

GENERAL LEDGER

The General Ledger is the financial heart of your business. Without it you don't have a way to take your financial pulse. The General Ledger summarizes all the financial transactions of your business to produce a Balance Sheet, an Income Statement, Account Detail and Summary Reports.

InView's General Ledger consolidates information from Receivables, Checkbook and Equipment. Using the Chart of Accounts it automatically posts monthly income and expense totals to the appropriate accounts to show the recent financial activities of the business.

The Ledger has features to guide you as you set up and use your accounts and check for errors. In the unlikely event that you have to make manual entries, the General Ledger ensures the accuracy of your entries.

From here on, for simplicity, we refer to the General Ledger as the GL.

Our purpose is not to replace your accountant, but rather to help you provide useful information to your accountant. Accountants, bookkeepers, and CPAs are necessary! Consult yours and obtain the information listed in Getting Started, below, before doing anything in the GL. The accountant's role is to set up the structure of your business, to analyze the financial reports and prepare your taxes. Well prepared reports make your accountant smile since their role is easier and less time consuming. You can smile at the reduction in the account for professional services. *Warning!* ⚡

Warning!
The GL is more restrictive than other files. Be sure your setup is correct before entering any dollar amounts. Once an account contains information, changes must be made in a carefully prescribed manner.

Account Code	Account Name	Type	Debit Balance	Credit Balance
1100	Petty Cash	Current Asset	37.44	
1200	Checking Account	Current Asset	11,504.51	
1300	Accounts Receivable	Current Asset	4,790.70	
2100	Equipment	Equip Fixed Asset	21,119.83	
2150	Equipment Depreciation	Equip Fixed Asset		-21,119.83
3100	Accounts Payable	Liability		0.00
3250	Loan	Liability		10,325.03
3400	FICA Withholding	Liability		286.85
3410	Federal Withholding	Liability		425.00
3420	State Withholding	Liability		249.30
3500	Sales Taxes Payable	Liability		139.17
4101	Drawing Account	Capital	-4,503.66	
4300	Net Income	Capital		5,970.26
4301	Net Worth	Capital		3,440.70
5000	Income	Income		16,993.72
5001	Holding Fees	Income		0.00

ACCOUNTS WINDOW

The GL always opens showing the Accounts window. This window lists the account code, account name, type, and current balance of each account. You cannot change anything in the window, but using the Search menu, you can look at different selections of accounts.

Access detailed information about individual accounts by double-clicking on any one of them. Select and review particular sets of accounts by choosing Account Detail by... in the Search menu. Both methods take you to the Account Detail window described below.

Note: The first time you open it, the Accounts window is empty.

GETTING STARTED

There are a few things you need to know or do to prepare for using the GL.

You need to provide InView with some directions by setting your Preferences (*see next section*) for the General Ledger, but first, do all these steps.

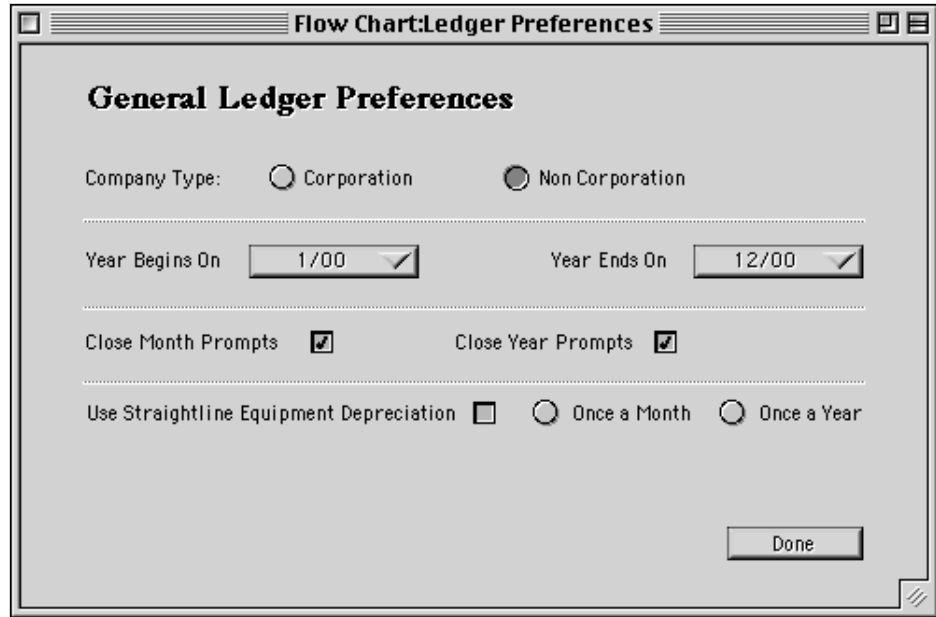
- 1) The GL is based upon your Chart of Accounts. If you don't already have a Chart of Accounts, you need to build one. If your Chart of Accounts is set for use by only Worksheet, nothing else, you need to expand it. Speak with your accountant, or, use InView's Chart of Accounts samples as starting points. (*See Install Accounts in the chapter on Chart of Accounts.*)
- 2) Have your accountant inspect your Chart of Accounts after you have it set up!
- 3) Determine the opening date for the GL. This date can be the start of your fiscal year, the date you started in business or, more likely, the beginning of the current month. Ask your accountant if you're unsure.
- 4) Determine the amounts of the Opening Account Balance, if any, for each account. This amount represents the account's status as of the starting date. (*See above.*)



With this information in hand, you're ready to start setting up your accounts. When that is done, remember, you need to set Preferences for the General Ledger.

LEDGER PREFERENCES

From the Windows menu of the General Ledger, choose Preferences. If you're in the Chart of Accounts, look in the Windows menu for General Ledger Preferences. The Flow Chart opens and goes to the General Ledger Preferences window.



In the General Ledger Preferences window you give InView the following information about the structure of your business:

COMPANY TYPE

If your business is incorporated, click on the button for Corporation. For all other business structures, such as a sole proprietor or a partnership, click on Non-Corporation.

YEAR BEGINS ON

Click on the Year Begins On popup menu to select the month your fiscal year begins. If you use a calendar year, choose January. The last choice in this menu, Custom, lets you manually enter a date.

YEAR ENDS ON

Click on the Year Ends On popup menu to select the month your fiscal year ends. If you use a calendar year, choose December. The last choice in this menu, Custom, allows you to manually enter a date.

CLOSE MONTH PROMPTS

The GL automatically provides reminders for you to follow if Close Month Prompts is checked. As you're in the process of closing your accounts at the end of each month, you are prompted with a list of the things that need to be done to close a month.

CLOSE YEAR PROMPTS

With Close Year Prompts checked, the GL automatically provides reminders for the processes of closing your accounts at the end of a year.

USE STRAIGHTLINE DEPRECIATION

If you don't use straightline depreciation on your equipment, ignore this option. Otherwise, to adjust GL depreciation accounts, the GL needs to know whether you calculate your straightline depreciation Once a Month or Once A year. Check one.

CHART OF ACCOUNTS


Although you can add and delete accounts in the GL, it's easier to completely set up the Chart of Accounts first, with the properly named accounts and then proceed with the GL. If you're not sure what accounts you should setup in Chart of Accounts, get help from your accountant.

The detail of your Chart of Accounts should reflect the kind of information you want to know about where your money came from and where it went. The General Ledger requires that the Chart of Accounts have Current Asset, Equipment Fixed Asset, Liability, Capital, Income and Expense accounts. Fixed Asset, an additional account type, is available to use but is not required. These account types are entered in the Type field of Chart of Accounts. *(The chapter on Chart of Accounts includes more detailed descriptions of these account types.)*

Note: Chart of Accounts can automatically install a minimal or extended set of accounts for you. These sets are intended as starting points and should be modified and adapted to suit your needs. *(See Install Accounts in the chapter on the Chart of Accounts.)* Run Inspect Setup from the Functions menu after making any changes to your Chart of Accounts or after making changes to your General Ledger Preferences.

GENERAL LEDGER - INSPECT SETUP (IMPORTANT)

When you've completed the setting up of your Chart of Accounts and have set your GL Preferences, and have run Inspect Setup, open the General Ledger. It's easily accessed through the Windows menu of Chart of Accounts. Run Inspect Setup from the GL's Functions menu. The GL Inspect Setup runs through the same process as Inspect Setup in Chart of Accounts, but also checks your General Ledger for missing or mismatched accounts comparing your Chart of Accounts with the General Ledger Preferences.

The first time you run Inspect Setup, it first checks the Chart of Accounts for the presence of these required accounts: Sales Taxes Payable, Accounts Receivable, Equipment, Equipment Depreciation, Income, Expense, and certain Capital Accounts. Sales Taxes Payable and Accounts Receivable store totals transferred from the Receivables file. Equipment and Equipment Depreciation store depreciation on equipment and are necessary if you use Straightline Depreciation, and have it activated in the General Ledger preferences. Depending on whether your business is incorporated or not, certain Capital accounts may be required. You may use your own account codes *(see the Chart of Accounts chapter for suggested code ranges)* but you must use these particular account names. *Warning!* 

If Inspect Setup discovers any of these accounts missing, it adds them to the Chart of Accounts. The addition of Equipment, Equipment Depreciation and the Capital accounts is determined by the General Ledger Preferences you set. You must add the Account Codes yourself to any accounts added by the Inspect Setup.

Keep running the Inspect Setup until it completes without errors. When the Inspect Setup is finished, your General Ledger accounts are updated and are the same as those in your Chart of Accounts.

Note: Net Income is one of the Capital accounts needed in your Chart of Accounts and GL. Net income is used in the Balance Sheet and reflects the grand total from the Income Statement.

Neither you or the month-end procedures directly input amounts in the Net Income account. Net Income is based on the difference between your income and expenses. The General Ledger needs Net Income in order to store and display your current month's Net Income for the Balance Sheet.

Now that your accounts are set up and passed the GL inspection, you're ready to enter the opening dates and balances.

OPENING BALANCES

Opening Balances is the window is where you enter the Opening Balances during your setup. In it you can enter a new ledger account and its opening balance or delete an account. There are no other uses for this window.

It's best if you have a list of opening balances from your Accountant. If you're entering Opening Balances based on the first day of your fiscal year, Balance Sheet accounts (Assets, Liabilities, and Capital) are the only accounts with balances. If you're entering Opening Balances from the first day of any month, other than the first month, any or all accounts may have an opening balance. Get the information for your accountant.

From the Functions menu, choose the first Account Type you want to enter balances for. The Opening Balances window opens with a list of individual accounts in the selected Account Type. In either the Credit or Debit column, enter the Opening Balance for each of these accounts.

Credit or debit? Not to worry! The top of the Opening Balances window has a short description of each and how it applies to the Account Type you selected. The window also has the cursor already located in the proper column based on the selected Account Type.

Warning!
If Inspect Setup adds new Accounts, then each is required by Account Name. Don't delete them. They will continue to be added. If you have an existing account under a different name, that is used for the same purpose as one added for you, delete your account and give its Account Code to the newly added account.



“Everything else is connected to everything else.”

Lenin

Enter the Opening Balance for the Account Name and Code on the first line and press Tab to move down to the next account.

When you enter the first Opening Balance, a dialog window appears asking for the Opening Balance Date. If you're entering beginning of the year balances, use the first day of the first

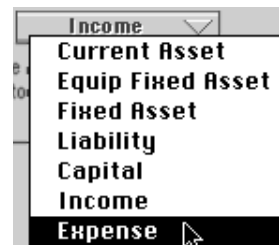
month of your fiscal year. In middle-of-the-year opening balances, you can use the last day of the previous month, or most likely, the first day of the current month, but since you checked with your accountant, you know what to enter here. Click OK. *Tip*

Account Name	Code	Debit Balance	Credit Balance	Open Balance Date
Income	5000			
Holding Fees	5500			
Interest Income	5550			
Mark Ups	5600			
Miscellaneous Income	5650			
Rebiling Fees	5700			
Research Fees	5750			
Usage Fees	5800			
Reimbursement Automobile	6330			
Reimbursement Miscellaneous	6550			
Reimbursement Travel	6850			

Tip: Only Balance sheet accounts have opening balances if you're starting the GL at the beginning of your fiscal year. Use the first day of your fiscal year as the Opening Balance Date.

The window is restricted to viewing one Account Type at a time. That is, if you want to edit a Current Asset opening balance, or add a new Current Asset account, you must be viewing only Current Assets. To switch to another Account Type, use the popup menu at the top center of the window and choose one.

When you finish entering balances for the selected Account Type, click on the Accounts popup menu to select another Account Type from the list. The window updates with a list of the Accounts within that Account Type. Again, the top of the window displays information to help you get the credits and debits right and the cursor is in the appropriate column. Make your entries as before, select the next Account Type and repeat the process until all of your accounts that have opening balances have been filled in.



Finally, to verify that everything is entered correctly, choose Balance Sheet and then Income Statement from the Reports menu. Each asks for the month and year to be reported on. Enter the same month and year you just used for the Opening Balance.

The Balance Sheet should show that your Assets and Liabilities are in balance. It should show the exact same amounts for Total Current & Fixed Assets and Total Liabilities & Net Worth. If not, check the figures to see if each account shows what you think you entered. If the Net Income account is incorrect, check the Income Statement for the error.

If you find errors, use the Functions menu to access the Account Types that have errors, make the corrections and print the reports again.

Note: During your setup you may need to change a balance you entered incorrectly, however, once you have entered opening balances and verified their accuracy, you are on your honor to leave the opening balances alone. When your General Ledger is in balance, that is the Balance Sheet shows your Total Assets equal your Total Liabilities & Capital, you should never change an individual account opening balance. *Tip Warning!*

Tip: Run a Balance Sheet report and an Income Statement report to verify Opening Balance entry.

CLOSE MONTH

When all of your checks, deposits, invoices and other transactions are completed for a given month, you need to Close Month. Close Month is the procedure that transfers monthly totals from your Receivables, Checkbook(s), and if your preferences indicate, the Equipment file, in order to produce a current Balance Sheet and Income Statement.

Before running a Close Month for the first time, you may want to take the time to review your Preferences. Preferences is located in the Windows menu, and controls several functions that Close Month performs. Using Straightline Depreciation and how often depreciation totals are transferred to the GL from the Equipment file is one setting, company type is another, and reminders or Close prompts turned on can be helpful.

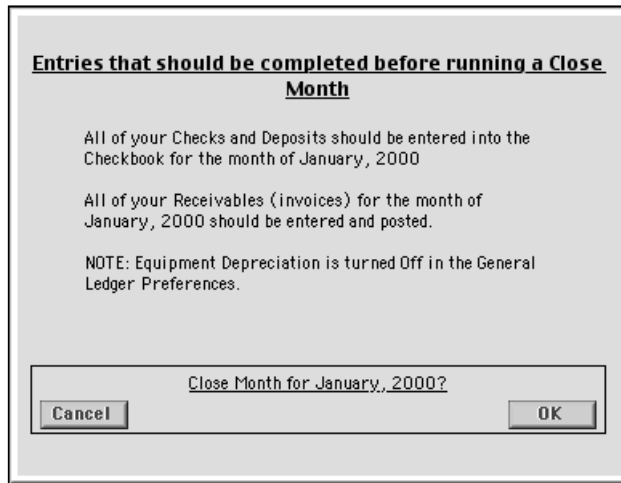
After you enter all your checks, deposits, new equipment, and invoices for the prior month, choose Close Month from the Functions menu. A dialog asks you to enter the month to be closed. Providing there are no errors, sit back and watch.

Warning!

A Close Month will not proceed if your General Ledger is out of balance. Do not pass go, do not collect \$200.

Note: If you have Close Month Prompts set in the GL Preferences, the date dialog is preceded by a window to remind you of the steps for closing a month. If you aren't sure you completed all of these tasks, click Cancel to stop the Close Month. Get these tasks cleared up and try again. The Windows menu provides quick access to all the related files you need to prepare for closing.

Note: If the GL determines that the month is already closed, you're advised of the fact and asked if you want to replace the posted totals for the month. *Tip* ♦



Tip: You're asking, "Why close the same month more than once?" If you input the wrong account on a check in Checkbook, say you bought office supplies and the check is coded for Auto Expense, the Checkbook and the GL both need corrected. Correct the Check first, then Close Month to correct the GL.

Based upon Preferences, certain GL accounts are necessary. If a required account does not exist, it's added for you. That's right, the GL is running the Inspect Setup before transferring monthly totals to your GL. This is a necessary step in case you deleted any required ledger accounts. If new accounts are added, you're asked to assign the account code and in some cases, the account type. Run Inspect Setup from the GL after making any changes to the Chart of Accounts or the General Ledger.

If your General Ledger is out of balance, the Close Month stops and asks you to correct the error. Run a Balance Sheet and Income Statement, in the Reports menu, to check the account balances.

When the Close Month is completed, run a Balance Sheet and Income Statement to see your current financial status.

MISSING CURRENT ASSET ACCOUNTS

A properly named Current Asset account is required for each business Checking Account you use in your Checkbook file. The Checkbook chapter explains how to name these current asset accounts (see the chapter for Checkbook, Managing Checking Accounts.) *Tip* ♦

MISSING ACCOUNT CODES

If your Receivables has Account Codes that do not exist in the Chart of Accounts, you're asked to either change the codes, or add the codes to the Chart of Accounts. Run Inspect Setup from the GL after making any changes to the Chart of Accounts.

If your Checkbook has Account Codes that do not exist in the Chart of Accounts, you're asked to either change the codes, or add the codes to the Chart of Accounts. Run Inspect Setup from the GL after changes to the Chart of Accounts.

CLOSE YEAR

Close Year reacts the same as close month, however, there is one more step you may encounter. If you have not closed the last month of the year, determined by the Year Ends setting in your GL Preferences, you're asked if you want to close it.

Close Year creates a backup copy of the General Ledger named "GL yyyy." The "yyyy" is actually the year you are closing; 2000 for example. This lets you view or print the detail of any closed year by opening its GL YYYY file.

That done, it calculates a Closing Balance and stores a single record for each account with a Closing Balance in your current year's GL. This lets you compare yearly totals of any ledger account. (See Account Summary by... Year in the section on the Reports menu.) *Tip* ♦

Finally, the Close Year deletes all activity for the year being closed. You start the new year with a clean slate. That is, you start the new year with current opening balances but without any monthly activity. Remember, you have a new file "GL YYYY" that still has that year's detail.

When the Close Year is completed, run a Balance Sheet to see the results.

The record with the year's Closing Balance is available in the Accounts Detail window. (See below.)

ACCOUNT DETAILS

When you double-click on a single account in the Accounts window, the Account Detail window opens to show the selected account in detail. The Account Detail shows transactions that make up

Tip : If you get the message that certain Current Asset account(s) are missing, allow the Close Month to add the account(s) for you. If you already have an account code for the particular checking account, copy the account name the Close Month added for you and paste it to your account code.

Tip: In preparing for the new year, your Income and Expense accounts need to be closed entirely. Their balances are set to zero. All Asset, Liability, and Capital accounts carry over their balances. The appropriate Capital account is updated to reflect the closing of your Income and Expense accounts.



the account's current balance.

The Account Detail can also be accessed by choosing Account Detail by... from the Search menu. This opens the Account Selections dialog. You can select a single account, accounts by type, a range of account codes, or all accounts. (See the following section on the Account Selection dialog.)

ACCOUNT DETAIL WINDOW

At the top of the Account Detail window is a count of the selected accounts. Only one of those accounts at a time is displayed in detail. This is the active account and its code is displayed on the Codes popup menu. The Account Detail window lists each transaction in this active account. The list consists of any prior years' closing balances for the account, the current year's Opening Balance, any monthly transactions for the current year and, at the bottom, the current year's balance.

General Ledger:Account Detail

77 Selected General Ledger Accounts

1200

Business Checking Account - Current Asset

Date	Memo	Source	Debit	Credit	Balance
1/1/00		Bal B/F	11,234.27		11,234.27
4/30/00	Close Month	CB-Business	42,266.14		53,500.41
4/30/00	Close Month	CB-Business		3,269.87	50,230.54
5/31/00	Close Month	CB-Business	8,203.10		58,433.64
5/31/00	Close Month	CB-Business		24,690.67	33,742.97
ACCOUNT BALANCE			61,703.51	27,960.54	33,742.97

SOURCE OF TRANSACTION

Each transaction in the Account Detail window shows a Source. With the Balance Brought Forward, Bal B/F, as the only exception, the Source is the abbreviated name of the file where the transaction information was obtained and is recorded in greater detail.

If you used Close Year, you see a record with the Source, "GL YYYY." Double-click that line to open the prior year GL file and automatically select that same account's detail for that prior year. The other records are a result of Close Month. Double-click on any of these records to open the Source file and automatically select the detail that created that Close Month total.

ACCOUNT CODE POPUP MENU

Below the count, is the Account Code popup menu that displays the code of the active account. When you click on the menu you get a listing the of the selected accounts (name and code). Use the menu to view a different account's detail.

The Account Code popup menu lists the accounts you selected using the Account Selection dialog. If you chose the Expense type, for example, the count of selected accounts reflects the number of Expense accounts your GL has and the Account Code popup menu lists all of your Expense accounts and nothing else.

If you choose all accounts or double-click on any one account in the Accounts window, it lists all accounts. In this case, the count represents all of your GL accounts.

19 Selected General Ledger Accounts

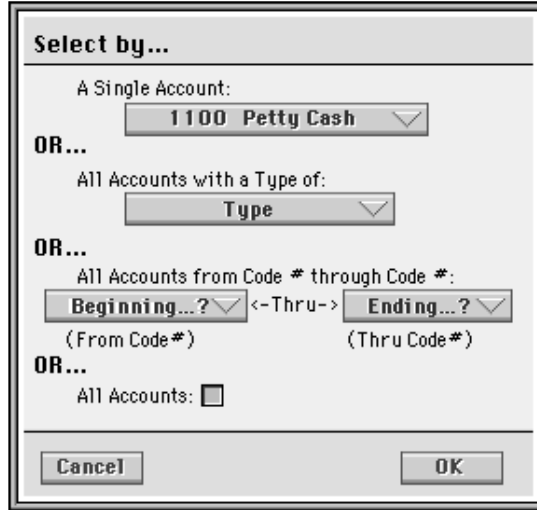
6000 Expenses

- 6000 Expenses
- 6100 Advertising Expense
- 6200 Automobile Expense
- 6360 Depreciation Expense
- 6640 Health Insurance Expense
- 6660 Insurance Expense
- 6670 Interest Expense
- 6680 Legal & Professional Expense
- 6690 Meals & Entertainment Expense
- 6720 Miscellaneous Expense
- 6780 Office Expense
- 6840 Rent Expense
- 6860 Repairs & Maintenance Expense
- 6880 Shipping Expense
- 6890 Supplies Expense
- 6900 Taxes & Licenses Expense
- 6920 Telephone Expense
- 6960 Travel Expense
- 6980 Utilities Expense

ACCOUNT SELECTION DIALOG

The Account Selections dialog is accessed by the Search menu, Account Detail by..., or the Reports menu Account Detail.... Either method opens the Account Selections dialog. The difference between the two access methods is that the Reports menu option goes on to ask if you want to Print the selected ledger accounts.

In the Account Selections dialog you have various selection choices. Any of these choices takes you to the Account Detail window.



A SINGLE ACCOUNT

Use the Single Account popup menu to select a single account's detail.

ALL ACCOUNTS WITH A TYPE OF

Use the All Accounts with a Type of... popup menu to select all Current Assets, Equipment Fixed Assets, Fixed Assets, Liabilities, Capital, Income, or Expense accounts.

ALL ACCOUNTS FROM CODE # THROUGH CODE #

If you want to select a range of accounts, use All Accounts from Code # through Code #. Use the Beginning...? popup menu to select a beginning account and the Ending...? popup menu to select the ending code.

ALL ACCOUNTS

Click the All Accounts checkbox to make all accounts available for view their detail. This is the same as double-clicking on any account in the Accounts window.

OK

Click the OK button to process your selection and go to the Account Detail window.

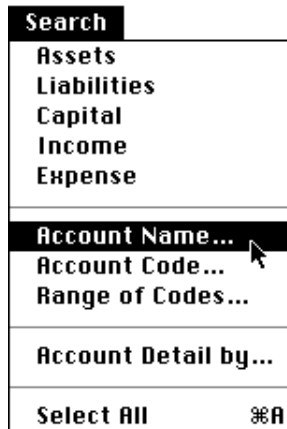
CANCEL

Click on Cancel to erase your hard disk. Aha, you are reading this, actually this cancels any selection, closes the window and leaves you in the Accounts window.

MENUS

SEARCH

With Account Detail By... being the exception, the Search menu is available from the Accounts window only and simply reduces the number of accounts you are viewing in the window at any given time.



ASSETS

Assets select all three types of assets, Current, Equipment Fixed, and Fixed.

LIABILITIES

This selects all the Liability accounts.

CAPITAL

Selects Capital accounts.

INCOME

Selects Income accounts.

EXPENSE

Ditto! Selects Expense accounts.

ACCOUNT NAME...

This opens the standard Search dialog with the Account Name as the default in the selection dialog. Enter the Account Name you're seeking. If found, the account(s) are displayed in the Accounts window.



Note: If you're not familiar with the Search dialog, see the Getting Started chapter for some brief but valuable tips.

ACCOUNT CODE...

This opens the standard Search dialog with the Account Code as the default in the selection dialog. Enter the Account Code you're seeking. If found, the account is displayed in the Accounts window.

RANGE OF CODES...

Range of Codes asks for a Beginning Code, then for an Ending Code. All accounts with numbers between or equal to the two you entered are shown in the Accounts window.

ACCOUNT DETAIL BY...

Account Detail by... opens the Account Selections dialog and is available in the Accounts window and the Account Detail window. This dialog has a variety of ways to select accounts. The results of the selection appear in the Account Detail window. *(See the earlier sections on Account Details and Account Selection Dialog for more information on these features.)*

SELECT ALL

Selects and displays all GL accounts in the Accounts window.

SORT

SORT BY ACCOUNT NAME

Sort by Account Name organizes the accounts shown in the Accounts window alphabetically.

SORT BY ACCOUNT CODE

Sort by Account Code sorts the accounts shown in the Accounts window by account code. This is the standard or normal way of viewing a General Ledger or Chart of Accounts.



SORT FILE

The Sort File option is basically a housekeeping to straighten up everything. If for some reason you see duplicate account names or codes in the Accounts window, not to worry. Things are probably just fine. Run the Sort File to get the Accounts window in sync. It sorts and totals each account so you can view the current account list and balances.

FUNCTIONS

CLOSE MONTH

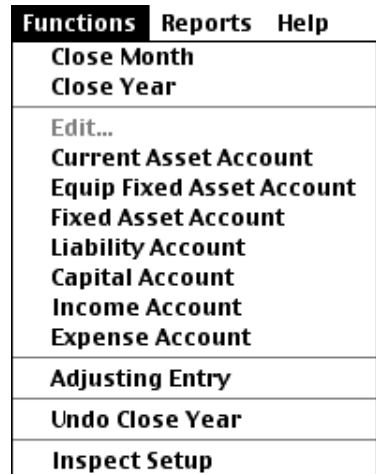
Close Month runs the procedures involved in closing your books for the past month. *(See the section on Close Month earlier in this chapter.)*

CLOSE YEAR

Close Year runs the procedures involved in closing your books for the past year. *(See the section on Close Year earlier in this chapter.)*

- CURRENT ASSET ACCOUNT
- EQUIP FIXED ASSET ACCOUNT
- FIXED ASSET ACCOUNT
- LIABILITY ACCOUNT
- CAPITAL ACCOUNT
- INCOME ACCOUNT
- EXPENSE ACCOUNT

Each of these Account Type menu items, located below the dimmed Edit..., select the accounts by type and takes you to the Opening Balances window. The Opening Balances window is the place where you enter your Opening Balances during your setup. In it you can enter a new ledger account or delete an account. There are no other ways to use the Opening Balances window.



ADJUSTING ENTRIES

This opens the Adjusting Entry window.

An adjusting entry is a transaction made to more than one account in order to adjust the accounts' current balances. Adjusting entries are very seldom necessary and are usually performed because

your accountant instructs you to do so. (See the section later in this chapter on Adjusting Entries.)

UNDO CLOSE YEAR

So, you're year really isn't over. Let's say your accountant want you to enter some adjusting entries to the previous year, the one you just closed. Undo Close Year will return your General Ledger to exactly the way it was prior to running Close Year.

INSPECT SETUP

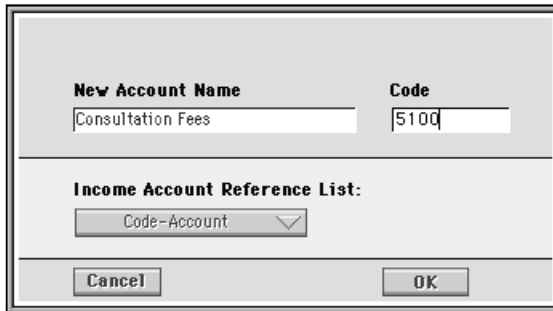
Anytime you add or delete accounts from either the Chart of Accounts or the GL, or anytime you enter or change opening balances, run Inspect Setup. In addition to checking for required accounts, this procedure checks to make sure your General Ledger is in balance. This means that the Opening Balances you entered are most likely correct.

If your General Ledger is out of balance, run a Balance Sheet and Income Statement from the Reports menu. This helps you determine which account(s) have an incorrect balance.

If the inspection adds required accounts, you must assign an account code to each account without one. Continue running the Inspect Setup until it completes without error.

NEW LEDGER ACCOUNT

Available only in the Opening Balances window, use New Ledger Account or type Cmd/Ctrl-E to create a new GL account. The New Account dialog opens for you to type in the new Account Name and Account Code. The New Account dialog contains a pop-up menu listing existing account codes and names for your reference. This is a reference list and only used to see what accounts exist. Releasing on an item in the list does nothing.



Click OK after you enter the ledger Account Name and Account Code. The new ledger account is added to the GL and to the Chart of Accounts. *Tip* ♦

DELETE LEDGER ACCOUNT

Available only in the Opening Balances window, use this to delete a GL account. Click on the account to be deleted, making it the active account, and choose Delete Ledger Account from the Functions menu.

If the account has a balance or any activity for the current year, you cannot delete the account. If the account has neither a balance nor activity, the account is deleted from both the GL and the Chart of Accounts. *Tip* ♦

Note: To add or delete a GL account you must be in the Opening Balances window. If you aren't, choose an account type from the Functions menu while in the Accounts window. From the Opening Balances window, use the Accounts popup menu the select the account type you need to add or delete.

NEW TRANSACTION

Available only in the Adjusting Entries Window, New Transaction, Cmd/Ctrl-E, creates an additional transaction line for you to enter an Account Name, Account Code and amount.

DELETE TRANSACTION

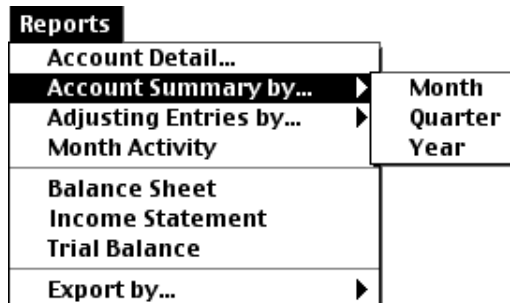
Available only in the Adjusting Entries Window, Delete Transaction deletes the active line of an adjusting entry.

REPORTS

ACCOUNT DETAIL...

Choosing Account Detail... opens the Account Selection Dialog where you make a selection of ledger accounts. (See the section earlier in this chapter on the Account Selection Dialog window.)

With your selection made, it opens the Account Detail window that displays only one



Tip: An easy way to add accounts is to add them in the Chart of Accounts. Run Inspect Setup from the GL to inspect both the Chart of Account and the GL. The inspection transfers any new accounts to the GL.

Tip: Delete accounts from the General Ledger Opening Balance window and the Chart of Accounts account will automatically be deleted for you. It doesn't work the other way around though. Deleting from the Chart of Account accounts will not affect the GL, and the next Close Month will add the account back to the Chart during the Inspection stages.



of the selected accounts at a time in detail. A Print dialog then opens offering you three choices. Click the Active button to print just the active, or currently displayed account's detail, which is named in Print dialog. Click the Selected button to print the currently selected accounts. The selected count is displayed in the Print dialog, or click Cancel.

After printing, or if printing is Cancelled, the Account Detail window remains open. There you can use the Accounts popup menu to view individual accounts among those selected. In this window you can choose Print from the File menu to repeat the printing sequence described above. *Tip*

Tip: Holding the shift key while choosing Adjusting Entries, Month Detail, Balance Sheet, Income Statement or Trial Balance from the Reports menu triggers a Print Preview, instead of printing.

ACCOUNT SUMMARY BY...

An Account Summary is a Cross Tabulation report. Cross Tabulations total two ways in one report. Each row of numbers is totaled horizontally in the last column, producing a total by Ledger Account. Each column of numbers is also totaled vertically, producing a total for a month, quarter, or year.

Account Summary by... has a submenu to select the configuration of the cross tabulation report.

You can produce a report for one quarter at a time or for all months of activity.

MONTH

The Month report produces individual monthly account totals for all months, or just those months in a particular quarter of your current fiscal year. It includes the combined totals for the selected period. When you choose Month, a dialog window opens where you indicate which quarter you want a monthly report of. Select a quarter by entering a number representing it: 1, 2, 3, or 4. Or leave the default "All" in place and get monthly totals for every month within the current year.

Note: These reports can be very wide and may require setting Landscape in the Page Setup dialog found in the report's File menu.

QUARTER

The Quarter report shows account totals for completed quarters in your current fiscal year.

YEAR

The Year report is useful if you have prior year totals in your General Ledger, that is, if you have closed a year using the Close Year procedure. It shows the account totals for each year and for the current year.

FUNCTIONS

The Cross Tabulation report windows are in outline format and have a specialized Functions menu to hide or show data.

OUTLINE LEVEL

Outline level hides the individual accounts to show just the Account Types and their totals.

DATA LEVEL

Data Level expands the outline to show all the individual accounts and the Account Types.

ADJUSTING ENTRIES BY...

Adjusting entries prints a report of any manual adjusting entries you made. It has a submenu to select a Month, Quarter, Year or a specific Date Range. When you choose one of these, a dialog opens for you to enter the period or date range. *Tip*

MONTH ACTIVITY

The Month Activity report asks for the month you wish to report on then reports on the total debits and credits for each account that had activity for that month.

BALANCE SHEET

A Balance Sheet can be run for the current month, or any past month in your current year. Choose this report and enter the month and year you want the Balance Sheet to cover.

A Balance Sheet shows each GL Account's total as well as subtotals and totals of your Assets, Liabilities, and Capital accounts. To report on total Assets, Liabilities and Capital, without account totals, click OK to the "Account Type Totals Only?" dialog.

As a summary of your assets and liabilities, this is everything your business owns and owes. Your accounts, or GL, is in balance when your Total Assets equal your Total Liabilities & Capital. *Tip*

INCOME STATEMENT

An Income Statement can be run for any past month in your current year. Choose this report and

"Beware of little expenses: a small leak will sink a great ship."
Benjamin Franklin

Tip: To adjust Top, Bottom, or Left margins of any report, click the Cancel button in the Print Dialog window. The report window remains open and you now have a Margins menu. (see EZ Graphics.) Choose Preview from the File Menu to preview your changes. Choose Print from the File menu when you are ready to print the report.

Tip: If your Company Name does not appear on the top of these Reports, input it into the Flow Chart, Company Profile. Note: Account Summary By... produces a cross tab report and company name will not appear on this report.

enter the month and year you want the Income Statement to calculate.

Based upon the month you choose, an Income Statement shows that month's total, and the balance for each Income and Expense account through and including that month. Two percent (%) columns also print; one for the percent of monthly income or expense the number represents, and one for the percent of yearly income or expense the number represents. To report on the Total Income and Total Expense only, without individual account totals, click OK to the "Account Type Totals Only?" dialog.

If you want a current Income Statement simply return/enter through the date dialog to accept the default date, which is always the prior month and most likely the month last closed. The Income Statement also shows a grand total for each type, and the total difference between Total Income and Total Expense, the Net Profit. The Net Profit total is shown in your Balance Sheet.

TRIAL BALANCE

Trial Balance is a simple report that print the Total Debits and Total Credits for all General Ledger accounts through the specified month.

EXPORT BY...

Export by... has a submenu to select a Month, Quarter, Year or a specific Date Range. It creates an ASCII text file named "GL Text," plus your Date choice. For example, if you Export by Month, an exported text file for August 1999 is named "GL Text 8/99". Exported data is formatted as a tab delimited file with fields Account Name, Account Code, Type, Debit, Credit, Trans Date, Sources, Memo.

CROSS TAB REPORTS

Some reports are produced in Cross Tab windows. These windows show data in an outline format. The outline is controlled through the Functions menu.

In the Functions menu are: Expand This Line, Expand All, Collapse This Line and Collapse All. They work to hide or reveal details within the outline, either on a line by line basis or overall. Try them out and you'll quickly see what they do.

The Cross Tabs windows also contain Search, Sort and Math menus to allow you to work with the displayed data. Changes you make in these windows do NOT affect the real data used in generating the report, so experiment and explore without fear.

WINDOWS

ACCOUNTS

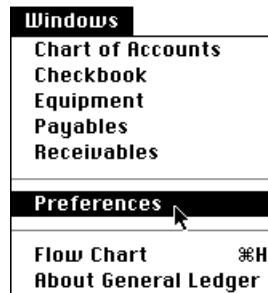
Accounts closes the active window and takes you to the Accounts window.

CHART OF ACCOUNTS, CHECKBOOK, EQUIPMENT, PAYABLES & RECEIVABLES

Each of these opens the named file.

PREFERENCES

Preferences opens a window in Flow Chart where you set certain behaviors of the GL. (See the beginning of this chapter for more information.)



FLOW CHART

Flow Chart opens new possibilities and it opens the Flow Chart file.

ABOUT GENERAL LEDGER

Get version numbers and copyright information from the About General Ledger window.

ADJUSTING ENTRIES

An Adjusting Entry is necessary to make adjustments prescribed by your accountant. An adjusting entry is a transaction made to more than one account in order to adjust the account balances. *Warning!* ♦

Note: Described earlier in this chapter is a Close Month procedure. The Close Month automatically adjusts account balances with information from your Checkbook(s), Receivables, and if your preferences indicate, your Equipment file. These entries are *not* the same as adjusting entries. They are detail entries based on your monthly income and expenses, and, if your preferences indicate, monthly equipment depreciation.

Warning!
 Adjusting Entries should not be taken lightly. Adjusting entries are very seldom necessary and should only be performed because your accountant instructed you to do so.



To make an Adjusting Entry, in either the Accounts window or the Account Detail window, choose Adjusting Entry in the Functions menu.

After displaying a warning about entering an adjusting entry, the Adjusting Entry Header opens. It contains three bits of information, two of which you control; the Date of the adjusting entry and the Memo.

The Date should be the date that you want shown for the adjustment. Memo is where you type in the reason for the adjusting entry. Your accountant will probably provide you with an explanation or reason for the entry.

The entry is referenced but you cannot change the reference. All transactions that pertain to this entry will have the same reference id. Your accountant will like this!

Click OK to proceed to the Adjusting Entry window, or Cancel to return to the Accounts window.

The Adjusting Entries window opens and displays your Entry Date, Memo, and Reference. You have two lines of empty transactions. All adjusting entries must have a minimum of two transactions. Accounting rule: you cannot reduce one or more account's current balance without increasing one or more accounts by the same amount. In other words, whether your adjusting entry has two transactions or five, the total of the lines must equal zero (\$0.00). You cannot get out of the Adjusting entry window until your transactions total \$0.00 or click Cancel to cancel the entry.

Use the Account Name button to select the account to adjust. This button enters both the Account Name and code for you automatically. Enter the amount of the adjustment in either the Debit or the Credit column as your accountant has instructed you to do. You can also type in the Account Name and let Clairvoyance help you. Based on the Account Name, the Account Code is entered for you. Click on the second transaction line and use the Account Name button to enter the other account.

If your Adjusting Entry involves more than two accounts, choose New Transaction from the Functions menu or press Return/Enter to add an additional transaction line. If you add a transaction line you don't need, choose Delete Transaction from the Functions menu or press Delete/Backspace, to delete the active line.

To post the Adjusting Entry, click the OK button, in the top right corner of the window. If the entry does not total to \$0.00 or if an account name or code is incorrect, the entry will not post and you are given a warning. Click the Cancel button, located in the top left corner of the window, to cancel your entry.

Account Name	Code	Debit	Credit	Balance
Usage Fees	5800	100.00		0.00
Research Fees	5750		100.00	0.00

Here's an example of an adjusting entry. Let's say you discover that you coded an invoice incorrectly over four months ago. Instead of charging \$100 for Consultation, an Income account, you should have charged \$100 for Research, also an Income account. Even though you corrected the invoice, you must also correct your GL. You need to reduce the Consultation income account balance by \$100 and increase your Research income account balance by the same amount. And, did we mention that you should check with your accountant?