
Month-end Procedures

Table of Contents

Chapter 1: Month-end Procedures Overview	797
Reviewing and printing your trial balance	797
Reviewing and adjusting budgets	797
Reviewing cash flow	798
Reviewing items' order status	798
Purging information that's no longer needed	799
Reconciling chebank accounts	801
Paying PAYE and NIC's	804
Other month-end procedures	805
Closing accounting periods	806
 Chapter 2: Reviewing your trial balance	 807
To print a trial balance (or nominal ledger)	807
To review your trial balance	808
 Chapter 3: Reviewing and adjusting budgets	 809
To print a balance sheet or P&L for budget analysis	809
To review your budget	809
To change a budgeted amount	811
 Chapter 4: Reviewing cash flow	 812
To review cash flow	812
 Chapter 5: Reviewing items' order status	 814
To review your items' order status	814
 Chapter 6: Purging information that's no longer needed	 815
To purge closed invoices	815
To view purged information in the Sales Journal-if you purged detail only	816

To purge closed purchases	817
To view purged information in the Purchases Journal-if you purged detail only	818
To purge journal entries	818
To purge activity slips	819
To purge business contacts	820
Chapter 7: Reconciling accounts	822
To reconcile an account	822
To reconcile an account for the first time using Accounting Plus	825
Chapter 8: Using statements downloaded from the Internet	827
To match an unmatched statement transaction with an uncleared recorded transaction	827
To record an unmatched statement transaction as a new transaction and automatically clear it	828
Chapter 9: Paying PAYE and NIC's	829
To print the Employer's Payment Record Report	829
To complete Inland Revenue Form P30B (Monthly Payslip)	829
Chapter 10: Closing accounting periods	831
To close an accounting period	831

Chapter 1

Month-end Procedures Overview

Month-end procedures usually are performed at the end of every month, but they can be done at any time during the month. The key to success is to perform these tasks regularly. Some tasks need to be performed at a specified time every month. Consult your accountant if you're unsure which of these tasks are required for your business.

Reviewing and printing your trial balance

Reviewing a trial balance report—also known to accountants as a *nominal ledger*—regularly is an optional month-end task, but it can make your job easier in the future. If you regularly review your trial balance, you'll spot incorrectly recorded amounts quickly and will be able to fix them without much effort. If you decide to skip this procedure, however, and an error appears, you may find yourself sifting through several month's worth of transactions trying to find the one that's incorrect.

See the following step-by-step procedures:

“To print a trial balance (or nominal ledger)” on page 807

“To review your trial balance” on page 808

Reviewing and adjusting budgets

Reviewing the monthly amounts you've budgeted for your accounts will help you keep your fingers on the pulse of your business. The best way to do this in Accounting Plus is to consult a special balance sheet, called the Analyse Balance Sheet, that's designed specifically for budget analysis.

You can print the Analyse Balance Sheet report, which lists your accounts' actual balances for the current month, along with the amounts you budgeted for them. If you want information about customising the Analyse

Balance Sheet report, see “Choosing settings for a specific report” on page 978. Please note, though, that you don’t need to make any modifications to print the balance sheet in its standard format.

If you’ve determined that changes need to be made to the amounts you’ve budgeted for the coming months, you can adjust your budget.

See the following step-by-step procedures:

“To print a balance sheet or P&L for budget analysis” on page 809

“To review your budget” on page 809

“To change a budgeted amount” on page 811

Reviewing cash flow

Having an acceptable supply of available cash can often make a huge difference in determining how well your company performs next month. In Accounting Plus, you can use the Cash Flow Worksheet window to estimate your short-term cash needs by using information you’ve entered throughout Accounting Plus to create a forecast of your chebank accounts’ future.

The information used in the Cash Flow Worksheet window to forecast cash needs comes from recurring Spend Money and Receive Money transaction information that you’ve entered in Accounting Plus, as well as the sales and purchases that will fall due during the time frame you’ve selected.

Because each company’s business practices are unique, we can’t tell you precisely what you should look for when reviewing your cash flow. Your accountant can give you additional ideas based on the way your company does business.

See the following step-by-step procedure:

“To review cash flow” on page 812

Reviewing items’ order status

Knowing what items you have on hand is fairly simple. Knowing which items are on order from suppliers and promised to customers is more complicated. Many businesses keep what they call an “order book.” It’s what they use to track the comings and goings of stock items.

The Analyse Stock window functions as your “order book” by monitoring what you have:

- On hand
- On order (purchase orders) from suppliers
- On backorder (sales orders) to customers

The Analyse Stock window allows you to review the current status of the items you’ve entered into the MYOB system. The fields in this window are display-only; that is, you can’t change any of the information using this window. You should note that the Analyse Stock window shows quantity information only. If you want to see past sales activity of items, use the Analyse Sales window to do so.

See the following step-by-step procedure:

“To review your items’ order status” on page 814

Purging information that’s no longer needed

After you’ve used MYOB Accounting Plus for a long time, you’ll notice that the size of your company file has grown considerably. Information such as journal entries, invoices, purchases, activity slips and business contacts build up over time. When your company file has grown larger than you want it to, you may want to remove the parts of the data that are no longer needed from the file. The process of removing data from your company file is called *purging*.

Note: Purging is based on your current financial year setup

When you select the month before which you want to purge, Accounting Plus checks the current financial year of your company file and uses the selected month of your current financial year as the basis for deciding which transactions to purge. Before you purge, check the current financial year of your company file using the Company Information window.

When you purge information from your records, you should plan out a strategy to do so. We strongly recommend that you purge your information in the following order:

1. Closed invoices
2. Closed purchases
3. Journal entries
4. Activity slips

Business contacts can be purged at any time.

You can purge activity slips that haven't been billed on invoices. If you've billed an activity slip on an invoice, you can purge that activity slip only if the invoice on which it was billed has been purged.

See the following step-by-step procedures:

"To purge closed invoices" on page 815

"To purge closed purchases" on page 817

"To purge journal entries" on page 818

"To purge activity slips" on page 819

"To purge business contacts" on page 820

Viewing transactions after purging

If you choose Purge Detail Only when purging sales and purchases the detail information that was entered in the scrolling list section of the sale or purchase will be removed; information, such as, ID number, date, customer or supplier name, memo, comment, salesperson and supplier invoice number or customer purchase order number for each closed sale and purchase will remain. The zoom arrow that appears before journal entries for these sales and purchases will be gray. Click the zoom arrow to display the window in which the original transaction was entered -- detail information mentioned above will not display. You won't be able to make any changes to this window.

If you choose Purge Entire Sale or Purge Entire Purchase, all information about the closed sales and purchases will be removed. The journal entry will remain in the Sales or Purchases Transaction Journal window, but no zoom arrow will appear; you'll no longer be able to display the window in which the original transaction was entered.

If you purged entire closed sales or purchases and you wish to also remove the journal entries for these closed transactions from the Sales or Purchases Journal, follow the steps for “To purge journal entries” on page 818.

See the following step-by-step procedure:

“To view purged information in the Sales Journal-if you purged detail only” on page 816

“To view purged information in the Purchases Journal-if you purged detail only” on page 818

Reconciling chebank accounts

To ensure the accuracy of your business records, you should keep a record of your chebank accounts’ balances matched up with your bank’s records. This task is called *reconciling accounts*. If this is the first time you’re reconciling an account using MYOB Accounting Plus, be sure to see “Reconciling an account for the first time” on page 802 for additional information.

Once you’re sure all the cheques and deposits that appear on your bank statement are entered in Accounting Plus, you’re ready to reconcile your account.

If you download bank or credit card statement files from the Internet to your computer, MYOB Accounting Plus automatically matches transactions from the statement file to those within your company file. Once the match takes place, that transaction is marked as cleared in the Reconcile Accounts window. See “Using statements downloaded from the Internet” on page 803 for more information.

If your account is out of balance, a window will indicate the amount by which your account is out of balance, and will provide you with a few ideas of how the out-of-balance situation might have occurred. Here are some additional things you might want to verify:

- Are all the cheques and deposits that appear on your bank statement marked in the Reconcile Accounts window? Check to be sure the deposit and withdrawal amounts that appear on the Total Cleared line near the bottom of the Reconcile Accounts window are the same as the total deposit and withdrawal amounts on your bank statement.

- Did you mistakenly mark a transaction that doesn't appear on your bank statement?
- Did you make the correct entry in the New Statement Balance field? (Be sure you entered the *ending* balance from your statement, not your *beginning* balance.)
- Are all deposits accounted for? If the bank statement shows a higher balance than the balance calculated by Accounting Plus, a previously cleared deposit may have been deleted and not reentered, or reentered but not marked as cleared.

If you decide to exit the Reconcile Accounts window without successfully reconciling a chebank account, the transactions marked as cleared remain marked. You can pick up where you left off at any time.

If you wish, you can enter bank service charges and interest using the Reconcile Accounts window. You'll click the Bank Entry button to open the Bank Entry window. If you've received bank service charges, enter an amount in the Service Charges section. If the account you're reconciling is a Detail Chebank Account, the bank fee, when recorded, will appear as a cheque transaction assigned to the chebank account you're reconciling. The next available cheque ID number is assigned to the transaction. (If the account you're reconciling is a Detail Account, a Nominal Journal entry will be recorded.) Verify the date and enter the account you wish to allocate the charges to (usually an expense account). Add a memo if you wish.

If you received interest, you'll enter an amount in the Interest Earned section. If the account you're reconciling is a Detail Chebank Account, the interest, when recorded, will appear as a deposit transaction assigned to the chebank account you're reconciling. The next available deposit ID number is assigned to the transaction. (If the account you're reconciling is a Detail Account, a Nominal Journal entry will be recorded.) Verify the date and enter the account you wish to allocate the bank interest to (usually an income account). Add a memo if you wish.

Reconciling an account for the first time

When you reconcile an account for the first time using Accounting Plus, some of the cheques you wrote and some of the deposits you made before you began using MYOB Accounting Plus will probably be reflected in your bank statement. In order to reconcile the account, these transactions must also appear in the Reconcile Accounts window. Because you conducted the

transactions before you began using Accounting Plus, though, there will be no Accounting Plus record of those transactions. This situation must be resolved before you can reconcile the chebank account.

To resolve the situation, you'll create a nominal journal entry. Each uncleared cheque and uncleared deposit you conducted before using Accounting Plus should be entered as line items on a general journal entry. When you're ready to reconcile the bank account, each line of the general journal entry will appear in the Reconcile Accounts window.

You'll enter your bank account in the Acct No. column of the General Journal window. The individual deposit amounts should be entered in the Debit column and the individual cheque amounts should be entered in the Credit column.

It's unlikely that the debits will equal the credits in the Record Journal Entry window. If there is an out of balance amount, you need to enter another line item with an amount that balances the debits and credits.

Since the nominal journal entry you create debits and credits the chebank account for the same amount, the journal entry will not affect the balance of the chebank account.

See the following step-by-step procedures:

"To reconcile an account" on page 822

"To reconcile an account for the first time using Accounting Plus" on page 825

Using statements downloaded from the Internet

You can download bank or credit card statement files from the Internet to your computer and MYOB Accounting Plus will automatically match transactions from the statement file to those within your company file.

The file formats that are supported by MYOB Accounting Plus for automatic matching are: OFX, OFC, QFX, QIF. Contact your bank or credit card company to receive instructions for the actual downloading procedures.

Once the transaction match takes place, that transaction is marked as cleared in the Reconcile Accounts window.

If no match is made of a statement transaction to a transaction in your company file the statement transaction remains on the list that appears in the Unmatched Statement Transactions window. You can select an unmatched transaction in this window and either:

- Match the statement transaction to a previously recorded transaction in your company file. The transaction is then marked as cleared in the Reconcile Accounts window.

-- OR --

- Add the statement transaction to your company file. It will then appear in the list of transactions in the Reconcile Accounts window.

Warning: Add or match every unmatched transaction in a single session!

We recommend you finish adding or matching every transaction in the unmatched transaction list before you click the Done button.

When you click Done, the transactions you added or matched in the Unmatched Statement Transactions window are updated in the Reconcile Accounts and Bank Register windows. However, if you open the Statement file again, the original unmatched statements list reappears.

See the following step-by-step procedures:

“To match an unmatched statement transaction with an uncleared recorded transaction” on page 827

Paying PAYE and NIC's

PAYE:paying;NIC's:paying;paying:PAYE;paying:NIC's

Monthly payments of all the PAYE and NIC's due for each tax month must be paid to the Inland Revenue Accounts Office within 14 days of the end of that tax month. Because tax months end on the 5th you must pay that amount by the 19th.

Consult your accountant or the Inland Revenue if you're unsure about how or when to pay PAYE and NIC. You can use the Employer's Payment Record (P32) Report to help you determine the amount you owe the Inland Revenue.

In most cases payments are calculated by:

1. Adding together all the tax that you have deducted from your employees and all the NIC's (employee's and employer's) due
2. Subtracting tax that you may have refunded, any SSP and SMP you are entitled to recover as well as any NIC Rebate or NIC Holiday amounts.

Note: Accounting Plus will not calculate NIC Holiday!

Accounting Plus does not calculate NIC Holiday. If you have any employees that you can claim this for you'll need to work out this amount manually.

See the following step-by-step procedure:

“To print the Employer's Payment Record Report” on page 829

“To complete Inland Revenue Form P30B (Monthly Payslip)” on page 829

Other month-end procedures

Many procedures in Accounting Plus can also be considered month-end procedures. The following procedures might be performed at the end of the month at your company; we suggest you click on the links below to learn how to perform these tasks.

Printing customer statements

Most businesses send statements of sales activity to their customers at the end of each month. See “Printing statements” on page 283 for more information.

Analysing sales

It's a good idea to be aware of your company's sales activity and trends on a month-by-month basis. The Analyse Sales window can provide you with a graphical representation of your monthly sales. See “Reviewing your sales activity” on page 285 for more information.

Analysing purchases

Tracking your company's monthly expenses is a wise business practice. See "Reviewing your purchase information" on page 398 for more information.

Counting items in stock

Staying on top of your stock quantities can make the difference between making sales and losing sales. Therefore, it's a good idea to check your current stock levels at regular intervals and be sure your Accounting Plus records match your actual quantities. See "Counting stock items" on page 538 for more information.

Recording unrealised gains and losses

If you use the Multicurrency feature of Accounting Plus, you may need to make a journal entry to record your company's unrealised gains and losses for the current month and reverse the previous month's entry. See "To record unrealised gains and losses" on page 788 for more information.

Closing accounting periods

MYOB Accounting Plus doesn't require you to close accounting periods. The things you do to "close" an accounting period are more for the sake of keeping track of your periodic business activity, so you have accurate historical records to refer to in the future. As a result, the tasks listed below are merely suggestions—but they're suggestions that may help you out a great deal someday.

Accounting Plus allows you to "lock" the closed accounting period to prevent you from inadvertently making an entry in a month in which you don't want new entries. This "lock" affects the month you select and all months before it. If, at a later time, you need to make an entry in a month that occurs before the month you selected here, simply change your selection here so that month is "unlocked" and available for transaction entry again.

See the following step-by-step procedure:

"To close an accounting period" on page 831

Chapter 2

Reviewing your trial balance

Printing a trial balance (or *nominal ledger*)

► To print a trial balance (or *nominal ledger*)

If you haven't already read the Month-end Procedures Overview, see "Reviewing and printing your trial balance" on page 797 for more information.

The Index to Reports window should be displayed

1. Select the Accounts tab to display a scrolling list of reports that are associated with the Accounts Command Centre.
2. Highlight the Trial Balance selection.
3. Click the Customise button. Make account, date and sort selections.

Choose the option Include Accounts with No Activity if you wish to display all accounts, even those accounts that have no transactions recorded between the beginning and ending dates that have been selected for this report.

4. Click OK to redisplay the Index to Reports window.
5. Click the Print button.

Reviewing your trial balance

► To review your trial balance

If you haven't already read the Month-end Procedures Overview, see "Reviewing and printing your trial balance" on page 797 for more information.

When you review the report, look for:

- Entries that seem unusually high or low for the account that's been affected
- Debit amounts for accounts that normally have credit entries, and vice versa
- Unusually high or low ending balances
- An unusually high or low number of entries for a specific account

Chapter 3

Reviewing and adjusting budgets

Printing a balance sheet for budget analysis

► To print a balance sheet or P&L for budget analysis

If you haven't already read the Month-end Procedures Overview, see "Reviewing and adjusting budgets" on page 797 for more information.

The Index to Reports window should be displayed.

1. Select the Accounts tab to display a scrolling list of reports that are associated with the Accounts Command Centre.
2. Highlight the Balance Sheet (Budget Analysis) selection.
3. Click the Customise button; the Report Customisation window appears. Check to be sure that the correct month has been selected for the report; also be sure that level 4 is selected, so you can see comparison information for all the accounts in your accounts list.
4. Click OK to redisplay the Index to Reports window.
5. Choose the Print button.
6. Repeat the process from step 1 for the Profit & Loss (Budget Analysis) report.

Reviewing your budgets

► To review your budget

If you haven't already read the Month-end Procedures Overview, see "Reviewing and adjusting budgets" on page 797 for more information.

When reviewing the Balance Sheet (Budget Analysis) or Profit & Loss (Budget Analysis) report, begin by looking at the £ Difference column on the right side of the report. This column shows the difference between the amount you budgeted to spend during the month and the amount you actually recorded for each account in your accounts list. Many accounts will have a slight variation from the amount you've budgeted—that's normal. What you're concerned with is an unusually large departure from the amount you've budgeted.

Here are some differences that should be of particular concern to you:

- Sales accounts that are lower than projected.
- Expenses that are higher than you'd planned. If your expenses often exceed your expectations, you may need to put spending controls in place.
- Wage or salary expenses that are different than you'd planned. This could mean you're paying more overtime than you'd planned to, for example.
- Stock balances that are significantly different than you'd projected. This could mean that you've got too much—or too little—stock on hand. Both of these situations can create a financial drag on your business.
- Aged creditors that are higher than expected. Aged creditors need careful management to ensure that you're not paying your bills before you have to, but also aren't losing discounts and paying unnecessary interest charges.
- Aged debtors that are higher than expected. This may mean that your customers are taking longer than anticipated to pay off their accounts with you.

Any significant variation from the amount you've budgeted deserves further investigation, but these are key areas for you to consider.

Idea: If you need to change your budgets

Make a note on the report of any changes that are needed to your budgets for future periods. That will make your next task—adjusting the budgets—easier.

Adjusting budgets

► To change a budgeted amount

If you haven't already read the Month-end Procedures Overview, see "Reviewing and adjusting budgets" on page 797 for more information.

The Accounts List window should be displayed.

1. Highlight an account you want to change.
2. Click Edit. The Edit Accounts window appears, displaying information about the account.
3. Click the Budgets button to display the History and Budgets window.
4. Make any needed changes to the amounts displayed in the Budget column.

Remember to enter only the expected change (increase or decrease) in the account's balance; *don't* enter the expected balance for the account during the month in question. Also be sure to enter a positive amount if you expect the account's balance to rise. Even if the amount represents an expense to your company, it should be positive if it causes the account's balance to rise.

5. Click OK.
6. Click OK in the Edit Accounts window to redisplay the Accounts List window.
7. Select another account if you need to make additional budget changes, or click Close if you don't have any more changes to make.

Chapter 4

Reviewing cash flow

Reviewing cash flow

► To review cash flow

If you haven't already read the Month-end Procedures Overview, see "Reviewing cash flow" on page 798 for more information.

The Cash Flow Worksheet window should be displayed.

1. Choose the bank account you want to analyse from the Bank Account list.
2. Enter the number of days for which you want to analyse your cash needs in the Days To Look Ahead field. When you make your entry here, the list in the middle of the window will display all the transactions your company is due to perform during the time period you specified. Any transactions that are overdue also appear here.
3. You can change any of the information that appears in the list to better estimate your cash flow needs.

You can also add transactions to the list. To do this, scroll to the bottom of the list and add transaction information in the blank line. When you're finished, press TAB to create a new blank line, where you can enter additional transaction information.

Note: The Cash Flow Worksheet doesn't affect your company file

Changes, deletions and additions you make in the list are used for the purposes of the Cash Flow Worksheet window only. The changes you make here won't be reflected anywhere else in the MYOB system.

4. Click the Analyse Cash Needs button at the bottom of the window.

5. A new view of the Cash Flow Worksheet window appears, listing all the transactions that appeared in the previous list. Their corresponding amounts appear in the Amount column. The running balance of the account as it is affected by each transaction appears in the Cash Available column. You can simply view the information here if you like, or you can click the Print button to print a copy of the Cash Flow Analysis Report that contains the information displayed on your computer screen.
6. Click the Return to Worksheet button and make more changes to the list of transactions, if you wish. Experiment with the two views of the window to make different forecasts of your account.
7. Click Cancel.

Chapter 5

Reviewing items' order status

Reviewing items' order status

► To review your items' order status

If you haven't already read the Month-end Procedures Overview, see "Reviewing items' order status" on page 798 for more information.

The Analyse Inventory window should be displayed.

1. Two different views are available in the Analyse Stock window: Summary and Detail.
 - **Summary view** This view, displayed by choosing the Summary selection at the top of the window, allows you to view quantity information for all items in the MYOB Accounting Plus system. This view shows the actual quantity on hand for each item, as well as number of items committed on sales orders, on order on purchase orders, and available.
 - **Detail view** This view, displayed by entering a specific item number in the Item No. field at the top of the window, allows you to view order information for a single item at a time. The Detail view can also be displayed from the Summary view by clicking the zoom arrow next to an item's number.

Chapter 6

Purging information that's no longer needed

Purging closed sales

► To purge closed invoices

If you haven't already read the Month-end Procedures Overview, see "Purging information that's no longer needed" on page 799 for more information.

Please note that this task requires single-user access. See "Single-user file locking" on page 763 for more information.

Warning: Purging information will change the way you view your financial activity

Various types of information, including journal entries, closed sales and purchasing transactions, activity slips and contact logs, can be removed from a company file. The information you can remove won't prevent you from keeping accurate financial records, but removing some types of information could change the way you analyse your information. We suggest you carefully consider the results of purging data from your company file before you do so. Although you can recover the information from a backup copy of the company file, the process may take more time and effort than you're willing to invest.

1. Print all the reports that you wish to keep that show the closed sales you'll be purging. You might consider printing a copy of the Sales Journal, which contains detailed information about all sales.

2. Make a backup of your company file. Clearly mark this backup and put it in storage as part of your permanent records.
3. Open the Sales Command Centre.
4. Choose Purge Closed Invoices from the File menu. The Purge Closed Invoices window appears.
5. From the Purge Invoices Close BEFORE list, choose the first month for which you ***don't*** want to remove closed invoices. Be especially careful when you select a month—*don't include an accounting period that isn't completely closed*. All closed invoices dated prior to the month you select are marked for purging.
6. Choose to purge detailed information about closed invoices only, or to purge entire closed invoices.
7. Click the Continue button. Another Purge Closed Invoices window appears, listing all customers in the Card File.
8. From the list of customers, select the customers whose closed sales you want to purge. If you wish to keep closed invoices for any customers, remove the x that appears next to each of the customers' names by clicking it.
9. Click the Purge Closed Invoices button. The closed invoices for the time frame you specified and for the customers you selected in this window will be removed.

► **To view purged information in the Sales Journal-if you purged detail only**

If you haven't already read the Month-end Procedures Overview, see "Viewing transactions after purging" on page 800 for more information.

The Transaction Journal window should be displayed.

1. Use the scroll bar to find the purged sale you want to view.
2. Click the zoom arrow next to the closed invoice to view the original window in which the transaction was entered, displaying only the information that wasn't purged.

If you purged entire closed invoices, you won't be able to view any details about the invoice, other than those that appear in the Sales Journal.

Purging closed purchases

► To purge closed purchases

If you haven't already read the Month-end Procedures Overview, see "Purging information that's no longer needed" on page 799 for more information.

Please note that this task requires single-user access. See Single-user file locking for more information.

1. Print all the reports that you wish to keep that show the closed purchases you'll be purging. You might consider printing a copy of the Purchases Journal, which contains detailed information about all purchases.
2. Make a backup of your company file. Clearly mark this backup and put it in storage as part of your permanent records. (If you've just purged closed sales and made a backup during that procedure, it's not necessary to make a second backup for purchases.)
3. Open the Purchases Command Centre.
4. Choose Purge Closed Purchases from the File menu. The Purge Closed Purchases window appears.
5. From the Purge Purchases Closed BEFORE list, choose the first month for which you ***don't*** want to remove closed purchases. Be especially careful when you select a month—*don't include an accounting period that isn't completely closed*. All closed purchases dated prior to the month you select will be marked for purging.
6. Choose to purge detailed information about closed purchases only, or to purge entire closed purchases. If you choose Purge Detail Only, the purchase ID number, date, supplier, delivery method, comment, delivery date, VAT, freight, memo and supplier invoice number for each closed purchase will remain. If you choose Purge Entire Purchase, all information about the closed purchases will be removed.
7. Click the Continue button. Another Purge Closed Purchases window appears, listing all suppliers in the Card File.

8. From the list of suppliers, select the suppliers whose closed purchases you want to purge. If you wish to keep closed purchases for any suppliers, remove the x that appears next to each of the suppliers' names by clicking it.
9. Click the Purge Closed Purchases button.

► **To view purged information in the Purchases Journal-if you purged detail only**

If you haven't already read the Month-end Procedures Overview, see "Viewing transactions after purging" on page 800 for more information.

The Transaction Journal window should be displayed.

1. Use the scroll bar to find the purged purchase you want to view.
2. Click the zoom arrow next to the closed purchase to view the original window in which the transaction was entered, displaying only the information that wasn't purged.

If you purged entire closed purchases, you won't be able to view any details about the purchase, other than those that appear in the Sales Journal.

Purging outdated journal entries

► **To purge journal entries**

If you haven't already read the Month-end Procedures Overview, see "Purging information that's no longer needed" on page 799 for more information.

Please note that this task requires single-user access. See Single-user file locking for more information.

1. Print all the reports that you wish to keep that show the transactions you'll be purging. Account Transactions reports contain most of the information you may want to retain.
2. Make a backup of your company file. Clearly mark this backup and put it in storage as part of your permanent records. (If you've just purged closed sales or purchases and made a backup during one of those procedures, it's not necessary to make another backup for journal entries.)

3. Open the Accounts Command Centre.
4. Choose Purge Journal Entries from the File menu to open the Purge Journal Entries window.
5. From the Purge Journal Entries BEFORE list, choose the first month for which you **don't** want to remove journal entries. Be especially careful when you select a month—*don't include an accounting period that isn't completely closed*. All journal entries dated prior to the month you select will be marked for purging.
6. Click the Continue button. Another Purge Journal Entries window will appear, listing all the accounts in your accounts list.
7. From the list of accounts, select the accounts whose unreconciled journal entries you **don't** want to purge. Typically, you should select the accounts you regularly reconcile in the Reconcile Accounts window.

Note: This is different than what you do with sales and purchases!

Be sure to mark the accounts that have unreconciled journal entries you **don't** want to be removed. (Don't make the mistake of marking the accounts you **do** want to be removed as you do with sales and purchases.) Be careful when you make your selections!

8. Click the Purge Journal Entries button. The journal entries for the time frame you specified and for the accounts you didn't select in this window will be purged.

Purging activity slips

► To purge activity slips

If you haven't already read the Month-end Procedures Overview, see "Purging information that's no longer needed" on page 799 for more information.

Please note that this task requires single-user access. See Single-user file locking for more information.

1. Print all the reports that you wish to keep that show the activity slips you'll be purging. You might consider printing an Activity Slip Report for Completed Work, on which you can include whatever information you need about the activity slips you're about to purge.
2. Make a backup of your company file. Clearly mark this backup and put it in storage as part of your permanent records. (If you've just purged closed invoices, closed purchases or journal entries and made a backup during one of those procedures, it's not necessary to make another backup for activity slips.)
3. Open the Time Billing Command Centre.
4. Choose Purge Activity Slips from the File menu to open the Purge Activity Slips window.
5. From the Purge Activity Slips BEFORE list, enter the first month from which you *don't* want to remove activity slips. All activity slips dated prior to the month you select will be marked for purging.
6. If you've assigned identifiers to people and companies in the Card File and wish to purge activity slips for employees and suppliers with the same identifier(s), enter the identifier(s).
7. Click the Continue button. Another Purge Activity Slips window appears, listing all the employees and suppliers in the Card File whose activity slips match the criteria you entered in the first Purge Activity Slips window.
8. From the list, select the employees and suppliers whose activity slips you want to purge. If you wish to keep activity slips for any employees or suppliers, click the x that appears next to that person's name to remove it.
9. Click the Purge Activity Slips button.

Purging business contacts

► To purge business contacts

If you haven't already read the Month-end Procedures Overview, see "Purging information that's no longer needed" on page 799 for more information.

Please note that this task requires single-user access. See Single-user file locking for more information.

1. Print all the reports that you wish to keep that show the business contacts you'll be purging. You might consider printing a copy of the Contact Log Report, which contains detailed information about all contacts.
2. Make a backup of your company file. Clearly mark this backup and put it in storage as part of your permanent records.
3. Open the Card File Command Centre.
4. Choose Purge Contact Logs from the File menu to open the Purge Contact Logs window.
5. From the Purge Contact Logs BEFORE list, choose the first month for which you ***don't*** want to remove business contacts. All business contacts dated prior to the month you select will be marked for purging.
6. Using the Card Type field, choose to purge business contacts for customers, suppliers, employees or personal contacts only, or to purge business contacts for all people and companies in the Card File.
7. If you've assigned identifiers to people and companies in the Card File and wish to purge business contacts for contacts with the same identifier(s), mark the Identifiers option, then enter the identifier(s).
8. Mark the Do Not Purge if Entry has a Recontact Date option if you don't want to remove business contacts that have recontact dates assigned to them,
9. Click the Continue button. Another Purge Contact Logs window will appear, listing all the people and companies in the Card File that match the criteria you entered in the first Purge Contact Logs window. A mark appears in the X column next to each card name, indicating that the business contacts for that card will be removed.
10. Click in the X column next to the card's name to remove the mark that appears there if you want to keep business contact information for any of the cards that are displayed,
11. Click the Purge Contact Logs button.

Chapter 7

Reconciling accounts

Reconciling accounts

► To reconcile an account

If you haven't already read the Month-end Procedures Overview, see "Reconciling chebank accounts" on page 801 for more information.

The Reconcile Accounts window should be displayed.

Note: If you're reconciling for the first time

If you've never used the Reconcile Accounts window before, there are some special steps that you should perform before you begin the reconciliation process. If this is your situation, see *"To reconcile an account for the first time using Accounting Plus"* on page 825.

1. Enter or select the account you want to reconcile in the Account field, and press TAB.
2. Enter the ending balance that appears on your bank statement in the New Statement Balance field.

Note: Be sure to enter the *ending* balance!

Many bank statements have more than one balance on them. Be sure to enter the balance of your account at the **end** of the period.

3. Enter the closing date that appears on your bank statement in the Bank Statement Date field. Only unreconciled transactions dated on or before that date will appear in the scrolling list.

Note: Use care when entering the date in the Reconcile Accounts window

The Reconciliation Report enables you to view the status of an account's transactions as of a previous reconciliation date. If the bank statement date you enter in the Reconcile Accounts window is different from the date that appears on the actual statement you received from your bank, you may find it difficult to determine which date should be used to print the Reconciliation Report in the future.

4. Click the Bank Entry button to open the Record Service Charges and Interest Earned window and enter any bank service charges you owe and any interest that you earned.

Skip to step 6 if you've already entered the bank charges and interest transactions in Accounting Plus before opening the Reconcile Accounts window. These transactions should already appear in the transactions list.

5. Click Record. If you need to record additional bank charges or fees, click the Bank Entry button again.
6. Mark each transaction in the scrolling list that appears on your bank statement. (Transactions entered using the Bank Entry feature are automatically marked as cleared.)

Note: You may edit, remove or reverse entries using this window

If the transaction information displayed in the Reconcile Accounts window is incorrect, you can choose to click the zoom to display the original transaction entry window.

If your records are changeable, you may edit the transaction. When you click OK, the updated information will appear in the Reconcile Accounts window. If you choose Delete Transaction from the Edit menu to remove the transaction, the transaction will no longer appear in the Reconcile Accounts window.

If your records are unchangeable, you may reverse the transaction by choosing Reverse Transaction from the Edit menu. After a few moments, a new transaction, containing amounts exactly opposite to the original transaction, will be displayed. When you click Record, the reversal will be added to the Reconcile Accounts window. If you don't want the original entry and the reversal to appear the next time you reconcile, mark both entries to indicate they are cleared.

See "What are changeable and unchangeable transactions?" on page 52 for more information.

7. Click the Reconcile button. A window appears, indicating whether your account is reconciled or is out of balance.
8. If your account is reconciled, you can either reconcile the account or print the Reconciliation Report.

To reconcile, click the Reconcile button; the transactions you marked are considered "cleared," and won't show up in the Reconcile Accounts window the next time you open it. To print the report, click Print Report; if you print the report, be sure to click Reconcile again to complete the reconciliation process after the report's been printed.

Note: You must finish reconciling after you print the Reconciliation Report!

If you choose to print the Reconciliation Report, be sure to click the Reconcile button again in the Reconcile Accounts window. When you choose to print the report, the reconciling process is stopped, and you must click Reconcile again to complete the process.

► **To reconcile an account for the first time using Accounting Plus**

If you haven't already read the Month-end Procedures Overview, see "Reconciling an account for the first time" on page 802 for more information.

1. Create a Nominal Journal entry for the bank account, with a separate debit for each deposit that hasn't cleared yet and a separate credit for each cheque that hasn't cleared yet.
2. It's unlikely that the debits will equal the credits in the Record Journal Entry window. If the Out of Balance field underneath the scrolling list shows an amount, you'll need to enter another line item with an amount that balances the debits and credits.
3. Click Record.
4. In the Chequebook Command Centre, click Reconcile Accounts to open the Reconcile Accounts window.
5. Enter the account you want to reconcile in the Account field. The cheques and deposits you've entered, as well as the individual line items in the Nominal Journal entry you just created, appear in the scrolling list in the middle of the window.
6. Enter the ending balance on the statement that your bank sent you in the New Statement Balance field.
7. Enter the closing date that appears on your bank statement in the Bank Statement Date field. Only the transactions dated on or before that date will appear in the scrolling list.
8. Mark all cheques and deposits that are on your bank statement; also mark the balancing amount entry you created in step 2.

9. Click Reconcile. A window appears, indicating whether your account is reconciled or is out of balance.
10. If your account is reconciled, you can either reconcile the account or print the Reconciliation Report.
11. Click Reconcile to reconcile the account. Click Print Report to print the report. If you print the report, be sure to click Reconcile again to complete the reconciliation process after the report's been printed.

In future months, when you receive bank statements that contain the other transactions you performed before you began using Accounting Plus, you can mark off the other line items from the Nominal Journal entry.

Chapter 8

Using statements downloaded from the Internet

Matching or adding unmatched statement transactions

► To match an unmatched statement transaction with an uncleared recorded transaction

If you haven't already read the Month-end Procedures Overview, see "Using statements downloaded from the Internet" on page 803 for more information.

The Unmatched Statement Transactions window should be displayed.

1. Highlight the transaction in the unmatched statement transaction list that you will match to an uncleared transaction that you previously recorded.
2. Click the Match Transaction button to open the Match Transaction window.
3. In the Match Transaction window, highlight the uncleared transaction to which you will match the selected statement transaction.
4. Click Match. This results in two actions.
 - Marks the uncleared transaction as cleared in the Reconcile Accounts window.
 - Removes the statement transaction from the list of unmatched

transactions in the Unmatched Statement Transactions window.

► **To record an unmatched statement transaction as a new transaction and automatically clear it**

If you haven't already read the Month-end Procedures Overview, see "Using statements downloaded from the Internet" on page 803 for more information.

The Unmatched Statement Transactions window should be displayed.

1. Highlight the transaction in the unmatched statement transaction list that you will record as a new transaction.
2. Click the Add Transaction button. Either the Spend Money window or the Receive Money window opens, based on the Transaction Type the transaction was assigned in the statement file.

The information in the Date, Amount and Cheque/ID No. fields automatically transfers to the Spend Money or Receive Money window.

The account defaults to the account that was chosen in the Reconcile Accounts or Bank Register window in the steps that preceded opening the Unmatched Transactions window.

3. Continue the procedure for recording the transaction as outlined in "Receiving money" on page 242 or "Spend money" on page 197.
4. The new transaction automatically matches to the statement transaction and is marked as cleared in the Reconcile Accounts window.

Chapter 9

Paying PAYE and NIC's

Printing the Employer's Payment Record Report

► To print the Employer's Payment Record Report

If you haven't already read the Month-end Procedures Overview, see "Paying PAYE and NIC's" on page 804 for more information.

1. From the Reports menu, choose Index to Reports to open the Index to Reports window.
2. Select the Payroll tab to display a scrolling list of reports that are associated with the Payroll Command Centre. Scroll to the Employer's Payment Record (P32) Report; highlight this selection.
3. Click the Filters button at the bottom of the Index to Reports window.

The Report Filters window appears. You can choose a pay period for which you want to view your PAYE and NIC's liabilities. The PAYE and NIC's you owe on paycheques for that period will be displayed.

4. When you're satisfied with the selections in this window, choose OK to redisplay the Index to Reports window.
5. Choose the Print button.

Completing Inland Revenue Form P30B

► To complete Inland Revenue Form P30B (Monthly Payslip)

If you haven't already read the Month-end Procedures Overview, see "Paying PAYE and NIC's" on page 804 for more information.

1. In the box labelled "Income Tax" enter the PAYE amount shown in column 9 headed "PAYE Tax" on the Employer's Payment Record Report.

Month-end Procedures

2. In the box labelled “**Net** National Insurance” enter the amount shown in column 8 headed “Net NIC” on the Employer’s Payment Record Report.
3. In the box labelled “Total amount due” enter the amount shown in column 10 labelled “Tot Due” on the Employer’s Payment Record Report.

Chapter 10

Closing accounting periods

Closing accounting periods

► To close an accounting period

If you haven't already read the Month-end Procedures Overview, see "Closing accounting periods" on page 806 for more information.

1. If you've received statements from your bank, use the Reconcile Accounts window to reconcile amounts in Accounting Plus with the amounts on the statements. See "To reconcile an account" on page 822 for more information about this task.
2. Print a Trial Balance or Nominal Ledger (Detail) Report for the period. Check to see whether the activity that appears in the report is what you expected; for example, zero amounts in accounts that usually have regular activity may indicate a problem. See "To print a trial balance (or nominal ledger)" on page 807 for more information about this task.
3. If the information in the trial balance reports is acceptable, print the reports you want to keep as part of your permanent business records. Suggested reports include the balance sheet, profit and loss statement, Aged Creditors Report, Aged Creditors Report and all journal reports.
4. Make a backup of your company file. Clearly mark this backup and put it in storage as part of your permanent records.

Idea: Check your company file for errors before proceeding

To be completely sure that your company file is sound, we recommend that you use the Accounting Plus data verification feature before you continue. You can check your data for errors during the backup process, if you wish. For more information about data verification, see “Verifying company files” on page 689.

5. Choose Preferences from the Setup menu to open the Preferences window.
6. Select the Security tab.
7. Change your selection in the Lock Periods list to the period you’re closing.