Simply Accounting/Sage 50

For County & District Libraries

Contents

Introduction

This manual was created for the purpose of ensuring that staff and subsequent staff in specifically County & District Libraries would be able to work their way through the Simply Accounting process without too much training and with ease. It is a follow up to the manual that was created by Wade and Associates in 2002 for the initial training which may or may not be filed somewhere in your library. Parts of this manual are created from a collaborative training program held at COLAL and reproduced here with additions from subsequent COLAL presentations. It is understood that not all staff have accounting backgrounds and it can be a tortuous and confusing thing to deal with on top of everything else. There are many tips (prefaced with the word tip) included in the instructions which will hopefully save time, ensure that good records are kept and provide you with a level of some comfort in using this software. Feel free to take advantage of some or all of the tips. This manual is not the complete works to everything and is open to suggestions and additions but it is hoped that it proves to be helpful.

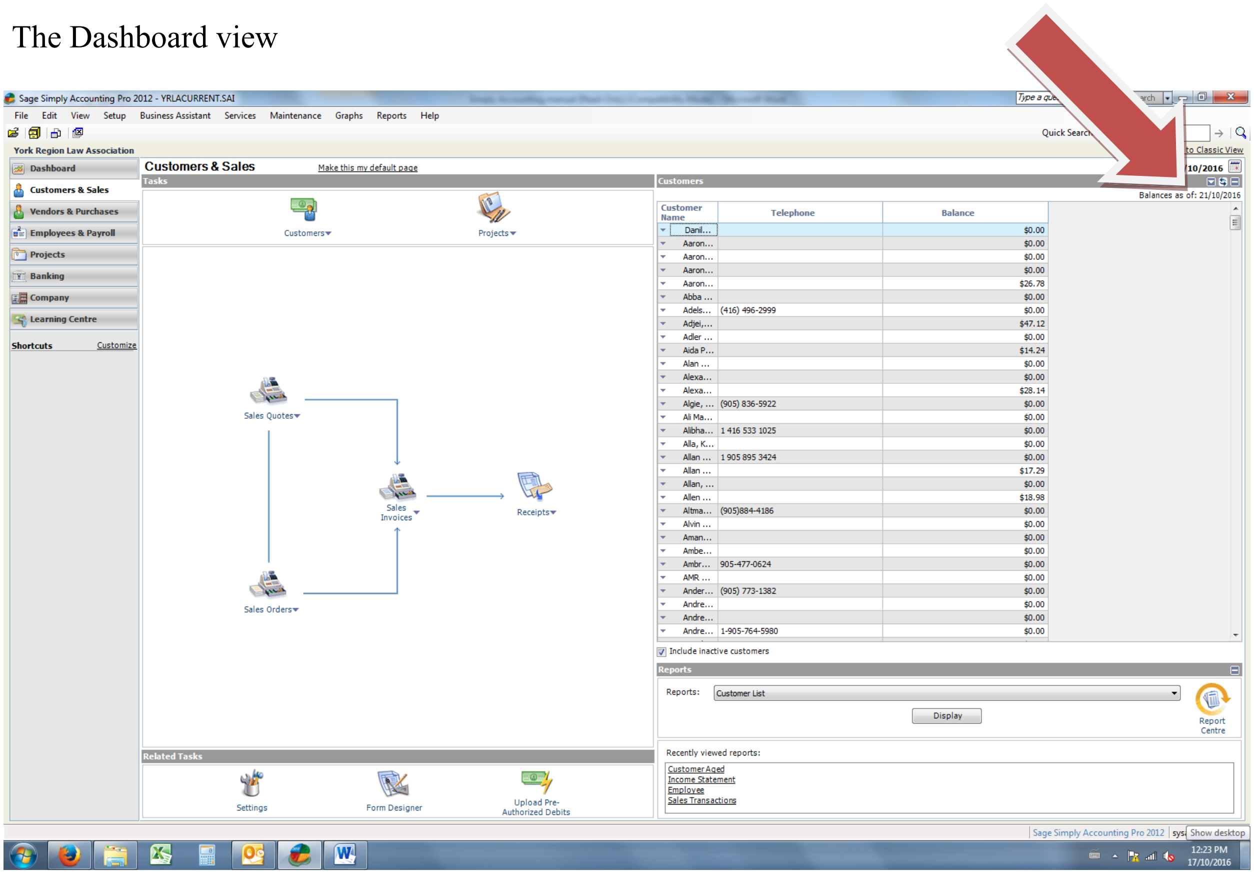
- Disclaimer – this manual has been prepared with Simply Accounting Pro 2012. It should be fairly similar to Sage 50.

Opening Your Simply Accounting/Sage 50

You should have an icon for Simply Accounting on your desktop. Click on the icon which will bring up a box where you will (generally) open the last company you worked on. You will be given an option to back up your data.   Click no if you do not wish to do this (you should back up your data after every session).   Change the session date to the current date (unless you are finishing up your calendar year in which you should see year- end process). Your Simply Accounting/Sage 50 is now ready to use. For the purpose of this manual, we will refer to this screen as the home page.

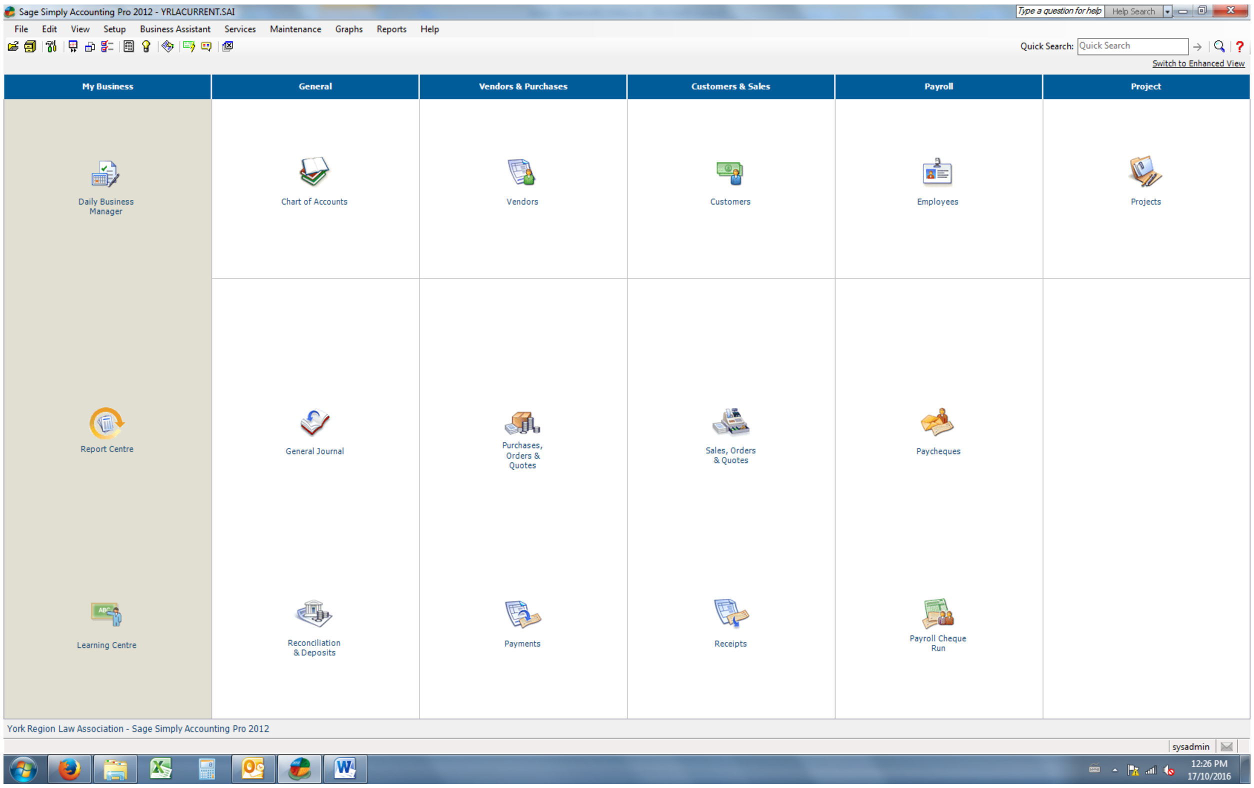
There are two views available:

The Dashboard view



Or you can click to change to the Classic View (this is my personal preference and will be utilized through this manual)

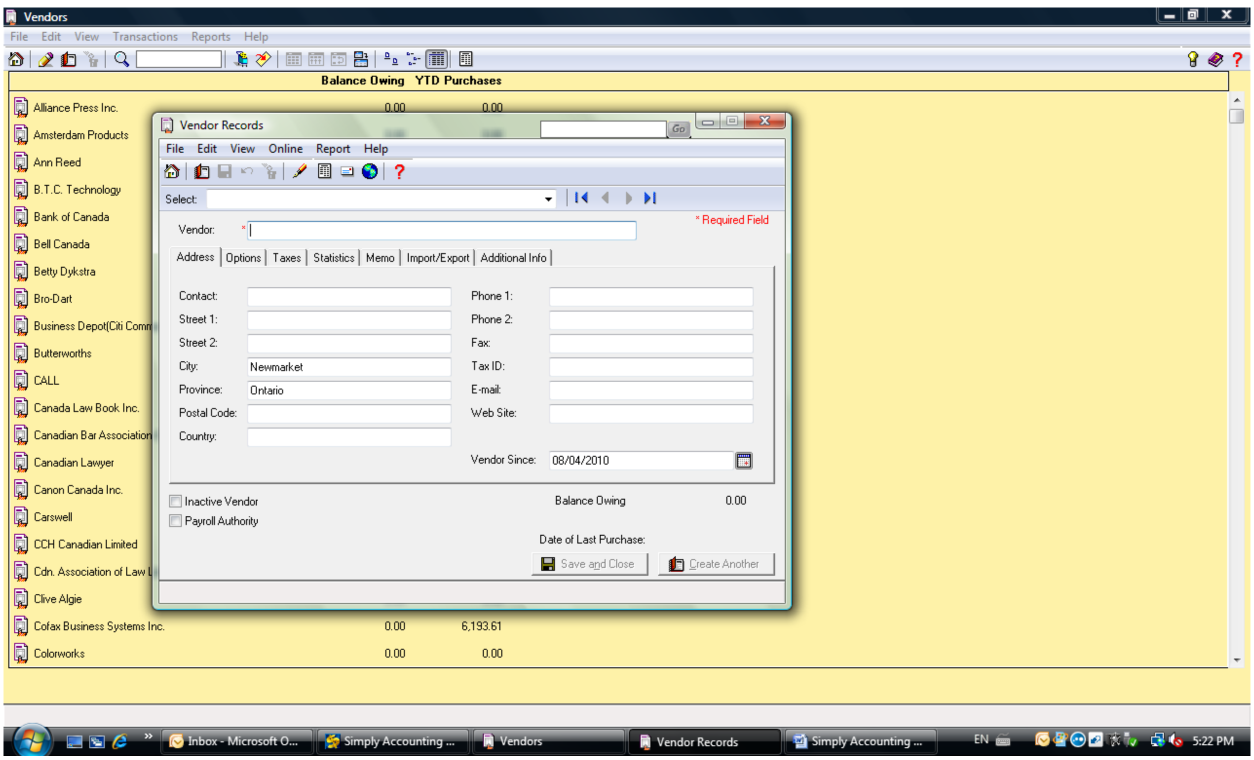
The Classic View:



*Tip – to get rid of unused columns such as **Inventory** or **Projects** go to *Set up, User Preferences, View* and uncheck both the module and icon window. You can also customize pop ups, colours and transaction confirmations.

Creating Vendors/Customers

1. The process is the same for creating either record.
2. From the home page, click on the **Vendor** (such as Bell, Carswell, LexisNexis) or **Customer** (members) icon.
3. Either click on *File, Create* or the icon which looks like a little red book. Enter all appropriate information in the address tab.
4. Under taxes tab, enter information regarding exempt taxes or the tax code normally charged.
5. Click on save *and close* or *create another*.

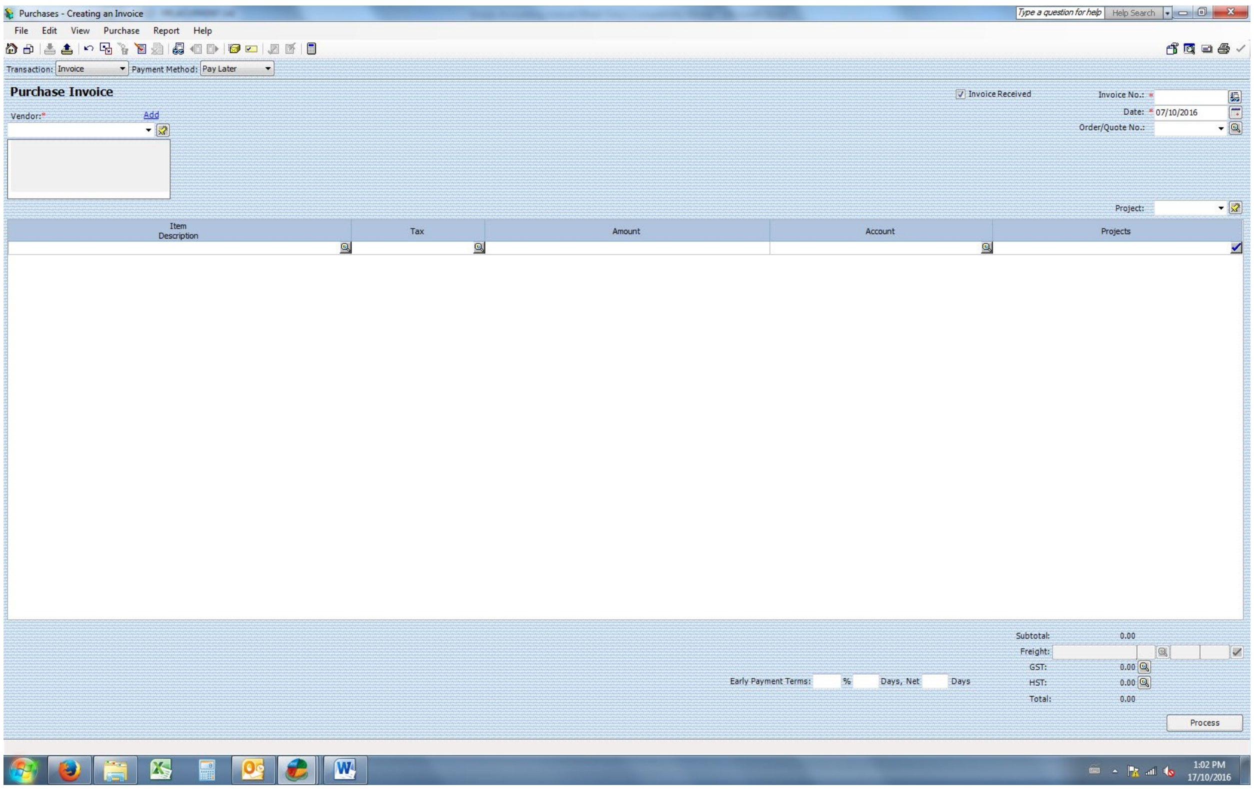


*Tip – Entering the email address in customers will allow you to email invoices and receipts.

Entering Invoices

Every invoice that you receive should be input in Simply Accounting/Sage 50.

1. On your home page, click on the box called **Purchases**. This will open a screen which looks like this:



2. Choose your Payment Method. Choose pay later if you know that there will be multiple invoices this month (Carswell, Lexis-Nexis etc). You also have the option of issuing a cheque at this time (see instructions for making a purchase and payment at the same time).
3. Click on the drop down box under *Vendor*. You should be able to locate the Publisher/Vendor from a list previously generated. If the Publisher/Vendor is not listed please see instruction on Creating Vendors (or by entering the name in the box and hitting enter will generate a pop up screen which will allow you to add the information at this time). Click on the name of the Vendor and the address information will appear on the Invoice. Enter the information from the invoice including invoice number, date, and description of the item purchases and choose the proper account from the drop down box on the item marked *Account.*
4. Click on the box called *Process.*

5. Repeat process until all invoices have been inputted.

   *Tip - If you have multiple invoices from the same publisher to enter, click on the push pin beside the name and the publisher/vendor will remain there for the next invoice. To release the push pin, just click and it will return.

Making Payments

1. On your home page, click on the box called **Payments**.
2. Ensure that the date and cheque number are correct and that the payment account is Chequing Account #1060.
3. Select a Vendor from the drop down box. Gather all invoices from this vendor.
4. Under the column marked Payment Amount, click in the space corresponding with the invoices you wish to pay and checking to see if you have the corresponding invoice.   The amount for the cheque will automatically add up. *Tip -To ensure that they all add up at the bottom give it click just below the last invoice.
5. If you print your cheques from your printer, put your cheque in the printer, click on the print icon and then click the *Process.*
6. Staple the cheque stub to the invoices and present cheques to signing officer for signature. Place stubs/invoices in folder for month end procedures.

   *Tip- For those who hand write their cheques, by still clicking the print icon, you will have a sheet of paper which looks like a written cheque which you can use for a cheque stub. I suggest that you choose a different colour paper for this purpose – I like pink (as in print, pink, process)

Making a Purchase and Payment at the same time

1. On your home page, click on the box called **Purchases**
2. Choose your transaction as *invoice* and paid by *cheque.*
3. Select your Vendor.
4. Ensure that the cheque number corresponds to the payment method that you are about to print or write and that the cheque is being paid from your chequing account #1060.
5. Enter the information from the invoice including invoice number, date, and description of the item purchases and choose the proper account from the drop down box on the item marked *Account.*
6. If you print your cheques from your printer, put your cheque in the printer, click on the print icon and then click the *Process.*

7. Staple the cheque stub to the invoices and present cheques to signing officer for signature. Place stubs/invoices in folder for month end procedures.

   *Tip- For those who hand write their cheques, by still clicking the print icon, you will have a sheet of paper which looks like a written cheque which you can use for a cheque stub. I suggest that you choose a different colour paper for this purpose – I like pink (as in print, pink, process)

8. For items that are automatically deducted from your bank account such as an automatic debit for internet, in step #2, choose *cash*, and proceed.

Recurring Transactions

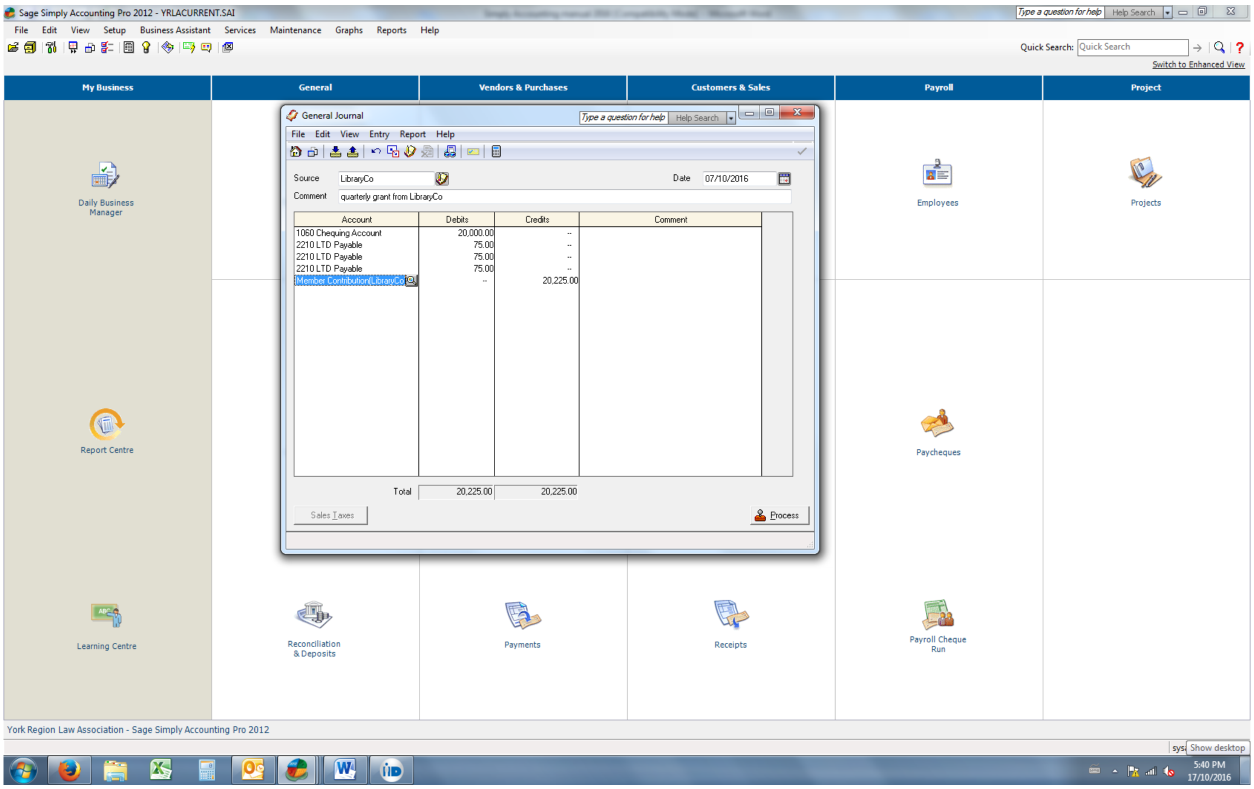
There are many things which you do on a regular basis such as receive and pay certain bills (telephone, office supplies, internet accounts) get paid the same salary weekly, biweekly or monthly which can be stored as a recurring transaction and can save you some time and effort. The steps are basically the same if you whether you are paying the same bill, getting paid from payroll or getting a quarterly grant from LibraryCo.

1. From the home page, click on the module you are working with. For the purpose of this information, we will be paying the telephone bill from Bell.
2. Proceed as *Making a Purchase and Payment at the same time* up to step 5.
3. At the top of the invoice is an icon which looks like an arrow pushing down on a yellow box. Click this icon.
4. A pop up box will ask you to name the recurring transaction (Bell – telephone) and the frequency (monthly)
5. Click okay.
6. Continue in *Making a Purchase and Payment at the same time* to step 5 and 6.
7. Next month when you receive your Bell telephone bill, go to the *Purchases* box and instead of selecting Bell in the drop down Vendor box, click on the icon that looks like the arrow coming out of the yellow box (recalling a recurring transaction)
8. Find Bell – telephone and click select.
9. The information should be there such as the date of the bill, the account, the amount to pay etc.   You need to only put in the invoice number, and check the cheque number and adjust the payment if required. Proceed as you would normally – print (pink) and process and it will adjust to the next recurring date. If you make minor changes (like the amount) it will update this information as well.

Miscellaneous Transactions

On your home page, click on the box called General Journal.

*Tip - It can be used to store a recurring transaction such as your LibraryCo grants.



It is also useful for those miscellaneous receipts that accumulate whenever you pay for something from your photocopy money such as an office supply. This double transaction will ensure that this receipt is recorded accurately. The transaction would look something like this:

Account:	1050 Petty Cash	Debit $15.00	
	4220 Photocopy Revenue		Credit $15.00
	5660 Office Supplies	Debit $15.00	
	1050 Petty Cash		Credit $15.00

Customers & Sales

This module of Simply Accounting is great for invoicing your membership for photocopies, fax, lost books etc. You will be able to print statements and check your outstanding invoices with your accounts receivable. Simply Accounting/Sage50 will use the data from your initial setup from Setup, Settings, and Company Information – no need to further input. In Setup, Reports & Forms, Invoices use drop down boxes to select your preferred styles and options. Use Custom Simply Forms, not Custom Crystal Reports. Click OK.

1. See instructions for creating Customer records from Creating Vendors/Customers. Tip - Under the Options tab you can check Account #4220 Photocopy Revenue (most charges) which will also appear on the invoice as well as use the Taxes tab if applicable.
2. From the home page, click on the module called **Customers & Sales** choose *Sales* to display a blank invoice
3. Under *Customer* select customer from the list you created in Step 1
4. Invoice number and session date will fill in automatically, but can be changed as needed
5. If you are billing for payment at a later date, ensure that this is indicated.
6. Fill in other invoice fields as desired; totals will calculate automatically
7. **Important** Print a few test invoices at this point, without processing them, to confirm your set up is correct
8. Print or email completed invoice, then click *Process* in bottom right corner
9. When payment is received, go to *Receipts* and follow the process which is similar to doing a payment making note of the cheque no. of the payment ensuring that your cheques are deposited to 1060 Chequing Account.
10. Take your petty cash and do a sales invoice and create a <one time customer> for cash received for copying/fax and allocate to the accounts.
11. Deposit cash into Petty Cash account.
12. I do this monthly when I make my bank deposit.

Using the Deposit Slip

1. On the home page go to **Reconciliations & Deposits** and click on *Transaction, Deposit slip*.
2. Drop down box to account ie 1060 Chequing Account. Your banking info should be there if you put it into your settings, (*Options* tab in your account record).
3. To add cheques, on the left half of the screen on the right hand side, click on *Select* which will pull up the *add cheques to deposit slip* window
4. Ensure that your cheques are coming from 1060 Chequing Account.
5. Change your date (date of your last deposit) and select "*add all*" and Click OK.

6. For Petty Cash, on your deposit slip, click on *select* on the right hand of the slip.
7. Ensure that your cash is coming from 1050 Petty Cash.
8. Add your bills and coin to the deposit slip and click on *Apply to the deposit slip*. Click OK.
9. This will automatically add up your deposit slip for your records.
10. It will also clear the customer invoices from your bank reconciliation
11. My bank will accept this as my deposit slip. I always print 2 copies, one for my record and one for the bank. I staple my deposit slip to my bank reconciliation and bank statement at month's end.

Bank Reconciliation

1. On the home page go to **Reconciliations & Deposits** and click on the reconciliation.
2. Drop down box to account ie 1060 Chequing Account.
3. Statement end date should be the end date for your bank statement. Reconciliation date will be the current date.
4. Enter the end balance information from your bank statement.
5. Working in the *Transactions* tab and using your bank statement, place a check in the box to clear the items listed on your statement.
6. You may be required to input bank interest or bank charges that appear on your statement. The process is similar. For interest, click on the tab located beside transactions called *Income*. Enter the source (bank statement or month), the date the interest was added, the amount and use the drop down box to click on 4210 Interest Revenue. Do the same process for Bank Charges.
7. At any time you can save your bank reconciliation and return to it later.
8. When your unresolved balance is zero, you have successfully reconciled your bank statement. Click on *Process.*

Bank Reconciliation Checklist

Bank reconciliations should be reviewed monthly.

Examples of appropriate reviewers would be the association treasurer or an external accountant. By initialling the bank reconciliation the reviewer should ensure:

1. The reconciliation is prepared monthly using Sage/Simply Accounting
2. 'Book Balance' on reconciliation is agreed to trial balance of the same date
3. 'Statement end balance' on reconciliation is agreed to actual bank statement
4. Returned cheque copies checked for proper signatures and limits
5. Returned cheque copies reviewed for any unusual amounts or payees
6. Ensure all deposits for the month from deposit book appear on the bank statement
7. Review reconciliation for any unusual reconciling items, particularly long outstanding items. Investigate if necessary.
8. Review actual bank statement for any unusual amounts

Month End Procedures

1. Reconcile your account.
2. Print up reconciliation report (Home Page, Reports, Banking, Reconciliation Report) using your statement end date.
3. Staple this to your bank statement along with any deposit slips and notices from the bank.
4. Print a cheque log (Home Page, Reports, Banking, Cheque Log) using the first and last date of the month.
5. Staple this to your cheque stubs with original invoices.
6. File for safe keeping.

Payroll

As we do not get the payroll updates for Simply Accounting/Sage50, you must use other sources to find out the current deductions for your payroll. I suggest the Payroll Deductions Online Calculator http://www.cra-arc.gc.ca/esrvc-srvce/tx/bsnss/pdoc-eng.html

I suggest that once you have this information, create your paycheque and store it as a recurring transaction – applicable for those who still use Simply Accounting. For Sage 50, a workaround follows with regards to payroll and remittance.

You may be required to do some one time preliminary steps for the payroll module.
1. On the home page, go to S*et up, Settings, Payroll* and click to expand payroll
2. Under *Deductions*, change deduction 1 to LTD
3. Under taxes, the EI deduction rate is 1.4, the WCB or (EI as we know it) needs to be input (in my case .75)
4. Remittance (see preliminary steps 1-10 in Remittance category)
5. Under Linked Accounts – Deductions LTD is linked to 2210 LTD Payable; under Taxes the taxes payable should be 2180 EI Payable; 2185 CPP Payable; 2190 Income Tax Payable; 2200 WSIB Payable and the Expenses should be 5420 EI Expense; 5430 CPP Expense; 5435 WSIB Expense.

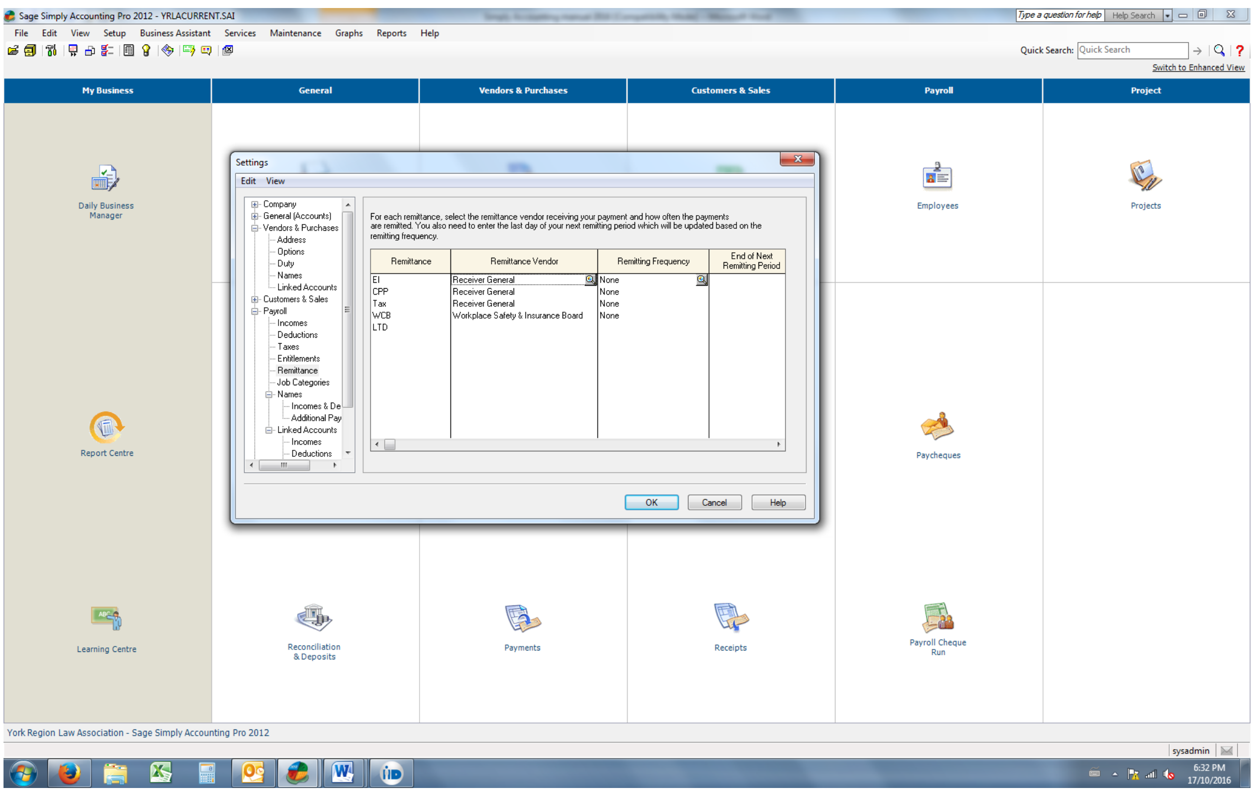
To create a new Employee record:
1. On the home page, click on **Employees** icon, select file, create and enter the information.
2. In the Personal tab, enter name, address, phone number and S.I.N., birth date, and hire date.
3. Under the Taxes tab, put a check mark in deductions for E.I. and C.P.P and the rate for E.I. is 1.4

4. In the Income tab, choose the pay period according to your pay schedule (52 pays per year, 26 pays per year,12 pays per year) and record wage expenses in the appropriate category (ie. 5410 Library Technician)

Remittance

There are some one time preliminary steps that must be done as follows:

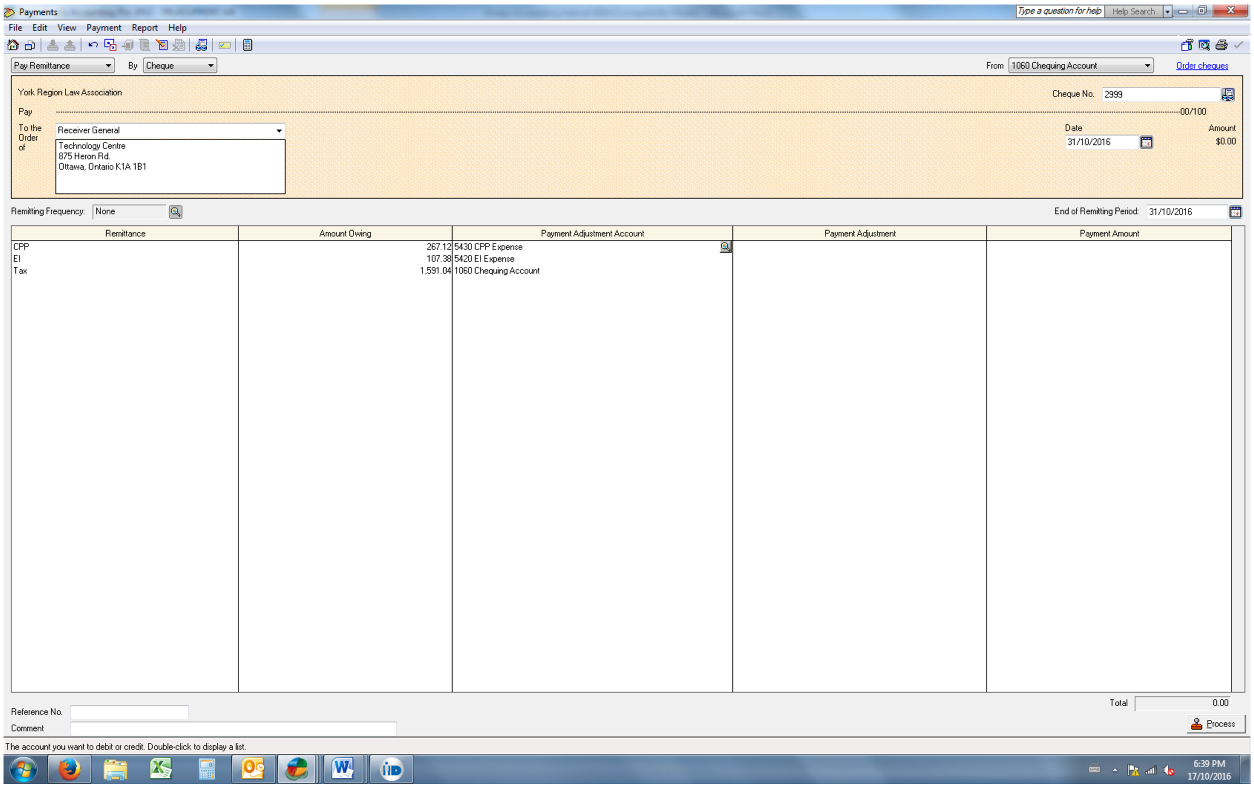
1. On the Simply Accounting home page, go to *Setup, Settings, Payroll* and *Remittance*.
2. Beside your EI, CPP and Income Tax, add the Receiver General as the Remittance Vendor from the drop down box. For WSIB, add WSIB as the Remittance Vendor.
3. In the balance forward date column, enter the end date of the last payroll remittance period paid.
4. In the balance forward column, enter any outstanding amounts.
5. This date/amount will vary dependant on your remittance schedule (monthly, quarterly)
6. I suggest that for simplicity, start at a new period with a zero balance.



When paying remittance according to your schedule the steps are as follows:

1. Go to **Payments**, *Pay remittance*, drop down box to the order of Receiver General (or WSIB)
2. Ensure the correct date is in the end of remitting period.
3. Click on the remittance amount

4. Your remittance should automatically calculate, check off the payment amounts.
5. Put a reference in the reference no. box. Print, Process.



Payroll & Remittance Workaround Sage 50

For those of you who are on Sage 50 and are locked out of the payroll module because you are not subscribing to it, a work around method has been provided to enter your payroll in a journal entry.

Here is the example, use the figures from the Payroll Deductions Online Calculator http://www.cra-arc.gc.ca/esrvc-srvce/tx/bsnss/pdoc-eng.html and save as a recurring transaction.

Gross salary is $2000.00 in this Journal Entry for payroll:

Account	Debit	Credit
5405 Librarian Salary	2000.00	
5420 EI Employer Portion	52.64	
5430 CPP Employer Portion	84.56	
1060 Chequing Account		1656.40
2180 EI Payable		90.24
2185 CPP Payable		169.12
2190 Income Tax		196.44
2210 LTD		25.00
Total	2137.20	2137.20

Receiver General Journal Entry:

Account	Debit	Credit
2180 EI Payable	9024	
CPP Payable	169.12	
2190 Income Tax	196.44	
1060 Chequing Account		455.80
Total	455.80	455.80

How to send a Sage/Simply Accounting file

1. Start in **FILE** at top left corner
2. Select **BACKUP** from the dropdown menu
3. Name file appropriately – for example WellandQ32015
4. Note where the file is being saved so it can be easily found when it is ready to be emailed (Tip – highlight and copy the path from the *location* box). Sage will save it as a .CAB file
5. Attach the .CAB file to your email message. Find the file by pasting the saved path into the file name box that pops up after clicking **ATTACH FILE** in your email program. Note – you may have to scroll down a bit to find the right file once you are in the correct directory.

Budgets

You can add your budget to Simply Accounting/Sage 50 and this information can be used in several ways. This is especially useful when you need to know how much of your budget is available by doing a comparative income statement or if you want to export the information for budgeting reports.

1. Go to **Chart of Accounts** and go to your Revenue Accounts (4000). Click on an individual account to open up the record. Click on the tab marked *Budget*, put a check the box *Budget this Account* and put in your Budget amount. Continue to do this for each account in Revenue and Expenses.

   *Tip – click on the *Go to the next account on this list* forward button at the top to quickly enter the checkmark and amounts.

2. Comparative Income Statement – on your home page, click on *Reports, Financials, Income Statements*. Select *Comparative Income Statements;* use your *Current year budget* for the first period and your *actual to date* for the second period. I also like my report to show the *difference in amounts.*