled the Utility Menu beginning on page 8.2.

This concludes the discussion of the Transaction pull down menu.