Howell Client Accounting

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TABLE OF CONTENTS

10 EASY STEPS FOR SETTING UP A NEW CLIENT 5-13

CLIENT ACCOUNTING TRAINING NOTES 14-15

QUICK START TRAINING PRACTICE SET & TUTORIAL 16-42

COMMON QUESTIONS AND OPERATING TIPS 43-45

1. GETTING STARTED 46-47
- 1.1 Installation
- 1.2 Creating State U/C Report Template
- 1.3 Getting Started
- 1.4 System Administrator & Main Menu (Network Version Only)

2. GENERAL OPERATING NOTES 48-52
- 2.1 Navigating the Menus
- 2.2 Data Entry
- 2.3 The File View Box
- 2.4 Setting the Report Mode
- 2.5 Setting up a Chart of Accounts

3. FILE 53-57
- 3.1 Select/Create Client
- 3.2 Backup/Restore Client Files
- 3.3 Amortization

4. TRANSACTIONS 58-71
- 4.1 General Journal Transactions
- 4.2 Cash Journal
- 4.3 Recurring Journal Entries
- 4.4 Auto-Reversing Entries
- 4.5 Post Recurring Journal Entries
- 4.6 Post Auto Reversing Entries
- 4.7 Print Transactions
- 4.8 Print Journals
- 4.9 Edit / Delete Transactions
- 4.10 Formatted Entry Templates
- 4.11 Hash Total General Ledger Accounts
- 4.12 Prior Period / Prior Year Adjustments

5. REPORTS 72-86
- 5.1 Automatic Printing of Reports
- 5.2 Financial Reports
- 5.3 Detail General Ledger
- 5.4 Payroll / 1099 and Overtime Reports
- 5.5 Disclaimer Letter
- 5.6 Client Bill
- 5.7 Statement of Changes in Financial Position
- 5.8 Statement of Cash Flow
- Quarterly Payroll Reports **Appendix E**
- Federal 941 **Appendix E**
- Federal 940 **Appendix E**
- Print Forms W-2 & 1099 & E-filing **Appendix E**

6. PERIOD CLOSE **87-89**
6.1 Process General Ledger
6.2 Process Payroll
6.3 Year-end tips

7. FILE MAINTENANCE **90-111**
7.1 General Ledger
7.2 Payroll / 1099
7.3 Payees / Vendors
7.4 Client General Information
7.5 Payroll & Tax Standards
7.6 Payroll Accounts
7.7 Miscellaneous Deductions
7.8 Federal Corporate Tax Tables
7.9 Duplicate Client Files
7.10 Clear All Accounts

8. CONVERT DATA FILES **112**
8.1 Transfer External Postings
8.2 Quick Books Import Utility

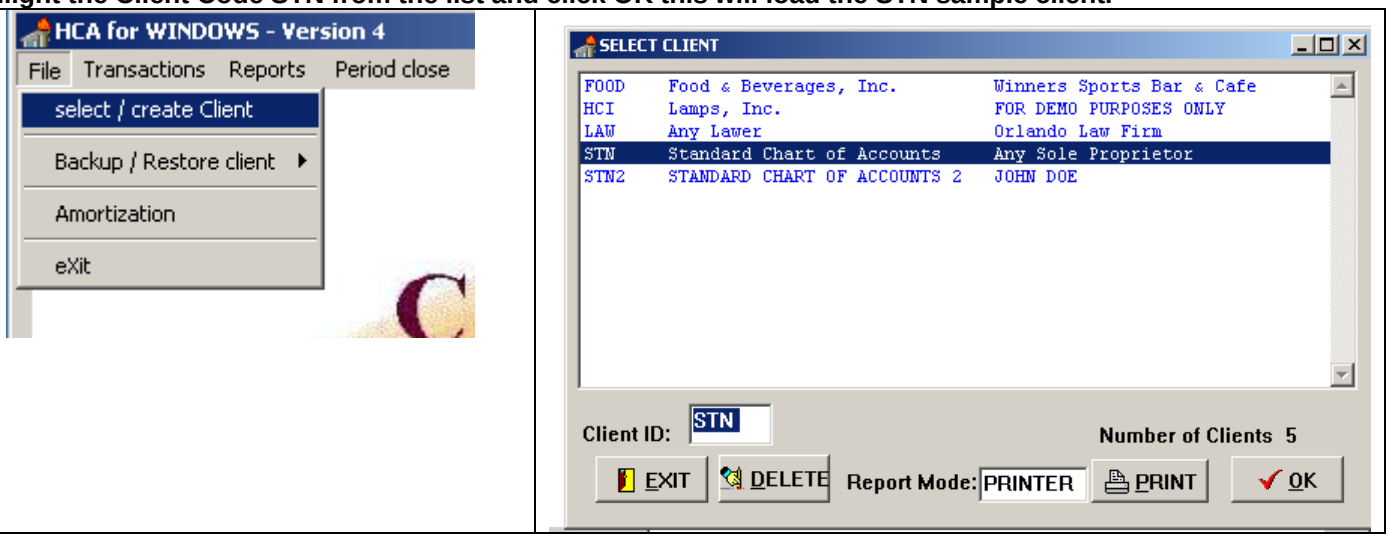
9. SYSTEM PARAMETERS **113-116**
9.1 Accountants Information
9.2 Set System Dates
9.3 File Paths
9.4 Report Mode
9.5 System Information

APPENDICES **117**
Appendix A - SPECIAL TOPICS
Appendix B - TECHNICAL NOTES
Appendix C - SETTING UP THE STATE U/C REPORT
Appendix D - CASH FLOW STATEMENT
Appendix E – PRINTING W2'S, 1099'S, 941, 940, STATE U/C TEMPLATES
Appendix E – ELECTRONIC FILING

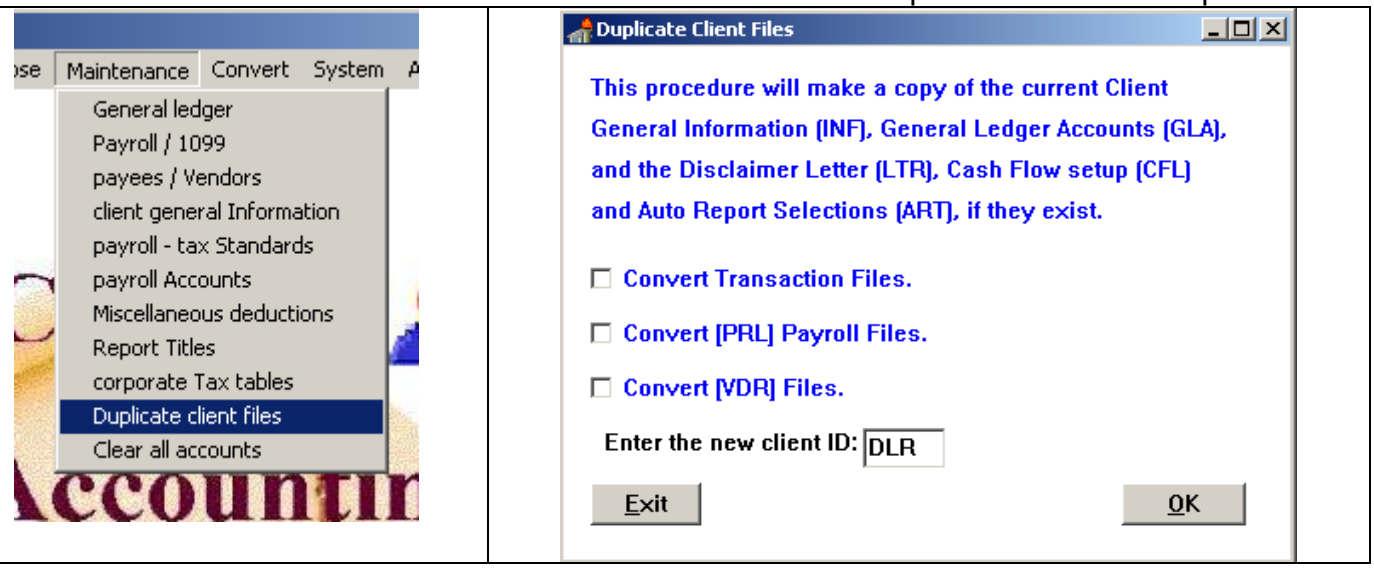
BANK RECONCILIATION PROGRAM MANUAL **151**

10 EASY STEPS TO SET UP A NEW CLIENT

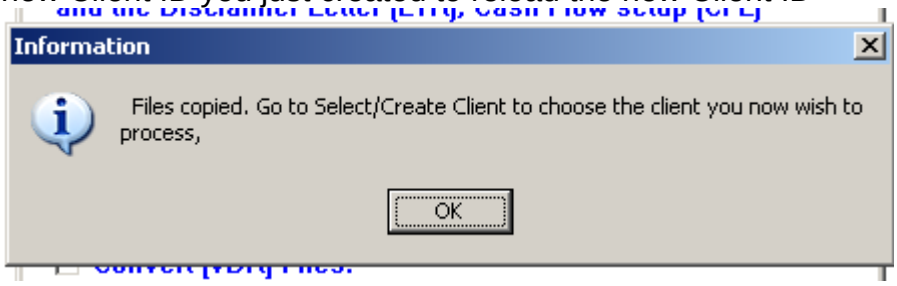
1. Load the client that you want to duplicate the chart of accounts – For this training we will copy over the STN (Standard Chart of Accounts). From the main menu click on File then the select/create Client option and highlight the Client Code STN from the list and click OK this will load the STN sample client.



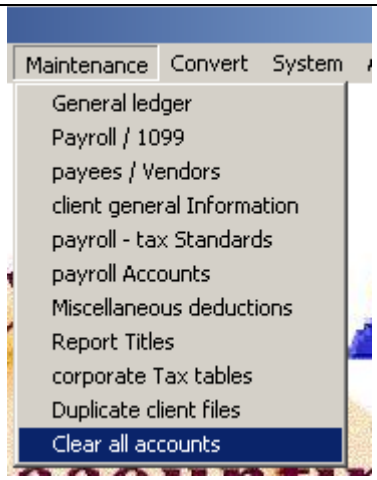
2. Select Maintenance from main menu & then select the Duplicate client's files option

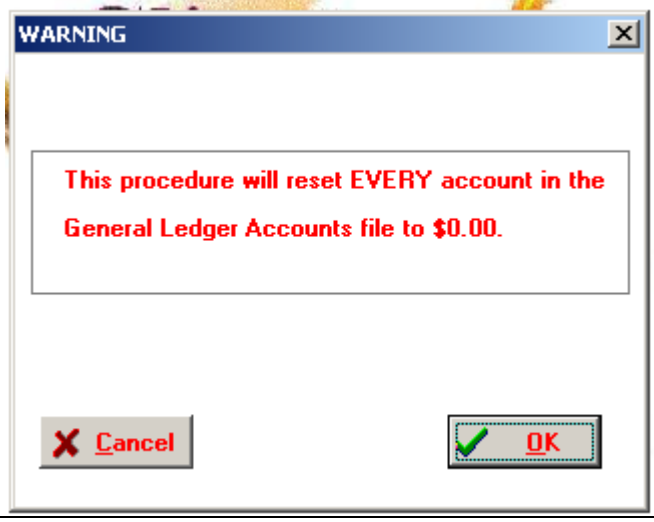


3. Assign your new client an ID - Alpha or Numeric and 3 or 4 digits – Then make sure you reselect the new Client ID you just created to reload the new Client ID

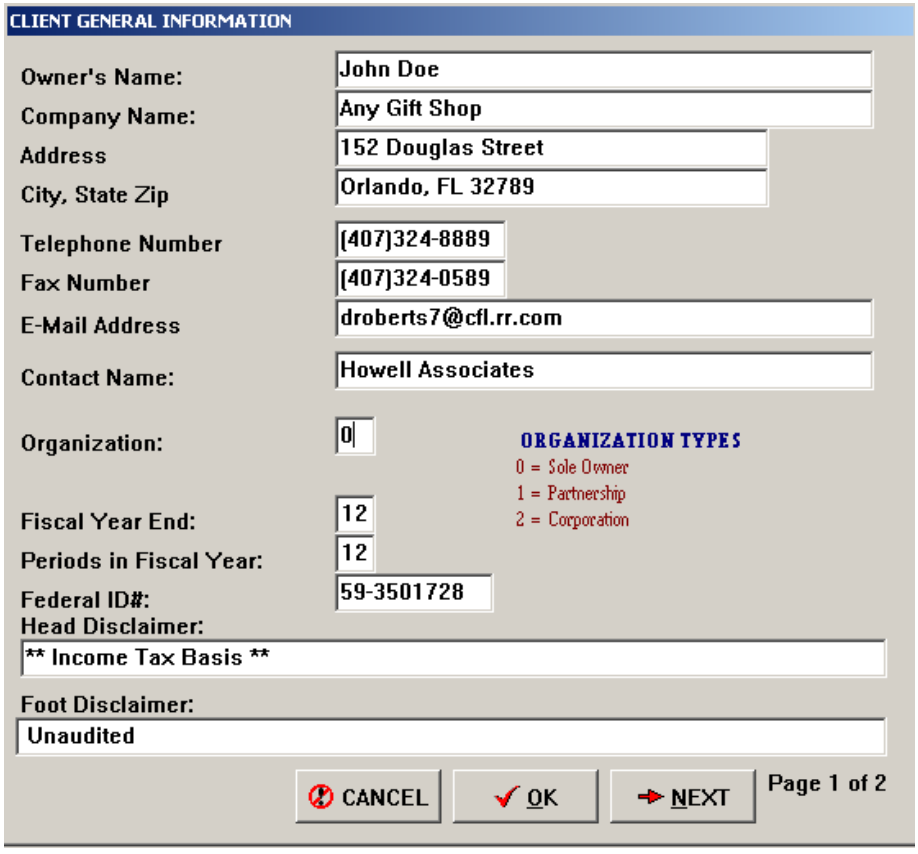


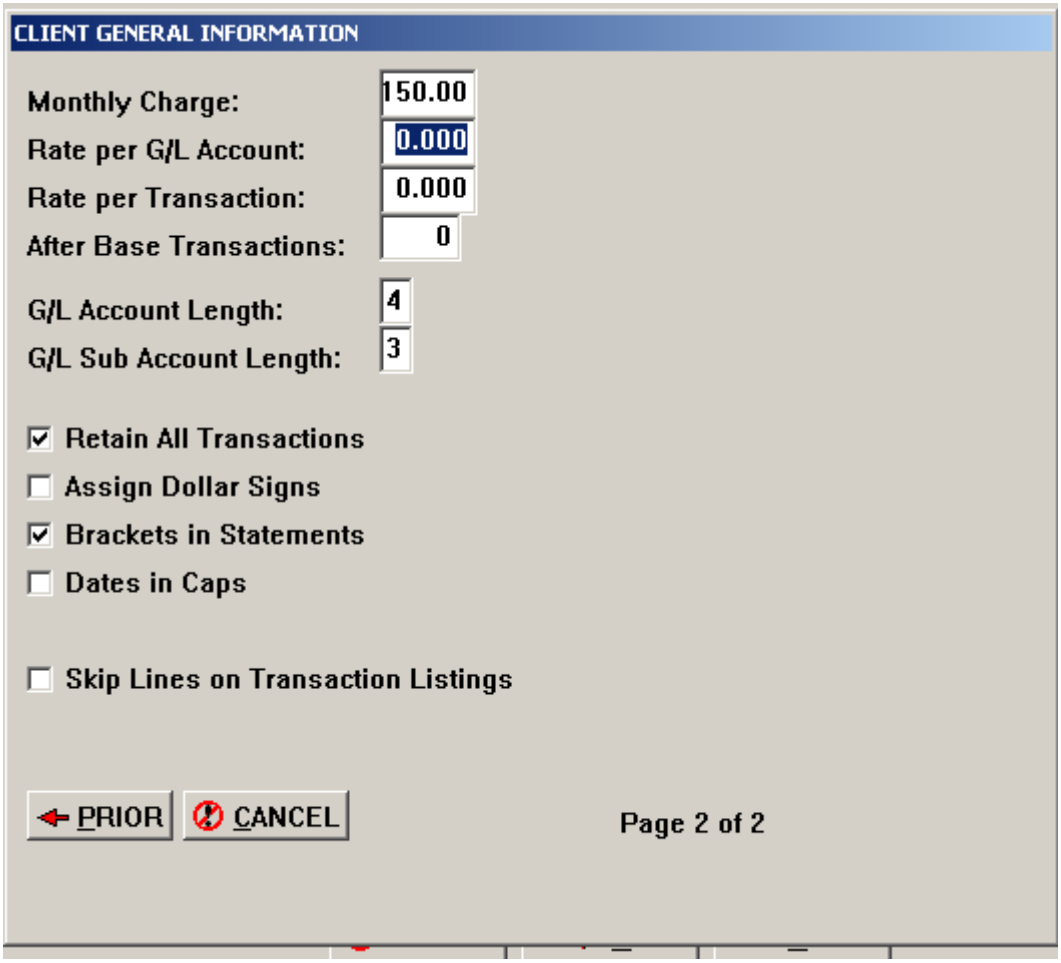
4. Select the Maintenance menu again and then select the clear all accounts option.



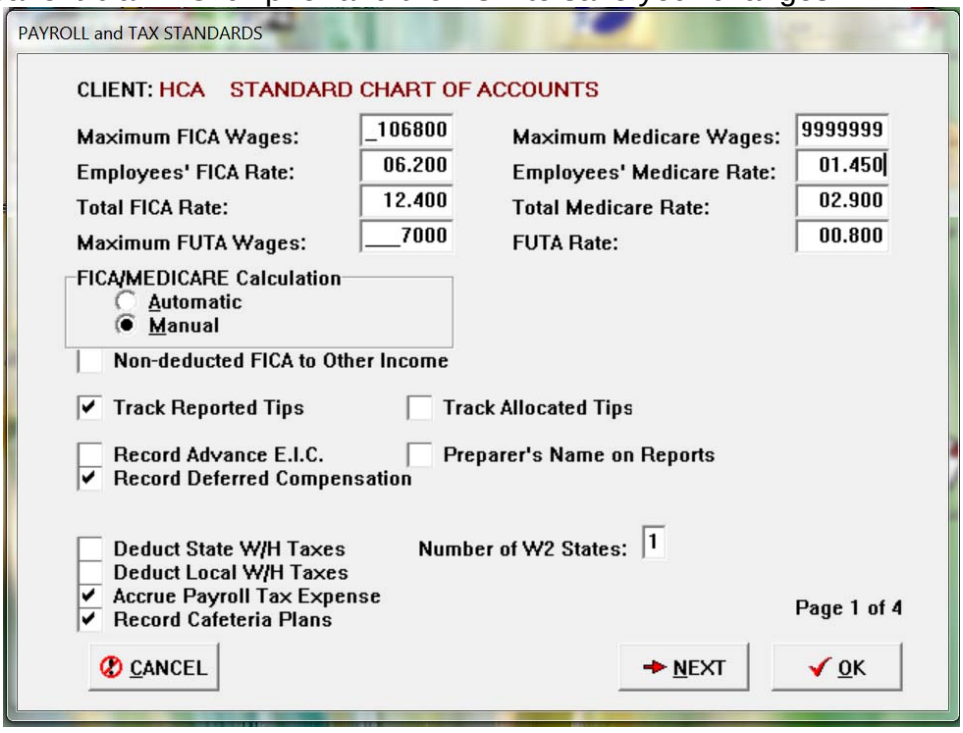


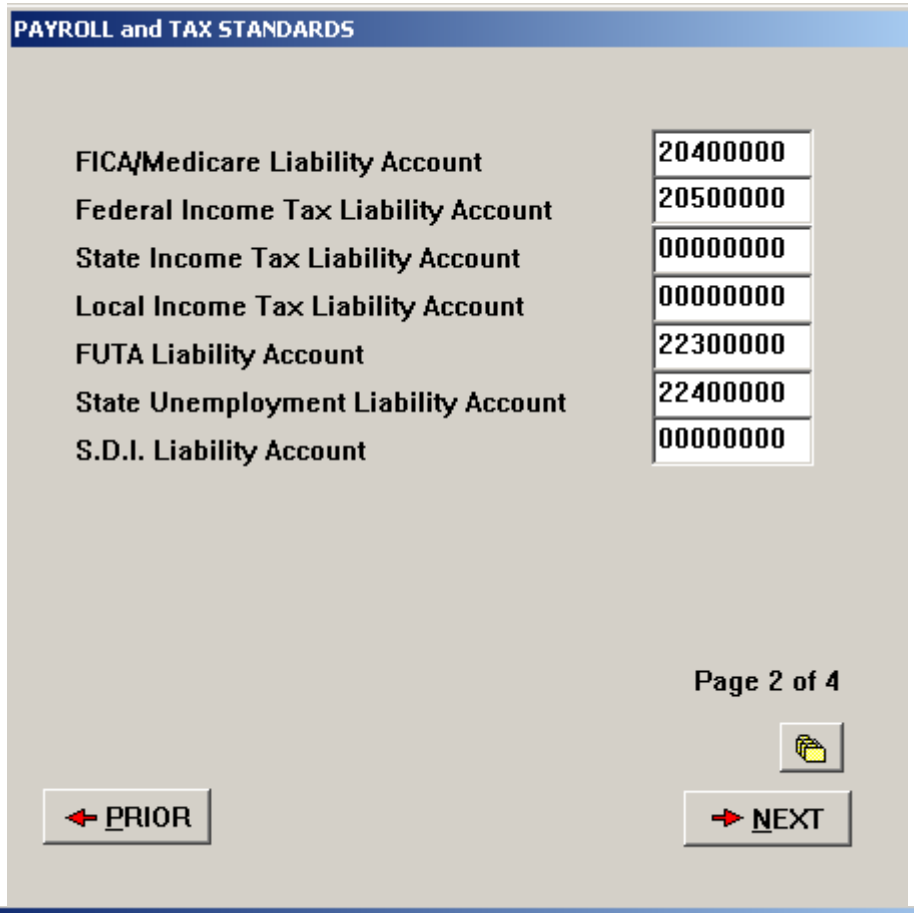
5. Select Client General Information from Maintenance menu and make necessary changes. Notice that there are two pages click prior after page two and click the OK button to save your changes – Then be sure to reselect the new Client ID to load your changes

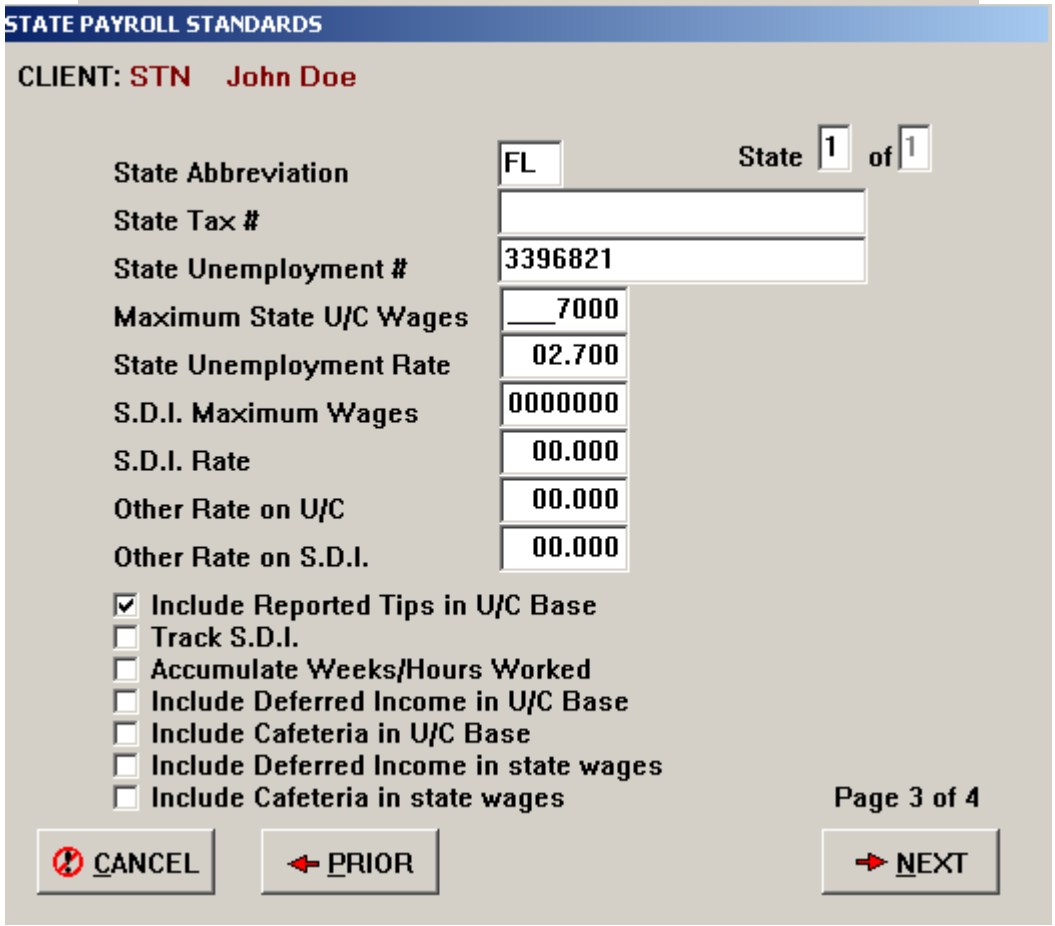




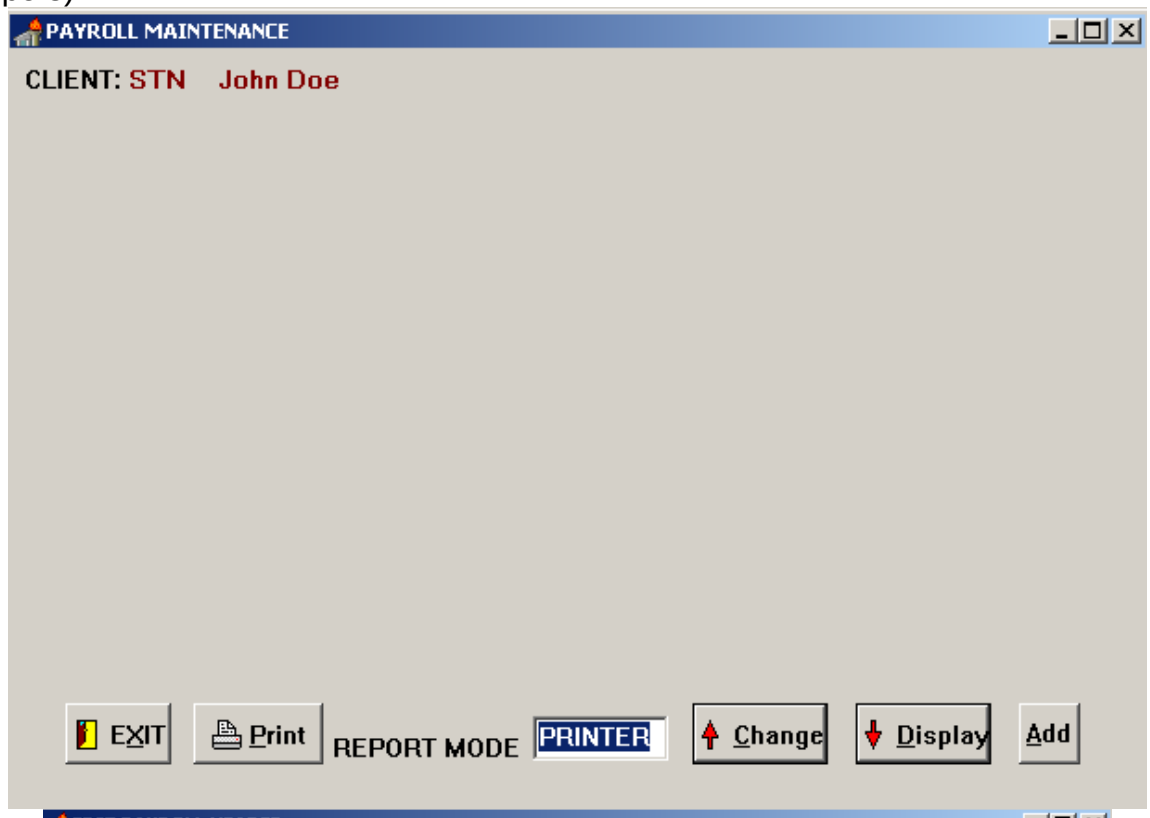
6. Select the Maintenance menu again and then select the payroll and tax standards and make any necessary changes. There are 4 pages, page four requires no information and leave it blank. Click prior and then OK to save your changes

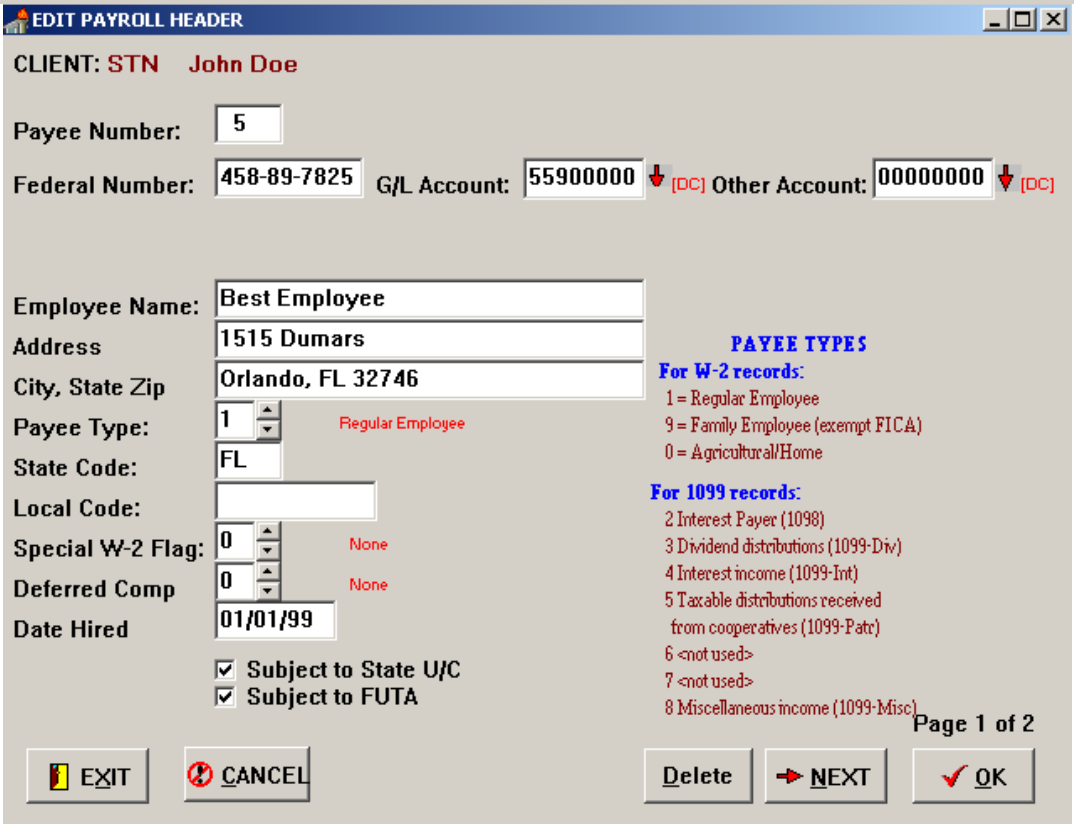


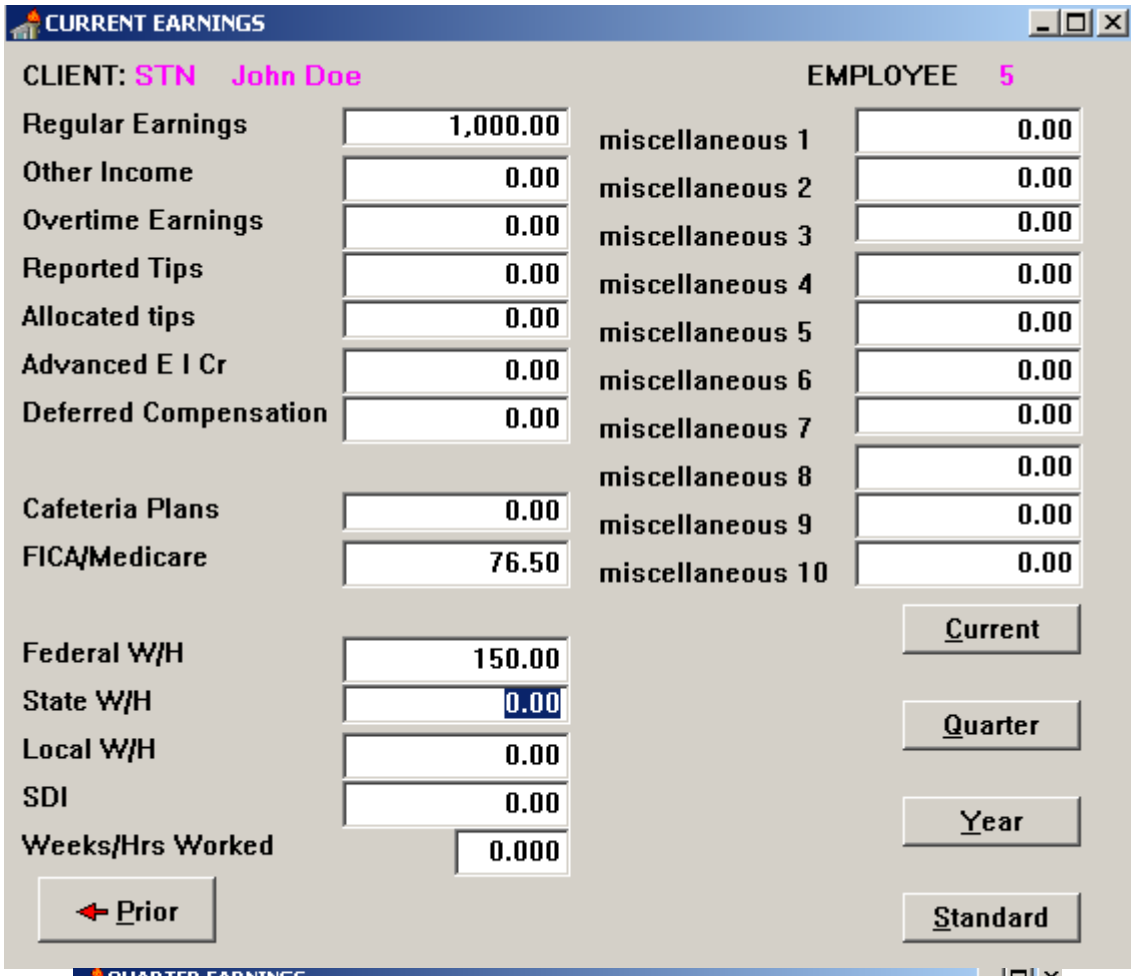

PAYROLL and TAX STANDARDS
FICA/Medicare Liability Account
20400000
Federal Income Tax Liability Account
20500000
State Income Tax Liability Account
00000000
Local Income Tax Liability Account
00000000
FUTA Liability Account
22300000
State Unemployment Liability Account
22400000
S.D.I. Liability Account
00000000
Page 2 of 4
PRIOR
NEXT

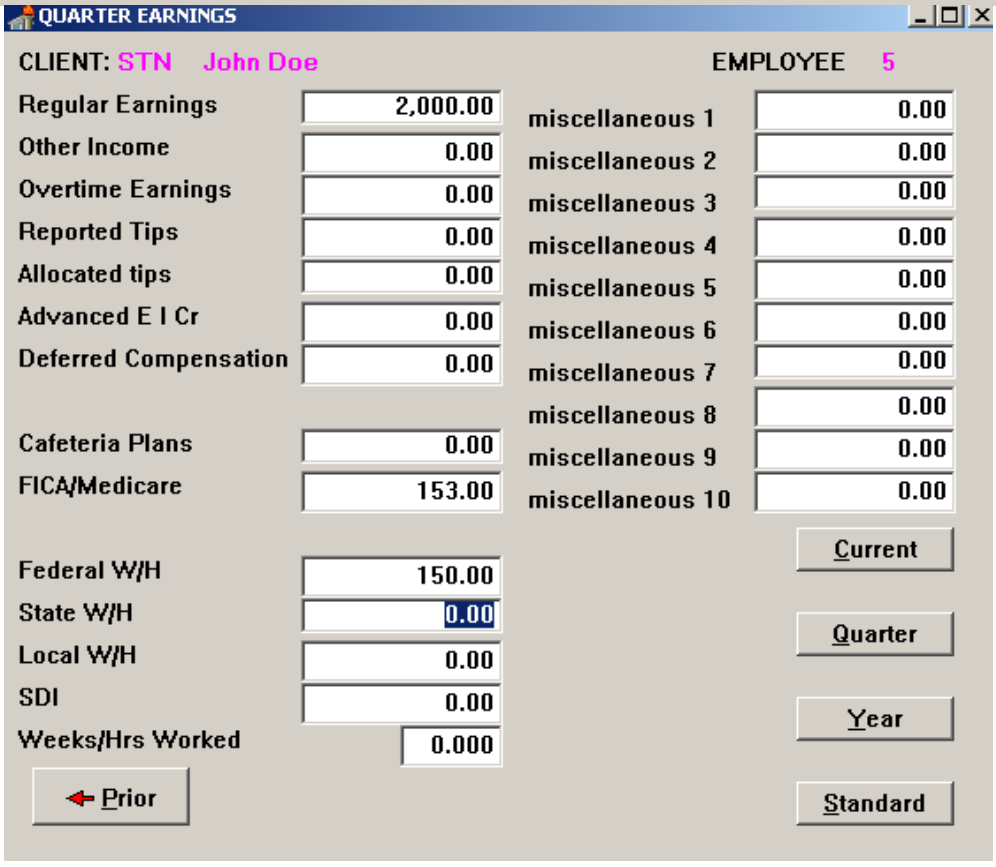

STATE PAYROLL STANDARDS
CLIENT: STN John Doe
State Abbreviation
FL
State 1 of 1
State Tax #
State Unemployment #
3396821
Maximum State U/C Wages
7000
State Unemployment Rate
02.700
S.D.I. Maximum Wages
0000000
S.D.I. Rate
00.000
Other Rate on U/C
00.000
Other Rate on S.D.I.
00.000
Include Reported Tips in U/C Base
Track S.D.I.
Accumulate Weeks/Hours Worked
Include Deferred Income in U/C Base
Include Cafeteria in U/C Base
Include Deferred Income in state wages
Include Cafeteria in state wages
Page 3 of 4
CANCEL
PRIOR
NEXT

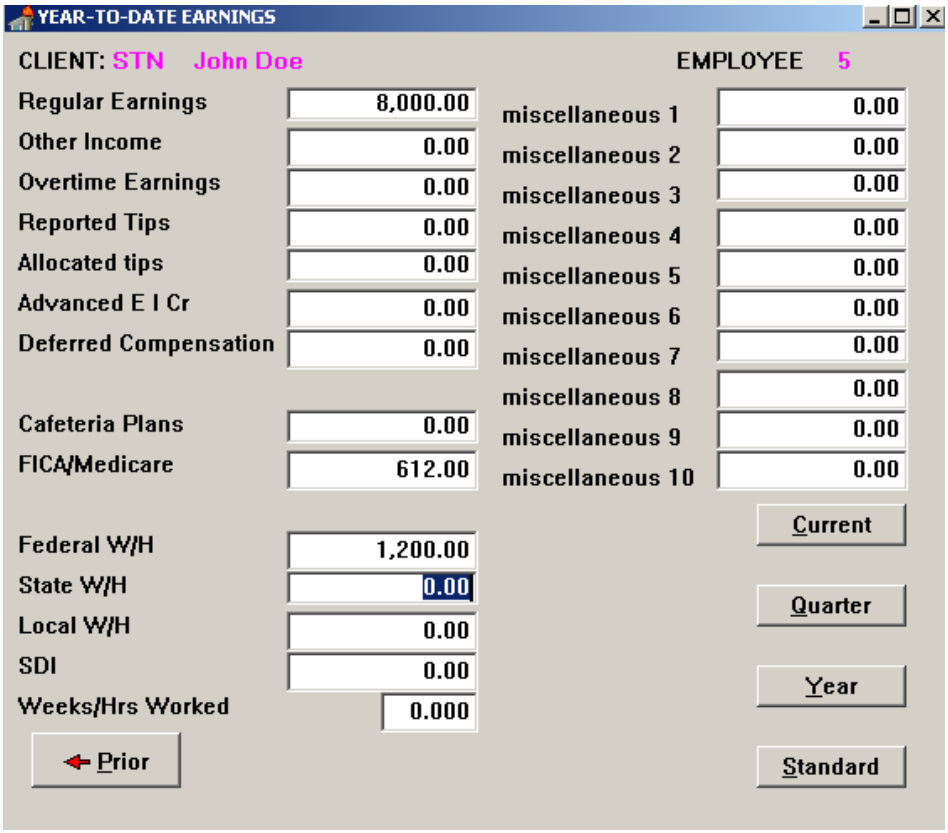
7. Go to the Payroll/1099 option from the Maintenance menu and Add employees and 1099 records needed and enter any prior earnings for period, quarter & year to date. Be sure that the first number you assign is for a regular employee (Type 1) and not a 1099 record (Type 8)



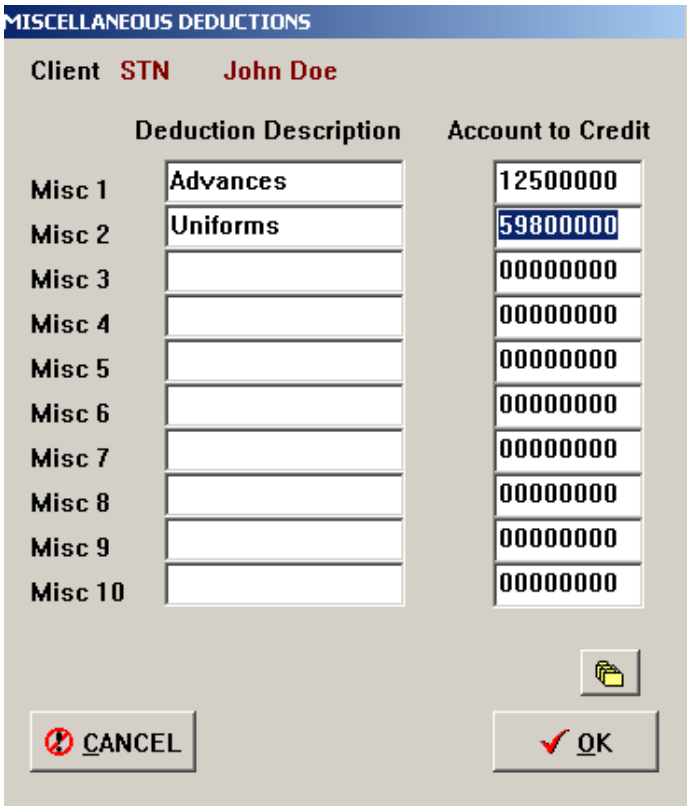



CURRENT EARNINGS
CLIENT: STN John Doe
EMPLOYEE 5
Regular Earnings 1,000.00
Other Income 0.00
Overtime Earnings 0.00
Reported Tips 0.00
Allocated tips 0.00
Advanced E I Cr 0.00
Deferred Compensation 0.00
Cafeteria Plans 0.00
FICA/Medicare 76.50
Federal W/H 150.00
State W/H 0.00
Local W/H 0.00
SDI 0.00
Weeks/Hrs Worked 0.000
miscellaneous 1 0.00
miscellaneous 2 0.00
miscellaneous 3 0.00
miscellaneous 4 0.00
miscellaneous 5 0.00
miscellaneous 6 0.00
miscellaneous 7 0.00
miscellaneous 8 0.00
miscellaneous 9 0.00
miscellaneous 10 0.00
Current
Quarter
Year
Standard
Prior

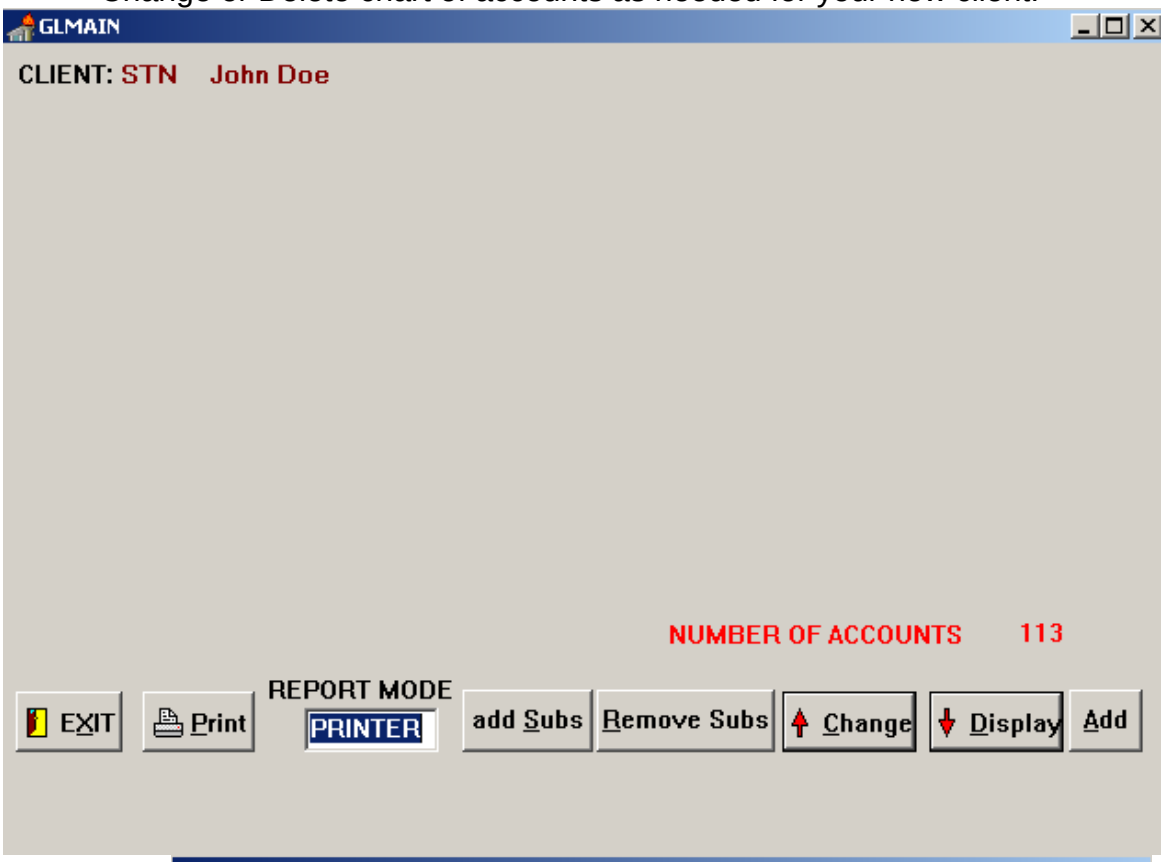

QUARTER EARNINGS
CLIENT: STN John Doe
EMPLOYEE 5
Regular Earnings 2,000.00
Other Income 0.00
Overtime Earnings 0.00
Reported Tips 0.00
Allocated tips 0.00
Advanced E I Cr 0.00
Deferred Compensation 0.00
Cafeteria Plans 0.00
FICA/Medicare 153.00
Federal W/H 150.00
State W/H 0.00
Local W/H 0.00
SDI 0.00
Weeks/Hrs Worked 0.000
miscellaneous 1 0.00
miscellaneous 2 0.00
miscellaneous 3 0.00
miscellaneous 4 0.00
miscellaneous 5 0.00
miscellaneous 6 0.00
miscellaneous 7 0.00
miscellaneous 8 0.00
miscellaneous 9 0.00
miscellaneous 10 0.00
Current
Quarter
Year
Standard
Prior

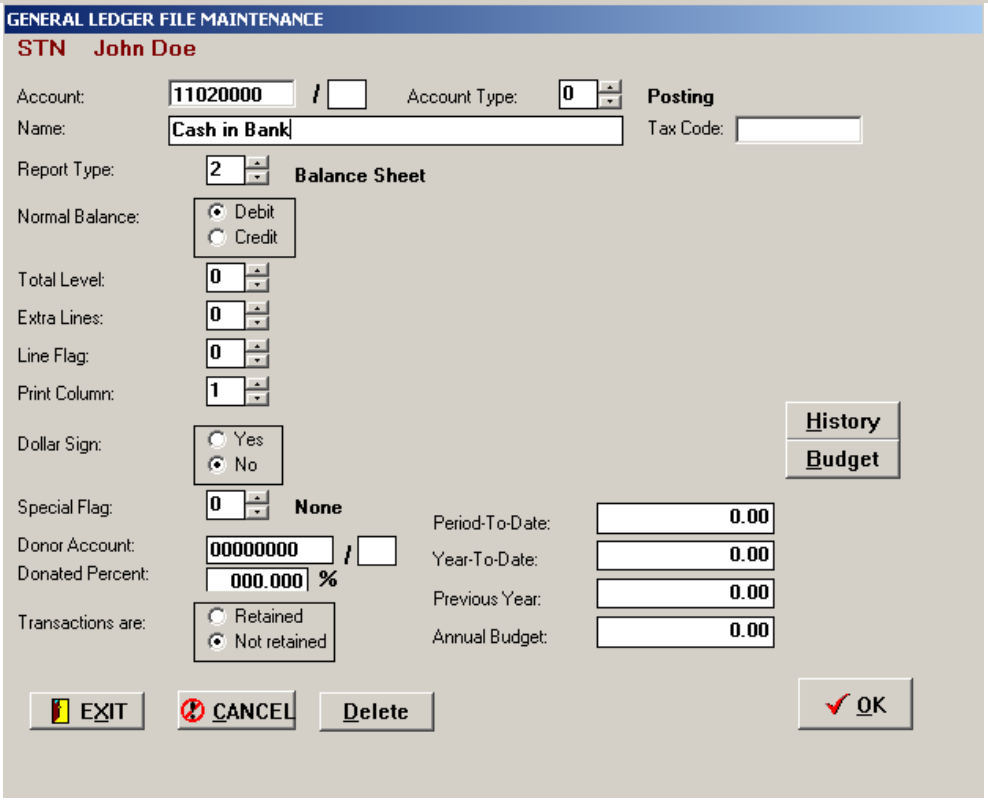


8. From Maintenance menu - select Miscellaneous deductions - add, change or delete accounts as needed - these are after tax deductions or could be reimbursements not subject to taxes.

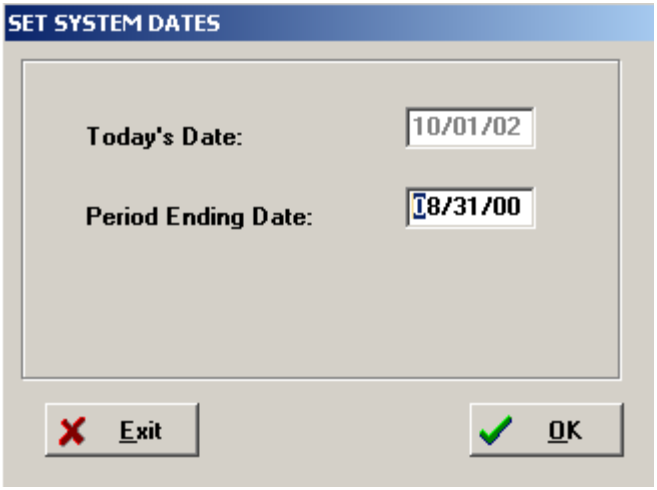


9. Go to the General Ledger option from the Maintenance menu. You should Add, Change or Delete chart of accounts as needed for your new client.





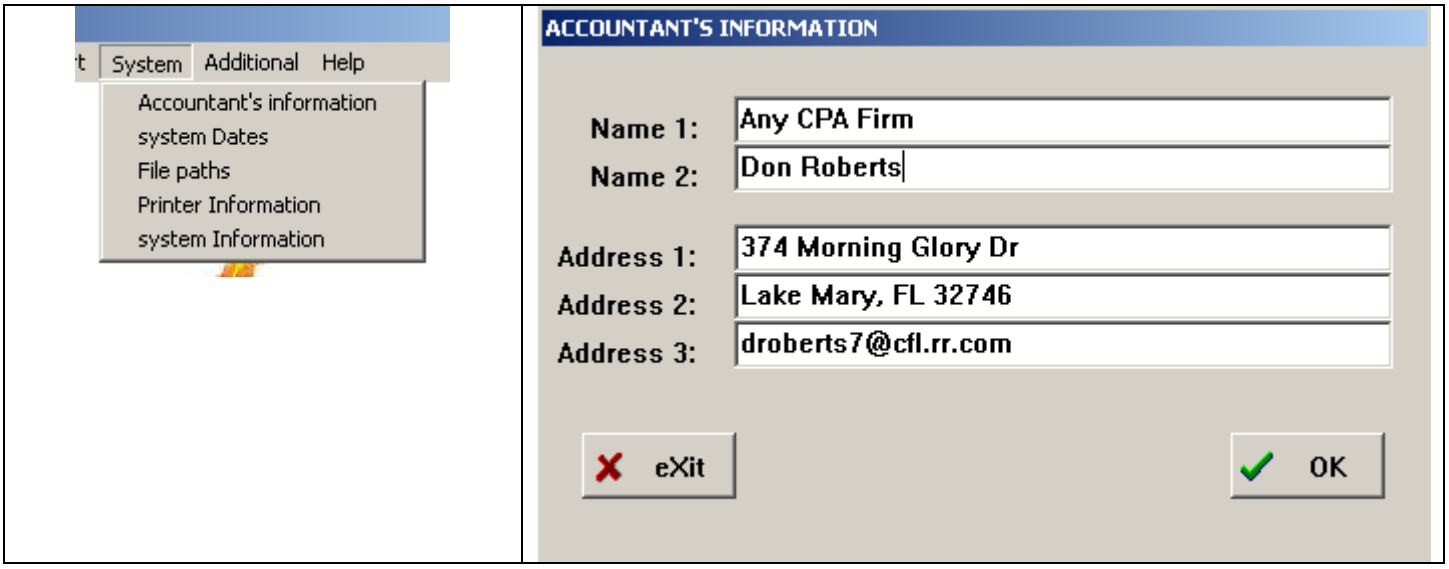
10. From the Main menu, select System then select the System Dates option and set your processing date. (08/31/00) for the practice set.



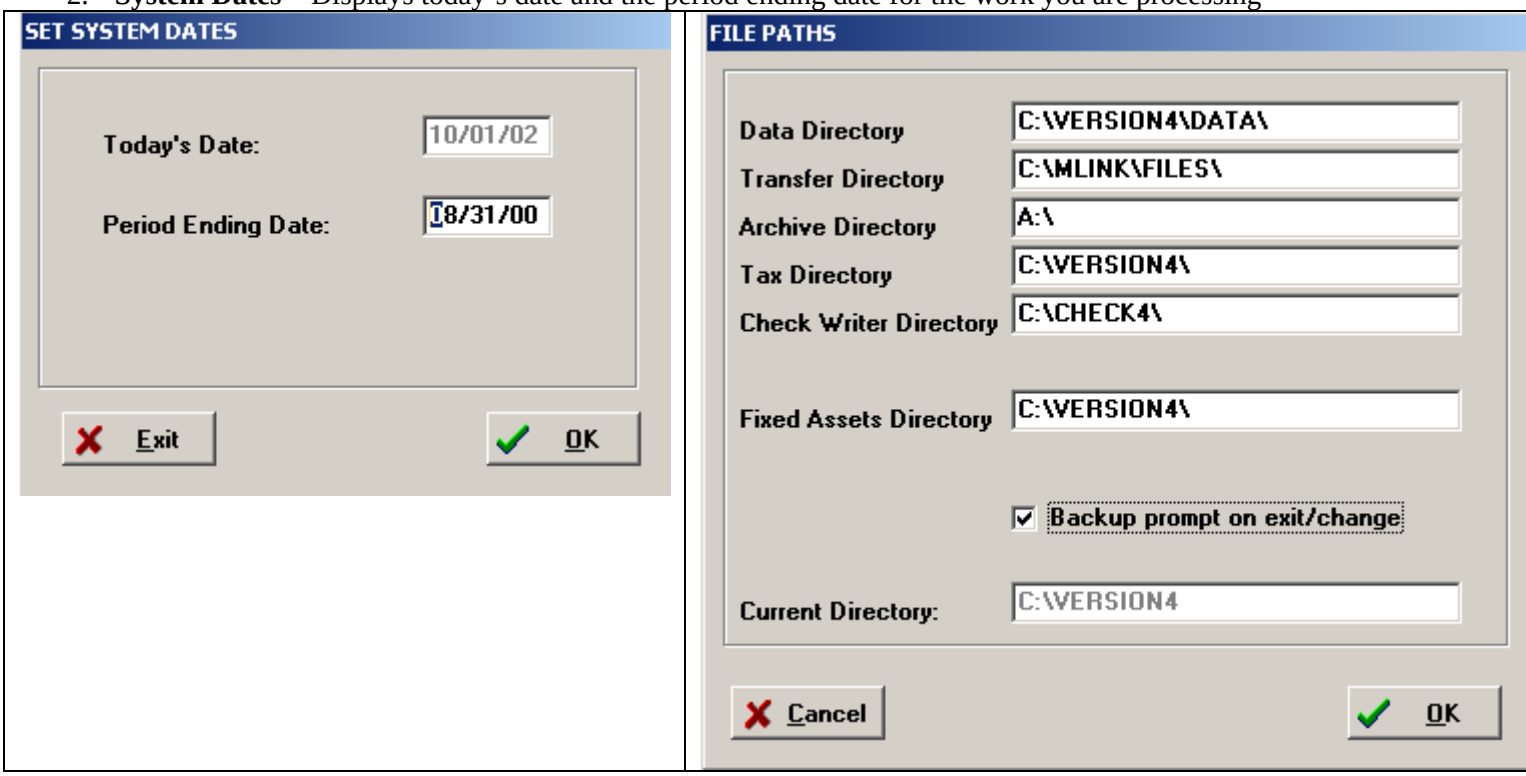
If our STN Standard Chart of Accounts is not numbered in a manner you like you can create from scratch your own special standard chart of accounts. In some cases, such as contractor's job costing, you may have to create from scratch. It is recommended however that you do it the easy way and duplicate any client you have setup already or the STN. Then you will have consistent account numbers that you will eventually memorize and also save yourself a tremendous amount of time.

Client Accounting Version 5 Training Notes

Before starting the practice set you should check your System settings. From the main menu click on System



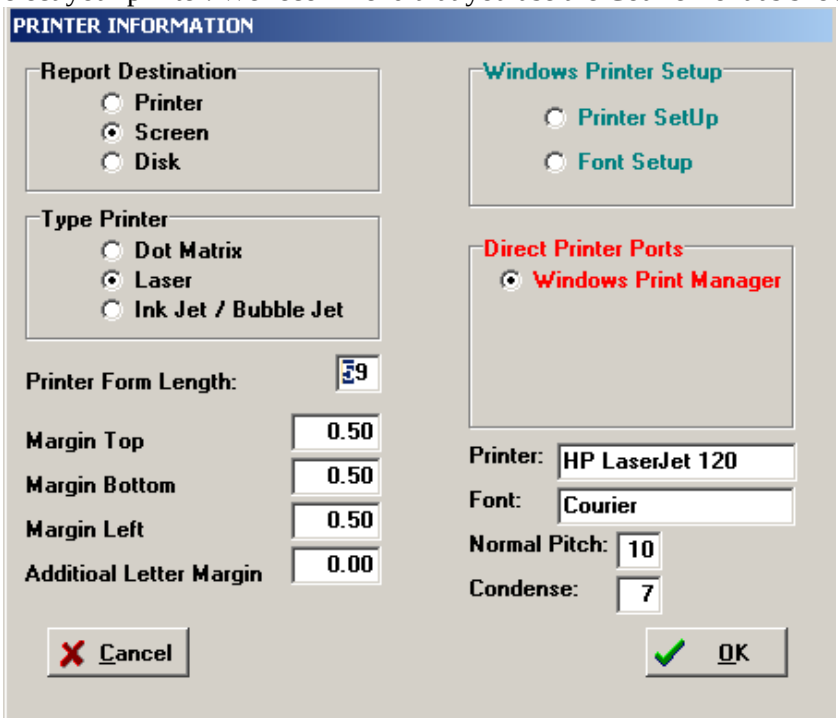
1. **Accountant's Information** – make necessary changes. This information will appear on your invoice and the name fields will print at the bottom of your reports.
2. **System Dates** – Displays today's date and the period ending date for the work you are processing



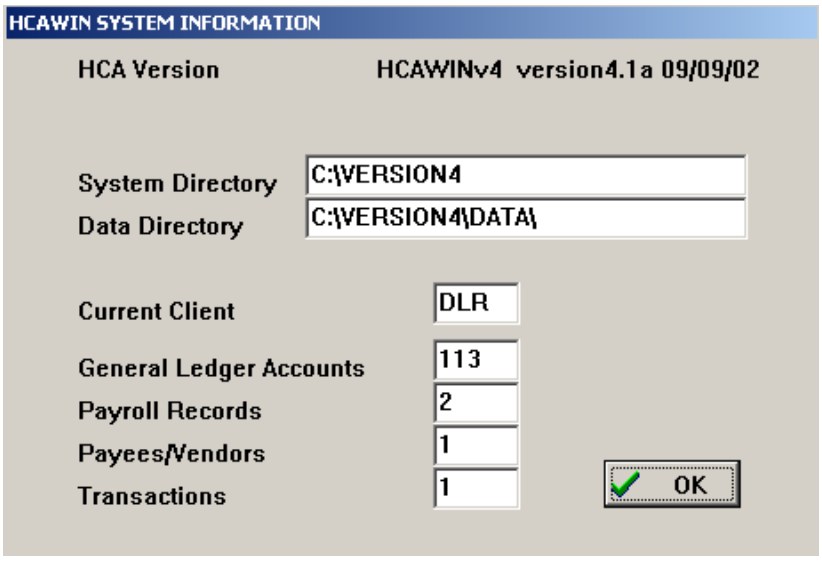
3. **File Paths** – The data directory is where the client's data is stored and can not be changed only the drive letter can be different. The other file paths settings are used if you have any of the other accounting programs installed and the Archive Directory is where you want to back up the client's data, we recommend you backup

to a floppy disk or USB flash drive. If the Backup prompt on exit/change is checked you will be reminded to backup your work when exiting the program or switching clients

4. **Printer Information** – Make any changes needed for your printer setup. If you have a laser or inkjet printer be sure to have the lines per page set to 59 and if you are using a dot matrix it should be 66. Select the Printer Setup option and select your printer. We recommend that you use the Courier font as shown



5**. System Information** – shows the version number of the software and other information for the current client you are working on



Now we can start processing the work using the practice set example

QUICK START TRAINING PRACTICE SET & TUTORIAL

SAMPLE DATA & INSTRUCTIONS FOR CLIENT ACCOUNTING PRACTICE SET

ENCLOSED MATERIALS:
A. PREVIOUS ACCOUNTANT'S:

1. BALANCE SHEET
2. INCOME STATEMENT
3. BANK RECONCILIATION
4. PAYROLL SUMMARY

B. NEW CLIENT SET-UP INFORMATION
C. CURRENT BANK STATEMENT
D. LIST OF FURNITURE & EQUIPMENT IF USING THE FIXED ASSETS MANAGER

1. ITEM	**COST**	**PURCHASE DATE**
DESK	950	01-20-00
CHAIRS	800	01-22-00
DISPLAY CASES	1,750	01-21-00
CASH REGISTER	1,500	01-23-00
COMPUTER	2,300	02-25-00
SAFE	1,1000	02-01-00
LEASEHOLD IMPROVEMENTS	7,800	01-06-00

(DEPRECIATION SCHEDULE ENCLOSED FROM FIXED ASSETS MANAGER)

F. CURRENT CHECK STUBS FOR SEPTEMBER 2000
G. CURRENT DEPOSIT SLIPS FOR SEPTEMBER 2000
H. ENDING INVENTORY 09-30-00 $ 4,850.00

YOUR MISSION (IF YOU CHOOSE TO ACCEPT) IS TO DO THE FOLLOWING

1. SET-UP A NEW CLIENT USING THE STN CLIENT TEMPLATE, USE YOUR THREE NAME INITIALS FOR THE NEW CLIENT CODE
2. ENTER STARTING BALANCES FOR 8/31/00 - FROM PREVIOUS ACCOUNTANT'S BOOKS
3. PROCESS CLIENT'S WORK FOR SEPTEMBER 2000
4. PREPARE ALL REPORTS NEEDED FOR THE CLIENT

CLIENT SET-UP INFORMATION FOR PRACTICE SET

Company Name: **Any Gift Shop**
Address: **152 Douglas Street**
City, St., Zip: **Orlando, Florida 32789**
Contact: **John Doe**
Phone: **407-324-8889**
Entity Type: **Sole Proprietor**
Owners: **John Doe**
Fed. I.D. #: **59-3501728**
State Unemp. No. : **3396821** Rate: **2.7%** first 7,000 in Wages
Sales Tax No.: **4-272456-3** Rate: **6%**
Monthly Fee: **$ 150.00**

NCNB NATIONAL BANK **09-30-00**
ANY GIFT SHOP
JOHN DOE 152 DOUGLAS ST
ORLANDO, FL 32789

SERVICES SUMMARY	SERVICE	ACCOUNT NUMBER	ENDING BALANCE
	COMMERCIAL CHECKING	**8601875618**	**$ 5,459.00**
COMMERCIAL CHECKING SUMMARY	**TAX IDENTIFICATION NUMBER**		**59-3501728**
	BEGINNING BALANCE AS OF 09-01-00		**3,375.00**
	WITHDRAWALS/DEBITS TOTALING		8,338.12
	DEPOSITS/CREDITS TOTALING		10,437.12
	SERVICE CHARGE		15.00
	ENDING BALANCE AS OF 09-30-00		**5,459.00**

DEBITS ENCLOSED	**CHECK NUMBER**	**REFERENCE NUMBER**	**DATE POSTED**	**AMOUNT**
	1482	058687921	09-05	75.00
	1483	040203055	09-07	125.00
	1484	010625455	09-10	750.00
	1485	058854217	09-11	275.00
	1486	125847413	09-11	36.57
	1487	259874132	09-13	1,280.00
	1488	087456213	09-15	303.00
	1489	050265841	09-17	361.75
	1490	015846952	09-18	232.05
	1491	017456842	09-18	1, 750.00
	1492	015486251	09-21	143.75
	1493	025894752	09-25	895.00
	1494	015489631	09-25	100.00
	1495	025845623	09-26	175.00
	1496	015423251	09-26	29.00
	1497	025632584	09-27	375.00
	1498	012563521	09-30	54.00
	1499	048963522	09-30	1,351.00

OTHER DEBITS	**DESCRIPTION**	**DATE POSTED**	**AMOUNT**
	SERVICE CHARGE	09-17-94	15.00
	CHECK PRINTING	09-25-94	27.00

DEPOSITS/ CREDITS	**#**	**DESCRIPTION**	**DATE POSTED**	**AMOUNT**
	502	CUSTOMER DEPOSIT	09-05-94	350.00
	503	CUSTOMER DEPOSIT	09-08-94	2,650.00
	304	CUSTOMER DEPOSIT	09-15-94	2,281.12
	505	CUSTOMER DEPOSIT	09-21-94	1,802.00
	506	CUSTOMER DEPOSIT	09-29-94	2,332.00
	507	CUSTOMER DEPOSIT	09-29-94	1,022.00

John Doe

Any Gift Shop

Financial Statements

As of August 31, 2000

OLD BANK RECONCILIATION 08/31/00

Client: Any Gift Shop Bank Acct: 1102 Month: 8/31 ,2000

Balance Per Bank Statement $ 3,375

ADD: Deposits in Transit:

Date	Amount
502- 8/31	350.00

LESS: Total of O/S Checks From Below -$ 200.00

RECONCILED BANK BALANCE $ 3,525.00

OUTSTANDING CHECKS

CHK NO	CHK AMT	CHK NO	CHK AMT	CHK NO	CHK AMT
1482	75.00				
1483	125.00				

Practice Set
Any Gift Shop
Balance Sheet
Unaudited
August 31, 2000

A S S E T S

CURRENT ASSETS			
Cash on Hand	$ 350.00		
Cash in Bank - NCNB	3,525.00		
Employee Advances	150.00		
Inventory	5,650.00		
TOTAL CURRENT ASSETS		$ 9,675.00	
FIXED ASSETS			
Furniture & Fixtures	3,500.00		
Machinery & Equipment	4,800.00		
Leasehold Improvements	7,800.00		
TOTAL FIXED ASSETS		$ 16,100.00	
OTHER ASSETS			
Deposits	250.00		
TOTAL OTHER ASSETS		$ 250.00	
TOTAL ASSETS			$ 26,025.00

L I A B I L I T I E S A N D E Q U I T Y

CURRENT LIABILITIES			
FICA Payable	153.00		
Federal Income Tax Withheld	150.00		
Accrued FUTA Payable	56.00		
State Unemployment Payable	27.00		
Sales Tax Payable	900.00		
TOTAL CURRENT LIABILITIES		$ 1,286.00	
NON-CURRENT LIABILITIES			
Note Payable - Nations	15,000.00		
TOTAL NON-CURRENT LIABILITIES		$ 15,000.00	
TOTAL LIABILITES		$ 16,286.00	
OWNERS EQUITY			
Owners Equity	10,000.00		
Owners Drawing	<14,528.00>		
Current Earnings	14,267.00		
TOTAL OWNERS EQUITY		$ 9,739.00	
TOTAL LIABILITY AND EQUITY			$ 26,025.00

See Accountant's Compilation Letter

Practice Set
Any Gift Shop
Income Statement
Unaudited
August 31, 2000

	CURRENT PERIOD	RATIO	EIGHT MONTHS	RATIO
	S A L E S			
Sales - Taxable	$ 87,525.00	88.61	$ 87,525.00	88.61
Sales - Tax Exempt	12,000.00	12.15	12,000.00	12.15
Returns & Allowances	<750.00>	0.76	<750.00>	0.76
TOTAL SALES	$ 98,775.00	100.00	$ 98,775.00	100.00
COST OF SALES				
Beginning Inventory	7,200.00	7.29	7,200.00	7.29
Purchases	48,000.00	48.60	48,000.00	48.60
Freight In	1,600.00	1.62	1,600.00	1.62
Ending Inventory	<5,650.00>	5.72	<5,650.00>	5.72
TOTAL COST OF SALES	$ 51,150.00	51.78	$ 51,150.00	51.78
GROSS PROFIT	$ 47,625.00	48.22	$ 47,625.00	48.22
	E X P E N S E S			
Accounting Fees	900.00	0.91	900.00	0.91
Advertising	2,400.00	2.43	2,400.00	2.43
Bad Checks & Charges	350.00	0.35	350.00	0.35
Bank Charges	120.00	0.12	120.00	0.12
Cash Over-Short	254.00	0.26	254.00	0.26
Cleaning & Janitorial	4,800.00	4.86	4,800.00	4.86
Credit Card Fees	363.00	0.37	363.00	0.37
Customer Relations	65.00	0.07	65.00	0.07
Dues & Subscriptions	160.00	0.16	160.00	0.16
Employee Relations	350.00	0.35	350.00	0.35
Equipment Rental	432.00	0.44	432.00	0.44
Insurance - Business	1,250.00	1.27	1,250.00	1.27
Insurance - Liabilty	1,325.00	1.34	1,325.00	1.34
Interest	600.00	0.61	600.00	0.61
Legal Fees	125.00	0.13	125.00	0.13
Licenses & Permits	35.00	0.04	35.00	0.04
Office Supplies	900.00	0.91	900.00	0.91
Postage	232.00	0.23	232.00	0.23
Rent	6,000.00	6.07	6,000.00	6.07
Repair & Maintenance	240.00	0.24	240.00	0.24
Salaries	8,000.00	8.10	8,000.00	8.10
Security	400.00	0.40	400.00	0.40
Taxes-Payroll	857.00	0.87	857.00	0.87
Utilities	3,200.00	3.24	3,200.00	3.24
TOTAL OPERATING EXPENSES	$ 33,358.00	33.77	$ 33,358.00	33.77
NET OPERATING INCOME	$ 14,267.00	14.44	$ 14,267.00	14.44

See Accountant's Compilation Letter

Any Gift Shop
EMPLOYEE AND 1099 SUMMARY
August 31, 2000

Best Employee **458-89-7825**
1515 Dumars
Orlando, FL 32746

	August	Quarter	Year
REGULAR PAY	1,000.00	2,000.00	8,000.00
FEDERAL WH	150.00	150.00	1,200.00
FICA TAX	62.00	124.00	496.00
MEDICARE	14.50	29.00	116.00
Advances	0.00	00	150.00

September 2000 Check Stubs and Deposits - Any Gift Shop

1484	09-05-2000	Balance	$ 3,525	00
TO:	Eastpointe		Deposits	
			+	0
FOR:	Rent			
		This Check	750	00
		Balance		

1485	09-07-2000			
TO:	Nations Bank		Deposits	
09/06	Sales 2,500 Sales Tax 150		+ 2,650	00
FOR:	Note Payment			
	Principal 200.00			
	Interest 75.00			
		This Check	275	00
		Balance		

1486	09-07-2000			
TO:	Office Depot		Deposits	
			+	0
FOR:	Office Supplies			
		This Check	36	57
		Balance		

1487	09-10-2000			
TO:	Gils		Deposits	
			+	0
FOR:	Merchandise Purchases			
		This Check	1,280	00
		Balance	3,833	43

1488	09-15-2000	Balance		
TO:	Nations Bank		Deposits	
09/13	Sales 2,152 Tax 129.12		+ 2,281	12
FOR:	941 Payroll Tax Deposit			
	Federal W/H 150.00			
	FICA 153.00			
		This Check	303	00
		Balance		

1489	09-15-2000			
TO:	Best Employee		Deposits	
			+	0
FOR:	Gross Pay 500.00			
	Fed W/H (75.00)			
	FICA (38.25)			
	Advance (25.00)	This Check	361	75
		Balance		

1490	09-15-2000			
TO:	New Employee		Deposits	
			+	0
FOR:	Gross Pay 300.00			
	Fed W/H (45.00)			
	FICA (22.95)			
		This Check	232	05
		Balance		

1491	09-15-2000			
TO:	John Doe		Deposits	
			+	0
FOR:	Drawing			
		This Check	1,750	00
		Balance	3,467	75

1492	09-18-2000			
TO:	United Telephone		Deposits	
09/20	Sales 1,700 Tax 102		+ 1,802	00
FOR:	Phone Bill			
		This Check	143	75
		Balance		

1493	09-21-2000			
TO:	FL Department of Revenue		Deposits	
			+	0
FOR:	August Sales Tax 900.00			
	Sales Tax Discount (5.00)			
		This Check	895	00
		Balance		

1494	09-21-2000			
TO:	Don Roberts		Deposits	
			+	0
FOR:	Accounting Fee/Setup			
		This Check	100	00
		Balance		

1495	09-21-2000			
TO:	Yellow Pages		Deposits	
			+	0
FOR:	Advertising			
		This Check	175	00
		Balance	3,956	00

1496	09-23-2000			
TO:	Postmaster		Deposits	
			+	0
FOR:	Postage			
		This Check	29	00
		Balance		

1497	09-25-2000			
TO:	Florida Power		Deposits	
09/27	Sales 2,200 Sales Tax 132		+ 2,332	00
FOR:	Electric Bill			
		This Check	375	00
		Balance		

1498	09-29-2000			
TO:	Xerox		Deposits	
			+	0
FOR:	Copier Rental			
		This Check	54	00
		Balance		

1499	09-29-2000			
TO:	Gils		Deposits	
09/29	Sales 500 Tax 30 Nontaxable 492		+ 1,022	00
FOR:	Merchandise Purchases			
		This Check	1,351	00
		Balance	5,501	00

1500	09-30-2000			
TO:	Best Employee		Deposits	
09/30	Sales Non Taxable 425		+ 425	00
FOR:	Gross Wages 500.00			
	Fed W/H (75.00)			
	FICA (38.25)			
	Advance (25.00)	This Check	361	75
		Balance		

1501	09-30-2000			
TO:	New Employee		Deposits	
			+	0
FOR:	Gross Wages 300.00			
	Fed W/H (45.00)			
	FICA (22.95)			
		This Check	232	05
		Balance		

1502	09-30-2000			
TO:	Void		Deposits	
			+	0
FOR:	Void			
		This Check		00
		Balance		

1503	09-30-2000			
TO:	Void		Deposits	
			+	0
FOR:	Void			
		This Check		00
		Balance	5,332	20

Any Gift Shop

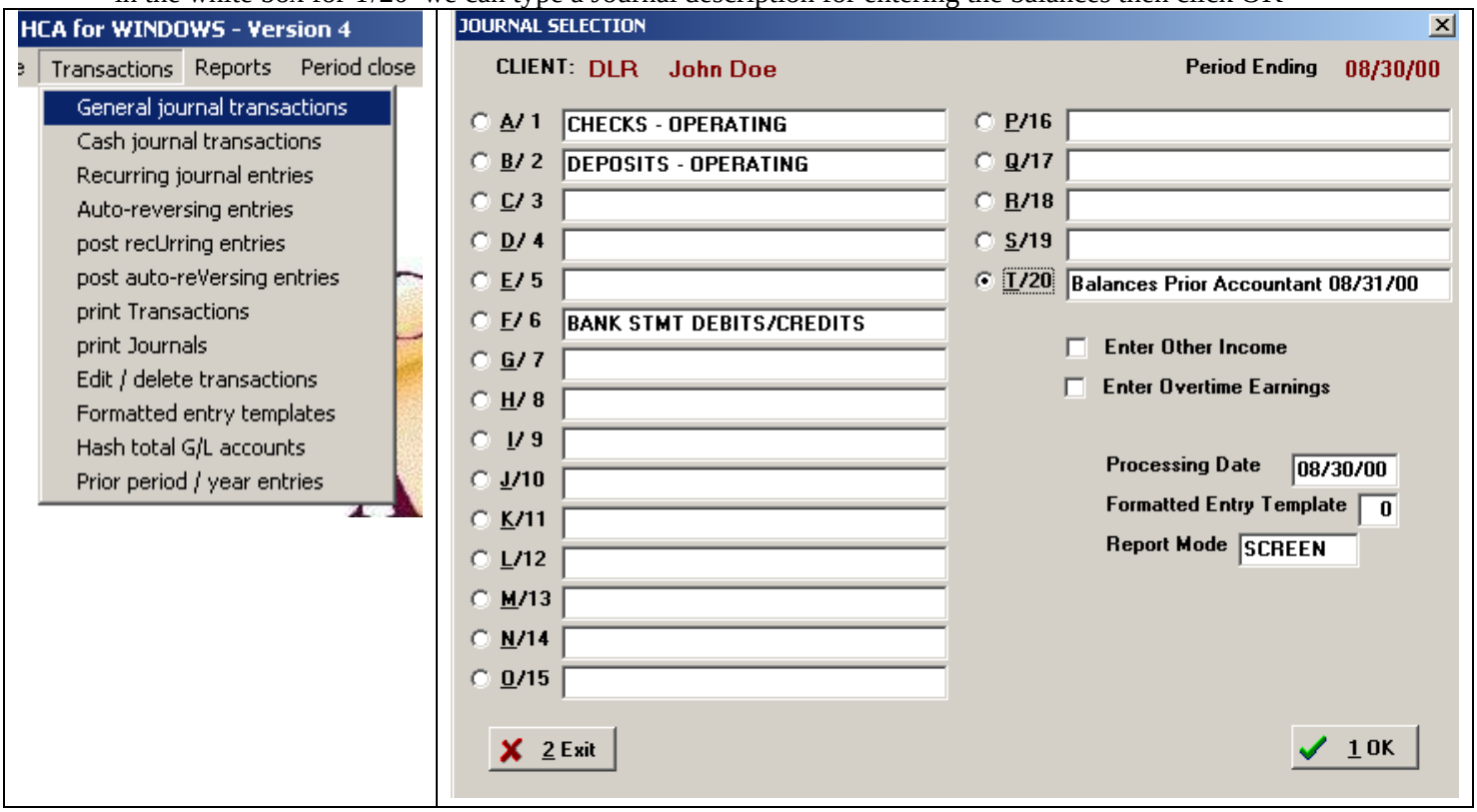
DEPRECIATION SUMMARY REPORT

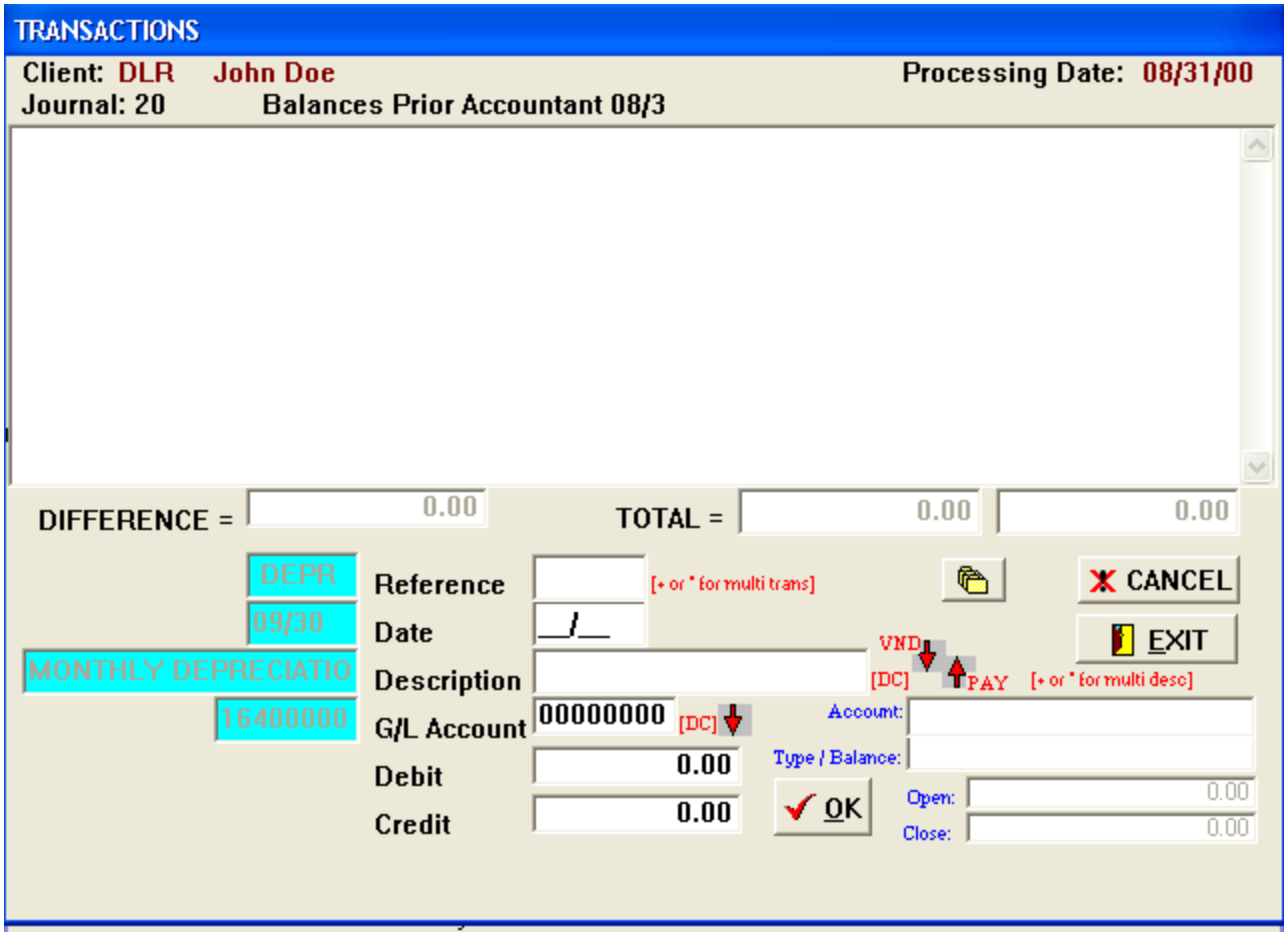
Today's Date: 9/30/00 Ledger: FEDERAL fiscal year ending DEC 2000 Page 1
*** = asset under mid-quarter convention**

DESCRIPTION	ACQUIRED	METHOD	RECOVERY	DEPRECIATION THIS YEAR MONTHLY	QUARTERLY	SEMI-ANNUAL	ANNUAL
Desk	01/20/2000	MACRS	7.0	11.31	33.94	67.88	135.75
Chairs	01/22/2000	MACRS	7.0	9.53	28.58	57.16	114.32
Display Cases	01/21/2000	MACRS	7.0	20.84	62.52	125.04	250.07
Cash Register	01/23/2000	MACRS	5.0	25.00	75.00	150.00	300.00
Computer System	02/25/2000	MACRS	5.0	38.33	115.00	230.00	460.00
Safe	02/01/2000	MACRS	5.0	18.33	55.00	110.00	220.00
Leasehold Improv.	01/06/2000	MACRS Real	39.0	16.00	47.99	95.98	191.96
TOTALS				139.34	418.03	836.05	1,672.11

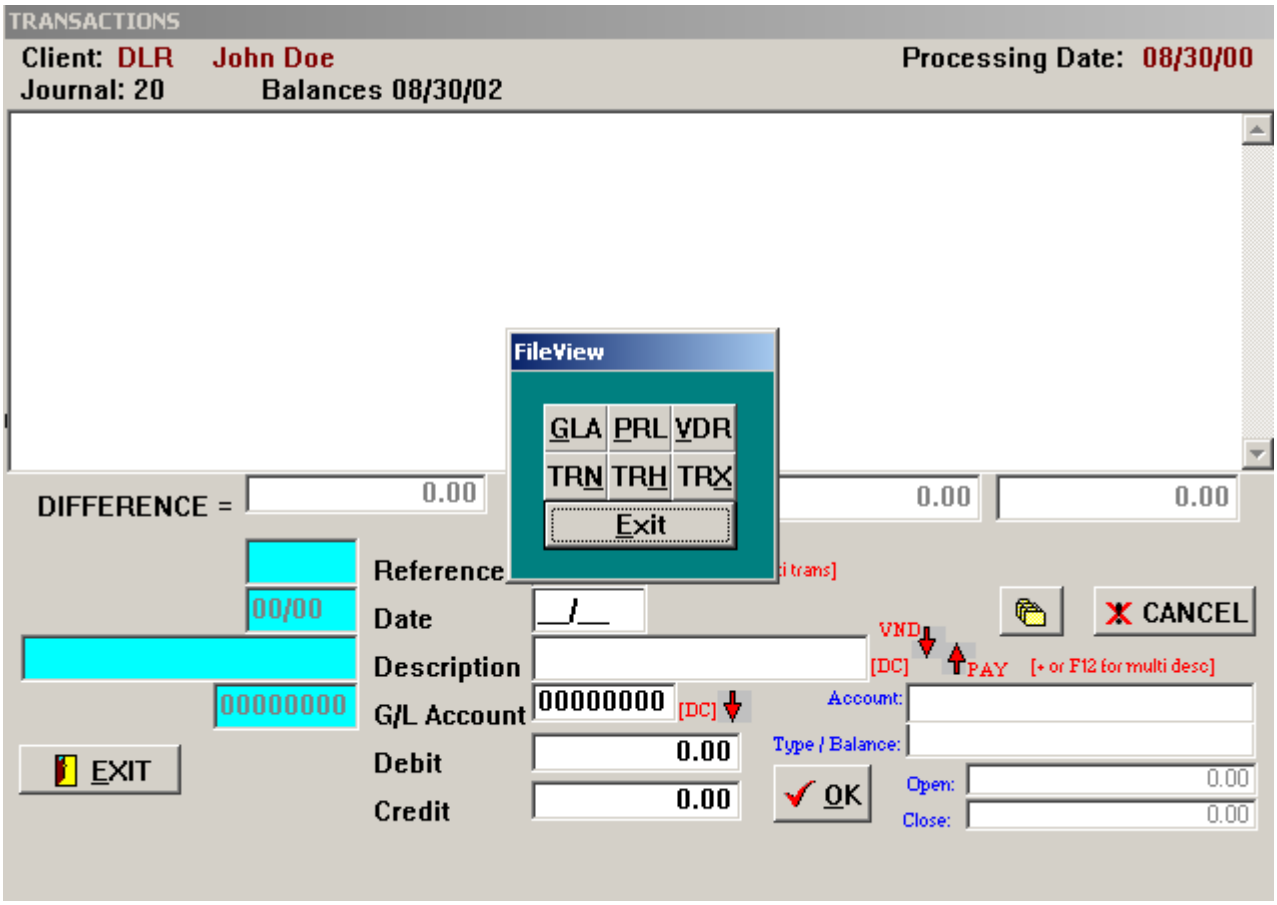
Practice Set Processing Steps

1. Enter beginning balances from previous Accountant's books as of 08/31/00. Select Transactions from the main menu then select General Journal transactions. Notice that you can have up to 20 different Journals, by clicking in the white box for T/20 we can type a Journal description for entering the balances then click OK





After clicking OK you will see the transaction entry screen – take a few minutes and study the screen you will find that the Client Accounting program provides you a lot of helpful information and tools to provide you the ability to process your work very quickly and accurately. One very helpful tool is what we call the File View box – hit your F10 key or click on the small box with the yellow folders and the following box should appear

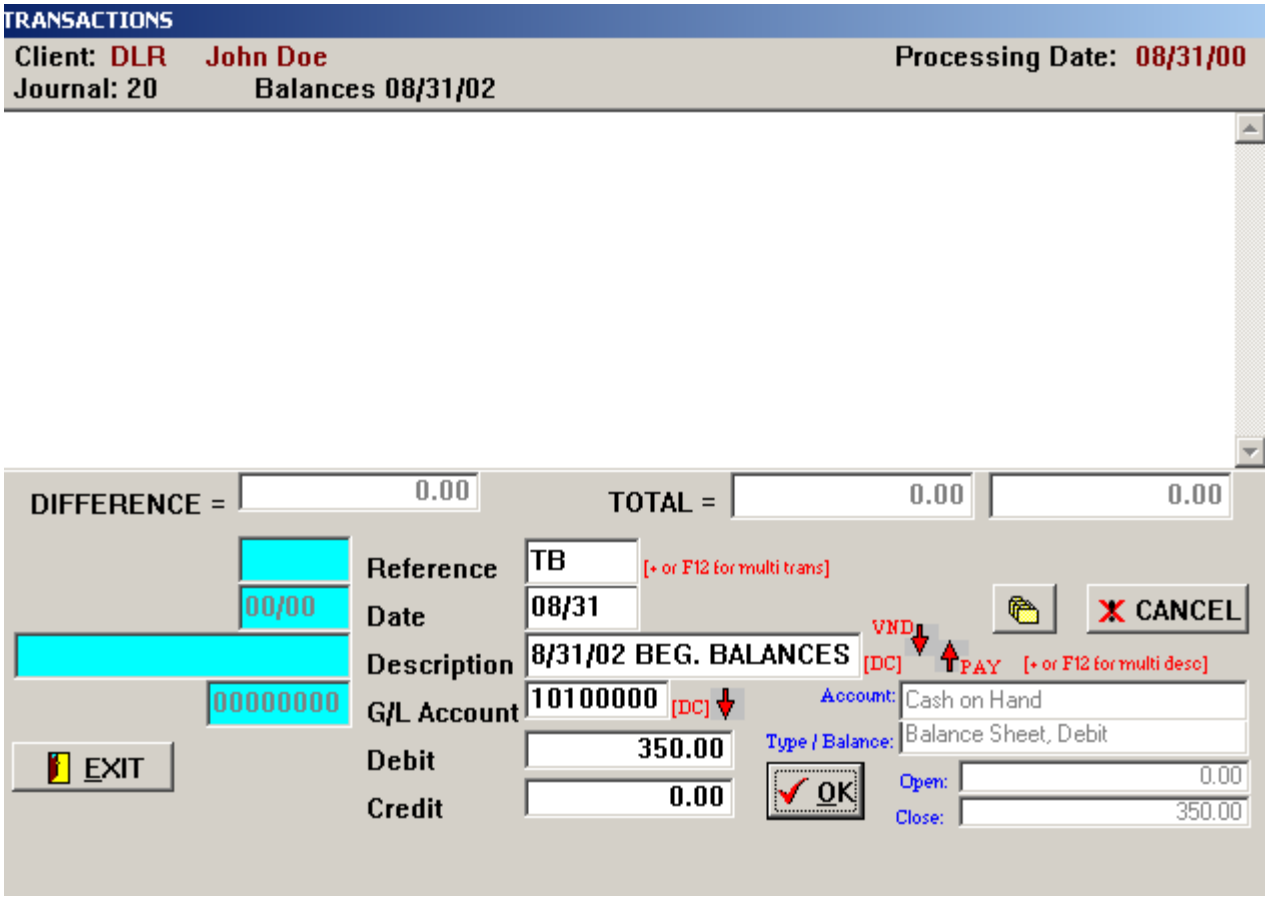


Then by clicking on the following items in the box it will show you on screen the following information.
GLA – A trial balance with all your posting accounts and any balances if applicable, this is real helpful when you need to look up a G/L account number.
PRL – Shows a listing of the employees and 1099 records on file
VDR – Shows a listing of any vendor codes you have setup
TRN – Shows all of the current period transactions you have entered so far
TRH – Shows all of your prior period transactions from the beginning of you fiscal year
TRX - Shows any data you have waiting in the transaction file to be posted (i.e.: from payroll program)

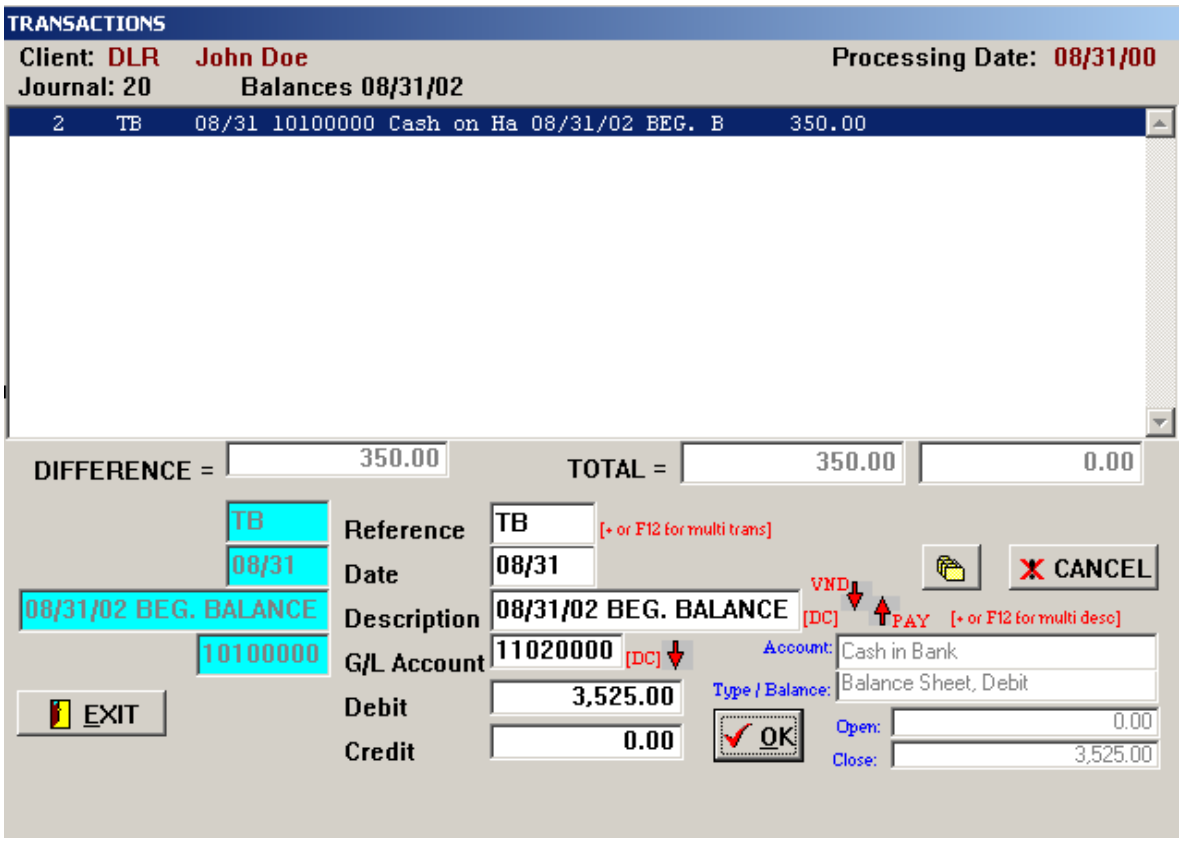
Click Exit when finished with the File View Box

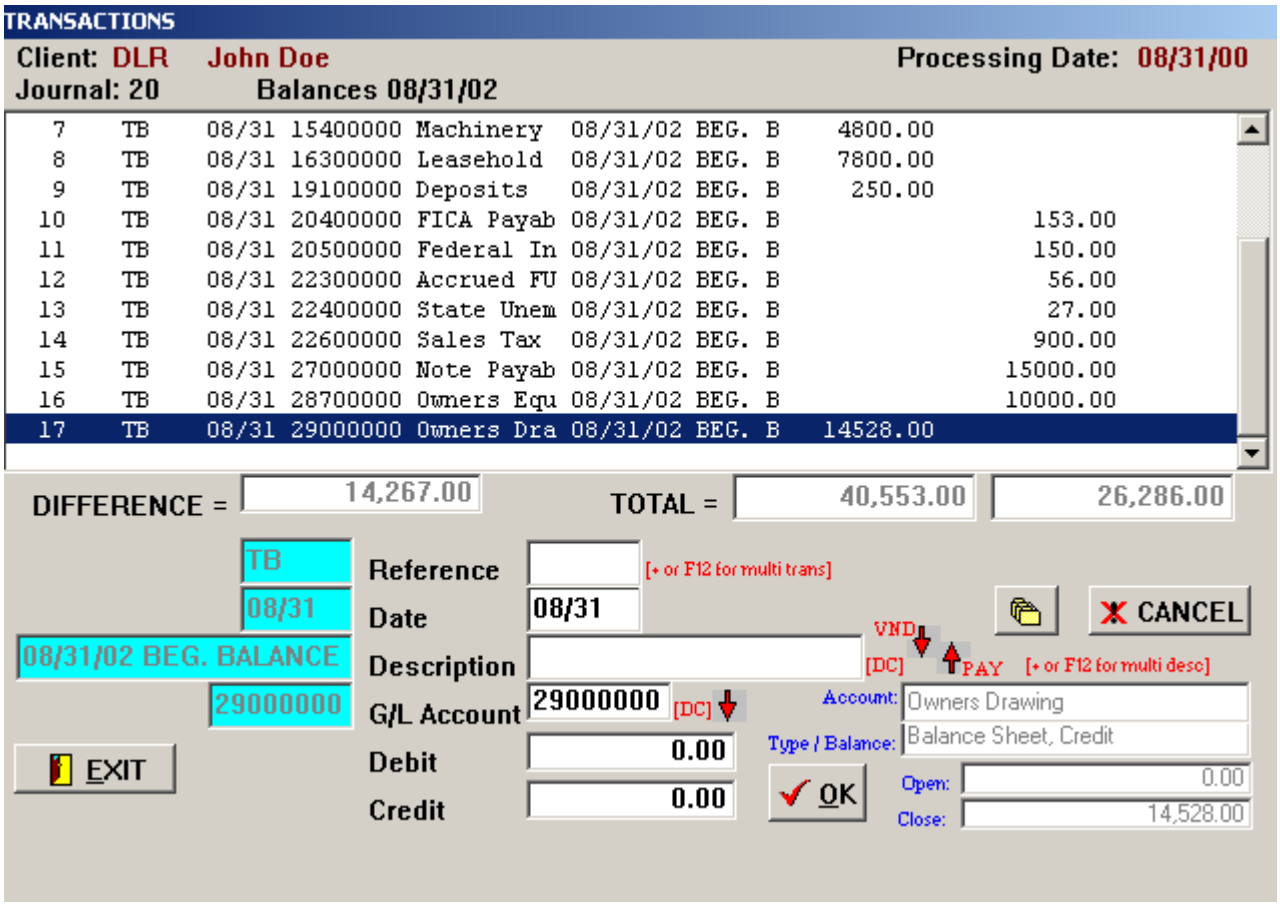
2. Now let's enter the 08/31/02 balances from the previous accountant's books
3. In the reference field we can enter a short description like TB for Trial Balance then hit enter
4. In the date field enter 08/ 31 hit the enter key
5. In the description field enter 08/31/00 Beg. Balances – hit enter
6. In the G/L Account field you can double click and the chart of accounts will appear on screen – double click on account number 1010 and the program will automatically bring over the account for you
7. Enter 350.00 for the Cash on Hand (The system will always right justify two decimal points for you so with an even number like 350 you should enter 350. with a decimal point after the 0) then hit enter
8. The system is now waiting for you to hit enter or click OK to accept your entry – you have the ability to change any of the information if you made a mistake before hitting the OK button.

(see screen shot next page)

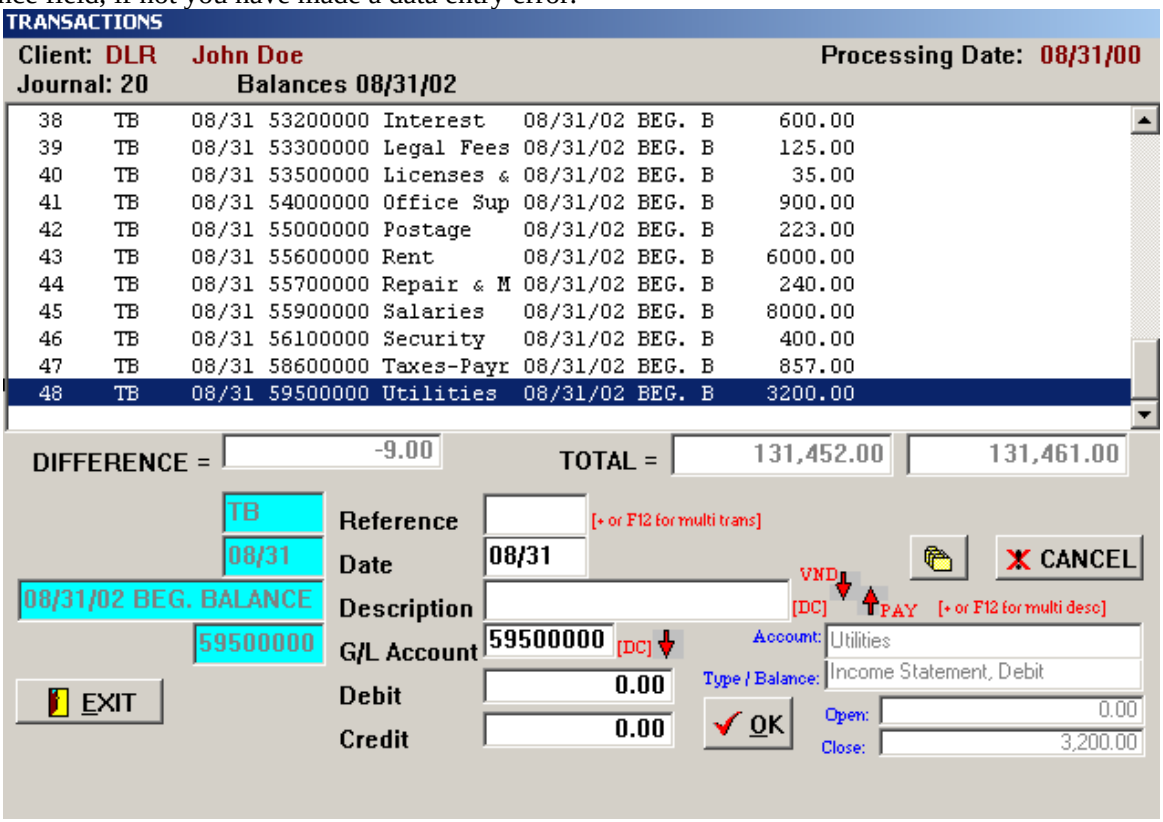


9. Now hit enter and the transaction is posted – we do a direct posting to your hard drive to prevent any loss of your work and once the transaction is listed in the above section it can not be edited here
10. Now enter the rest of your beginning balances – you can just hit your enter key and the system will repeat the information in the reference, date and description fields saving you key strokes and time just enter the correct G/L Account and the amounts needed

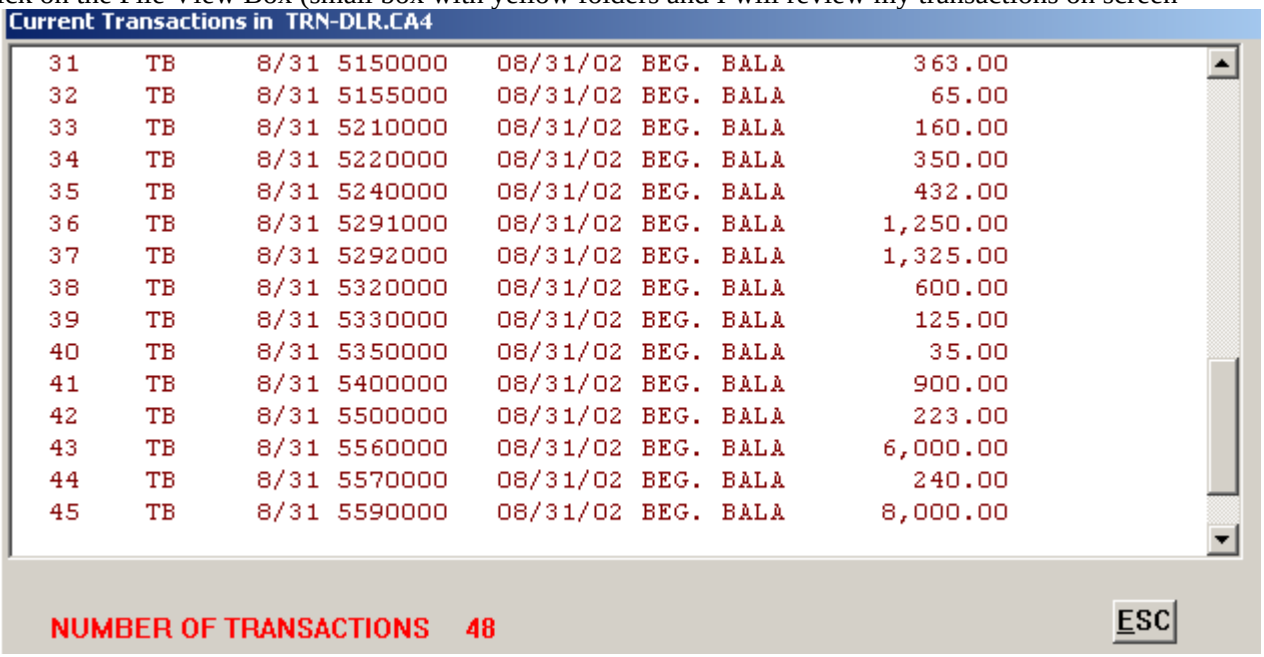

TRANSACTIONS
Client: DLR John Doe
Processing Date: 08/31/00
Journal: 20
Balances 08/31/02
2 TB 08/31 10100000 Cash on Ha 08/31/02 BEG. B 350.00
DIFFERENCE = 350.00
TOTAL = 350.00 0.00
TB
08/31
08/31/02 BEG. BALANCE
10100000
Reference TB [+ or F12 for multi trans]
Date 08/31
Description 08/31/02 BEG. BALANCE
G/L Account 11020000 [DC]
Debit 3,525.00
Credit 0.00
VND [DC] PAY [+ or F12 for multi desc]
Account: Cash in Bank
Type / Balance: Balance Sheet, Debit
Open: 0.00
Close: 3,525.00
CANCEL
EXIT
OK


TRANSACTIONS
Client: DLR John Doe
Processing Date: 08/31/00
Journal: 20
Balances 08/31/02
7 TB 08/31 15400000 Machinery 08/31/02 BEG. B 4800.00
8 TB 08/31 16300000 Leasehold 08/31/02 BEG. B 7800.00
9 TB 08/31 19100000 Deposits 08/31/02 BEG. B 250.00
10 TB 08/31 20400000 FICA Payab 08/31/02 BEG. B 153.00
11 TB 08/31 20500000 Federal In 08/31/02 BEG. B 150.00
12 TB 08/31 22300000 Accrued FU 08/31/02 BEG. B 56.00
13 TB 08/31 22400000 State Unem 08/31/02 BEG. B 27.00
14 TB 08/31 22600000 Sales Tax 08/31/02 BEG. B 900.00
15 TB 08/31 27000000 Note Payab 08/31/02 BEG. B 15000.00
16 TB 08/31 28700000 Owners Equ 08/31/02 BEG. B 10000.00
17 TB 08/31 29000000 Owners Dra 08/31/02 BEG. B 14528.00
DIFFERENCE = 14,267.00
TOTAL = 40,553.00 26,286.00
TB
08/31
08/31/02 BEG. BALANCE
29000000
Reference [+ or F12 for multi trans]
Date 08/31
Description
G/L Account 29000000 [DC]
Debit 0.00
Credit 0.00
VND [DC] PAY [+ or F12 for multi desc]
Account: Owners Drawing
Type / Balance: Balance Sheet, Credit
Open: 0.00
Close: 14,528.00
CANCEL
EXIT
OK

Screen shot after all Balance sheet amounts have been entered, notice the amount of 14,267.00 in your difference field this represents the Current Earnings **which you do not enter** the software will calculate this amount for you once all your balances for the Income Statement have been entered. When all amounts have been entered you should have a 0 in the difference field, if not you have made a data entry error.

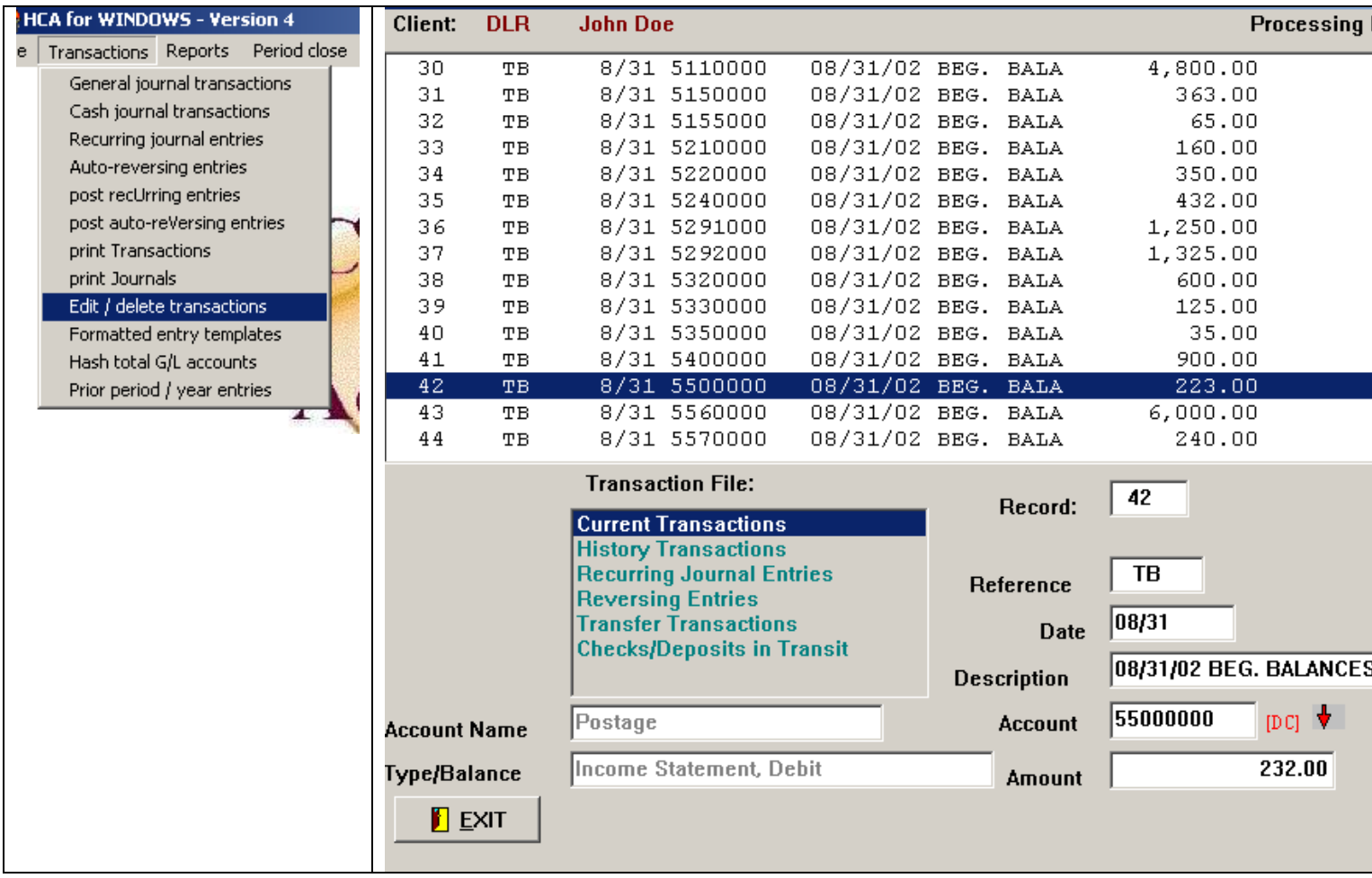


I have finished entering all the amounts and I notice that my difference is not 0 . I must have made a data entry mistake so I click on the File View Box (small box with yellow folders and I will review my transactions on screen

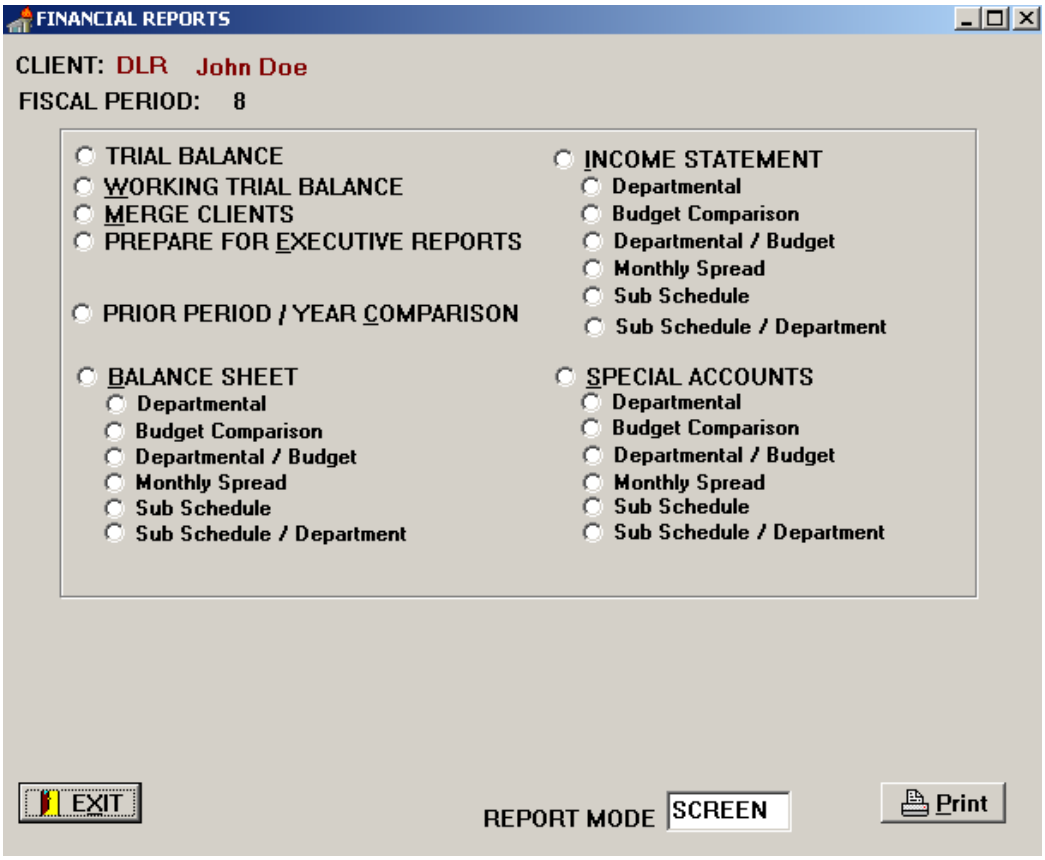


While scrolling down my list of transactions I see where I have made a transposition error for account number 5500 Postage – The amount should have been 232.00 instead of 223.00 – I can fix my mistake by going to a different screen an editing this transaction. Click ESC Then Click Exit three times to return me to the Main Menu. Then click on Transactions from the Main Menu and then Select Edit/Delete transactions – then double click the green Current

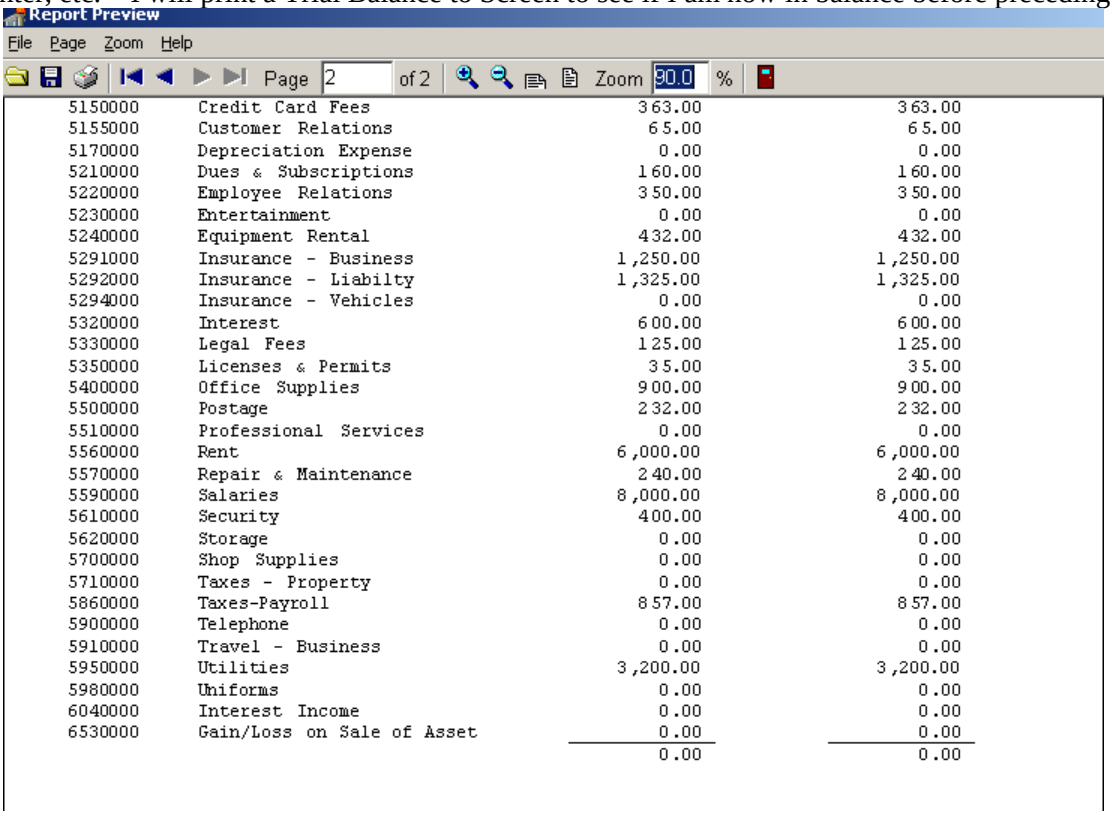
Transaction option and the list of all your transactions will appear – scroll down till you see the error and double click on this transaction and the transaction details will move to the boxes at the bottom, now you can change any of this information – change the debit amount from 223.00 to 232.00 to fix the mistake, Click OK to save the changes and then Exit



Now lets print a trail balance to screen to see if we are now in balance – From the Main Menu click on Reports and then select Financial and Payroll Reports then select Financial Reports



Notice the REPORT MODE BOX – At any report screen you can click in this box to change your report mode from Screen to Printer, etc. – I will print a Trial Balance to Screen to see if I am now in balance before preceding

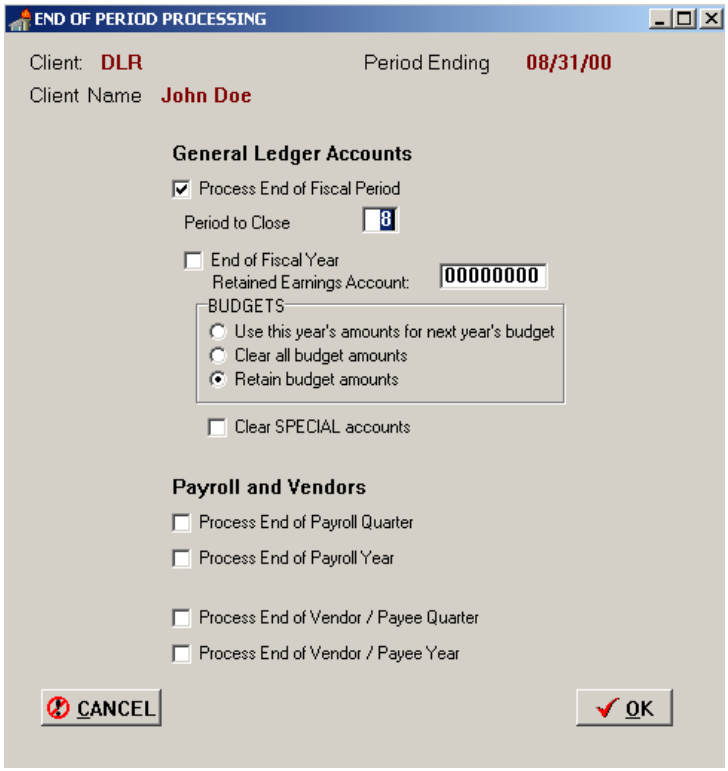


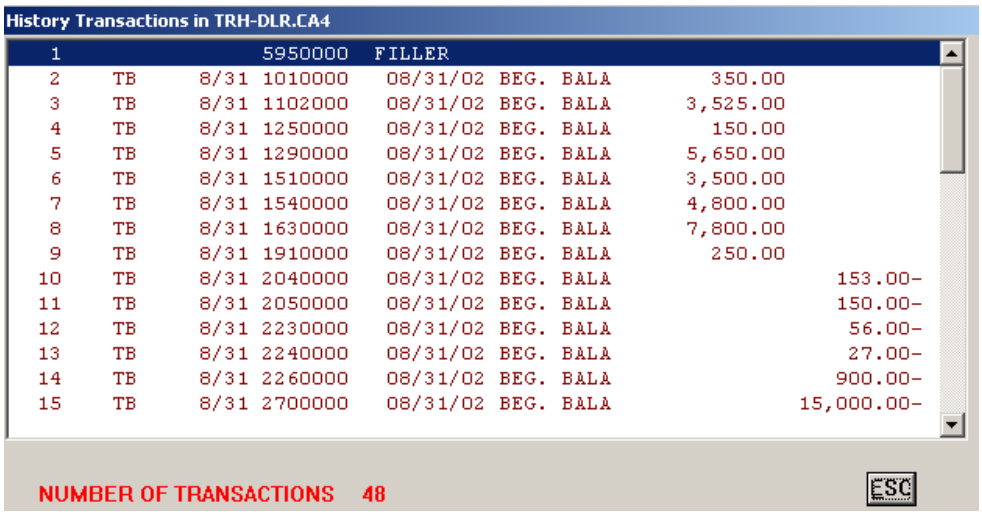
5150000	Credit Card Fees	363.00	363.00
5155000	Customer Relations	65.00	65.00
5170000	Depreciation Expense	0.00	0.00
5210000	Dues & Subscriptions	160.00	160.00
5220000	Employee Relations	350.00	350.00
5230000	Entertainment	0.00	0.00
5240000	Equipment Rental	432.00	432.00
5291000	Insurance - Business	1,250.00	1,250.00
5292000	Insurance - Liabilty	1,325.00	1,325.00
5294000	Insurance - Vehicles	0.00	0.00
5320000	Interest	600.00	600.00
5330000	Legal Fees	125.00	125.00
5350000	Licenses & Permits	35.00	35.00
5400000	Office Supplies	900.00	900.00
5500000	Postage	232.00	232.00
5510000	Professional Services	0.00	0.00
5560000	Rent	6,000.00	6,000.00
5570000	Repair & Maintenance	240.00	240.00
5590000	Salaries	8,000.00	8,000.00
5610000	Security	400.00	400.00
5620000	Storage	0.00	0.00
5700000	Shop Supplies	0.00	0.00
5710000	Taxes - Property	0.00	0.00
5860000	Taxes-Payroll	857.00	857.00
5900000	Telephone	0.00	0.00
5910000	Travel - Business	0.00	0.00
5950000	Utilities	3,200.00	3,200.00
5980000	Uniforms	0.00	0.00
6040000	Interest Income	0.00	0.00
6530000	Gain/Loss on Sale of Asset	0.00	0.00
		0.00	0.00

Both columns have a 0 balance for Current Period and Year to Date so I know I am now in balance and I can also verify that the amount for postage has been corrected

Now we need to close the period for August before processing the client's work for September

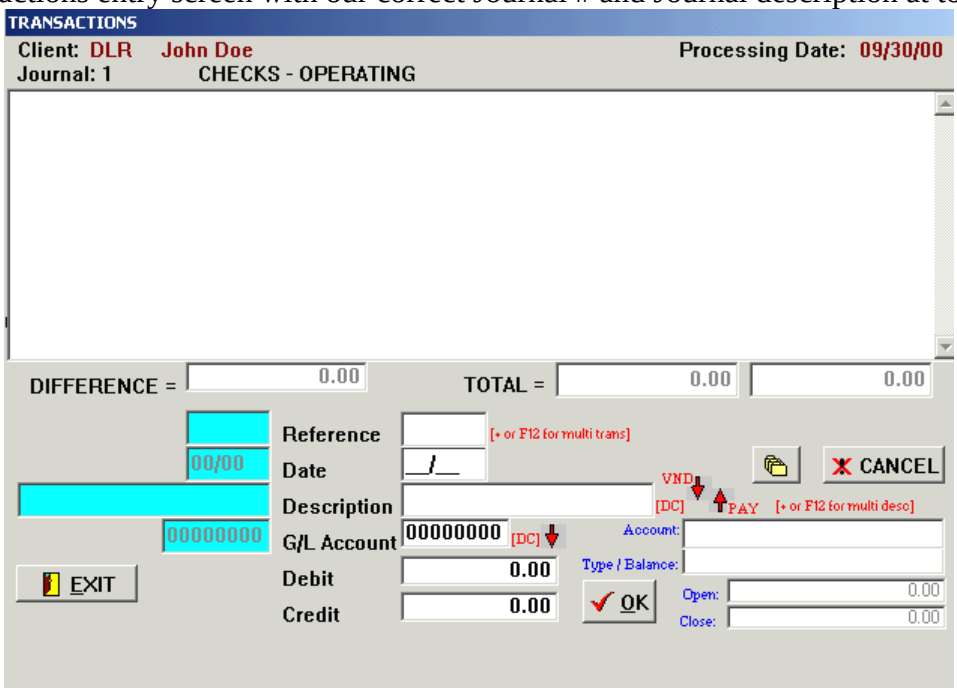
Select Period Close from the Main Menu then click OK – the following screen will appear. Since this is not the end of a quarter or fiscal year we should accept all the defaults and click OK. Once the period has been closed you should be returned to the Main Menu and notice that your Processing date is now 09/30/00. All of your current transactions have now been cleared and transferred to the History file. Click on the File View Box and you should see no current transactions TRN other than a filler record and if you click on the TRH you will see all of the August transactions now posted to the History file.



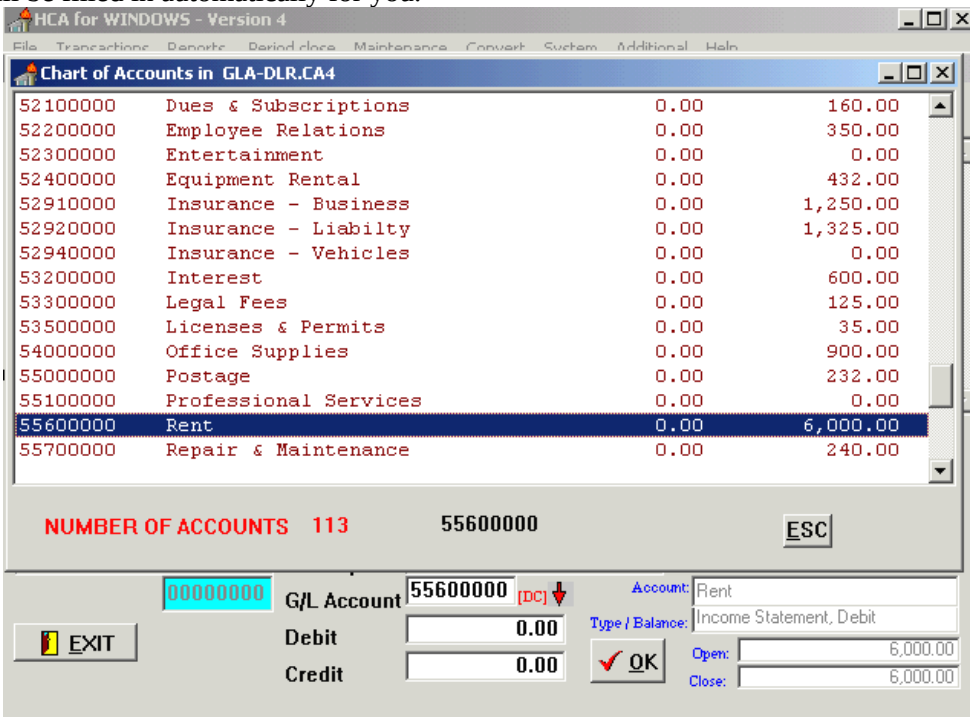


Now we are ready to start processing the September work for our new client.

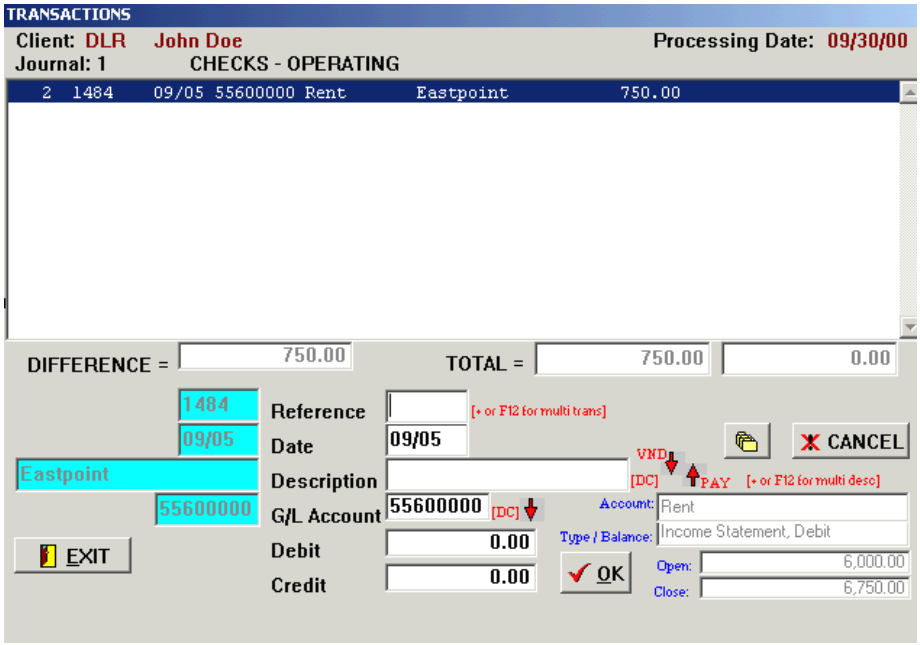
1. From the Main Menu click on Transactions then General Journal Transactions – We will use Journal # 1 to enter the September checks, select the radio button for #1 and then select OK; this should bring us to the Transactions entry screen with our correct Journal # and Journal description at top.



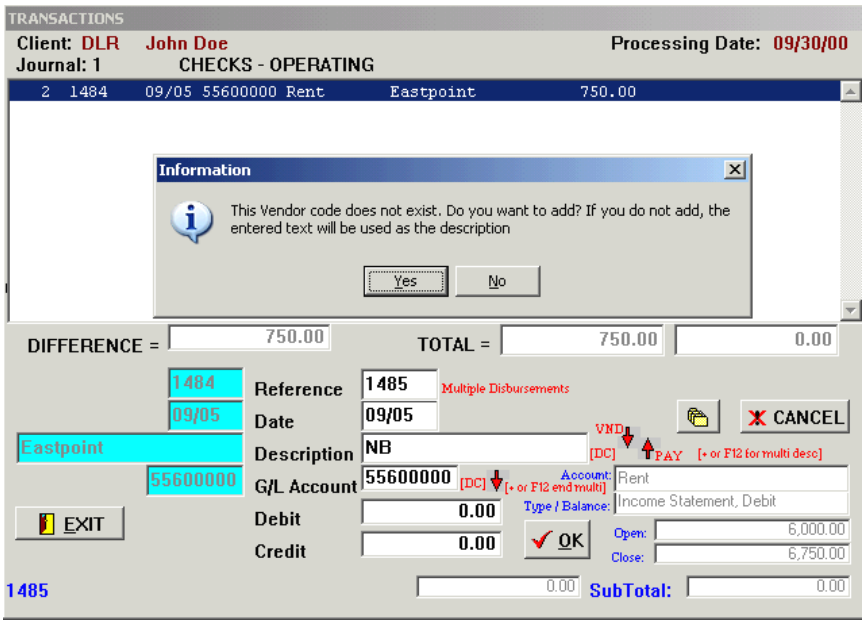
2. Now let's enter our first check – In the reference field enter 1484 and hit your enter key and then enter 0905 for the date (hit enter) then type in Eastpoint for the description (hit enter) now the G/L Account field should be highlighted. Notice the red DC (which stands for Double Click) and also the down arrow. If you know the G/L number you can just enter 5560 for rent or Double Click in the field or hit the down arrow to display your chart of account, if you display the chart of accounts you can scroll down and double click on 5560 and the account number will be filled in automatically for you.



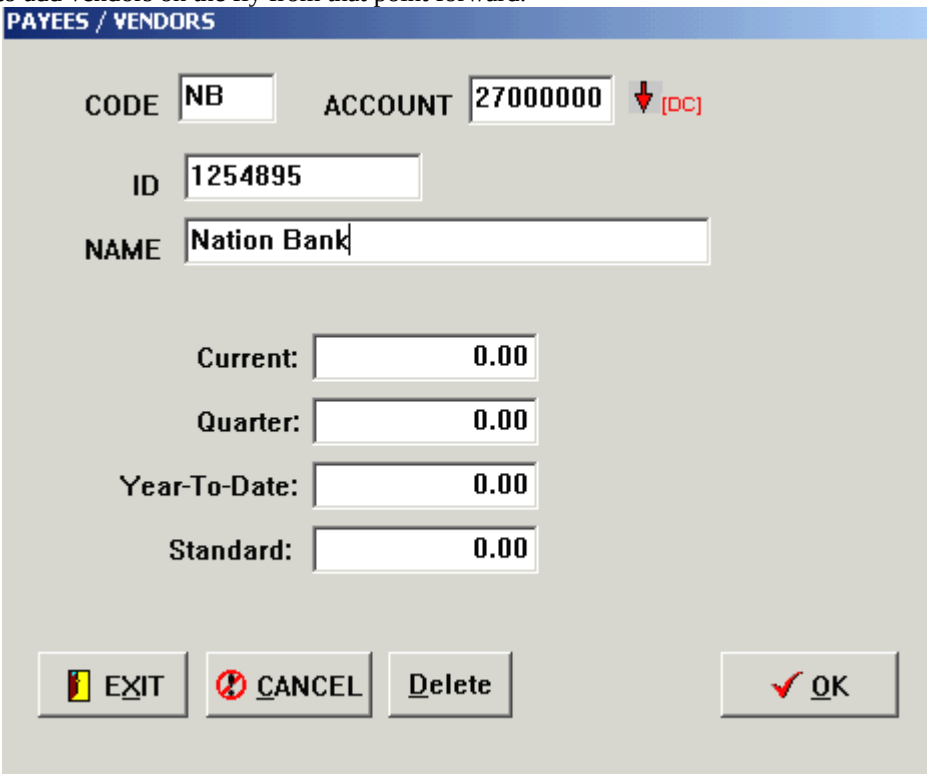
Now enter 750. in the debit amount field (hit Enter) and the system is wafting for you to accept the transaction by hitting enter or clicking OK, (at this point you can still edit any information before hitting OK) the transaction will move to the top of the screen and will be written to your hard drive and posted to the September current transaction file.

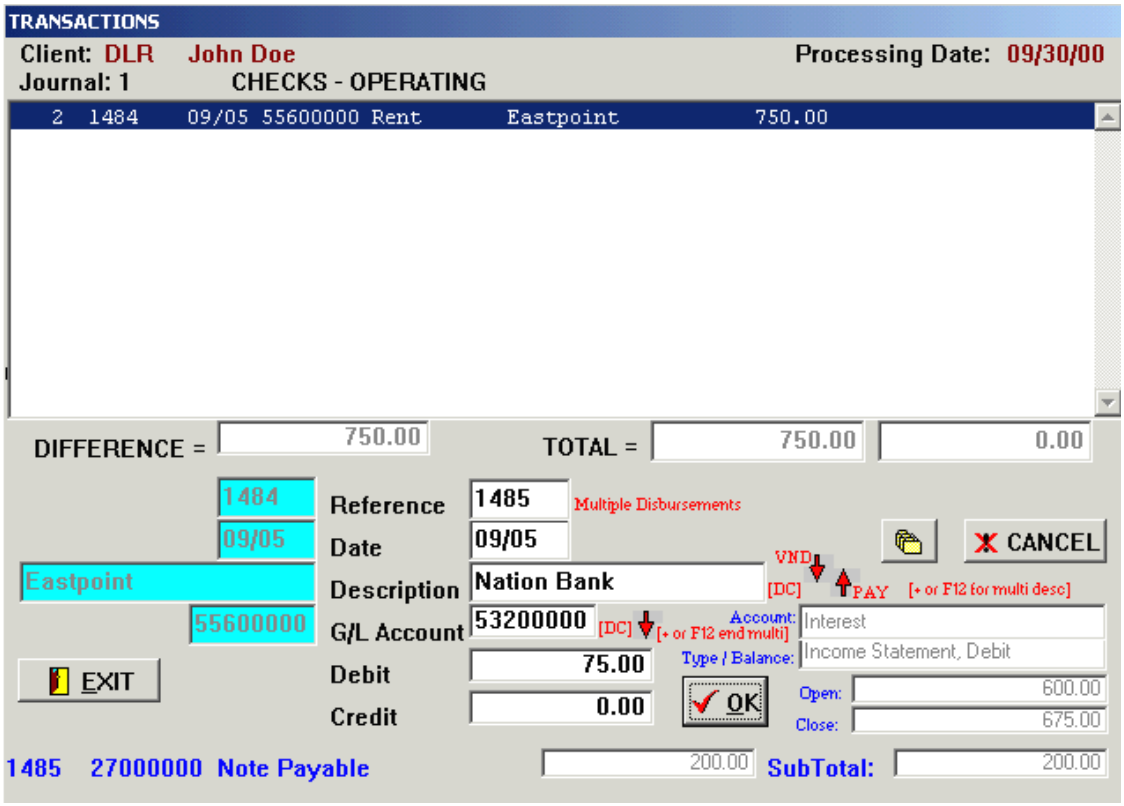


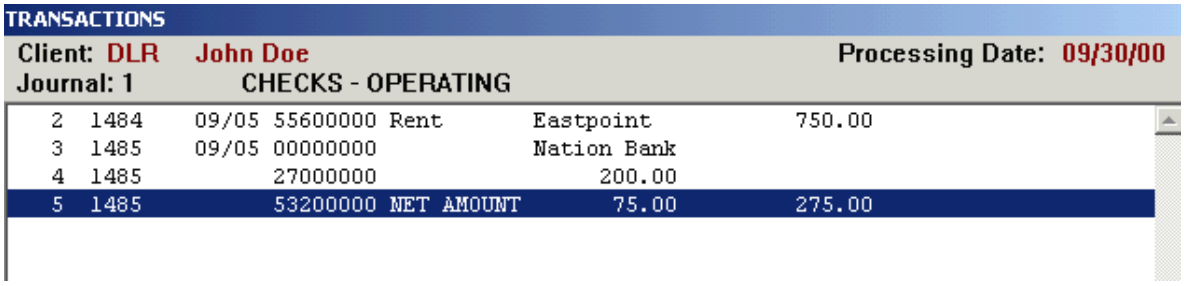
3. Now we are ready to enter the second check # 1485 and we notice that this needs to be a multiple transaction so instead of hitting the Enter key we should hit the + key or our * (see the red + & * key) key which allows us to distribute amounts to as many different G/L Accounts as we want. After hitting the + key the red description will now say Multiple Transactions and the system should automatically increment to the next check # 1485 for us – Enter the date 0906 (hit enter) now in the description field enter NB and the system will ask you if you want to add a new vendor code click YES and the Payees/Vendors maintenance screen will appear and you fill out the pertinent information so the next time you want to use this vendor code enter NB in the description field then the new vendor Nations Bank description and G/L Account number will automatically post for you saving you keystrokes and time. The system will also track payments to vendors for current, quarter and year to date amounts and if the amount is the same every time you can also set that up. After setting up the Vendor Code NB click OK and the Description will say Nations Bank and the G/L Account will now say 2700. Now enter 200. for the principal payment (hit enter) and when you click OK the system will return to the G/L Account field waiting for the next account number enter 5320 for interest expense and 75. for the amount then hit enter, this routine will continue until you hit the + key or * key to end your multiple transaction. **(Remember + starts multiples and + ends it)**



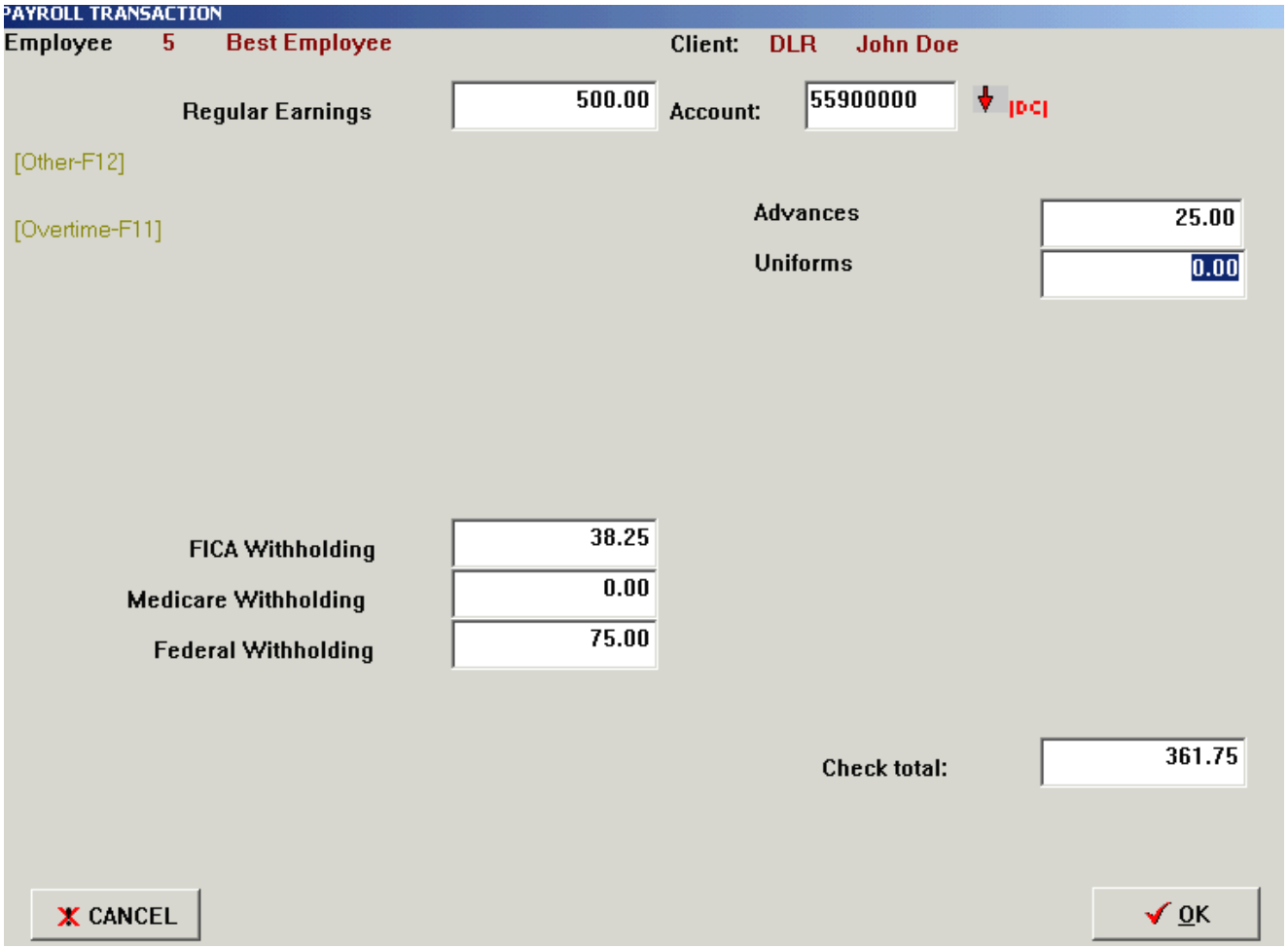
If the option for adding a vendor on the fly does not appear – that means a vendor file needs to be created, you should go to the Maintenance menu and select the Vendor/Payees option and create just one vendor and that will create a new vendor file and give you the ability to add vendors on the fly from that point forward.







Now you should have enough information to enter the rest of the transactions to complete the practice set, the only other item I will demonstrate is how to enter an after the fact payroll check so lets skip to check # 1489 – **(Remember a paycheck is never treated as a multiple transaction**) so enter 1489 (hit enter) enter 0915 for the date and now in the description field enter the number 5 (or hit the up red arrow to display your employee list) for this employee's payroll number. The following screen appears for you to enter the information for the employee's paycheck, it is not necessary to split the FICA and Medicare amounts the program will do the math for you. Once you click OK on the following screen the payroll information is recorded in your G/L and to the Employee's Payroll Summary File.



Transaction Entry Tips

1. **You can add G/L Accounts, Vendors, Employees and 1099 records on the fly as you enter your transactions.**
2. **Use your enter key for advancing through the different fields to save time**
3. **Remember your File View box**
4. **Your check numbers will automatically increment for you**
5. **Don't worry if you make a mistake – you can also go to the Edit/Delete Transactions routine**
6. **Review the sample Client DLR which is the completed practice set to compare your work**
7. **And last but not least – contact us for free support droberts7@cfl.rr.com or 407-324-8387**
8. **For a void check you will enter 99 in the date field and hit enter**
9. **The system will automatically accrue your payroll tax expenses if all information in the Payroll Maintenance screens are filled out properly**
10. **You can setup recurring journals (Monthly Depreciation) & Formatted Entry Templates, etc**
11. **You will receive a full manual on the CD which you can print or view – Make sure after you are finished entering transactions at the data entry screen you click the EXIT button and not the CANCEL button**

COMMON QUESTIONS/TIPS

My Income Statement and Balance Sheet won't print, or they stop printing too soon.

HCA does not require that you pre-define ranges of accounts. So the only way the system knows to stop printing is when it reaches the end of the Chart of Accounts or reaches an account that does not have the report type (Balance Sheet, Income Statement, or Special Accounts) currently printing.

If the system is printing a Balance Sheet and you have a Balance Sheet account identified as an Income Statement or Special Account, the system will stop printing the statement at that account number. If the account was selected incorrectly as an Income Statement account, the problem is compounded because the system will want to start the Income Statement at that point, and will not proceed because the next account is probably a Balance Sheet account.

Any time reports are not printing or stop printing too soon, look at the Chart of Accounts for an incorrect identified account assignment or normal balance, correct the account type, and then rerun the report.

The Income Statement ratios are incorrect.

When the system first prepares to print an Income Statement, it reads the Chart of Accounts looking for the first Income Statement account. Once the first Income Statement account is found, the system accumulates amounts until it reaches the first account designated as a normal debit balance.

Once a normal debit balance account in encountered, the system assumes it has reached the end of the sales accounts, and the accumulated amount becomes the basis for rationing.

The most common error is to indicate that Returns and Allowances is a normal debit balance, and when the system gets to Return and Allowances, any sales accounts that follow are ignored. Remember, the only reason HCA asks for the normal balance is for signing, so Returns and Allowances should be a normal credit balance so it will print with a minus sign (or brackets) on the Income Statement and will not stop the accumulation of sales.

The totals are incorrect.

HCA allows for three total level 9's in the normal Chart of Accounts. Total Assets, Total Liabilities and Equity, and Net Income or Loss are the only totals that should be level 9, and they MUST be a level 9.

If you have an extra level 9, the amount carried to Current Earnings will be incorrect. If you do not have a level 9 in a required position, totals may carry from section to section.

Special Accounts reports will not run.

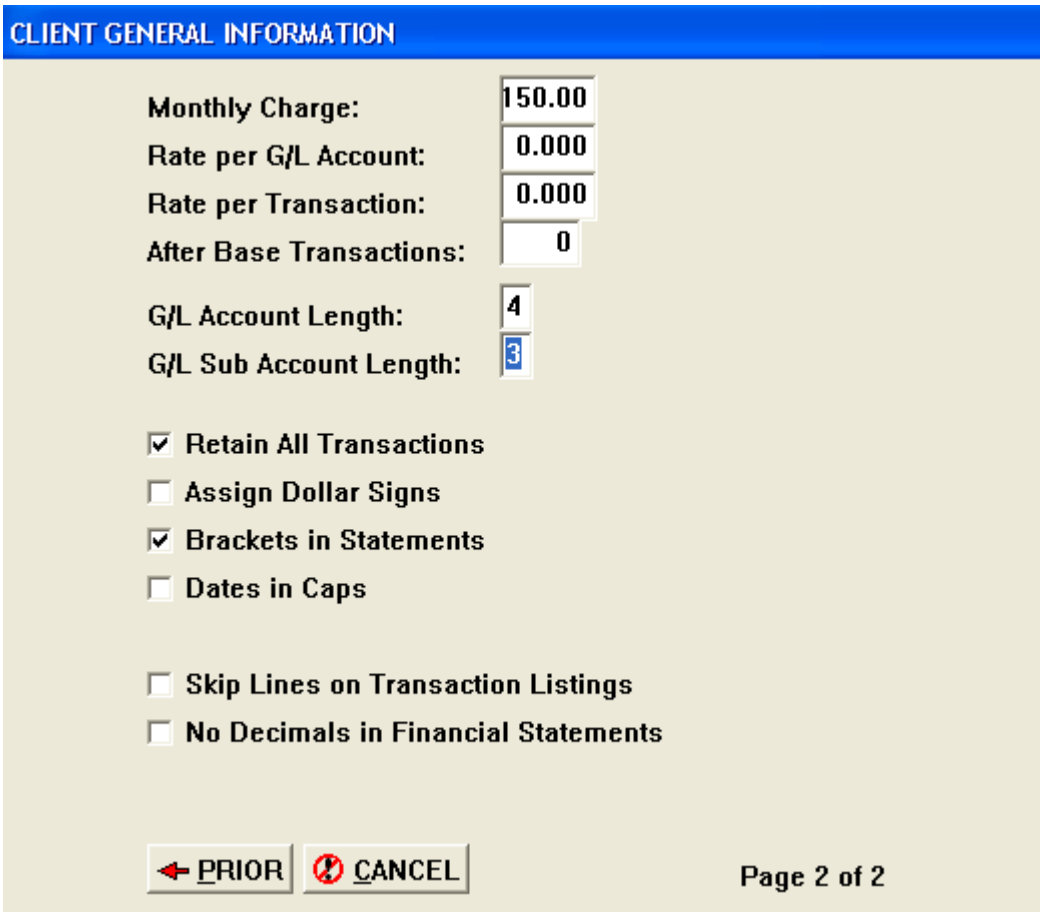
HCA finds the start of the Special Accounts section by searching for the third total level 9. If you do not have three total level 9's, the system will never find that section. If you have an extra total level 9 before the end of the Income Statement, the system will start the Special Accounts report too soon, and encounter an account that does not have a report type of SPECIAL and then stop processing.

The double line is not being drawn at a total account.

HCA only draws double underlines at total level 9's. If the total level is other than a 9, the underline is a single line. Before any line is drawn, the line flag must be set as described in File Maintenance.

Consolidate reports will print, but departments and divisions do not or The Reports Menu and/or Auto-Reports Menu does not display a department option for either Balance Sheet or Income Statement.

Because HCA is so flexible in allowing you to define departments/divisions, you have to define exactly the numbering scheme for the department / division. All departments must have a master and related sub-accounts and in the Client General Information file you have to define the length for the G/L account and the G/L sub-account length. The total of the two cannot exceed 8 .Lets assume you have designated 4 for G/L account length and 3 for subs for – see screen shot



When the system asks for the departmental number when printing, your reply must match the numbering scheme reading from right to left. If your master department sales account is 3010 then the division/department code for department 100 would be 3010100 (4 & 3) You can have up to 999 departments with this setup

Net Income or Loss is not transferring to the Balance Sheet.

To automatically transfer Net Income or Loss to the Balance Sheet, there must be a single account type 5 in the equity section of the Balance Sheet. On the Income Statement the Net Income or Loss total must be a total level 9. Remember you must have a total level 9 at Total Assets, Total Liabilities and Equity, and Net Profit or Loss - and there can be no other total level 9's in either the Balance Sheet or Income Statement.

After restoring a client - be sure to reload the client to insure that the proper period ending date is set and the new files are loaded properly.

When entering after the fact payroll checks – you can add new employees on the fly but **do not add new payroll accounts on the fly.**

If you are having a problem with your 1099's not printing or aligning properly. Go into you Client Accounting program and add a dummy employee (type 1) and make sure this is the first employee listed in the file. The sort routine needs the first record in the employee/1099 file to be a W2 record not a 1099.

Make sure after you have **installed any new updates or patches** to check your system information from your system menu option in client accounting. It should agree to the version posted on the update page.

NEW SPECIAL FORMATTING CODES

There is an additional method of formatting your financial statements. With Title, Heading and Total accounts you can start the description line with @ this will insert special control codes, then end the code with another @ This is done in your general ledger file maintenance routine.

The Special codes are:

B = Bold I = Italics

C = Center U = Underline

R = RED - Prints a loss in Red with a color printer

1 to 9 will increase or decrease the size of the font

The code must be in caps, and the @ must be the first character in the description field and after your account number it must end with the @ For example a Title may normally be: ASSETS but using special codes the Title could be: ASSETS The special code would be @BIU2@ = Bold, Italics, Underline, 2 point font increase. Centering is automatic for Title Accounts. If the special code has an effect on the report heading, you should start the report with a Title account with no description and no special codes. This account will print a blank line.

How do I change the page printing?

In your chart of accounts set-up from file maintenance - In the field for extra lines if you put a 9 in this field it will tell the software to start a new page after that account has printed.

How do I set-up a small client that I am only doing on a quarterly basis?

In your client general information screen (page 1) there is a field that asks for the number of periods in fiscal year. Change this to a 4 and the software will create statements based on a quarter.

How do I print the year to year financial reports comparison?

From your FINANCIAL REPORTS menu you should see an option for Prior Period / Year Comparisons. This option will allow you to print comparative balance sheets and financial statements. These are great tools for your client. If this is a new client, unfortunately you will not have any history files to print these reports. You can rebuild all the history amounts through the general ledger file maintenance routine, but this is a lot of work even if you have the information.

Make sure your Scroll Lock key is off when entering transactions.

NEW KEYING ROUTINES IN CLIENT ACCOUTING

Now when you want to extract a record being displayed, [Enter] acts like a double click. When a field is marked with ↑ the up arrow is active and ↓ means the down arrow is active to display a file just as the [F10] key does. In transaction entry at the reference ↑↓ represents a choice of ↑ payroll records and ↓ vendors codes. [ESC] will exit any displayed file.

NOTES:

1

GETTING STARTED

1.1 INSTALLATION

After inserting your CD ROM an Auto Start Installation Menu should appear, follow the directions for installing your programs and it is recommended you accept all the default installation options. If the menu does not start automatically you can enter d:\autorun.exe from your run command box in Windows. (where d: is your CD drive letter)

1.2 CREATING YOUR STATE U/C TEMPLATE

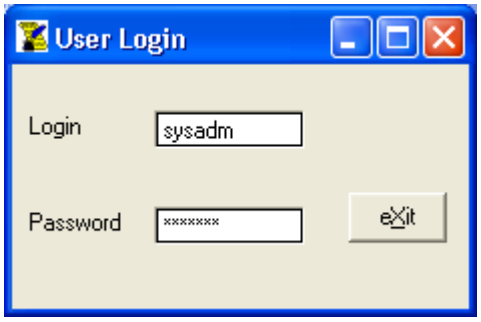
While most states are available, if you do not find your state, select A1 as your state. A1 is a general format that is acceptable in many states and you can edit the information on this template. There is an installation program on your CD for installing the available state templates.

1.3 GETTING STARTED

Click the Version 5 Icon placed on your Windows Desktop during installation to start the program. The main program file is located in the C:\Version4 folder and is named CAVER4.EXE

If you are using the NETWORK version, after you start a user sign-on screen appears. If the operator properly answers the sign-on log in the MAIN MENU will appear. The single user version immediately displays the MAIN MENU when the program is started.

AT THE OPERATOR SIGN-ON SCREEN (Network version only)



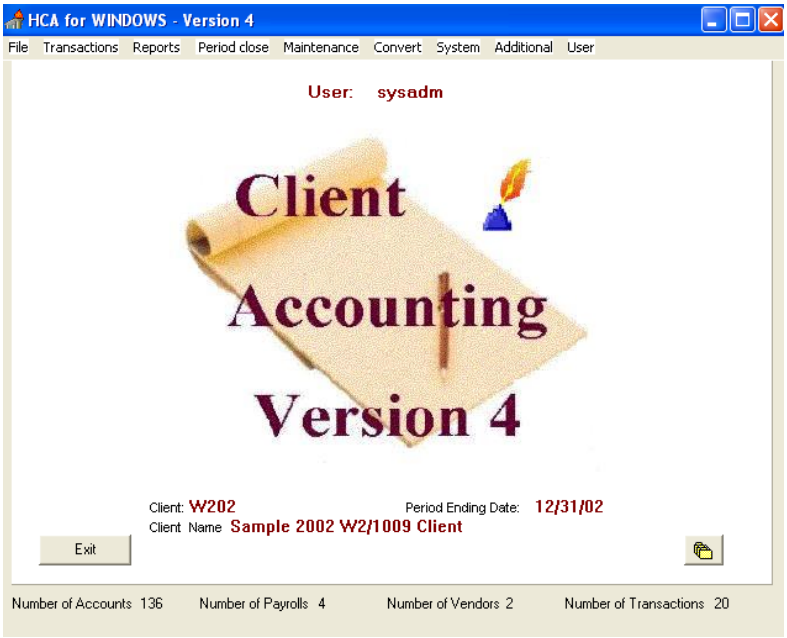
LOGIN AND PASSWORDS must be accurately keyed for the system to advance past this screen to the main menu and are case sensitive.

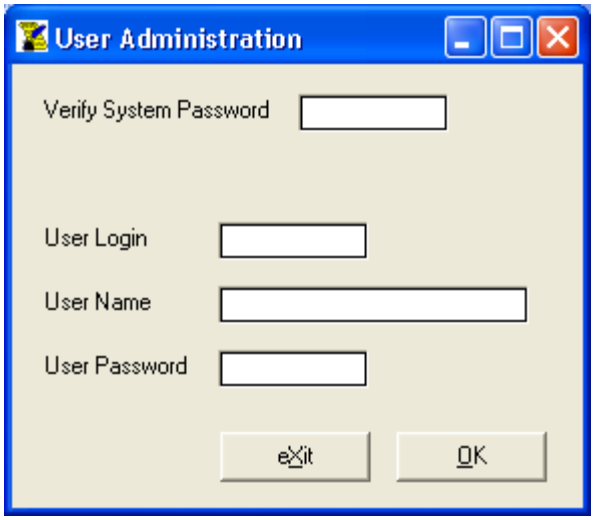
New Login and Passwords can only be assigned by the system administrator for each work station on the network.

Systems Administrator's Login and Password

Login = sysadm
Password = letmein

1.4 USER ADMINISTRATION AND MAIN MENU





By selecting the **User** Menu option from the main menu the system administrator can select Add user and the following screen allows you to assign the information needed for any additional work stations.

Verify System Password = letmein

NOTES:

2

GENERAL OPERATING NOTES

This chapter contains general information you need to know in order to operate the CLIENT ACCOUNTING program. Concepts such as data entry techniques, setting up the report mode, global hot keys, creating a chart of accounts, as well as tips on navigating the program's menus and windows are discussed.

2.1 NAVIGATING THE MENUS

The CLIENT ACCOUNTING program has been designed with user-friendliness in mind. The use of overlapping menus provides a more organized approach to operating the system and, in most cases, allows you to see what level of the program you are currently in.

To select an option from any menu, there are two methods available:

Move the mouse pointer to the menu option you want to select and then click the left mouse button.

Press [ALT] plus the key corresponding to the letter at the desired option that is underscored. The system will accept either [G] or [g]. At the Main Menu, after pressing [ALT][KEY] you then press only the [KEY] for the desired option. For example, press [G] on the TRANSACTION menu to select GENERAL JOURNAL TRANSACTIONS.

2.2 DATA ENTRY

When the system prompts you for data, it expects your response to be entered in a certain sequence.

NUMERIC ENTRY
When the system expects numbers and decimal points only, it will display a field 0.00. If you try to enter a non-numeric character, the system will beep. The program will always right justify two decimal points.

ALPHANUMERIC ENTRY
If the system is prompting you for an alphanumeric value (for example, for a transaction description or an account name), then a blank input field is displayed. In alphanumeric entry, you are allowed to enter any combination of letters and numbers.

DATES
When you are prompted for a date, enter the date in the form MM/DD, where MM is the month, DD is the day of the Month, for example May 12, 2001 is entered as 0512. The year is never required to increase your data entry speed.

DOLLAR AMOUNTS
Dollar values may be entered with or without a decimal point. When you are asked to enter a dollar value, the length of the input field leaves a space for a whole dollar amount, a decimal point, and 2 spaces for cents. If you do not enter a decimal point, the system will automatically divide the input value by 100. For example, 1233 would become $12.33 while 1332.00 (or 1332.0 or 1332.) would still be $1332.00. The system always right justifies two decimal points.

You should never enter a dollar sign or commas as part of your input.

ACCOUNT NUMBERS
When you are prompted for an account number, you do not have to enter numbers for all of the input spaces displayed. The system will automatically pad the input to the right with zeroes to get a complete account number. For example, if you were prompted for an account number and entered just 12 and then pressed [RETURN], the account number would be padded with zeroes to get 12000000.

2.3 THE DATA FILES KEY [F10] or Click the Right Mouse Button in a Blank Gray Area of the Screen

The [F10] key is a system hot key that displays a menu of six options from which you can bring up a listing of the major client data files. To view a specific data file, mouse select or press the underscored key for the appropriate data file. With the exceptions noted below, these files can be brought up on the screen at any time in the program.

[GLA] CHART OF ACCOUNTS
Selecting this option brings up the current chart of accounts. (trial balance) The account number, description, period-to-date, and year-to-year amounts are displayed. You can scroll through the accounts with the usual cursor keys. If the system was prompting you for an account number when you called up the chart of accounts, you can fill in that prompt automatically by selecting an account from the chart of accounts and double clicking the left mouse button or hitting your enter key.

While in Transaction Entry, when the cursor is prompting for a G/L account number, you can double click the left mouse button or hit the red down arrow, the Chart of Accounts will automatically display, and you can select an account as described above.

[PRL] PAYROLL RECORDS
Select this option for a listing of the current employee's payroll file. Each payroll record will contain the payroll ID, Federal ID, name, type, and gross pay for the payee. If the system was prompting you for a payroll ID when you called up this file, you can fill in that prompt automatically by selecting a payroll record from the field and double clicking the left mouse button.

When you are in Transaction Entry, and the prompt is in the Description field, a double click will react the same as pressing [F10], and you can select either [PRL] or [VDR] files.

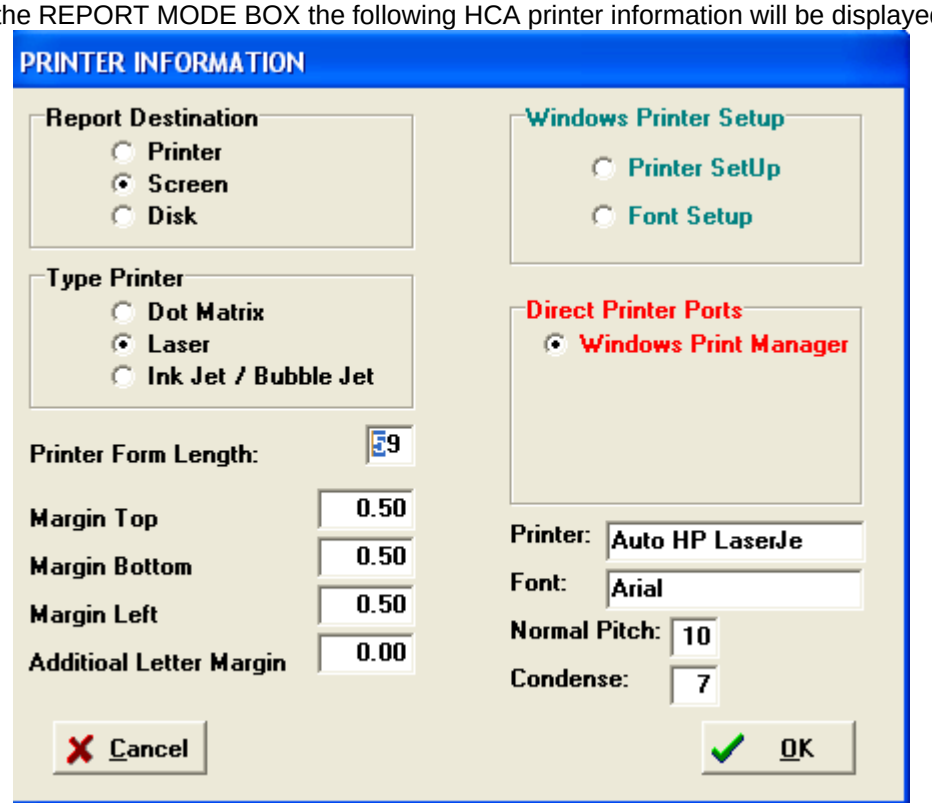
[TRN] CURRENT TRANSACTIONS
This option displays the current transaction file. If you are at the point in the system where you are prompted for a transaction record number (e.g. - EDIT / DELETE TRANSACTIONS), you can select a transaction from this screen with the highlight bar and double clicking the left mouse button.

[TRH] HISTORY TRANSACTIONS
This option displays the history transaction file. If you are at the point in the system where you are prompted for a transaction record number (e.g. - EDIT / DELETE TRANSACTIONS), you can select a transaction from this screen with the highlight bar and double clicking the left mouse button.

[TRX] TRANSFER TRANSACTIONS
This option displays the transfer transaction file. If you are at the point in the system where you are prompted for a transaction record number (e.g. - EDIT / DELETE TRANSACTIONS), you can select a transaction from this screen with the highlight bar and double clicking the left mouse button.

[VDR] VENDOR CODES
Select this option for a listing of the current vendor codes. Each vendor record will contain the ID code and name of the vendor. If you were being prompted for a transaction description when you called up this file, you can insert the vendor's name as the transaction description by selecting a vendor record from the vendor file and double clicking the left mouse button.

2.4 SETTING THE REPORT MODE
Whenever you need to print any reports, HCA gives you an opportunity to select several print options. HCA will display the current REPORT MODE selected – either to your printer, your screen, or an ASCII text file called REPORT.CA4. (Disk) By clicking in the REPORT MODE BOX the following HCA printer information will be displayed.



REPORT DESTINATION
The SELECTED RADIO BUTTON option (PRINTER, SCREEN, and DISK) is the current destination.

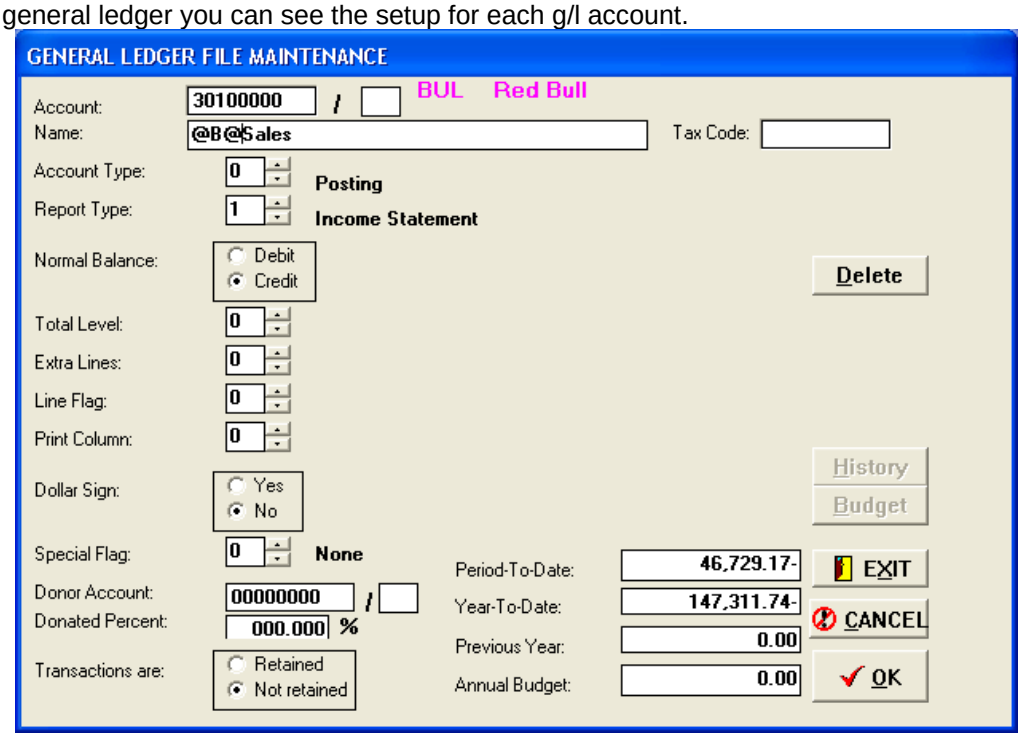
TYPE OF PRINTER – Dot Matrix, Laser or Inkjet/Bubble Jet

DIRECT PRINTER PORTS
Windows Print Manager should always be selected.

FORM LENGTH
This is the number of lines per page that you want printed on your reports. Normally laser and inkjet printers are set to 59 lines and dot matrix printers are set to 66 lines per page.

PRINTER SETUP / FONT SETUP
Click either Printer Setup or Font and the system will present the standard Windows Print Manager setup screen.

2.5 SETTING UP A CHART OF ACCOUNTS
The single most important aspect of automated General Ledger processing is setting up the Chart of Accounts contained in the file GLA-xxxx. HCA, where xxxx is the 1-4 character client ID assigned. Not only does each account carry the various balances (current period, year-to-date, etc.) it also contains formatting information necessary to determine how that account will be printed on financial reports. In general, though, the order of the accounts in the General Ledger Accounts file is the order in which those accounts will be printed. By selecting the Maintenance menu option and then general ledger you can see the setup for each g/l account.



In addition to the regular posting accounts, there are special accounts determining total levels, report titles, and column headings. For each account, you can also set flags determining spacing between the previous and next accounts and whether to print a dollar sign before the balance. For balance sheet accounts, you can determine what column (1-3) you want the accounts to appear in on the balance sheet.

SPECIAL FORMATTING CODES
There are additional methods for formatting your financial statements. With Title, Heading, and Total accounts you can start the description line with @, insert special control codes, and terminate the codes with another @.

The special codes are:

B	BOLD
I	ITALICS
C	CENTER - Title accounts already print centered, usually used on Heading accounts.
U	UNDERLINE - Draws a line under the text.
R	RED - Prints a LOSS in Red (color printers), usually used on Net Profit or Loss account.
1..9	FONT INCREASE - Increases the font size, usually used on Title accounts.

The codes must be caps, and the @ must be the first character in the description field.

For example a Title may normally be:

A S S E T S

but using the special codes the Title could be:

ASSETS

The special code for this result is @BIU2@: Bold, Italics, Underline, 2 point font increase. Centering is automatic for Title accounts. If the special codes have an effect on the report headings you can start the report with a Title account with no description and no special codes. This account will print a blank line.

DESIGNING A CHART OF ACCOUNTS

Here is a step-by-step look at how you can design a chart of accounts in the HCA system:

Start by drawing up a chart of accounts suitable to your client. Place each of the accounts under the appropriate account category: ASSETS, LIABILITIES, INCOME, or EXPENSES. Each account takes up to one record in the Chart of Accounts. (We recommend that you duplicate over one of our sample client's chart of accounts)

Include account records for the report titles and headings you want to appear on the reports.

Assign account numbers to each account record you have "created".

Account numbers can be from 3 to 8 alphanumeric characters in length and account lengths can vary from client to client. A sub account length also can be set for any length as long as the total length of the account number + the sub account is not longer than 8 characters.

Account numbers can range from 10000000 to 99999999. One example of a Chart of Accounts structure would be:

ASSETS	10000000-19999999
LIABILITIES	20000000-29999999
INCOME	30000000-39999999
EXPENSES	40000000-49999999

Departments and divisions are established as sub accounts. In the MASTER/SUB relationship, the sub account numbers are normally the same base number as the master account number with the extra digit(s) representing the department number. For example,

4001	EXPENSES-All Stores	(Master Account)
400101	EXPENSES - Store #1	(Sub Accounts)
400102	EXPENSES - Store #2	
400114	EXPENSES - Store #14	

In this example, the G/L account length is 4 and the sub account length is 2. (You could have 99 departments)

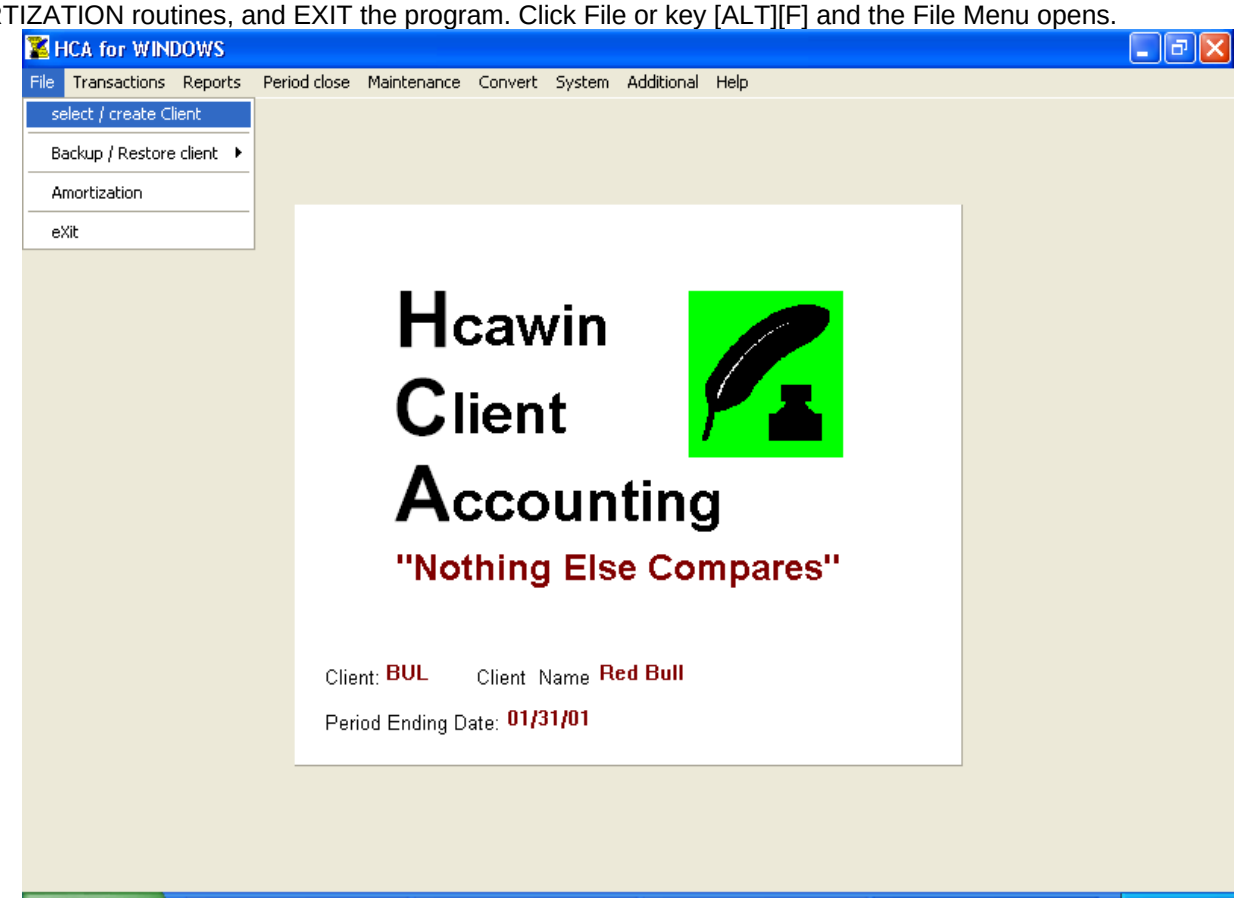
If you need to use sub accounts, but not departments or divisions, sub accounts can be any group of ascending numbers identified as sub accounts.

There is a field in each account record that allows some additional flexibility when assigning account numbers. The Extension field enables you to put headings (or other descriptive text) between two accounts with consecutive account numbers. In effect, the Extension field is a two-digit extension of the Account Number. There are rules on the use of Extension numbers, though: **TITLE, TOTAL, HEADING, REPORT NAME, CURRENT EARNINGS, and COLUMN HEADING accounts must have Extension numbers,** while POSTING accounts **cannot** have Extension numbers.

There is a useful routine in the FILE MAINTENANCE menu –DUPLICATE CLIENT FILES - this will copy an existing Chart of Accounts to another client so that you don't always have to create a new Chart of Accounts from scratch for new clients.

FILE

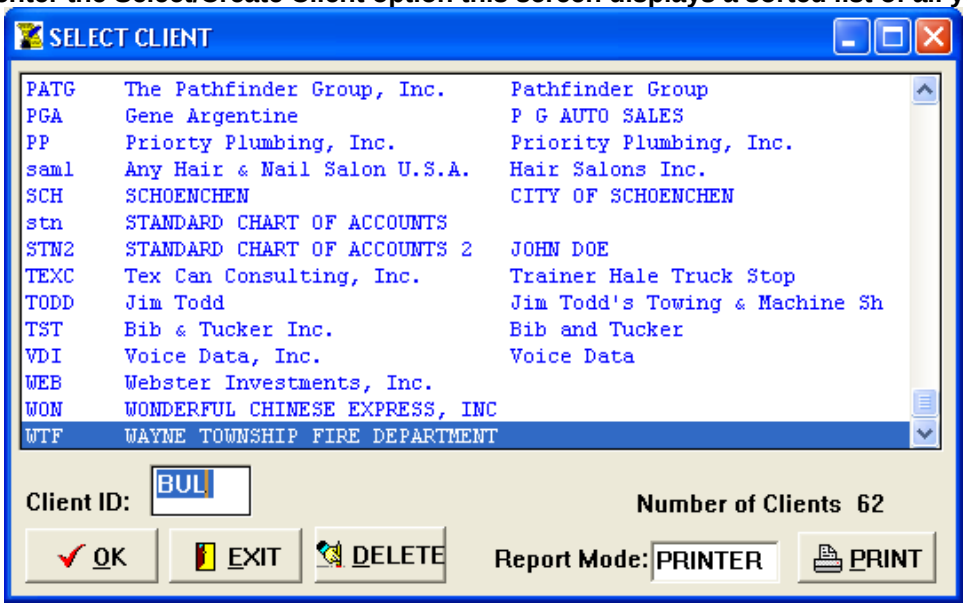
The File section allows you to SELECT or CREATE a CLIENT, BACKUP and RESTORE client files, perform AMORTIZATION routines, and EXIT the program. Click File or key [ALT][F] and the File Menu opens.



3.1 SELECT / CREATE CLIENT

This is the first option on the File section of HCA MAIN MENU. The SELECT / CREATE CLIENT option, as the name implies, has two main functions: (1) Select an existing client for processing, and (2) Create a new client. Additionally, you can delete clients at this option. (You cannot delete a client that is presently loaded)

When you enter the Select/Create Client option this screen displays a sorted list of all your clients.



HCA prompts you for a 1-4 character client ID. Enter the ID of an existing client and press [RETURN]. HCA will load that client's required data files. You can also select an existing client by placing the highlighted bar on the client and double clicking the left mouse button.

Once a client has been selected (either an existing client or a new one created), that client's ID, Owner's Name, and Period Ending Date are displayed in the status box at the bottom of the screen. The client is now ready for processing.

The client ID is also saved in SYSTEM. HCA. If you do some processing on the client and then exit the program, that client will be loaded the next time you start up HCA.

If the client file cannot be found, the system assumes you want to add a new client to the system. HCA will ask you if it is OK to create the required data files for the new client. If you answer YES, the new client is created and it becomes the current client loaded.

Required Client Data Files
Every client must have at least two data files. These files are the Client General Information file, INF-xxxx. HCA (where xxxx is the 1-4 character client ID), and the General Ledger Accounts file, GLA-xxxx. HCA. A client missing one or both of these files cannot be processed. Other client files, such as Payroll (PRL-xxxx. HCA). Vendor (VDR-xxxx. HCA) and so on, are created when you enter the first record for those files.

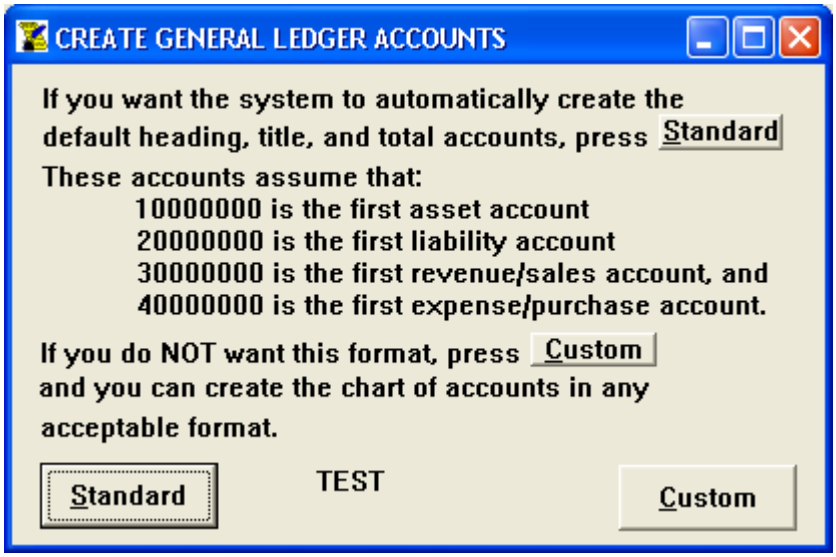
With the exception of history files and transfer files, all client data files must reside in the directory specified by the system DATA FILE PATH value, for example C:\VERSION4\DATA. The various file paths can be set in the SET FILE PATHS routine in the SYSTEM PARAMETERS menu.

Occasionally, when you are selecting a client with a shorter CLIENT ID than the current client, the system will give a false Indication that the files are missing. When this happens, select the client, do not select to create the files, and exit the program. When you reenter the program the system should recognize the client's files.

After A New Client Has Been Created
After the required files for a new client have been created, HCA will automatically take you through some routines to help get you started on setting up the new client. These routines are:

CLIENT GENERAL INFORMATION
GENERAL LEDGER ACCOUNTS

Here, HCA will ask you if you want it to create some suggested report titles, headings, etc. These accounts are based on the assumption that 10000000 will be the first ASSETS account, 20000000 will be the first LIABILITIES account, and so on. If you want to start from scratch with your own accounts select CUSTOM.



PAYROLL & TAX STANDARDS
PAYROLL ACCOUNTS / MISC.DEDUCTIONS
FEDERAL CORPORATE TAX TABLE

HCA will only display this screen if you selected CORPORATION as the Client Organization Type.

For each routine, enter data as you normally would when editing an existing client. When you are satisfied with the data entered in each routine, press [F2] to save the data and proceed to the next routine. After you have finished with all of these routines, HCA will place you back at the HCA MAIN MENU and you can proceed on your own from there.

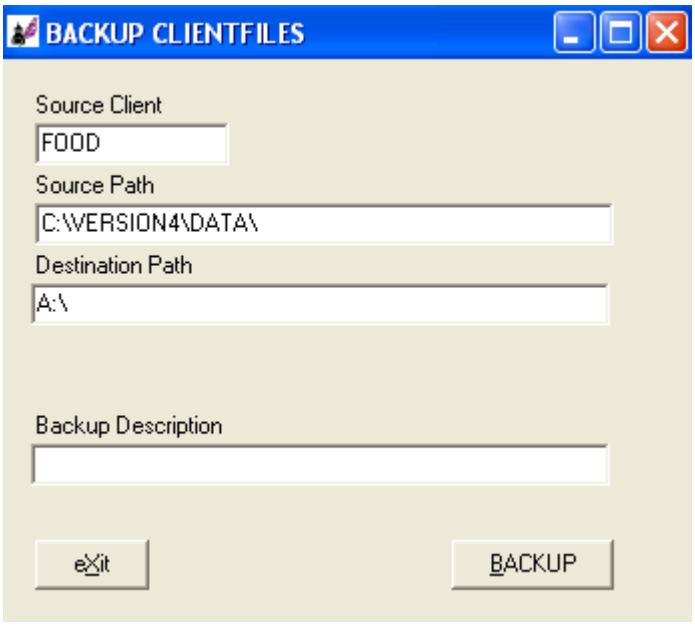
3.2 BACKUP CLIENT FILES

WINDOWS ARCHIVE

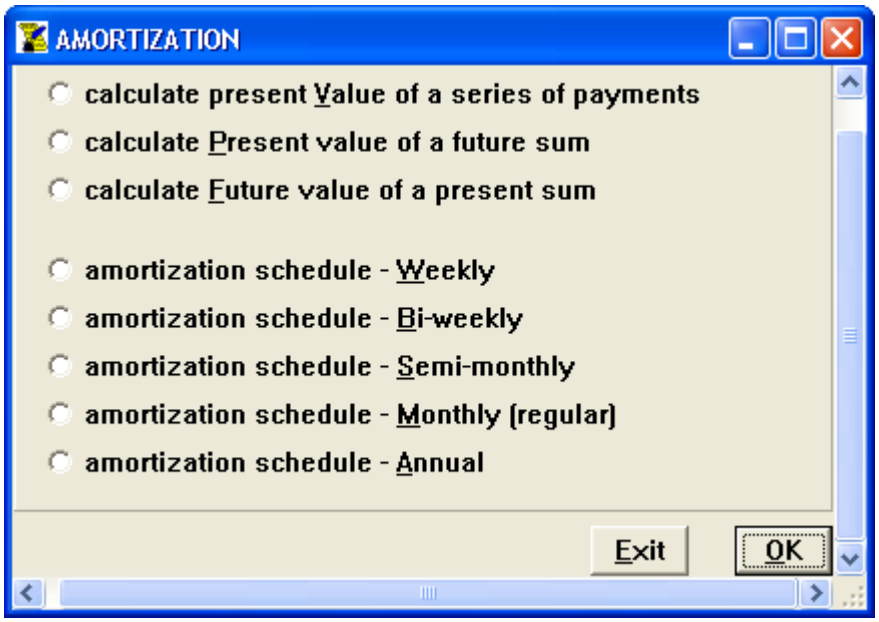
The Windows Archive routine creates a compressed file when you backup, and uncompresses the file when you restore.

When you select Windows Archive you are given the option to backup or restore files. In each selection the system displays the client, source and destination paths, and the history path. The backup option also includes a field to enter a description.

If you select a backup path that does not exist the system will ask if you want to create the directory. You can use this feature to backup different months' data to unique directories. The Client ID is automatically part of the description, and any entries made to the description field is added to the Client ID information. You can enter clients, other than the current client, for backup or restore.



3.3 AMORTIZATION


AMORTIZATION
calculate present Value of a series of payments
calculate Present value of a future sum
calculate Future value of a present sum
amortization schedule - Weekly
amortization schedule - Bi-weekly
amortization schedule - Semi-monthly
amortization schedule - Monthly (regular)
amortization schedule - Annual
Exit
OK

NOTES:

4
TRANSACTIONS

The TRANSACTIONS menu contains most of the options related to data entry operations in the HCA system. From this menu, you can select routines that let you enter general and cash journal transactions, recurring journal entries, and auto-reversing entries. You can also print the current transaction file (as a whole or by journal), the history transaction file, recurring transactions, and automatic reversing entries. Previously entered transactions may be edited or deleted. HCA can also provide a period-to-date and year-to-date balance for any range of General Ledger accounts you choose. You can make both prior period and prior year adjustments.

The methods you will use to enter transactions are described in the first section. Since transaction entry is performed virtually the same way no matter what type of transactions are being entered or what journals are being used, once you have learned how to enter general journal transactions, you should be able to enter any type of transaction with no extra effort.

You can display the TRANSACTIONS menu by selecting the TRANSACTIONS option from the HCA MAIN MENU. The menu is shown below. Select an option by pressing the corresponding capitalized letter, or by placing the highlight bar over the desired option (with the cursor keys) and pressing [RETURN].

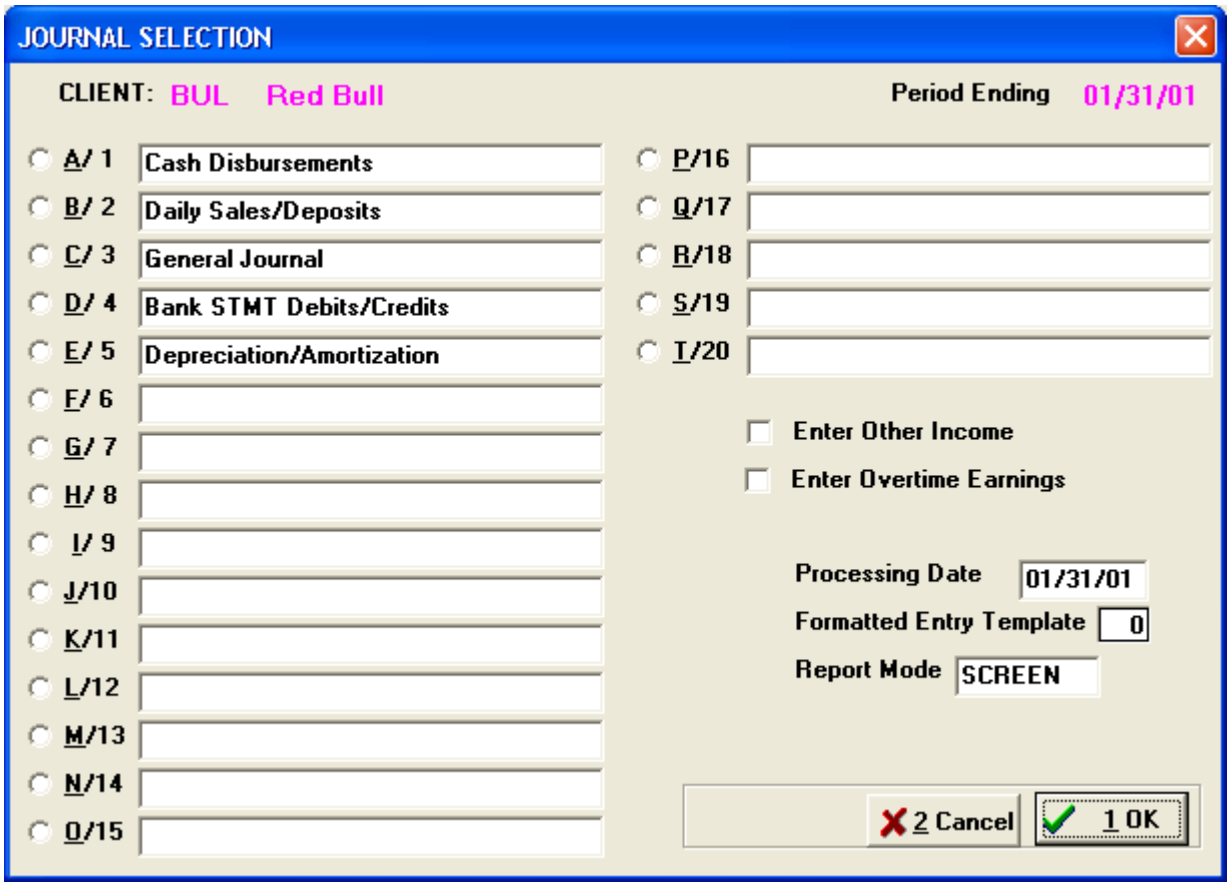
4.1 GENERAL JOURNAL TRANSACTIONS

This is perhaps the transaction routine you will use most often. In fact, all of the transaction entry routines in HCA use this Routine in one form or another.

When you select the GENERAL JOURNAL TRANSACTIONS option, the following screen is displayed:

This window contains two groups of options: (1) a list of the 20 available general journals, and (2) various flags you can change before the actual data entry screen is displayed.

If you want to change any of these flags (displayed at the bottom right-hand corner of the screen), you should do so before selecting a journal. Once a journal is selected, you will proceed directly to the transaction entry screen.



SETTING THE OPTIONS

ENTER OTHER INCOME

If checked, the system will prompt for other earnings when you are entering payroll transactions, this is usually income subject to Federal W/H and not Social Security

OVERTIME EARNINGS

If checked, the system will prompt for overtime earnings when you are entering payroll transactions.

PRINTED DRAFT REPORT

If checked the system will print each transaction as it is entered. Make sure your printer is on-line.

PROCESSING DATE

If you are printing transactions as you enter them, enter a date here that will be printed at the top of each page. The default date is the current client period-ending date. This is the only place where the PROCESSING DATE will be used.

FORMATTED ENTRY TEMPLATE

Enter a formatted entry template number (1-20). A formatted entry template is a list of accounts the system will automatically present, sequentially, when you are entering transactions.

REPORT MODE

This is the same prompt displayed throughout the system wherever you have the option of printing data. Click on the current mode display to bring up the REPORT MODE screen, this is where you can change your Printer settings.

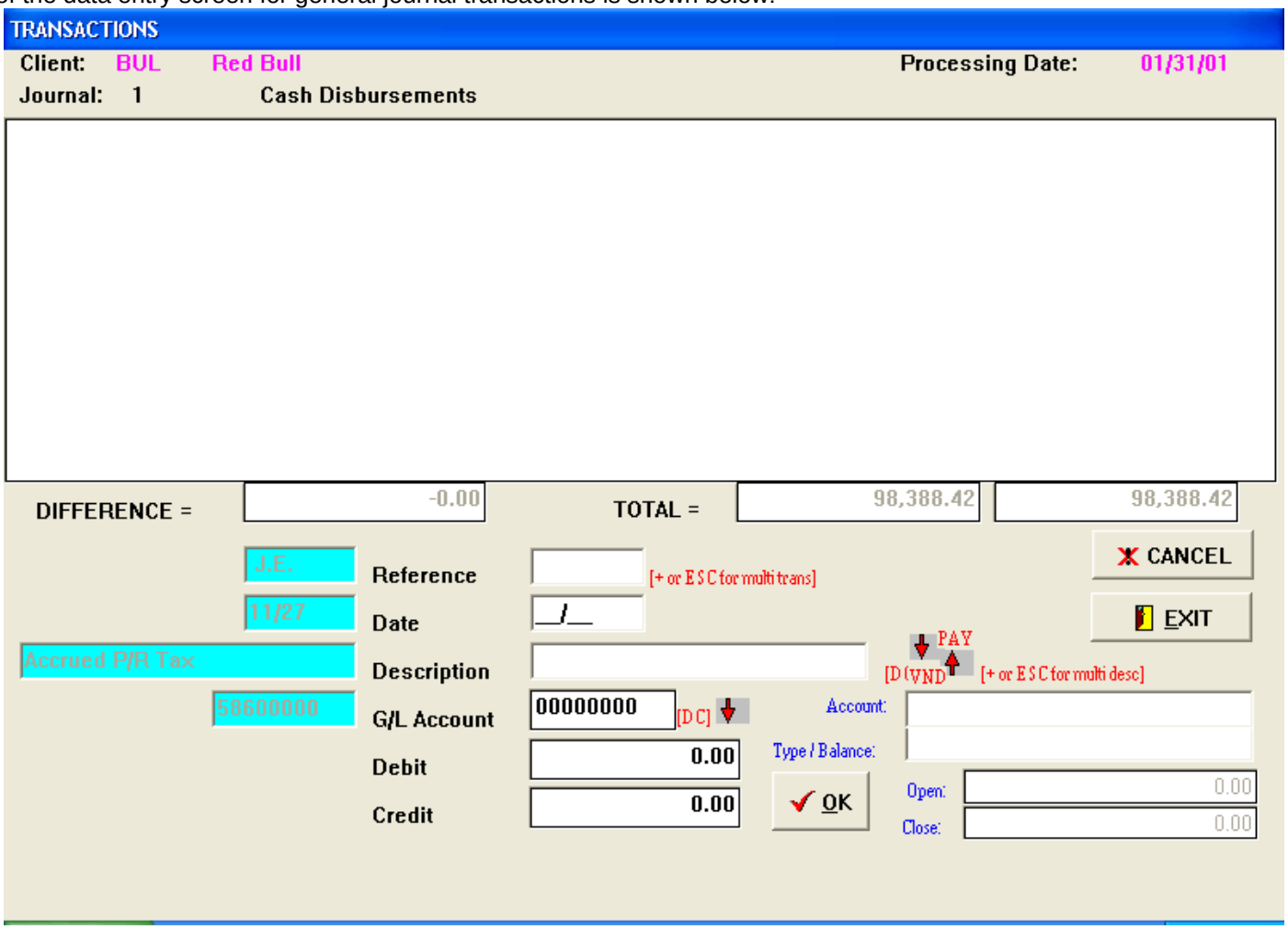
SELECTING AND RENAMING GENERAL JOURNALS

To select a journal, just press the corresponding letter. The numbers displayed next to the letters are the journal numbers. These are the numbers that are printed on transaction listings and the numbers you must enter when you wish to print a specific journal.

To rename a journal, use the mouse to move the pointer to the field corresponding to the journal you want to rename and click the left button. Enter the new name, up to 30 characters in length, and press [RETURN]. Journal names (and balances) are stored in the client general information file INF-xxxx. HCA.

THE TRANSACTION ENTRY SCREEN

The transaction entry screen is where all transactions are entered into the system. With a few minor differences, the screen will look the same no matter what type of transactions are entered or what journals are being used. An example of the data entry screen for general journal transactions is shown below:



The screen is divided into two major sections. The top section contains the most recently entered transactions. The bottom section is where the transactions are entered by the user.

The data entry section contains the names of the transaction fields in the middle, with the default values from the previous transaction on the left and space for the new values on the right. Basically, transaction entry is performed by entering data in the fields displayed by the system and then pressing [RETURN]. The system will then prompt you at the next appropriate transaction data field.

In HCA there are three types of transaction sets that each consist of one or more transaction records. They are:

1 SINGLE ACCOUNT / SINGLE LINE OF DESCRIPTION
This type of transaction set consists of only a single transaction record containing date, reference number, G/L account number, amount and one line of description.

2 SINGLE ACCOUNT / MULTIPLE LINES OF DESCRIPTION
This type of set is similar to type 1 but contains more than one line of description; therefore, a type 2 set consists of more than one transaction record.

3 MULTIPLE DISBURSEMENT
The most complex of transaction set types, a multiple disbursement can contain multiple G/L accounts. Therefore, a type 3 set also consists of more than one transaction record.
The limit for multiple disbursements is 45 per set.

Examples (from a transaction listing):

TYPE 1 (1 record):				
101	**2/10**	**590000000**	**AT&T**	**5.34**
TYPE 2 (3 records):				
102	**5/12**	**59000000**	**AT&T (for talking on the phone too long last month)**	**100.99**
TYPE 3 (4 records):				
103	**10/13**		**A Service Company**	
		45100000		**100.00**
		45200000		**75.01**
		45300000		**80.00**
			NET AMOUNT	**255.01**

Note that the line containing “NET AMOUNT” is not actually a physical transaction record. The net total of a multiple disbursement is printed after the last disbursement amount on reports, but it is not a field you can edit.

As described in the paragraphs below, the type of transaction set is determined by what you enter in the various transaction fields.

REFERENCE

This can be any alphanumeric value up to 5 characters in length. If you just press [RETURN] without entering a value, the system looks to see if the default value is a number (e.g. -a check number). If so, then the number is incremented for the current transaction. If not, the same value is used.

MULTIPLE DISBURSEMENTS

To enter a multiple disbursement, press [+] instead of [RETURN] after you enter a reference number. The system will display “MULTIPLE DISBURSEMENTS” to verify that you are ready to enter multiple accounts.

Once you have indicated that you are entering a multiple disbursements, the system will proceed in the usual fashion and prompt you for the transaction date. After you enter the date the system will prompt you for

one line of description. After you have entered the description, the system will begin prompting you for G/L accounts and amounts. To exit a multiple disbursement, press the [+] key to the account prompt. The system will then print a new amount for the multiple disbursement. Remember + starts a multiple and + ends it.

For payroll and 1099 entries, **do not use multiple disbursements**. Enter a regular type 1 transaction set instead (You will enter an employee or 1099 number in the description field). When the payroll entry is finished, the system will automatically create the appropriate multiple disbursement automatically.

DATE

Enter the transaction date in the form MMDD, where MM is the month and DD is the day of the month. The year is not entered. For prior period adjustments, this date is checked to make sure it is dated for a prior period.

To enter a VOID check enter 99 in the date field.

DESCRIPTION

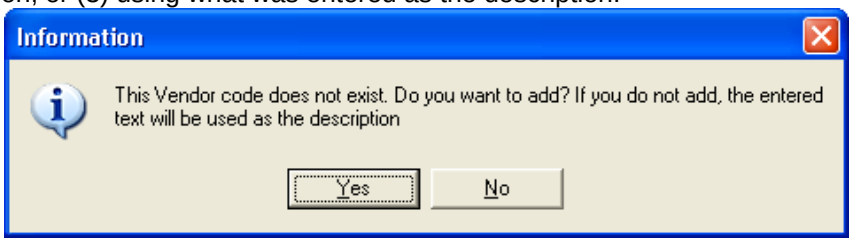
Depending on what is entered in this field, you can enter payroll transactions. Insert vendor descriptions, or create multiple lines of descriptions. Each line of description is limited to 25 characters in length. If you double click at this field it is the same as pressing [F10], and you can select to display either [PRL] payroll files or [VDR] vendor codes. By double clicking a selected payee or vendor code that selection is automatically transferred to the Description field.

MULTIPLE LINES OF DESCRIPTION

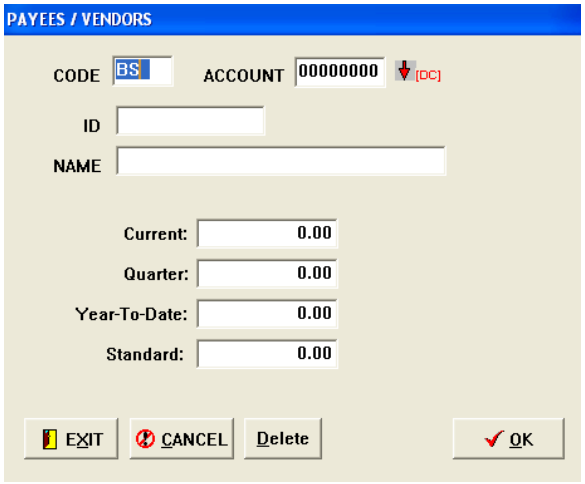
If the 25-character length is not sufficient to describe your transaction set, you can create multiple lines of description. Normally, when you press [RETURN], the system proceeds to either the DEBIT field or the ACCOUNT field (if you are entering a multiple disbursement). To create additional lines of descriptions, press [+] instead of [RETURN] at the end of the current line. The system will then prompt you for another line of description. Continue entering the description, Terminating each line with [+], until you are satisfied; then press [RETURN] at the end of the last line. If you are trying to enter a description that includes a '+', such as 'PRINCIPAL + INTEREST' use another character such as '@' or '/'. Multiple descriptions cannot be entered when entering a multiple disbursement

INSERTING VENDOR CODE DESCRIPTIONS

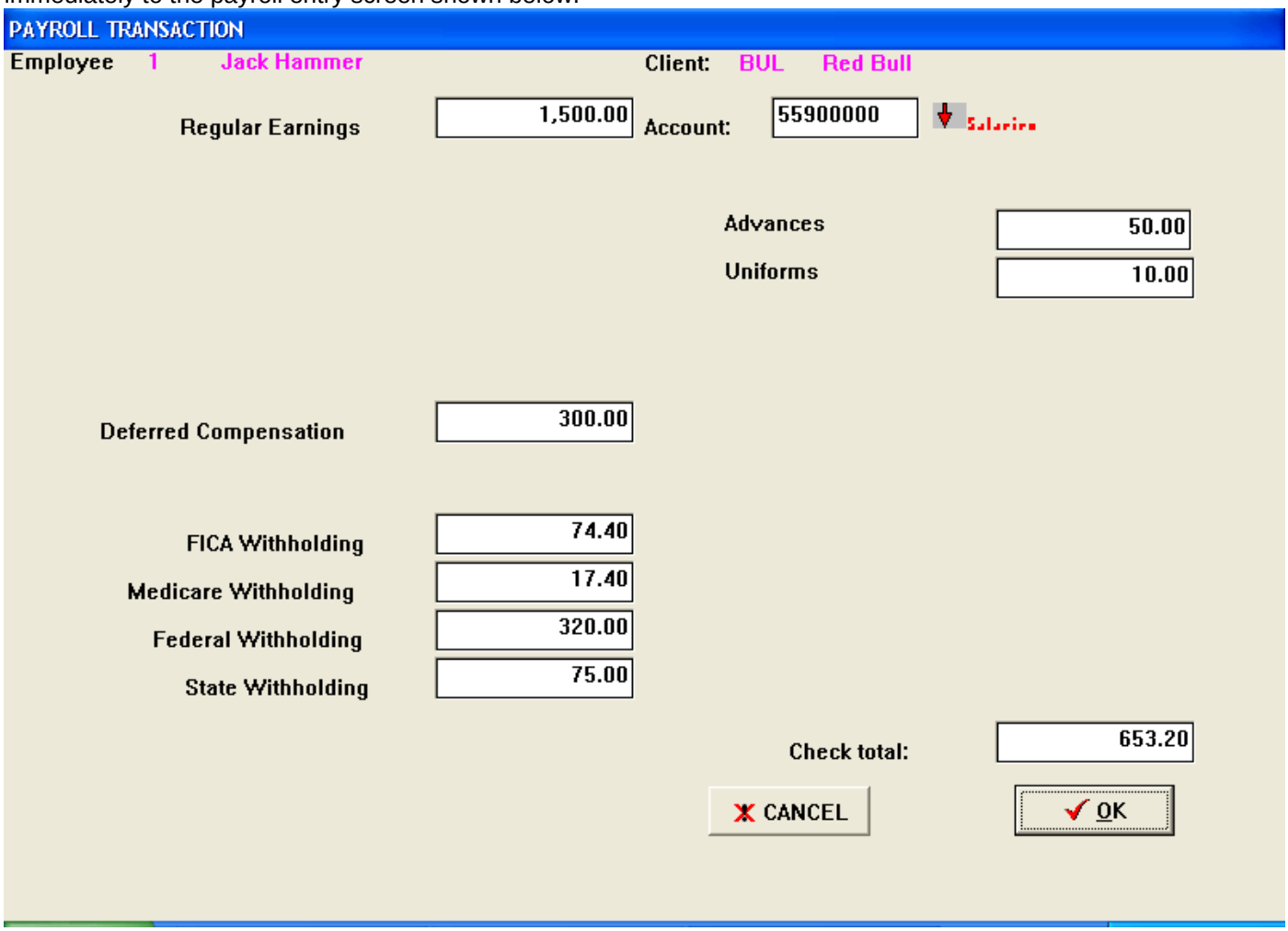
If your line of description is 3 alpha or 4 alphanumeric characters in length or less (e.g. A, AB, ABCD, 2001), the system assumes you are trying to enter a vendor code. If that code exists in the vendor file, the description attached to that vendor code is used for the transaction description. If it does not exist, and the code is 4 numeric characters, you have the option of (1) adding the vendor code and description “on the fly” to the vendor file, (2) re-entering the description, or (3) using what was entered as the description.



If you choose to add the vendor code, a window is displayed where you can enter a description for the new vendor code before it is added to the vendor file.



PAYROLL ENTRY
If you enter a 1-3 digit number for description (1, 12, 123), the system assumes you are entering a payroll ID and that you want to create a payroll transaction. If the payroll ID exists, the system takes you immediately to the payroll entry screen shown below.



If it does not exist, the system will ask you if you want to (1) add a payroll record to the payroll file, (2) re-enter the description, or (3) continue as a non-payroll transaction, using what was entered as the transaction description.

If you choose to add the payroll record, a window is displayed where you can change any non-dollar amount fields (e.g.-name, address, payee type, etc.). Once the new record is saved, you will go directly to the payroll entry screen.

ACCOUNT NUMBER
Enter the G/L account to post to. The posting account must be either a regular, SUB or SUB/SUB account. No accounts with special flags (i.e.- master, receiver, or file account) will be accepted.

The system also checks to see if the account exists. If it does not, you will be given the option of entering another account, or adding the account “on the fly” to the chart of accounts. If you choose to add the account, a window is displayed where you can change some basic information about the new account before it is entered in the chart of accounts. You are able to enter the account name, report type, normal balance, print column (if it is a balance sheet account), any special flags.

After a valid account has been entered, the system displays pertinent information about the account at the bottom of the data entry screen.

If you're not sure of the account you want to enter, you can call up the chart of accounts by double clicking at this prompt and the chart of accounts [GLA], will be displayed. Find the account, place the highlight bar over it and double click and the account number will be entered in the transaction record automatically.

DEBIT
If the amount of the transaction is a debit, enter the amount here and press [RETURN]. If you wish to enter a credit here. Press [RETURN] without entering anything to proceed to the CREDIT field.

CREDIT
If the amount of the transaction is a credit, enter the amount here and press [RETURN].

EDITING TRANSACTIONS

There are two places in HCA where you can edit transactions. One is from the EDIT / DELETE TRANSACTIONS routine described in Section 4.9. The other is here in the data entry routine.

To change the value of a field, use [SHIFT][TAB] to backup to a previous field or use your mouse to the field you want to edit and enter the new value. Note that depending on what type of transaction set you are entering, you may only be allowed to edit certain fields.

For example, if you are entering a multiple disbursement and have just finished entering the 10th account and amount, you can only change the account number and/or the amount posted to that account. The reference number, date, and description can only be changed through the EDIT/DELETE TRANSACTIONS routine.

When you have finished editing the current transaction record, press [RETURN] to save the transaction and continue. Once your transaction is posted to the top of the screen you can only change it through the **EDIT/DELETE TRANSACTIONS** routine listed under your transactions menu.

ENTERING PAYROLL TRANSACTIONS

When a valid payroll ID has been entered in the transaction description field, the system immediately moves to the payroll entry screen. A typical payroll entry screen is shown above.

A list of the available payroll entries is displayed on the screen with a new amount shown in the bottom right-hand corner. Enter the amount for each account and press [RETURN]. The cursor will move to the next available field. Any account with an amount of 0.00 is ignored and will not generate a transaction record. Notice that the new amount is updated after each entry.

Normally all amounts should be entered as positive numbers. The system will credit the proper tax accounts. If you are using Miscellaneous Deductions to capture a debit amount then you can enter that amount as a negative number.

Some of the fields may not be displayed and are unavailable. This will occur if you did not set certain flags in the PAYROLL & TAX STANDARDS routine. For example, if you have told the system not to track 401(k) contributions, you will not be prompted at this field.

When you are satisfied with the payroll entries, press [ALT][O] click [OK]. The appropriate journal entries will be created and the system will return to the transaction data entry screen.

REGULAR EARNINGS
Enter the amount of Regular Earnings. This amount can include overtime or other income if these special amounts are not being tracked separately. If you need to track overtime or other income be sure to check the appropriate boxes in your General Journal screen before entering any payroll checks.

ACCOUNT
Enter the G/L Account the Regular Earnings are to be posted to.

OTHER INCOME / ACCOUNT
If you have selected to enter Other Income the system will prompt for an amount in the OTHER INCOME field, and then the system will prompt you for an account to post this amount to. Enter the account and

press [RETURN].
Other Income is typically used to record payroll amounts that should be reported on the W-2, but are not subject to either Social Security or Medicare tax. Other income can also be used to make adjustments in either gross income or FICA wages. If the amount in other income is recorded with a minus the FICA wages will be greater than wages subject to withholding.

If you are recording amounts that should not be reported on the W-2, then do not use Other Income to record the amount; use a negative miscellaneous deduction. A negative miscellaneous deduction will increase the amount of the check and then debit the expense item.

FICA and FEDERAL WITHHOLDING
FICA, now is separated into both Social Security and Medicare because of the different cut off limits, and special considerations in payroll entry will differ depending on how the FICA CALCULATION flag is set in PAYROLL & TAX STANDARDS.

If FICA CALCULATION is set to MANUAL, you will be prompted at the FICA, MEDICARE and FEDERAL WITHHOLDING fields. Any excess FICA is automatically added to the FEDERAL WITHHOLDING amount.

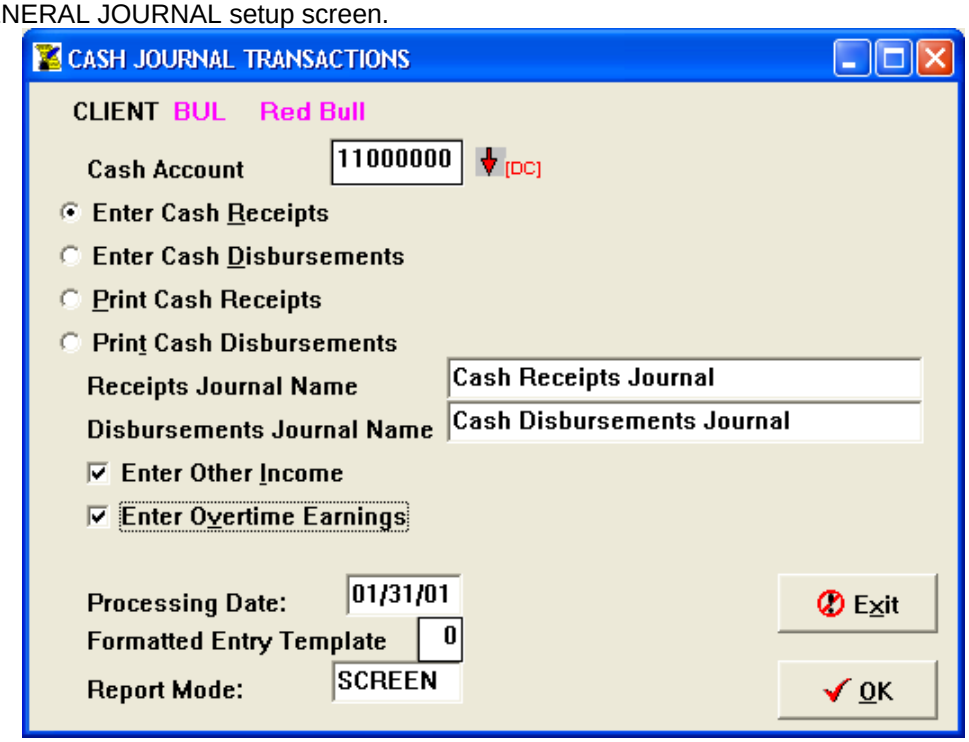
If FICA CALCULATION is set to AUTOMATIC, you will be prompted only at the FEDERAL WITHHOLDING field. The system will automatically calculate the FICA and MEDICARE amounts, deduct them from the WITHHOLDING amount and place them in the FICA and MEDICARE fields. If the WITHHOLDING amount is less than the calculated FICA and MEDICARE, all of the WITHHOLDING is carried to FICA and/or MEDICARE.

The system keeps track of maximum SOCIAL SECURITY and MEDICARE amounts at all times.

FEDERAL TAX LIABILITY
The total federal tax liability is constantly updated and retained for Form 941 printing. The tax liability amounts are stored in the client data file TLB-xxxx. HCA

4.2 CASH JOURNAL TRANSACTIONS

Entering transactions into the cash journals - receipts and disbursements - is very similar to entering general journal transactions. The last menu before the actual entry screen is different, however. The CASH JOURNAL setup screen is displayed below, The five options displayed at the bottom left-hand corner of the screen function identically to the same options on the GENERAL JOURNAL setup screen.



CASH ACCOUNT
This is the Balance Sheet account that will carry the adjustment after all transactions have been entered.
HCA automatically posts this amount to the cash account when you exit the current transaction entry session. (This is only the major difference between using the General Journal and the Cash Journal) If you are entering receipts, the cash account will be debited, and if you are entering disbursements, the cash account will be credited. The cash account must be entered before proceeding to the transaction entry screen. The account is also saved from session to session in the Client General Information file INF-xxxx. HCA and can be changed at any time.

ENTER CASH RECEIPTS, CASH DISBURSEMENTS
Select type of transactions you will be entering.

PRINT CASH RECEIPTS, CASH DISBURSEMENTS
Select one of these options to print the appropriate journal. The report mode can be set before, as usual, by clicking in the report mode box.

NAME CASH RECEIPTS, CASH DISBURSEMENTS JOURNAL
To name either of the cash journals, for report purposes, move the pointer to the desired description field, click the left mouse button and enter a 30-character journal name. Journal names are stored in the Client General Information file.

The CASH JOURNAL transaction entry screen differs from the GENERAL JOURNAL entry screen in two minor aspects. First, instead of displaying the journal's debits and credits (and difference), HCA displays the cash account and total debits for disbursements and total credits for receipts. Second, only one debit/credit field is displayed for each transaction (i.e.-the debit field for disbursements and the credit field for receipts). If you wish to make a debit entry in receipts or a credit entry in disbursements, just end the dollar amount with the minus key (-).

4.3 RECURRING JOURNAL ENTRIES
The RECURRING JOURNAL ENTRIES routine provides for setting up a journal entry you need to make each period. Each time you need these transactions, simply post them by selecting the POST RECURRING JOURNAL ENTRIES option. You don't have to go through the process of entering every transaction every time you need it.

The transaction entry routine is quite similar to the usual entry routine. The only visible difference is that the system will Display Mode: RECURRING JOURNAL ENTRIES at the bottom of the transaction entry screen.

When you are entering recurring journal entries, the system does not write the transactions to the current transaction file TRN-xxxx. HCA. Instead, the transactions are written to the recurring journal entries file RJE-xxxx. HCA. When you decide to post these transactions, the system will copy them from RJE-xxxx. HCA and post them to TRN-xxxx. HCA file. You can print a copy of the recurring journal entries file from the PRINT TRANSACTIONS route.

4.4 AUTO-REVERSING ENTRIES
Select this option to create your auto-reversing entries. The entry routine is nearly identical to the one you use for entering Regular transactions. The only visible difference is that the system will display Mode: AUTO-REVERSING ENTRIES at the bottom of the transaction entry screen.

When you are entering transactions in this mode, the system actually writes each transaction twice. It writes the transaction once to the current transaction file TRN-xxxx. HCA and then it writes the same transaction, with the transaction amounts reversed, to the auto-reversing file ARV-xxxx.CA4 .You can print a copy of the auto-reversing file from the PRINT TRANSACTIONS routine.

4.5 POST RECURRING JOURNAL ENTRIES
This routine is used to merge the recurring journal entries file RJE-xxxx. HCA into the current transaction file TRN-xxxx. HCA. The system will add all of the transactions found in RJE-xxxx. HCA to TRN-xxxx. HCA, posting to all of the correct accounts and amounts. Unlike auto-reversing entries, recurring journal entries may be added to the current transaction file as many times as needed. RJE-xxxx. HCA is never deleted. In fact, the system keeps track of how many times you have posted the recurring journal entries file to the current transaction file. If you have posted at least once, the system will remind you of how many times you have posted and ask you if you want to post them again.
Regardless of how many times you have posted the recurring journal entries, the system will ask you one last time if you are sure you want to post. When the entries are posted to the current transaction file, each transaction is assigned the current client's period-ending date.

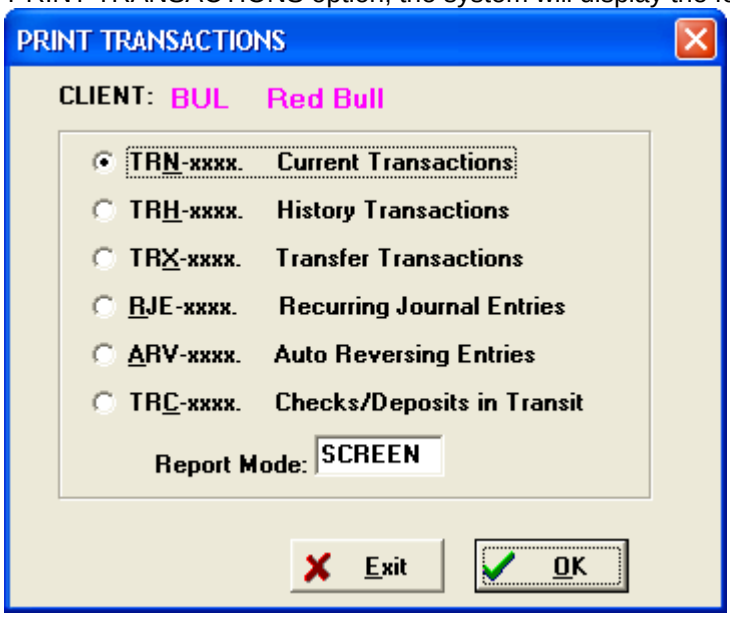
4.6 POST AUTO-REVERSING ENTRIES

This routine is used to merge the auto-reversing file ARV-xxxx. HCA into the transaction file TRN-xxxx. HCA. The system will read the reversing file and transfer all of the transactions to TRN-xxxx. HCA, posting to all of the correct accounts. This is most often done at the beginning of the current period to reverse the previous period's transactions.

After the reversing transactions are transferred to the current transaction file, the reversing file is deleted. The reversing file is re-created whenever you decide to enter more auto-reversing entries. Note also that when the reversing transactions are transferred, each of the transactions is assigned the current client period-ending date.

4.7 PRINT TRANSACTIONS

By selecting this option, you can get a printed copy of the following transaction files: TRN-xxxx. HCA, RJE-xxxx. HCA, and ARV-xxxx. HCA. As with all of the reports in HCA, you can send the listing to your printer, screen, or to an ASCII text file. When you select the PRINT TRANSACTIONS option, the system will display the following screen:

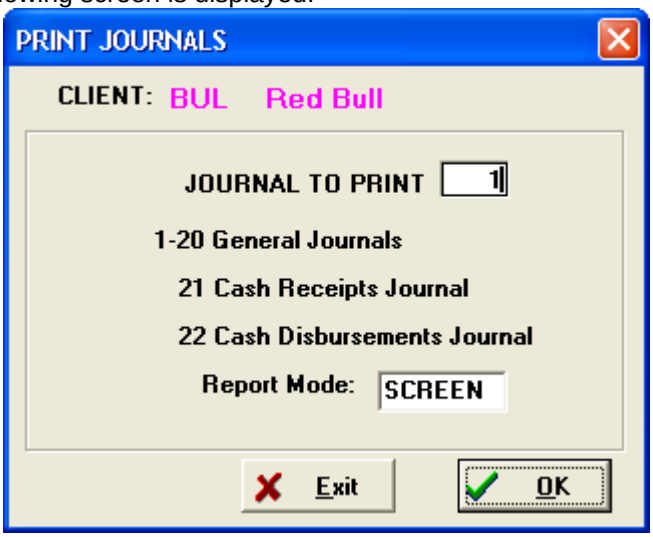


4.8 PRINT JOURNALS

This routine prints the current transaction file sorted by journal. The valid journal numbers are:

1-20 General Journals
21 Cash Receipts Journal
22 Cash Disbursements Journal

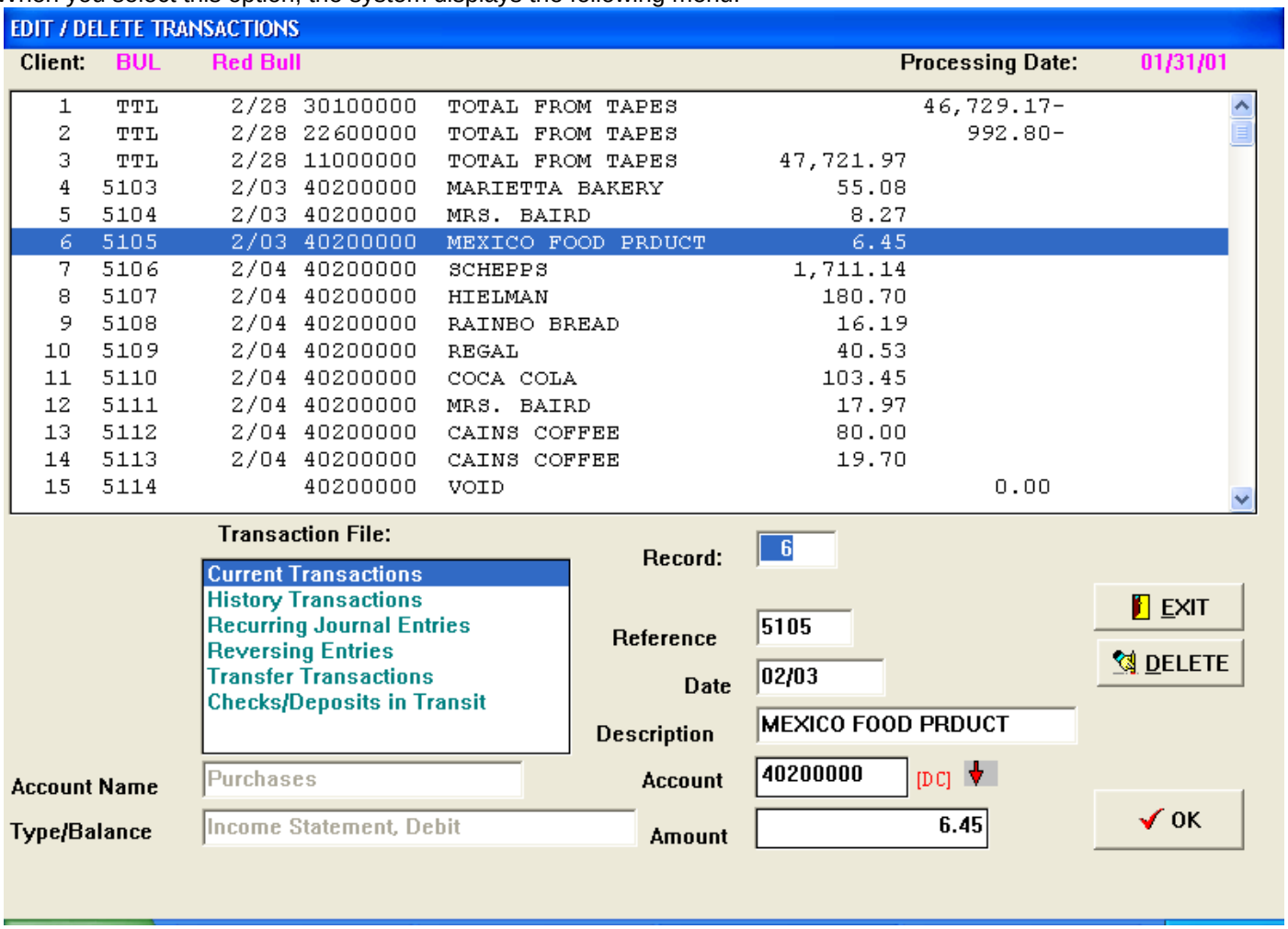
Select Print Journals and the following screen is displayed:



4.9 EDIT/DELETE TRANSACTIONS

While you can edit transaction fields during transaction entry, you also need a way to edit transactions after they have been entered and posted. You may also need to delete a transaction from time to time. Those are the functions of the EDIT /DELETE TRANSACTIONS procedure. When you edit (or delete) a transaction, the system automatically updates the appropriate transaction file as well as the chart of accounts (and the payroll file, if the transaction is a payroll transaction). However, although this is a powerful routine, you must use it with caution in order to keep your journals in balance.

When you select this option, the system displays the following menu:



Note that the system provides the types of transaction files available for editing. Select the file that contains the transaction you wish to edit or delete by moving the cursor to the desired selection and double clicking. If there are existing transactions in the file you chose, you will then be prompted for the transaction record number. This number is displayed in the far left column of the transaction listings. When you have selected a record and hit enter to edit the transaction's data fields are displayed.

The current value of each data field is displayed and you can enter new values by moving the cursor to the appropriate field. Continue editing the fields in any order until you are satisfied with the altered transaction. Then click [OK] to save it. As a precaution, if you have started the edit process, and change your mind, then re-enter the changed fields to their original values.

DELETING TRANSACTIONS

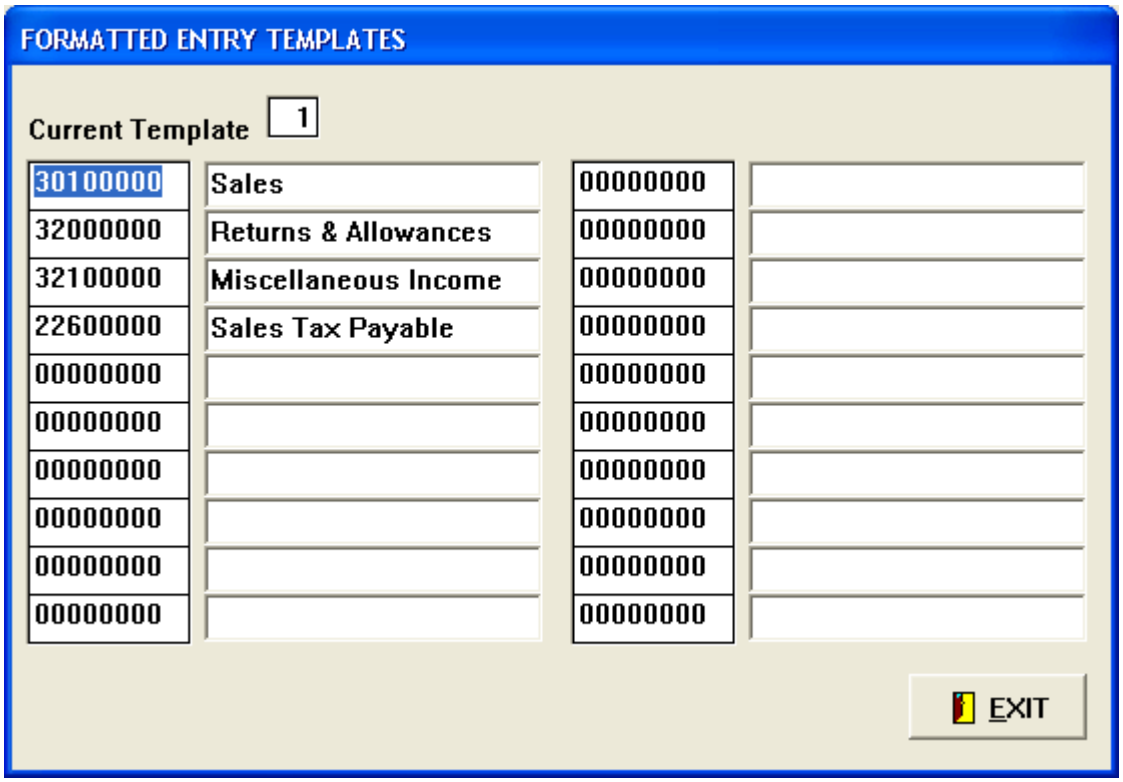
You can delete a transaction by clicking [Delete] at the edit screen. Deleted transactions are "un-posted" with regards to the Chart of Accounts.

RESTRICTIONS ON EDITING AND DELETING
There are some restrictions as to what you can and cannot edit and delete. Depending on what record within a transaction set you have selected to edit, you will be limited to certain transaction data fields which you can edit.

Data fields not available for editing are not displayed in the window. Look at your transaction listings to determine what fields you can edit for a particular transaction record. In general, whatever is printed in the listings can be edited.

For example, to change the reference number or date of a transaction set, you must edit the first record of that set. Another example would be if you needed to change an account number in a multiple disbursement group, you would have to edit the transaction record in which that account number appears.

4.10 FORMATTED ENTRY TEMPLATES
Formatted Entry Templates let you specify a list of accounts that will automatically appear at the account number prompt when you are entering transactions. Before you proceed to the transaction entry screens, you can specify a template to use. The maximum number of templates in HCA is 20, with each template holding a maximum of 20 posting accounts. When you select the FORMATTED ENTRY TEMPLATES option on the TRANSACTIONS menu, HCA will display a screen similar to this:



You can select or switch to the template you wish to edit by and entering the template number, 1-20, in the Current Template field. The accounts will appear during transaction entry in the same order that they appear on the template. Blank fields are skipped. When all of the accounts on the template have been displayed, transaction entry continues normally for as long as you wish, with HCA prompting you at the account field instead of inserting the template account number on its own.

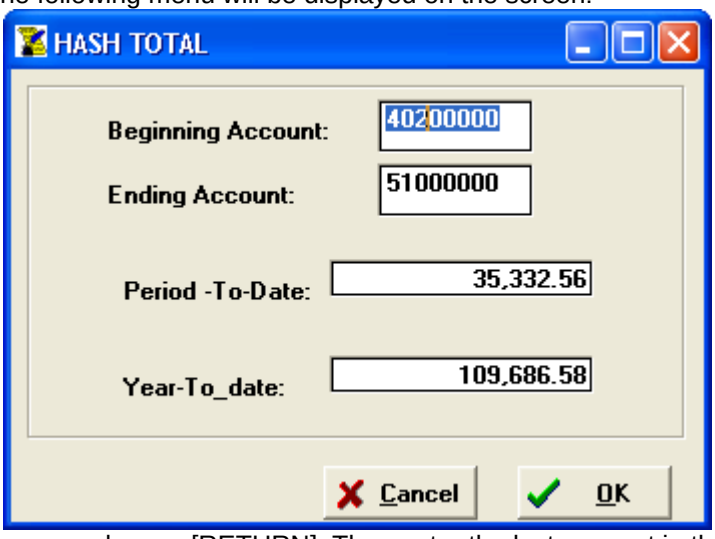
To edit a template, move the cursor to the appropriate template field and enter the new account. When a valid account number is entered, the account name will also be displayed. To clear a template field, enter a single space and press [RETURN].

Formatted entries are especially useful when your client has a series of similar documents such as restaurant daily reports or auto repair shop work-orders. The formatted entry should be designed to “walk” you down the document prompting for each regular line as it occurs. After you have entered all the regular entries you can capture any additional entries included on an individual document.

4.11 HASH TOTAL GENERAL LEDGER ACCOUNTS

This routine provides you with a period - to - date and year – to -date balance for any range of accounts. If, for example, you Need to know if a client's total sales have exceeded a certain amount, you can specify the first and last sales accounts and have the system calculate the overall balance for the sales accounts.

When you select this option, the following menu will be displayed on the screen:

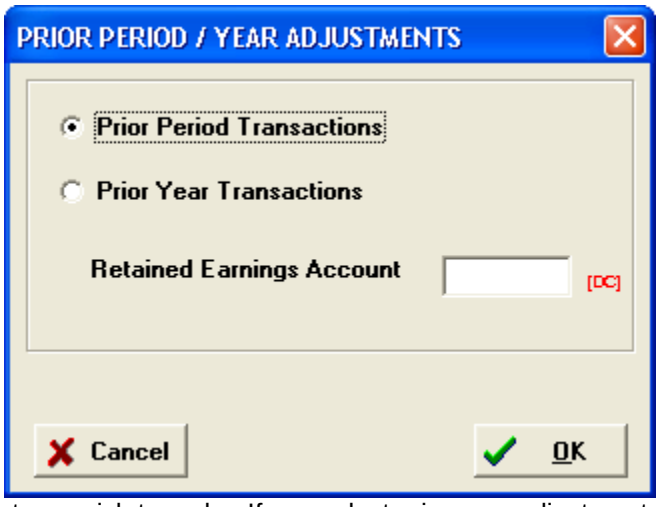


Enter the first account in the range and press [RETURN]. Then enter the last account in the range and press [RETURN]. Press [RETURN] ,or click [OK], and the system will then total all of the posting accounts in the range and display the totals for period and year - to - date balances. Note that the first and last accounts are included in the total.

4.12 PRIOR PERIOD / YEAR ADJUSTMENTS

Prior period adjustments are simple transactions that the system uses to adjust account balances in prior periods of the current year. The system can only adjust these prior period balances if you account file organization is 1, 3, or 4. However, the year-to-date balances for the accounts are always updated, no matter what your file organization is.

Prior year adjustments are transactions used to adjust prior year balances. For example, if you need to close a year before you have all of the required information, you can close the year and then enter a prior year adjustment when you have the necessary information. Balance sheet data is carried forward to the current year, and because income statement accounts maybe updated as well, the system will prompt you for the retained earnings account.



Select the appropriate adjustment you wish to make. If you select prior year adjustment, the system will prompt you for the Retained earnings account. From here on, entering the adjusting transactions is done exactly the same way as entering general journal transactions. The system does check, however, that the transaction date you enter is indeed for a prior period.

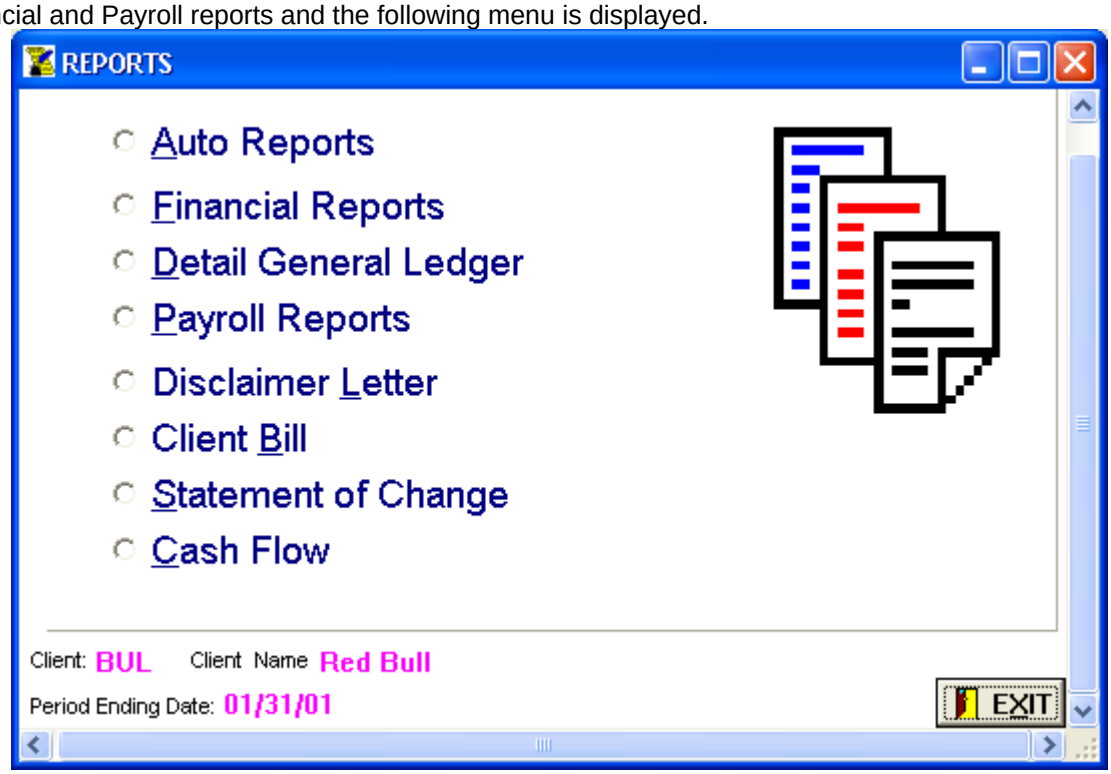
Prior Period / Year Adjustments on the Detail General Ledger
When you print a period-to-date detail general ledger, prior period transactions are listed with an asterisk (*) after the Reference number to signify that they are prior period transactions and are not included in the current period's calculations (even though they are stored in the current transaction file TRN-xxxx. HCA. A double asterisk (**) is displayed for prior year transactions. When you print a year-to-date detail general ledger, the asterisk is removed from the prior period, but not the prior year's transactions. For this report, the prior period transactions are included in the calculations for period and ending balances.

NOTES:

5
REPORTS

Report printing is divided between Financial/Payroll Reports, State/Federal Payroll Reports, W-2's/1099's and the Bank Reconciliation Program.

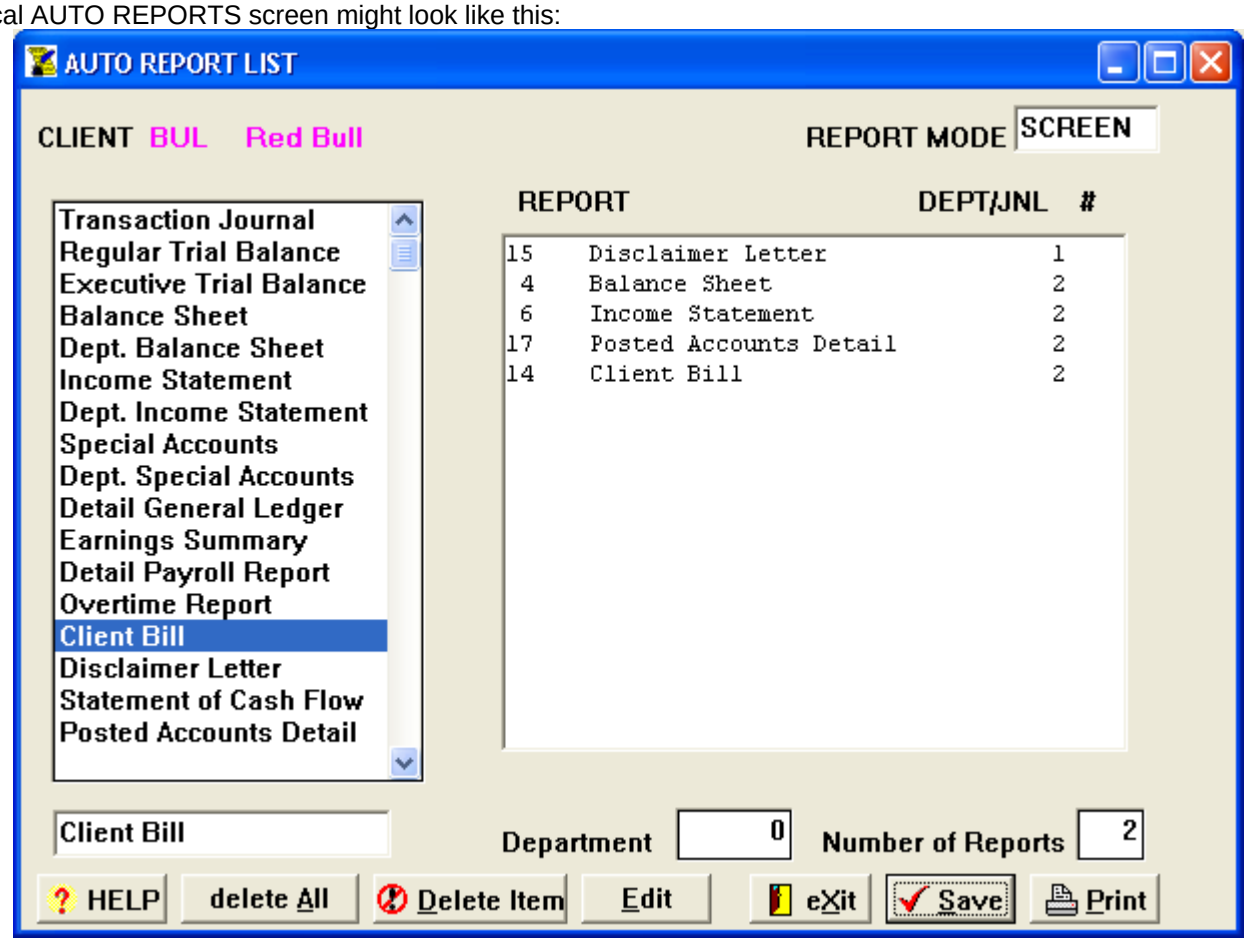
Select Financial and Payroll reports and the following menu is displayed.



5.1 AUTOMATIC REPORTING OF REPORTS

The process of selecting and printing reports can be automated by using auto reports. You can set up a list of reports to print consecutively, eliminating the need to continually switch between report menus. HCA calls the appropriate report routines as it moves down the list of reports to be printed. You can place these reports in any order you wish.

A typical AUTO REPORTS screen might look like this:



The left window on the screen contains a list of the available reports you can place in your client's auto reports file. The right window contains a list of the reports that are currently in the auto reports file. Copying reports from the left window to the right is accomplished using your mouse. The reports contained in each client's auto reports list is saved in the client data file ART-xxxx. HCA.

How To Place A Report In the Client's List

Move the highlight bar over the appropriate report in the left window and click. No matter what report you select, HCA will always ask you for the number of copies you want printed. However, whenever you chose Transaction Journals, HCA will first ask you for the number of the journal you want to print (1-20 for a General Journal, 21 for Cash Receipts, and 22 for Cash Disbursements).

If you chose a departmental report, HCA will first ask you for the department to print, exactly as it would if you were using the FINANCIAL REPORTS routine.

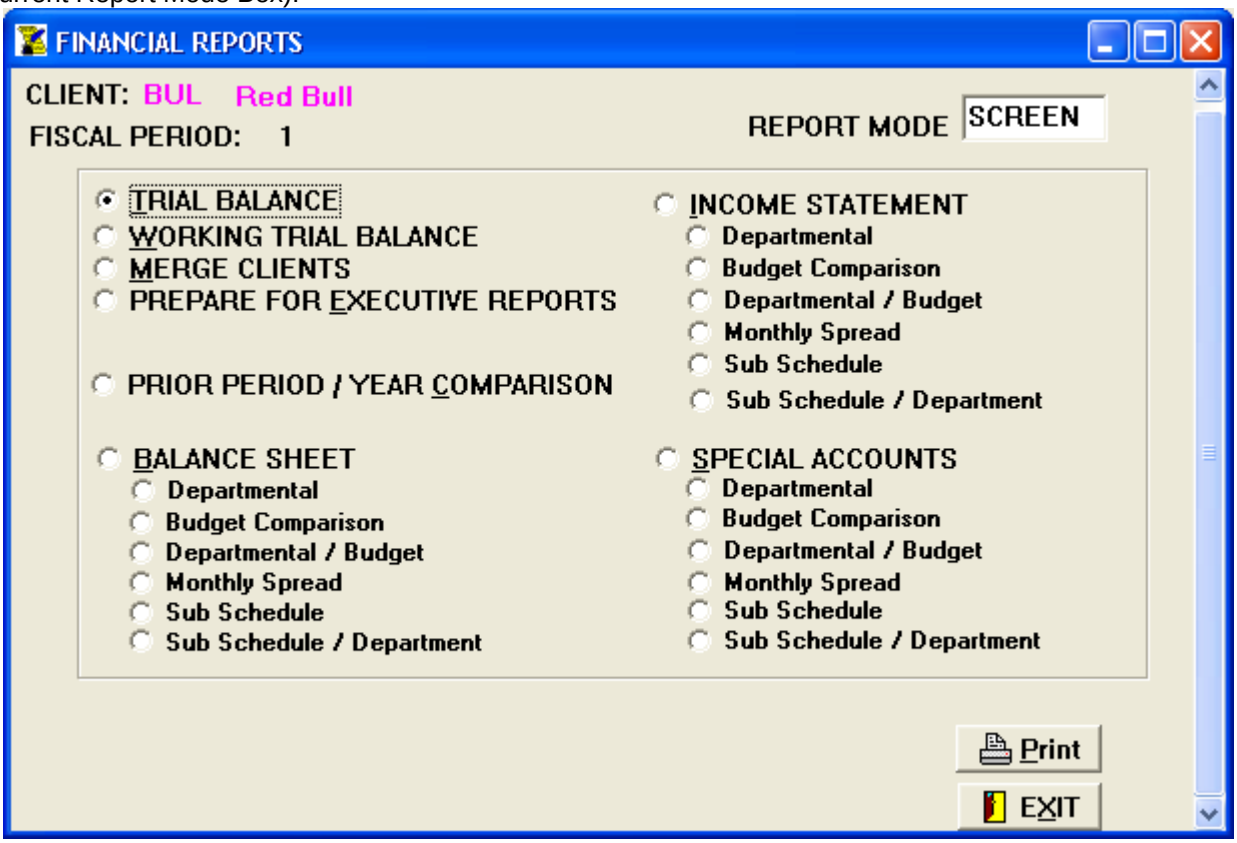
After you have specified the number of copies for the report, the report will appear at the end of the client list in the right Window with the department or journal number and number of copies displayed as well.

Removing A Report From The List

To remove a report from the list, place the highlight bar over the report and click [Delete]. HCA will ask you if you really want to remove that report from the list.

5.2 FINANCIAL REPORTS
This is the section of the program where you can print all of the financial reports required by you and your client. You can also automate the printing of these reports by using the AUTO REPORTS routine. You can also merge up to 40 clients into a single Chart of Accounts for printing reports.

When the FINANCIAL REPORTS option is selected from the REPORTS menu, the system displays the various report options as well as the current fiscal period and the current Report Mode (which, as always, can be changed by clicking in the current Report Mode Box).



TRIAL BALANCE
This report contains a listing of every POSTING account that is not a MASTER or SUB / MASTER account. The account number, description, period-to-date and year-to-date balances are printed for each account .

WORKING TRIAL BALANCE
This report is similar to TRIAL BALANCE, but it only prints the year-to-date balances for each account, plus two columns for you to enter adjustments and new balances. When you select this option, the system will prompt you for the number of extra lines, from 0 to 9, that you can have printed between each account. The default is 0.

MERGE CLIENTS
If you wish to merge two or more clients into a single Chart of Accounts to print financial reports, select this option. When you merge clients, each client's Chart of Accounts is copied into a single Chart of Accounts file called GLA-&&&&.CA4 ("&&&&" is that actual name of the merged "client", unlike the "xxxx" in GLA-xxxx. HCA, which stands for any client ID). If a duplicate account is found, the merging client's balances for that account are added to the account balances in the merge file. You can merge two clients, print reports, merge another client, print reports, and so on-up to 40 clients. Notice that once a merge file has been created, you cannot print any financial reports for the current client. All financial reports printed until you exit the FINANCIAL REPORTS screen reflect the account data in the merge file GLA-&&&&.CA4. To start printing reports for the current client again, just exit the FINANCIAL REPORTS screen and re-enter.

The merge file is cleared every time you enter the FINANCIAL REPORTS screen so if you exit before printing all of the financial reports you need, you must merge all of the clients again when you re-enter.

To merge clients, click MERGE CLIENTS. The screen displayed will contain the ID's of the clients that have already been merged. To merge clients, enter the client's ID and press [RETURN] or click [OK]. After a client is merged, the ID is displayed in the Clients Merged field. There is no limit to the number of clients that may be merged.

PREPARE FOR EXECUTIVE REPORTS
Executing this procedure activates the DONOR / RECEIVER relationship. Any report run prior to this procedure will not recognize this relationship.

After the Chart of Accounts has been processed to reflect the DONOR / RECEIVER relationship, two trial balances will be printed - a Regular Trial Balance (R) reflecting the Chart of Accounts before the DONOR/RECEIVER accounts are activated, and a Executive Trial Balance (E) after the processing has occurred.

BALANCE SHEET
Prints a regular year-to-date Balance Sheet. If you are maintaining account history amounts (account file organization type 1, 3,or 4), you can print a prior period Balance Sheet as well. In this case, you will be asked to enter the prior period, then [RETURN], or just [RETURN] for year-to-date. You can click [OK] rather than pressing [RETURN].
The system will not prompt you for a prior period if the current period is the first period of the year, even if you are maintaining account history amounts. Balance Sheet accounts with a balance of $0.00 are not printed.

BALANCE SHEET-Departmental
Prints the same Balance Sheets as described above but only for departmental accounts. You will be prompted for the department number to print. Note that the length of this input field is the same as the G/L SUB ACCOUNT LENGTH field you set in the CLIENT GENERAL INFORMATION routine.

The department number you enter is left-padded with zeroes. For example, assuming that you have set the sub account length to 3/1 becomes 001, 10 becomes 010, and 100 remains 100.

BALANCE SHEET - Budget Comparison
You can print a budget comparison report for the period-to-date and year-to-date. if your account file organized type is such that you are maintaining history amounts (1, 3, or 4), you can also print the report for a prior period. You will always be asked first whether you want the report to include period-to-date and year-to-date totals. Press [1] and [RETURN] if you want both, or just press [RETURN] if you want year-to-date only.

If you are keeping account history data and the current period is not 1 and you specified a period-to-date and year-to-date report, the system will prompt you for the period to print. Enter a prior period or just [RETURN] for the current period. Since the history amounts for prior periods reflect the year-to-date totals through that period, a period-to-date amount for a prior period (for example, MAY), is calculated by subtracting the previous period's history amount (APRIL) from the prior period's history amount (MAY). Of course, in the case of the first period of the year, period-to-date and year-to-date totals are the same.

If you are keeping period budget amounts (account file organization types 2 or 3), those values will be used in calculating Variances and ratios. If not, or if the period budget amount is $0.00, then the period budget amount is calculated by dividing the accounts' ANNUAL BUDGET field by the number of periods in the client's fiscal year (set in the CLIENT GENERAL INFORMATION routine).

For year-to-date totals, the system will again check your file organization type. If it is 2 or 3, all of the period budget amounts through the current period are added together to get a year-to-date budget amount. If this amount is $0.00, or if the account file organization type is not 2 or 3, the account's ANNUAL BUDGET field is used.

For a period-to-date and year-to-date report, PRINT STRING 2 is automatically sent to your printer. Remember that PRINT STRING 1 is for normal, 80-column printing and PRINT STRING 2 is for wide, 132-column printing.

BALANCE SHEET-Departmental/Budget
Department budget reports are a combination of departmental and budget reports. After you have answered the appropriate budget questions, you will be prompted for the department number as described in departmental.

BALANCE SHEET- Monthly Spread
If your file organization retains all historical amounts you can choose to print a report that will spread the current year month-by-month on a single report. When you enter the report you are given the chance to change your print mode to landscape.

BALANCE SHEET - Sub Schedule
The Balance Sheet Sub Schedule is a listing of all MASTER accounts on the Balance Sheet along with their related SUB, FILE, SUB/MASTER, SUB/SUB, and SUB/FILE accounts. There are no user prompts after selecting this report.

INCOME STATEMENT
You can print four different types of Income Statements with this option. If you press [RETURN] at the prompt, a regular period-to-date and year-to-date Income Statement is printed, with percentages. If you are maintaining account history amounts, and the current period is not 1, you can enter a prior period for the report. You can always print just a year-to-date report with percentages.

INCOME STATEMENT – Departmental
If you have departments (i.e.- your sub account length is not zero), HCA will prompt you as if you were printing a regular Income Statement. After you answer with the type of report, HCA will then ask you for the department number.

INCOME STATEMENT-Budget Comparison
You can print a period-to-date and year-to-date budget comparison report by entering 1 and pressing [RETURN],or you can get just a year-to-date report by pressing [RETURN]. You can click [OK] rather than pressing [RETURN].

INCOME STATEMENT-Departmental / Budget
The departmental / budget report is a combination of departmental and budget. You will first be prompted for the budget information and then the departmental number.

INCOME STATEMENT- Monthly Spread
If your file organization retains all historical amounts you can choose to print a report that will spread the current year month-by-month on a single report. When you enter the report you are given the chance to change your print mode to landscape.

INCOME STATEMENT-Sub Schedule
The Income Statement Sub Schedule is a listing of all MASTER accounts on the Income Statement along with their related SUB, FILE, SUB/MASTER, SUB/SUB, and SUB/FILE accounts. There are no user prompts after selecting this report.

SPECIAL ACCOUNTS

SPECIAL ACCOUNTS – Departmental

SPECIAL ACCOUNTS - Budget Comparison

SPECIAL ACCOUNTS - Department/Budget

SPECIAL ACCOUNTS - Monthly Spread

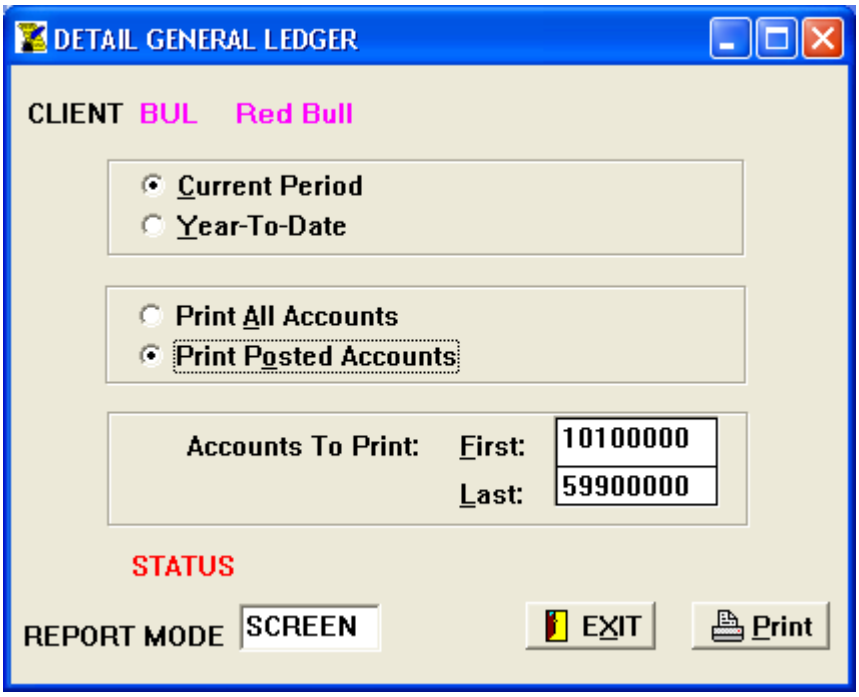
SPECIAL ACCOUNTS - Sub Schedule

The Special Accounts reports are identical to the Income Statement reports, with the sole exception being that only accounts with a REPORT TYPE of SPECIAL are printed.

PRIOR PERIOD / YEAR COMPARISON
No matter what account file organization your client has, you can print a report comparing this year's data to last year's. HCA will first prompt you for a regular report or a report containing only sub accounts. Next, HCA will ask you what accounts to put on the report: Balance Sheet, Income Statement, or Special Accounts.

Finally, you will be asked what periods the report will cover. This, in general, is dependent on your client's account file organization. If you are maintaining at least 12 months' history, you can print a report comparing not only this year-to-date to last year-to-date, but current period to last year's current period as well. If you are maintaining 24 months' history, you can compare data as far back as two years ago.

5.3 DETAIL GENERAL LEDGER



The Detail General Ledger is basically a transaction listing sorted by account. You can print either the current period's Transactions or all of the transactions for the year to date. You can also print the Detail General Ledger for all accounts, only posted accounts, a range of accounts you specify, or just a single account.

Before the ledger is printed, the system reads the current transaction file, sorting the transactions by account, reference number, and date. The transactions are written to a new file, TRS-xxxx, HCA. which the system uses to print to the general ledger.

If you are printing a year-to-date Detail General Ledger, the system first reads the history file TRH-xxxx. HCA and writes the sorted transactions to TRS-xxxx. HCA. Any current period transactions are appended after that.

CURRENT PERIOD or YEAR - TO – DATE
You can change the period covered by the report by clicking your selection. Selecting CURRENT PERIOD will print only the current period transactions. YEAR-TO-DATE will print current period transactions plus any prior period transactions found in the history file TRH-xxxx. HCA.

ACCOUNTS TO PRINT
This is where you select the range of accounts to include in the report. The system will first prompt you for the beginning account. If you just press [RETURN] here, the system will assume you want to use the first posting account in the chart of accounts. Otherwise, enter the account and press [RETURN]. The system will then prompt you for the last account to print. If you just press [RETURN], the last posting account will be used. Otherwise, enter the last account you want printed. Note that the beginning and ending accounts in the range are included in the report.

RUNNING REPORT
The Detail General Ledger shows each posting account's beginning balance, every transaction (current period or prior period) posted to that account, and the account's new balance. If the beginning balance + the transactions listed do not equal the year-to-date balance, the symbol <> will be printed after the ending balance.

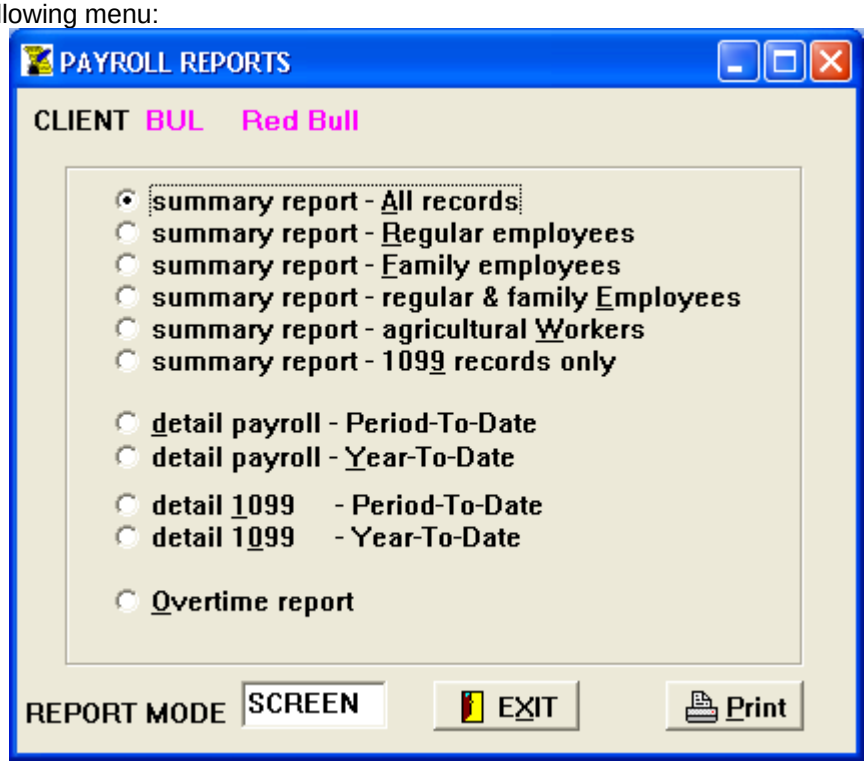
In addition to the basic transaction data, the system will also print the record number (R) of the transaction as well as the source journal (S). Note that in the case of a multiple disbursement with multiple lines of description, the same record numbers may appear several places in the general ledger listing. This is due to the fact that system attaches all of the description lines in a multiple disbursement to each account listed in the report. This is the only place in the entire program where this will occur.

For prior period transactions, an asterisk (*) is printed after the reference number.

A special case exists when you try to print a year-to-date general ledger in the first period of the fiscal year. Because the transaction history file is not cleared until end-of-period processing is run at the end of the first period, you might think that printing a year-to-date general ledger would include the previous year's transactions. However, since the system knows wherever you are in the first period of the year, it will ignore the history file during the first period and only the current period's transactions will be printed.

5.4 PAYROLL / 1099 AND OVERTIME REPORTS

Payroll reports are available by selecting PAYROLL/1099 and OVERTIME REPORTS option on the REPORTS menu. HCA will display the following menu:



Once a selection is made from this menu, the report will begin printing immediately. So if you want to change your Report Mode, you must do so before you make a report selection.

PAYROLL SUMMARY

The Payroll / 1099 Summary report lists the accumulated totals of all the appropriate earnings accounts for each payroll record. These totals include Current Period, Quarter-To-Date, and Year-To-Date. At the end of the report, the totals for all payroll records listed on the report are printed. Some payroll accounts that you are not tracking for the current client (e.g. - State W/H, 401 (k), etc.) will not be printed on the report.

There are five levels of inclusion for the Payroll Summary report:

ALL PAYROLL RECORDS
REGULAR EMPLOYEES
FAMILY EMPLOYEES
REGULAR & FAMILY EMPLOYEES
1099 RECORDS
DETAIL PAYROLL

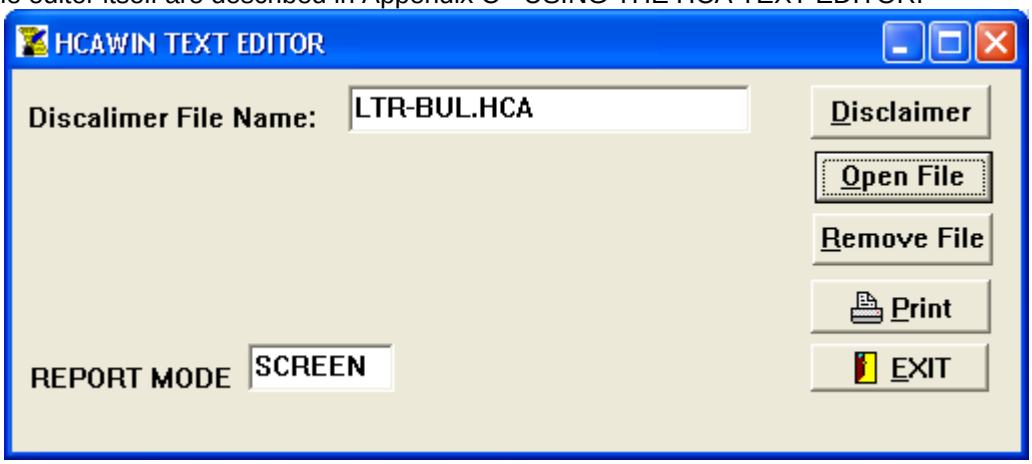
The Detail Payroll report prints the payroll transactions taken from the current transaction file and the transaction history file. As with the Detail General Ledger, you can print either a Period-To-Date or Year-To-Date report.

OVERTIME REPORT

The Overtime report contains the Current Period, Quarter-To-Date, and Year-To-Date overtime earnings for each employee.

A report total is printed as well on the last page.

5.5 TEXT EDITOR
This option calls the HCA Text Editor, a full-featured word processor that you can use to create various documents, including a disclaimer letter. It is also used to create the template that HCA will use to print your quarterly payroll reports. This section describes the extra features that go beyond the basic operation of the editor. Detailed instructions on how to use the editor itself are described in Appendix C - USING THE HCA TEXT EDITOR.

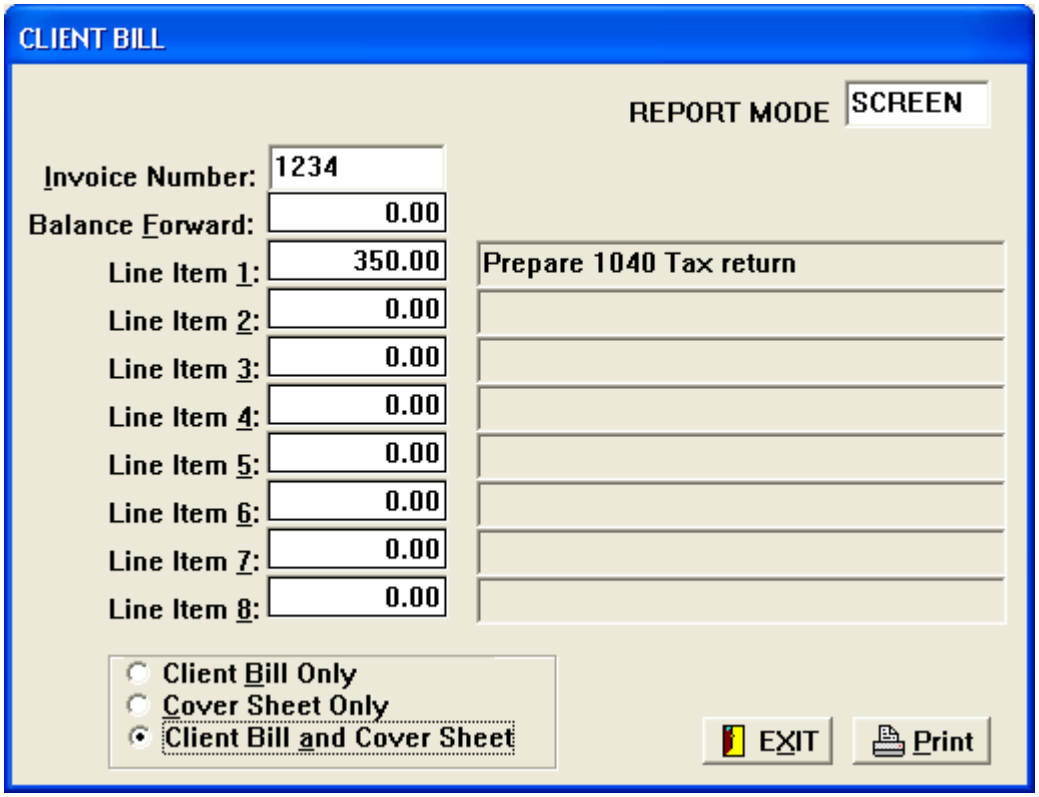


EDITOR VARIABLES
You can place several “variables” in your letter that HCA will intercept when the letter is being printed and replace with appropriate data. By using these variables, you can easily create a form letter that will always be dated correctly and contain the proper period ending date.

These variables are:
<ACCNT_EMAIL>
Will print the Email address you enter in the Accountant’s Information screen
<ACCNT_FAX>
Will print the fax number you enter in the Accountant’s Information screen
<ACCNT_PHONE>
Will print the phone number you enter in the Accountant’s Information screen
<TDATE>
Stands for today’s date, for example: May 12, 1991. Case depends on how the DATES IN CAPS field is set in the CLIENT GENERAL INFORMATION routine.
<PDATE>
Stands for the current client’s period ending date. Printed in the same format as today’s date.
<NEWPAGE>
Send a new page form feed to your printer.
<MONTH>
Prints the number of months since the start of the current fiscal year. For example, ONE MONTH or FIVE MONTHS.
<COMPANY>
Print’s the client’s COMPANY NAME.
<OWNER_NAME>
Prints the client’s OWNER’S NAME.
<ADDR1>
<ADDR2>
Prints the client’s address fields.
The variables can be typed directly into the document just as you would any word on the document.

5.6 CLIENT BILL
If you want HCA to prepare a client bill automatically, it can do so, provided you have set up the necessary parameters in the CLIENT GENERAL INFORMATION routine and that you set up a few more items before the bill is prepared.

The CLIENT BILL screen is shown below:



INVOICE NUMBER
A 1 to 10 character alphanumeric invoice number that will be included on the bill. The format is INVOICE NO: xxxxxxxxxx. If this field is blank, no invoice number will be printed. When the client bill is included in auto-reports, today's date, in the form YYMMDD, will always be used as an invoice number.

BALANCE FORWARD
Enter a Balance Forward amount. The maximum is $999,999.99.

LINE ITEMS
You can enter up to 8 special line items. HCA will prompt you for the amount of the item and then a 30-character description. The maximum amount is $999,999.99. Line items are printed after the transaction charges have been printed.

When you are satisfied with the options you have set up, click the option you want to print.

Client Bill Only - prints the bill.
Cover Sheet Only - prints a cover letter.
Client Bill and Cover Sheet - a cover letter will be printed on a separate page after the bill.

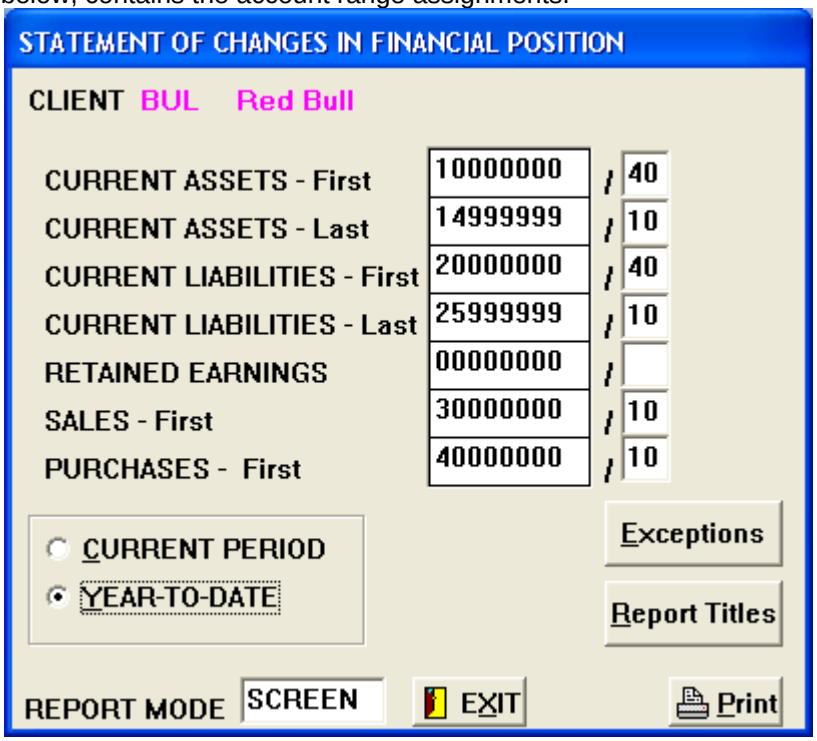
5.7 STATEMENT OF CHANGES
Before printing the Statement of Changes in Financial Position, make sure that you have run a TRIAL BALANCE beforehand. If you are using DONORS and RECEIVERS, then make sure that you have run PREPARE FOR EXECUTIVE REPORTS.

To properly compute the Statement of Changes in Financial Position, the system needs a more detailed description of your client's Chart of Accounts than is normally required for printing financial statements. This detail is stored in the

client data file SFP-xxxx. HCA. If this file does not exist when you try to print the Statement of Changes, the file is created automatically. HCA will try to set up the file with default values, which can, of course, be changed at any time.

HCA will actually print two reports, usually called Sources and Uses of Working Capital, and Changes in Working Capital Accounts.

The main screen, shown below, contains the account range assignments.



CURRENT ASSETS – First
This is the first account in the Current Assets section of your client's Chart of Accounts. The account can have an extension.

CURRENT ASSETS – Last
This is the last account in the Current Assets section, often an account called "Total Current Assets." The account can have an extension.

CURRENT LIABILITIES – First
This is the first account in the Current Liabilities section of your client's Chart of Accounts. The account can have an extension.

CURRENT LIABILITIES – Last
This is the last account in the Current Liabilities section of your client's Chart of Accounts. The account can have an extension.

RETAINED EARNINGS
This is the Current Earnings account (account type 5)

SALES – First
This is the first account in the Sales (or income) section of the Income Statement.

PURCHASES – First
This is the first account in the Purchases (or Expenses) section of the Income Statement.

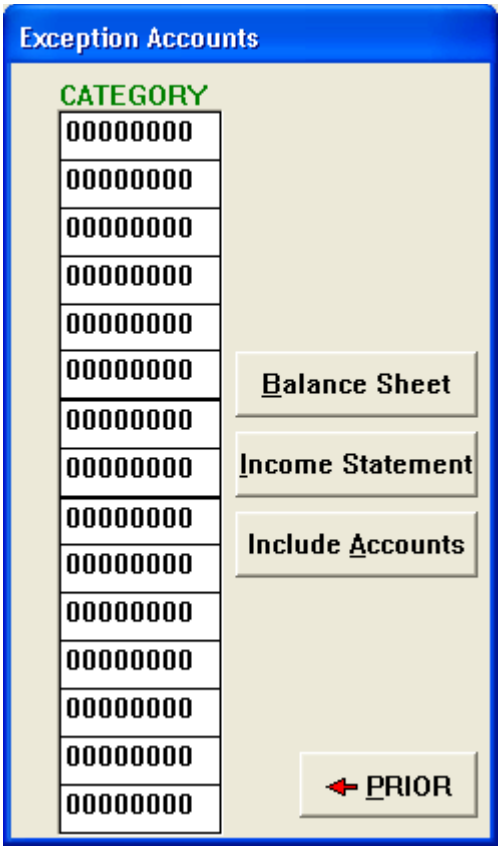
After these accounts have been set up, you may need to enter accounts, both Balance Sheet and Income Statement that do not affect working capital. These are called exception accounts. An example of these accounts would be Depreciation Expense. Click [Exceptions] to call up the EXCEPTION ACCOUNTS screen.

EXCEPTION ACCOUNTS

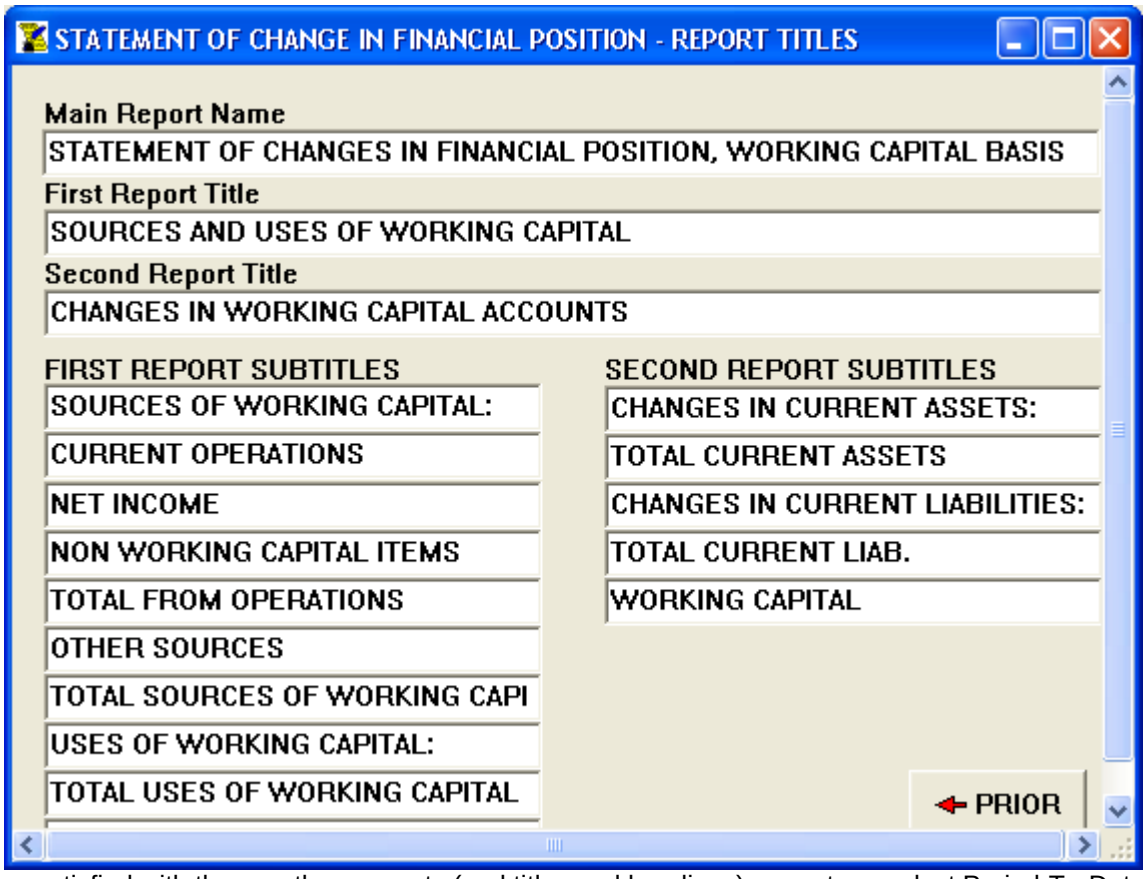
There are three sections: one for Balance Sheet exceptions, one for Income Statement exceptions, and one column for inclusion accounts. Inclusion accounts are accounts that will be included in the reports, no matter where they are located in the Chart of Accounts.

To add or edit an account, place the cursor in a field and click, then enter the account number.

To remove an account enter a single space.



Report Titles And Headings
You can change the 18 report titles and headings by selecting [Report Titles] from the STATEMENT OF CHANGES IN FINANCIAL POSITION



when you are satisfied with the way the accounts (and titles and headings) are set up, select Period-To-Date or Year-To-Date report. When everything is ready, press [Print] to print the reports.

5.8 STATEMENT OF CASH FLOW

Before printing the Statement of Cash Flow, make sure that you have run a TRIAL BALANCE beforehand. If you are using DONORS and RECEIVERS, then make sure that you have run PREPARE FOR EXECUTIVE REPORTS. Effective for annual financial statements for fiscal years ending after July 15, 1988, the requirement for a Statement of Change is being replaced with the requirement for a Statement of Cash Flow.

The purpose of the Statement of Cash Flow is to provide relevant information about cash receipts and payments of an enterprise during a period. FASB 95 states:

A business enterprise that provides a set of financial statements that report both financial position and results of operations shall also provide a statement of cash flow for each period for which results of operations are provided.

At this time, FASB does not extend its requirements to not-for-profit organizations.

The Statement of Cash Flow substantially reduces the flexibility that is allowed in preparing a Statement of Changes. First, an activity format replaces the various acceptable “funds statement” formats. Second, enterprises are encouraged to use the direct approach for presentation of the new cash flow from operating activities. Third, the presentation of the effect of exchange rates on cash balances held in foreign currencies is required as a separate part of the reconciliation of the change in cash and cash equivalents.

Information about all investing and financing activities of an enterprise during a period that affects recognized assets or liabilities but does not result in cash receipts or cash payments in the period should be reported in related disclosures and may not be reported in the body of the statement.

While the Statement of Changes contained two categories, Source of Funds and Uses of Funds, the Statement of Cash Flow reflects cash receipts and cash payments classified into one of three categories: investing, financing, or operating activities.

Investing activities include making and collecting loans and acquiring and disposing of debt or equity instruments and property, plant, and equipment and other productive assets.

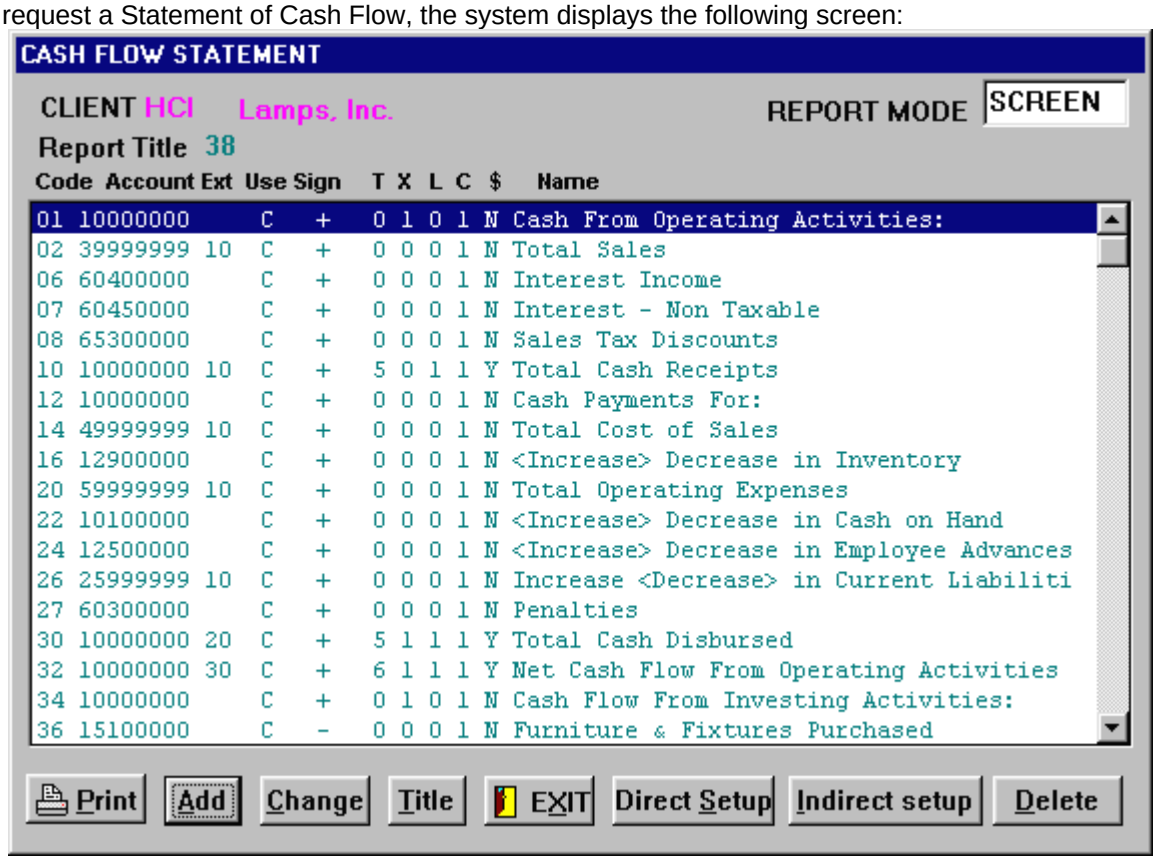
Financing activities include obtaining resources from owners and providing them with a return on, and a return of, their investment; borrowing money and repaying amount borrowed, or otherwise settling the obligation; and obtaining and paying for other resources obtained from creditors on long-term credit.

Operating activities generally involve producing and delivering goods and providing services.

Care must be exercised in distinguishing between categories. While proceeds received from incurring liabilities and payments made to settle liabilities are frequently financing activities, the settlement of such liabilities as accounts payable incurred to acquire inventory and wages payable is an operating activity. Interest received and paid as well as dividends received are operating activities.

Because the Statement of Cash Flow may use information from both the Balance Sheet and income Statement in each part of the statement, HCA uses a modified report writer routing to create the cash flow. You will recognize the various report format flags from other financial reports.

When you request a Statement of Cash Flow, the system displays the following screen:



This screen contains the accounts that will be included on the report. There are several flags displayed for each account that you will recognize from the Chart of Accounts: They are:

T Total Level
X Extra Lines
L Line Flag
C Print Column
$ Dollar Sign

The values for each of these fields are not necessarily the same values found for the accounts in the Chart of Accounts. The accounts (and their attributes) included in the Statement of Cash Flow are stored in a separate client data field, CSH-xxxx. HCA.

The new flags are:

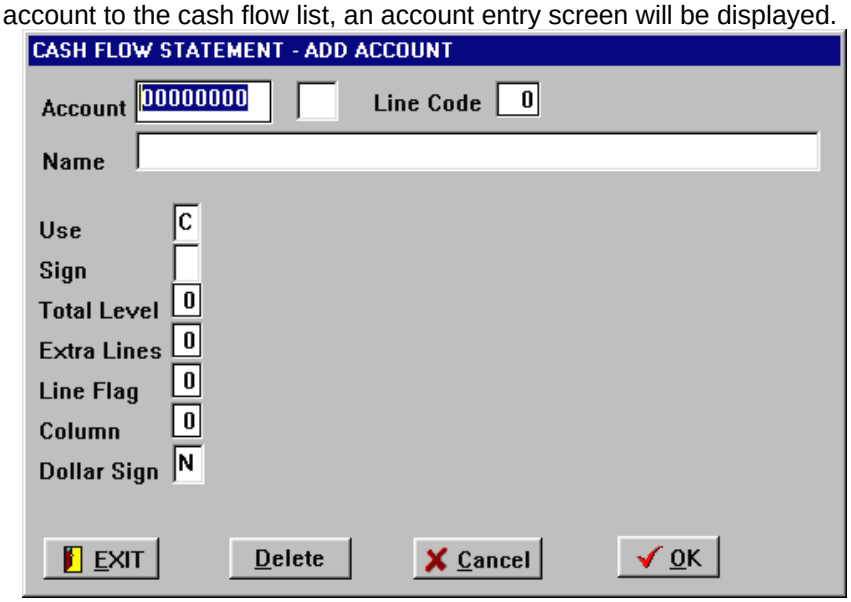
CODE
This number helps HCA arrange the lines on the report. The accounts are printed in numerical order, starting with 0 and continuing to 99. Every account must have a CODE, but the codes do not have to be continuous there can be numbers skipped between accounts. More than one account can have the same CODE.

USE
The USE flag determines what value to use from the account. B means take the beginning balance, E means take the ending balance, and C means take the difference between the beginning and ending balance.

SIGN
This flag determines if the value taken from the account should be reversed. If SIGN is set to minus (-), the value will be reversed.

Adding New Accounts
To add an account to the list, press [Add]. Any account from the Chart of Accounts can be entered, including MASTERS, SUBS, SUB/MASTERS, TOTALS, etc. Account numbers of 10000000 are a special case. These accounts need not exist in the Chart of Accounts to be added to the cash flow list. Such accounts with no extension are HEADING ACCOUNTS, WHILE 10000000 accounts with an extension are TOTAL accounts. (TOTAL accounts entered from the General Ledger do not serve the same function in the cash flow statement. HCA just uses whatever dollar amounts were accumulated in those accounts from the last TRIAL BALANCE run.)

When you enter a new account to the cash flow list, an account entry screen will be displayed.



Enter the appropriate data for the account. Some of the fields require a numeric or alphanumeric entry, while others can be toggled by just pressing the corresponding letter (e.g.- YES or NO, + or -).

To remove an account from the list, bring the account into the Add/Edit screen and click [delete]. The account is NOT deleted from the Chart of Accounts, just the cash flow list.

Setting The Report Title
Click [Title] to enter a title for the report. The maximum length of the title is 50 characters.

Printing The Report
Click [Print] to print the report. Another window will appear with three sections: (1) the REPORT PERIOD, which you can toggle between CURRENT PERIOD and YEAR-TO-DATE (2) the REPORT FORMAT which can be toggled between EDIT and REPORT and (3) the REPORT TYPE.

In REPORT mode, accounts with the same CODES are combined into a single line, with the name of the first account in the group being used as the group description.

In EDIT mode, none of the accounts are combined and the description used for each account is that account's General Ledger name.

When you are satisfied with all of your options, press [Print] to print the Statement of Cash Flow.

Cash Flow Format prints the current cash flow setup for this client.

Chart of Accounts prints the clients chart of accounts with column for the several format options. By printing and marking the desired accounts on this print out you can identify those accounts you want included in the cash flow.

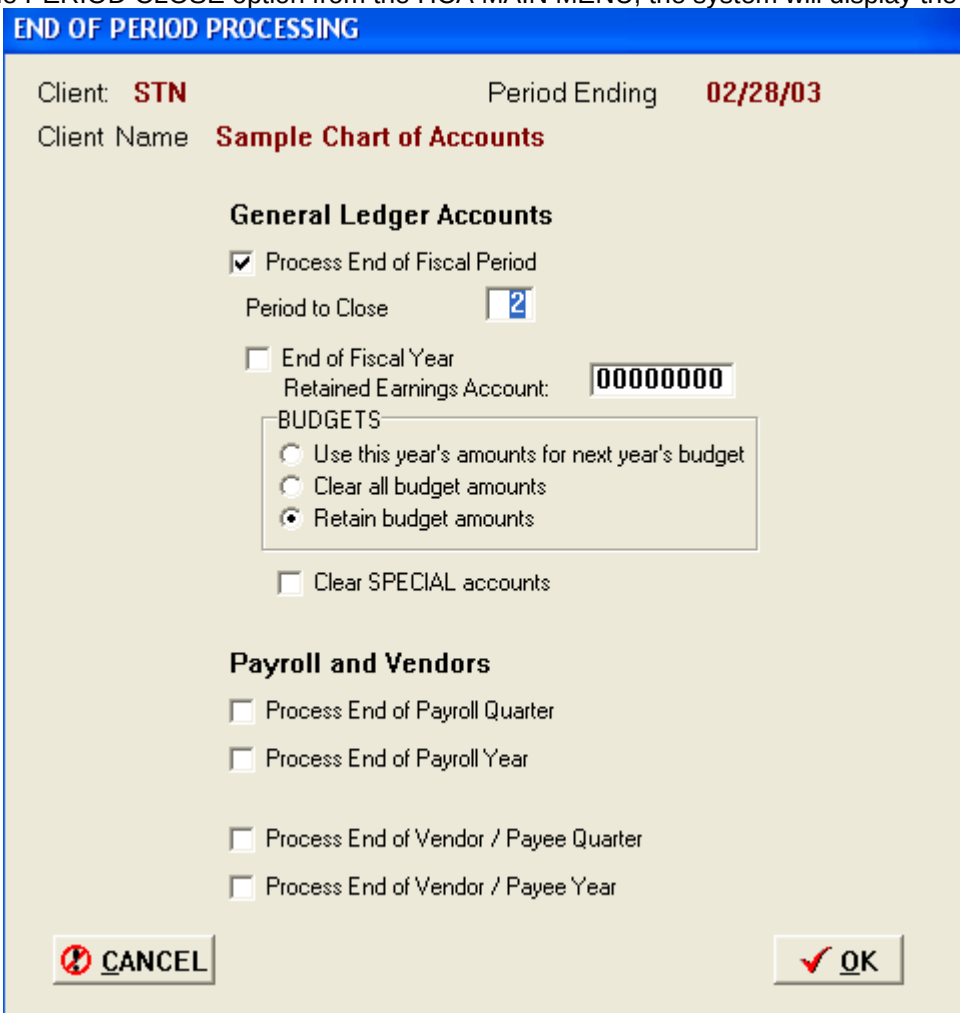
Suggested Worksheet prints a suggested Cash Flow layout.
To help you set up a Cash Flow Statement you can select either [direct Setup] or [Indirect setup] at the Cash Flow Main Menu and the system presents a fill in the blanks screen that will create most of the lines you need in a Cash Flow. You can also combine the screens for a combined Indirect/Direct Cash Flow.

NOTES:

6
PERIOD CLOSE

PERIOD CLOSE, often referred to as New Period Initialization or End of Period Processing, should be run after all transactions for the current period have been entered and all financial and payroll reports have been printed **and your data has been backed up.** Generally, the best time to do End of Period Processing is just before starting the new period. Before the system processes your client data files, it will ask you several questions about how it should update the files. in general, you can have the system process the General Ledger Accounts file, the Payroll file, or both.

When you select the PERIOD CLOSE option from the HCA MAIN MENU, the system will display the following menu:



For most of the options listed, just clicking the option will toggle the response between YES and NO. Note that doing this will sometimes blank out other options that are not relevant to the option you toggle. A check is a YES response.

HCA uses the setting of these options to determine how to process the client data files. When you are satisfied with the setting, click [OK].

The following is a description of each of the options listed on the screen, and their effects:

6.1 PROCESS GENERAL LEDGER

END OF FISCAL PERIOD
When this flag is set to YES, the General Ledger Accounts file GLA-xxxx. HCA is updated to reflect the start of a new period. if this flag is set to NO, GLA-xxxx. HCA is not updated at all. So if you wish to close a payroll quarter or payroll year only, set this flag to NO.

When ending a fiscal period, the CURRENT PERIOD amount for each G/L account is set to $0.00. In the payroll file (if it exists), the CURRENT PERIOD amounts for each payroll field (income, taxes, etc) are also set to $0.00. If you are maintaining account history amounts, these fields are updated as well. Finally, if you are maintaining a transaction history file, the current period's transactions will be appended to it and the current transaction file will be erased. If you are storing your history files on a floppy disk, be sure there is a disk in the appropriate drive (A or B).

IMPORTANT: If you are closing the first period of the year, any existing history file from the previous year will be erased and a new file will be created to hold the current year's transactions. The transaction history file is called TRH-xxxx. HCA.

The current transaction file is always deleted when you run PERIOD CLOSE.

The client period ending date is always reset to the end of the new month.

PERIOD TO CLOSE
You can only specify the period (1-13) to close when the END OF FISCAL PERIOD is set to YES. The default period displayed is the current period. Note that the period does NOT necessarily refer to the current calendar month, but instead to the current fiscal period. Of course, if your client operates on a calendar year, these will be the same.

If you are processing any clients on a quarterly basis, you should still enter the fiscal period (3,6,9,12) and not the quarter Number (1-4).

END OF FISCAL YEAR
For all but the final period of the year, this option should be set to NO. When you do need to process the client at the end of the year, set this option to YES. The system will then prompt you for the Retained Earnings account. Enter the account number. You must specify a valid account number or you will be unable to run the END OF FISCAL YEAR procedure.

When the procedure is run, the system will update each account in the General Ledger Accounts file GLA-xxxx. HCA in several ways:

The CURRENT YEAR amount will be placed in the LAST YEAR field.

Depending on the option you select, the ANNUAL BUDGET field will either (1) receive the CURRENT YEAR amount (the new year's budget will be based on the last year closed), (2) be reset to $0.00, or (3) remain the same.

The CURRENT PERIOD and CURRENT YEAR fields will be reset to $0.00 for the Income Statement accounts (and Special accounts, if you specify). The CURRENT PERIOD field of each Balance Sheet account is also reset to $0.00.

Retained Earnings will be calculated and placed in the Balance Sheet account you specified on the options screen. After ending the year you should adjust the owner's or partners' draw accounts.

In addition, if you are keeping account history amounts (file organization types 1, 3, or 4), those fields will be updated as well.

Retained Earnings Account

This is the standard retained Earnings account that HCA will prepare for the new year. You can not run the END OF FISCAL YEAR procedure without specifying a valid Balance Sheet posting account.

The profit or loss carried to the Retained Earnings Account is the same amount produced by printing a regular income statement. Amounts created by Donor/Receiver accounts are not reflected in the year end closing.

If you are closing a partnership client, you should select a retained earnings account for one of the partners, and after the end of period process is complete go to Enter Transactions and make a prior year adjustment to move amounts from the partner who received the closing amount to the other partner(s).

If you have the system calculating and memo-posting corporate taxes, neither the tax expense nor the tax liability will be reflected in the year end closing. Once the tax return is complete you should make a prior year adjustment to reflect the corporate taxes.

New Budget
Setting this flag determines how the system will handle the ANNUAL BUDGET as well as period budget fields for each account when the END OF FISCAL YEAR procedure is run. You have 3 choices: LAST YEAR, which places the CURRENT YEAR amounts in the budget fields; CLEAR, which resets the budget fields to $0.00; and SAME, which leaves the previous amounts intact.

Clear Special Accounts
Normally, only the Income Statement accounts are reset to $0.00 when you run the END OF FISCAL YEAR procedure. However, you also have the option of clearing the Special Accounts (located after the Income Statement accounts in the Chart of Accounts) as well. To do this, set this flag to YES.

If you are using the Special Accounts for functions such as Job Costing, or other functions that transfer data to the Balance Sheet, you probably do not want to clear the special accounts. If you are using special accounts for functions that transfer data to the Income Statement you probably should clear the special accounts.

6.2 PROCESS PAYROLL

END OF PAYROLL QUARTER
If this option is set to YES, then all CURRENT PERIOD and CURRENT QUARTER amounts for each payroll record in the payroll file will be set to $0.00.

END OF PAYROLL YEAR
If this option is set to YES, then all CURRENT YEAR amounts for each payroll record in the payroll file will be set to $0.00. Therefore, since setting this flag to YES automatically sets the END OF PAYROLL QUARTER flat to YES as well, this routine clears all dollar amounts in the payroll file.

Once processing starts, no further action is required by the user. Depending on the size of the various client data files, end of period processing may take several minutes.

DO NOT INTERRUPT PROCESSING AT ANY POINT.

6.3 YEAR-END TIPS

CLOSING AN UNCOMPLETED YEAR
If you have not received the necessary information to complete the end of the fiscal year by the time you have to start processing for the next year, you may want to make a back-up of the unclosed files and keep the back-up until you have accumulated the information to complete the year. Once you are ready to complete the year, back-up the current data file, restore the unclosed data file, and complete the year end transactions. Once you have completed the transactions, and printed reports, you can restore the current year's file. Once the current year's file is loaded, make the necessary adjustments via Prior-year Transactions.

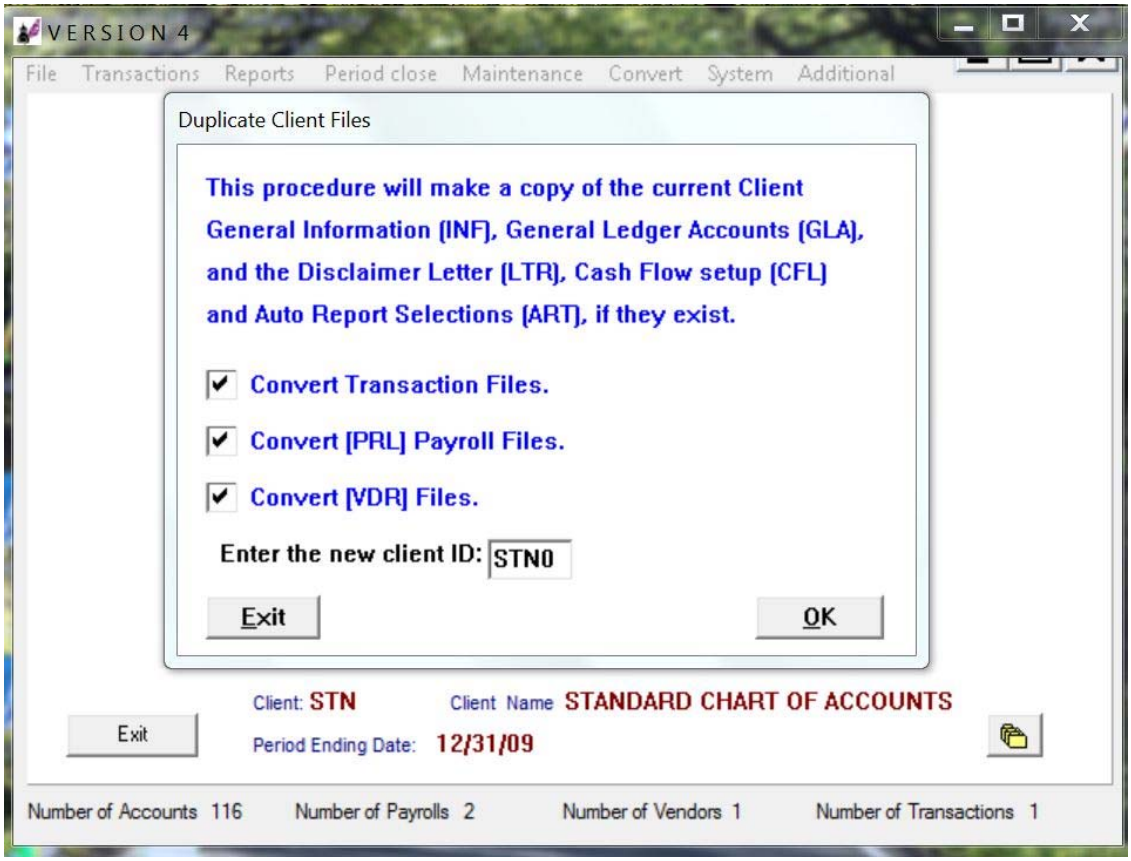
FISCAL YEAR GENERAL LEDGER / CALENDAR YEAR PAYROLL
If your client is on a fiscal year, the Year-to-date Detail Payroll Listing will not reflect a full year's payroll transactions. As a general rule, the Detail Payroll Listing is designed to be run each period, but occasionally an accountant will want to run an annual report. The Detail Payroll Listing uses the same transaction history file used by the Detail General Ledger. The transaction history file is re-created at the end of the fiscal year, therefore the Detail Payroll listing on a calendar basis will not be correct. If your client is on a calendar year, the Year-to-date Detail Payroll Listing should be correct.

INACTIVE EMPLOYEES/1099 RECIPIENTS
The system does not have a way to automatically remove inactive or discharged employees. After the payroll calendar year is closed you should review the payroll/1099 file and delete any employees who are no longer employed and any 1099 recipients who no longer receive any funds subject to 1099 reporting. Both employees and 1099 recipients are removed from the file in the Payroll/1099 section of File Maintenance.

IF YOU DO A STATEMENT OF RETAINED EARNINGS
Enter the Income Statement account used for Beginning Earnings in the Retained Earnings Account field if you are printing a Statement of Retained Earnings on the Income Statement.

One of the features available in our write up program allows you to duplicate a client's file along with all your transactions and payroll records. As we all know that after preparing our clients tax returns we may need to make some adjusting entries or need to access prior year records.

1. Before closing the year end for a client select the duplicate client files option available under the maintenance menu.



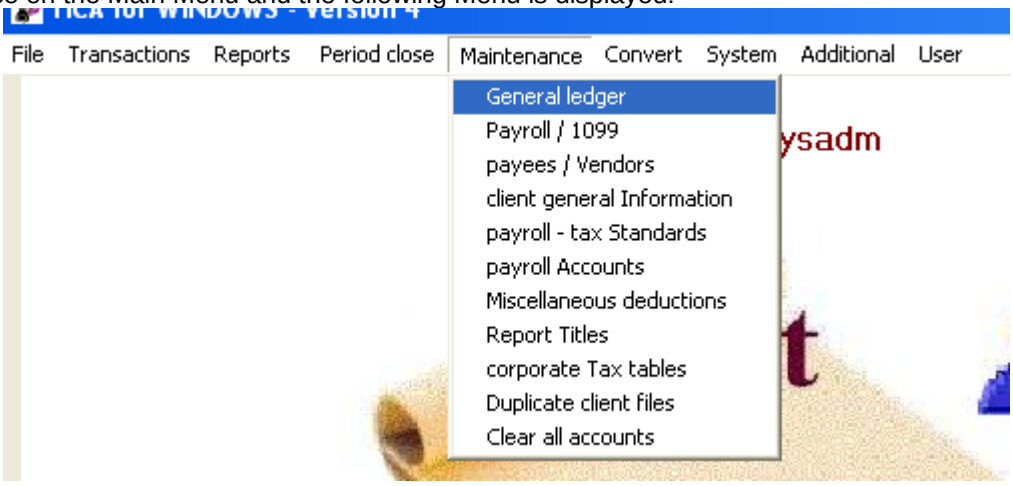
For the new client code use the same first three characters as before and then use 0 for the fourth number or whatever designation you want. STN0 = 2010 and STN1 = 2011 and so forth

2. Then reselect the new client code STN0 from the file menu, now do a year end closing for this new client code. The STN0 client code is now available with a 01/31/10 date and ready for you to process the January 2010 work. Your original client code STN is now available with a 12/31/09 closing date for you to make any adjusting entries needed and still be able to reprint any reports or research the records for your clients if needed.

3. You can repeat this same process each year since there is no limit on the number of clients our software can handle and you will always have any year end books available for your clients while keeping the size of your client's files manageable.

7
MAINTENANCE

Click Maintenance on the Main Menu and the following Menu is displayed:



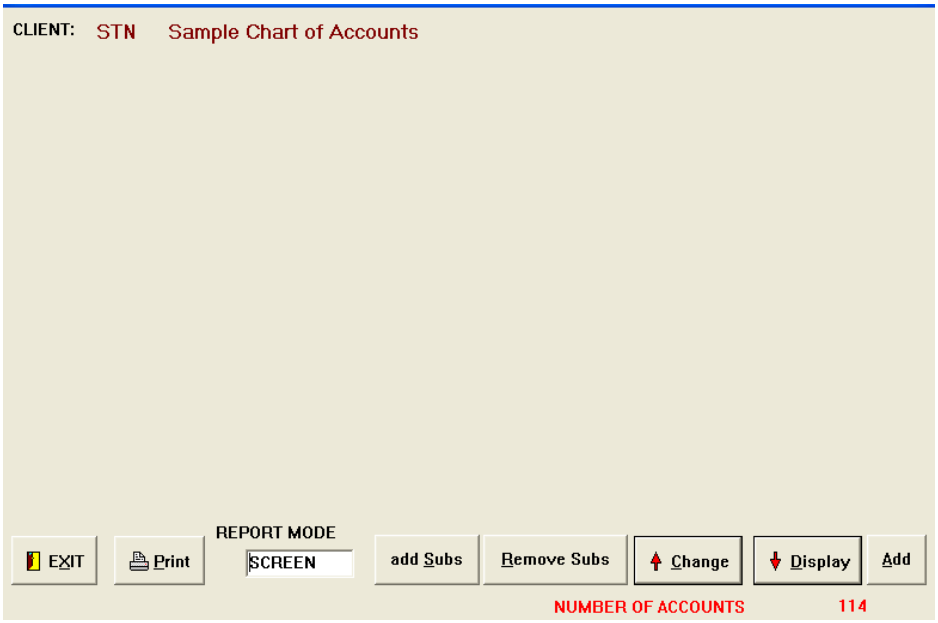
From the Maintenance Menu you can select the files you wish to add or change.

7.1 GENERAL LEDGER
This is the routine where you have direct access to your client's Chart of Accounts. You can add, change and delete accounts, change the data associated with an existing account, and print the Chart of Accounts in one of three formats. When you select the GENERAL LEDGER option, HCA displays the main general ledger screen.

DISPLAYING THE CHART OF ACCOUNTS
If you want to display the existing Chart of Accounts, click the [Display] button.

Each account displayed consists of the account number, extension (if any), the account name, and the Period-To-Date and Year-To-Date amounts. You can scroll through the accounts with the cursor keys: UP, DOWN, HOME, END, PAGE UP, and PAGE DOWN, and with the mouse pointer by clicking on the UP, DOWN arrows on the right of the screen.

General Ledger File Maintenance Main Screen:



To Add A New Account
Click [Add]. The Add Account screen will be displayed and HCA will take you through the appropriate account data fields, one at a time, prompting you for data. After an initial run through the fields, you will have a chance to go back and edit any of the fields you wish.

When you are satisfied with the account information, click [OK]. The new account will be inserted into GLA-xxxx. HCA, the system will confirm this by displaying a message, and you can then add another account. When you are finished entering new accounts, click [Exit].

To Edit An Existing Account
There are two methods of selecting an account for editing:

Click [Display] then use the mouse pointer to place the highlight bar over the desired account and double click the left mouse button.

Click [Change]. HCA will prompt you for the account number and extension. If the account number does not exist, HCA will beep and prompt you again for an account number.

The system will display the EDIT ACCOUNT screen and you begin editing the account by clicking the pointer on the data field you wish to edit. When you are satisfied with the account, click [OK]. The updated information on the account will be saved in GLA-xxxx. HCA and HCA will return you to the Main Screen. If you click [Cancel] instead of [OK], any changes made to the account will not be saved.

Deleting An Account
To delete an account, you must be in the EDIT ACCOUNT screen. Click [Delete]. HCA will ask you if you are sure you want to delete the account.

Accounts should not be deleted if:
There is a non-zero balance.

There are postings to the account in either the current transaction file or the history file.
The account is a required account.

Print The Chart of Accounts
Click [Print]. A small window will appear with the 3 formats available for printing the Chart of Accounts. These formats are:

[1] Posting Accounts-With balances

Prints all POSTING accounts, included Period-To-Date, Year-To-Date, Last Year, and Annual Budget amounts. The -1 Field and -2 Field amounts are also printed, if your client is keeping history amounts (G/L file organization types 1, 3 or 4).

[2] Posting Account-No balances

Prints all POSTING accounts, but without any account balances.

[3] All Accounts

Will print every account in the Chart of Accounts, plus the various flags set for each account. These flags are:

ACCOUNT TYPE	1-6;	"." = POSTING(0)
REPORT TYPE	B,I, or S	
NORMAL BALANCE	D or C	
TOTAL LEVEL	0-9;	"."= not a TOTAL account (2)
EXTRA LINE ADVANCE	1-9;	"."= no extra lines

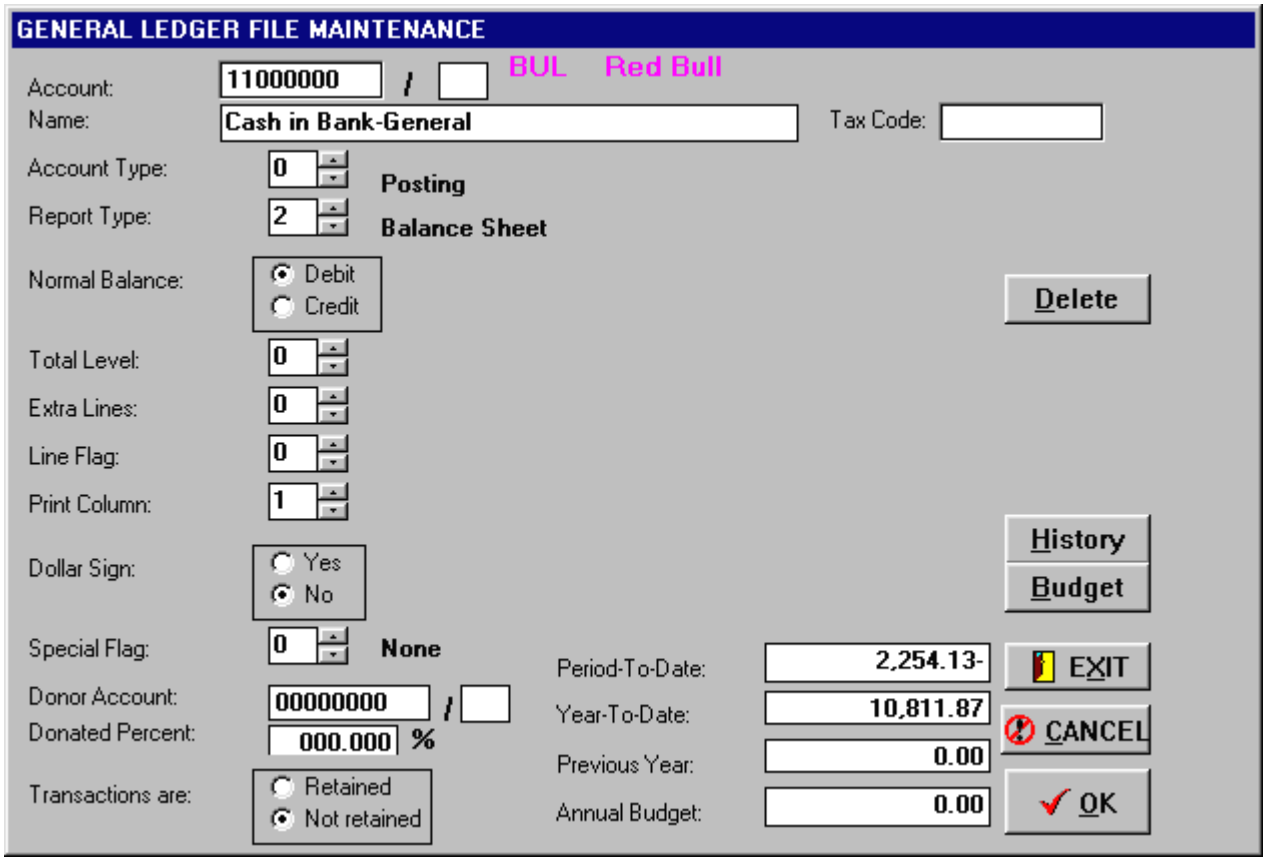
LINE FLAG	1-5;	“.”=no lines
PRINT COLUMN	1-3;	”.”=not a BALANCE SHEET account (2)
DOLLAR SIGN	Y;	”.”= no
RETAIN TRANSACTIONS	Y;	”.”= no
SPECIAL FLAG M.	S, D, R, F, SM, SS, SF;	”.”= no SPECIAL FLAG

ACCOUNT DATA FIELDS

ACCOUNT NUMBER
This is the 3 to 8 character alphanumeric account number, plus an extension, if required, of up to 2 characters. Account numbers are inserted (and sorted) in the Chart of Accounts by ASCII code. For example, 10000000 appears before A0000000, and 22300 appears before 22400.

ACCOUNT NAME
The account name is any alphanumeric string of up to 50 characters. The account name may be truncated on some reports if it is too long, so a more realistic maximum length would be about 30 characters. However, all 50 characters of REPORT NAME accounts are always printed.

ACCOUNT TYPES
0 POSTING
These are regular accounts that you post to through transaction entry. This is the only type of account that does not have an extension.



1 TAX CODE
If you are using the Tax Interface you should assign a tax code to any account that transfers to the tax program.

2 TITLE
The ACCOUNT NAME will print on financial reports; for example - “ASSETS” or “LIABILITIES”. No balances are maintained.

3 TOTAL
This type of account is not posted to, but it does maintain balances. Depending on the TOTAL LEVEL value of the account, it contains the total balances of the accounts located before it in the Chart of Accounts.

4 HEADING
The ACCOUNT NAME will print on financial reports; for example “CURRENT ASSETS” or “CURRENT LIABILITIES”. No balances are maintained.

5 REPORT NAME
If you wish to rename your financial reports, you can do so by specifying a REPORT NAME account. For example, you can rename your Balance Sheet “STATEMENT OF NET WORTH” or your Income Statement “PROFIT OR LOSS STATEMENT”. This is not a posting account and does not maintain balances.

REPORT NAME accounts should be the first account(s) in the appropriate financial statement section of the Chart of Accounts. These accounts can also be used to identify departmental reports. Number each REPORT NAME account using the same method you use for numbering your departmental POSTING accounts.

6 CURRENT EARNINGS
Unless the client’s business is a partnership, only one account should be specified as the CURRENT EARNINGS account. The profit or loss for the current year is automatically posted to this account. This is not a posting account and must have an extension.

7 COLUMN HEADINGS
COLUMN HEADING accounts let you specify the column names printed on the Income Statement and Special Accounts reports. Normally, HCA prints column headings such as “CURRENT MONTH”, “RATIO”, etc. These phrases will be overridden by COLUMN HEADING accounts if they are placed close to the top of the Income Statement and Special Accounts sections of the Chart of Accounts.

REPORT TYPES
1 INCOME STATEMENT - Income and Expenses
2 BALANCE SHEET - Assets and Liabilities
3 SPECIAL ACCOUNTS - Other accounts (e.g.- Job Cost)

NORMAL BALANCE
This flag determines whether an account usually has a debit balance or a credit balance. Asset and Expense accounts will normally have a DEBIT balance, while Liability and Income accounts usually have a CREDIT balance.

The NORMAL BALANCE flag is used for signing purposes when financial statements are printed. If the NORMAL BALANCE flag is not set correctly, the arithmetic may be correct, but the statements may be confusing.

TOTAL LEVEL
The TOTAL LEVEL field determines how many levels of detail a TOTAL account includes. Thus, it plays a vital part in implementing the account hierarchy. The TOTAL LEVEL field ranges from 0 to 9, with 9 being the most general and 0 the most specific.

A TOTAL LEVEL of 9 should only be used for Total Assets, Total Liabilities and Equity, and Net Profit or Loss.

To better understand how total levels work, think of a group of nine buckets. You can put a smaller bucket into a larger bucket, but you can't put a larger bucket into a smaller bucket or a bucket of the same size. A TOTAL account with a TOTAL LEVEL of 9 can hold totals (buckets) of levels 1 through 8, where a TOTAL account with a TOTAL LEVEL of 5 can hold totals from levels 1 through 4. Graphically, the total levels can be represented as:

0

1

22

333

4444

55555

666666

7777777

88888888

999999999

When financial reports are printed and a TOTAL account is reached, the system determines the account's TOTAL LEVEL and accumulates totals from previous accounts until it reaches a previous TOTAL LEVEL That is equal to or greater than the current TOTAL LEVEL. This total is then printed, using the TOTAL account's name as the description.

Properly used, TOTAL LEVELS can provide an incredible amount of flexibility in printing financial reports.

EXTRA LINES
Specifies the number of blank lines to print after the account is printed. This can be any number from 0 to 9. If it is 9, instead of 9 blank lines being printed, HCA sends a form feed character to the printer, and the report skips to the next page.

LINE FLAG
The LINE FLAG determines how lines are drawn above and below account balances, usually for TOTAL accounts. The possible values for a LINE FLAG are:

0	No lines are drawn
1	Print a line under the balance of the last account printed
2	Print a line under this accounts balance
3	Print a line under the last account and this account
4	Do not print the account
5	Print a dollar sign before the balance

PRINT COLUMN
Normally for Balance Sheet accounts only. You can print the account balance in one of three columns. This field can also be used to suppress ratios on the Income Statement by entering a Print Column value of 4. If you want to suppress all ratios place the column value of 4 at the Total Sales account. If you want to suppress selective ratios then place the column value of 4 at the account that you do not want to have a ratio. You can only edit this field if the Report Type is Balance Sheet, so if you are using it to help format the Income Statement the Report Type should be selected as Balance Sheet. Once the Income Statement Formatting is complete change the report type to Income Statement.

DOLLAR SIGN
Causes a dollar sign to be printed before the account balance. This flag is only relevant if the ASSIGN DOLLAR SIGNS flag in the CLIENT GENERAL INFORMATION routine is set to YES. In this case, only The accounts with their DOLLAR SIGN flag set to YES will have dollar sign printed before the account balance.

If ASSIGN DOLLAR SIGNS is set to NO, accounts will have dollar signs printed only if:

It is the first account on a page, or
It is a TOTAL account, or
The account's LINE FLAG is set to 5

SPECIAL FLAG

MASTER
This type of account is not posted to. It contains the totals of all the accounts below it that are SUB, SUB/MASTER, or FILE accounts. When the first account is reached that is not one of these three types (or a SUB/SUB or a SUB/FILE account grouped under its' related SUB/MASTER account, totaling stops.

SUB
SUB accounts are usually set up as departments or divisions. These accounts should be grouped under a related MASTER account for totaling purposes. SUB accounts are not printed on financial reports (except Sub Schedules but their MASTER accounts are.

SUB/MASTER
As their name implies, SUB/MASTER accounts are both SUB accounts and MASTER accounts. That is, they contain the totals of all SUB/SUB and SUB/FILE accounts grouped immediately below them. SUB/MASTER accounts can not be posted to.

SUB/SUB
These are the sub accounts grouped below a related SUB/MASTER account.

DONOR/ RECEIVER
See Appendix A - SPECIAL TOPICS for a discussion of the special relationship between DONOR and RECEIVER accounts.

FILE
This is both a SUB and RECEIVER account.

SUB/FILE
This is both a SUB/SUB and a RECEIVER account.

DONOR ACCOUNT
If the account is a RECEIVER, FILE, or SUB/FILE, you will need to enter a DONOR ACCOUNT.

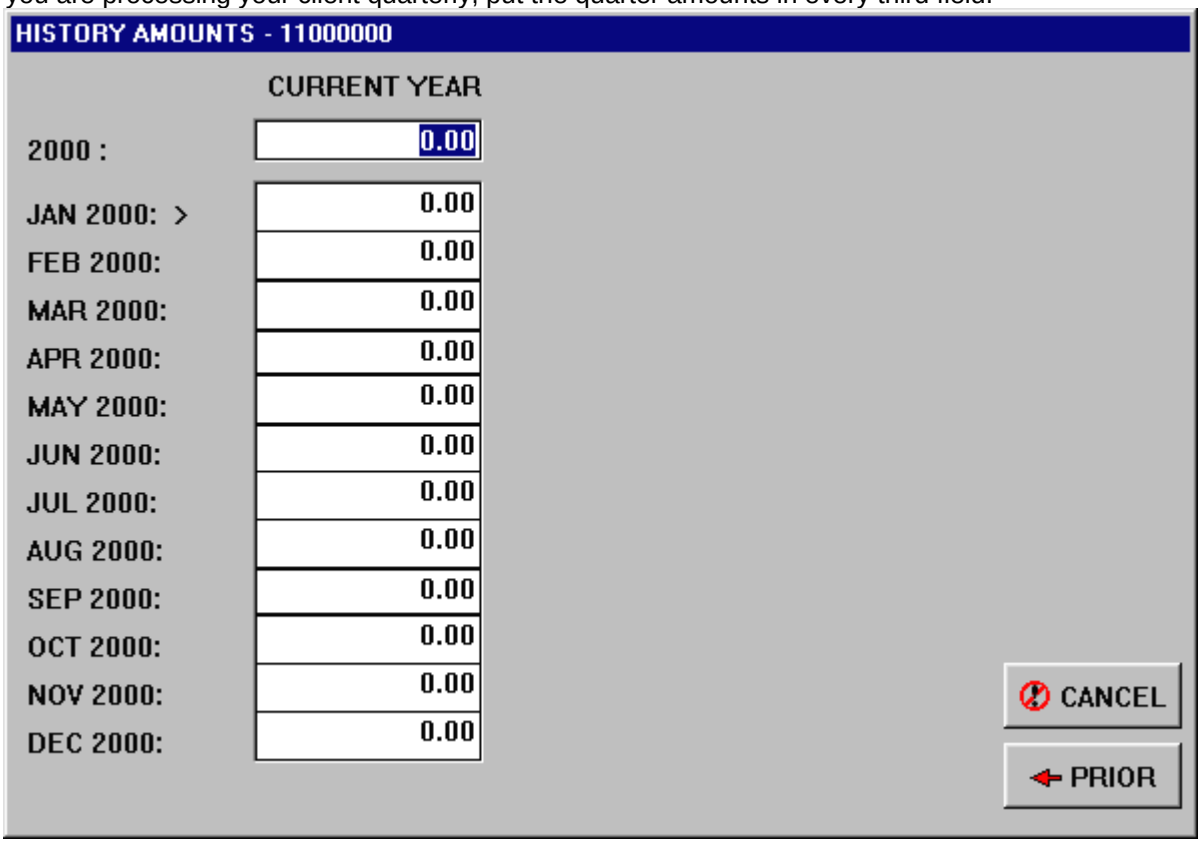
DONATED AMOUNT
If the account is a RECEIVER, FILE, or SUB/FILE, you will need to enter the percentage to receive from the donor. If the account is used for rationing, enter "0" for the percentage. Also, you must sign the percentage if the receiver's NORMAL BALANCE is counter to the donor's NORMAL BALANCE.

RETAIN TRANSACTIONS
Refers to the transactions posted to this account. If you set the RETAIN ALL TRANSACTIONS flag in the CLIENT GENERAL INFORMATION routine to YES, this flag will always be set to YES and can not be changed. If RETAIN ALL TRANSACTIONS is set to NO, you can determine what transactions you want saved on an account-by-account basis.

CURRENT PERIOD
CURRENT YEAR
LAST YEAR

ANNUAL BUDGET
These are the basic balances maintained for each account. No matter what account file organization your client has, these balances always exist. The limit is +/-$99,999,999.99

ACCOUNT HISTORY
If your account file organization is 1 or 3, you are maintaining one year's worth of account history amounts. You can enter, and the system will maintain, 12 or 13 prior period totals, depending on the number of periods in your client's fiscal year. These totals reflect the year-to-date amount through each period. If you are processing your client quarterly, put the quarter amounts in every third field.



The above screen represents file organization 1 or 3. If the file organization is 4 there is an additional Column for the periods two years back.

The history amounts include a field called the -1 Field. This field represents the year-to-date amount of the period immediately preceding the current period's prior year amount. For example, if the current period is March 1991, the amount in the -1 Field is February 1990. If you are starting at the first of the year, you do not have to complete this field - the system will maintain it through END OF PERIOD PROCESSING.

The -1 Field is essential because as the system closes a period and writes the amounts to the history field, the February amount in the example above is this February's (1991) amount rather than last February's (1990) amount.

The -1 Field is used when printing Prior Period and Prior Year Comparison reports.

The -2 Field is used the same way when your account file organization is 4; that is, when you are keeping two year's history. In the above example, the amount in the -2 Field is February 1989.

The history fields for each account, if they exist, can be accessed by clicking [History].

ACCOUNT BUDGETS
If you have an account file organization of 2 or 3, you can enter either 12 or 13 period budget amounts. Budget amounts are the amounts for the appropriate period. If you are processing your client quarterly, put the quarterly budget amounts in every third field.

For reporting purposes, if there are no amounts in the period budget fields, but there is an amount in the ANNUAL BUDGET field (which is always kept, no matter what the file organization is), HCA will use a portion of the ANNUAL BUDGET amount for period comparisons and the full ANNUAL BUDGET amount for the year-to-date comparisons.

Otherwise, the individual period budget amounts are used for the budget reports.

Budget data for each account, if it exists, can be accessed by clicking [Budget].

ADDING SUB ACCOUNTS
If you are doing departmental, divisional, job cost, or any other type of chart of accounts where the sub accounts represent a defined sub-division, you can quickly add new sub (department) accounts by clicking [add Subs] on the main screen.

When you click [add Subs] the system will ask you to key in the number that represents the division, and which financial report to add accounts to. The system will scan the specified financial report and add the new division to every master account.

When you are setting up a new chart of accounts that uses master/subs for divisions you need only establish the master accounts than repeat the add Subs routine for each division.

REMOVING SUB ACCOUNTS
As you can group add sub accounts, so can you remove sub accounts. As a general rule it is best to remove the sub accounts after the end of the year because once an account is removed it will not be included in a detail general ledger.

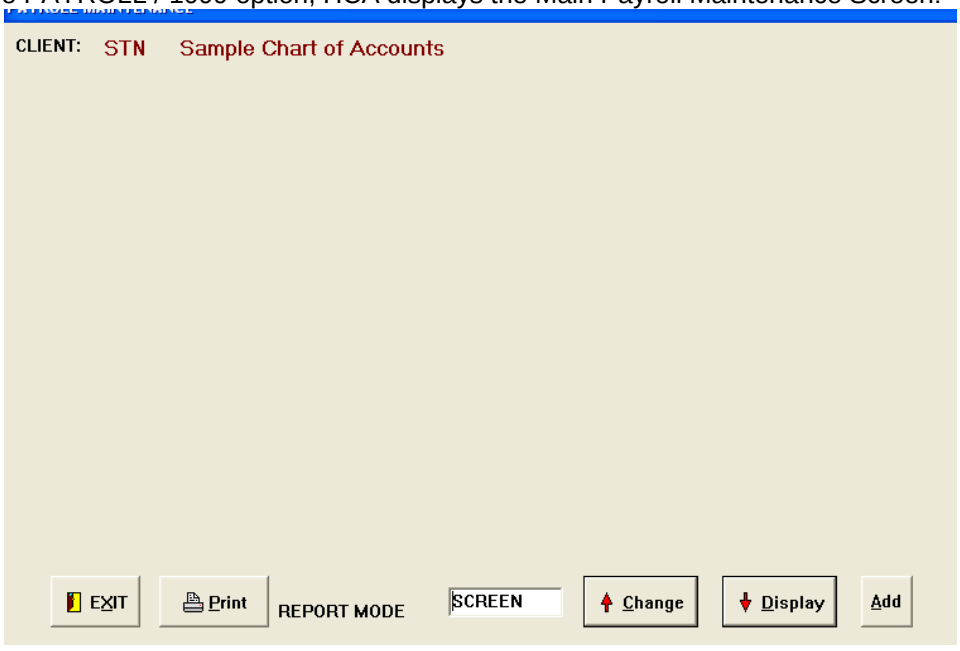
If you are doing job costing you may find it necessary to remove the job sub accounts after you reverse out the job. If you do decide to remove the accounts be sure you have a detail general ledger before deleting.

To group delete sub accounts click [Remove subs] at the main screen. The system will ask for the sub designation and the financial report to edit.

7.2 PAYROLL / 1099

This is the routine where you have direct access to your client's Payroll File-PRL-xxxx.CA4. You can add and delete payroll records, as well as change the data associated with an existing payroll record.

When you select the PAYROLL / 1099 option, HCA displays the Main Payroll Maintenance Screen:



You can display a listing of all employees by clicking [Display]. Each payroll records displayed consists of the payee ID, federal ID, payee name, payee type, and year-to-date gross pay.

You can scroll through the payroll records with the cursor keys: UP, DOWN, HOME, END, PAGE UP, and PAGE DOWN, or by clicking on the UP/DOWN arrows with the left mouse button.

To Add A New Payroll Record
Click [Add]. The Add Payroll Record screen will be displayed and HCA will take you through the appropriate payroll data fields on the first page, one at a time, prompting you for data. After an initial run through the fields, you will have a chance to go back and edit any of the fields you wish.

Basic information is contained on Page 1. Actual payroll categories, for Period, Quarter, and Year-to-date, are on Page 2. page 3 contains the data for Miscellaneous Deductions. You can move through the pages with the space bar.

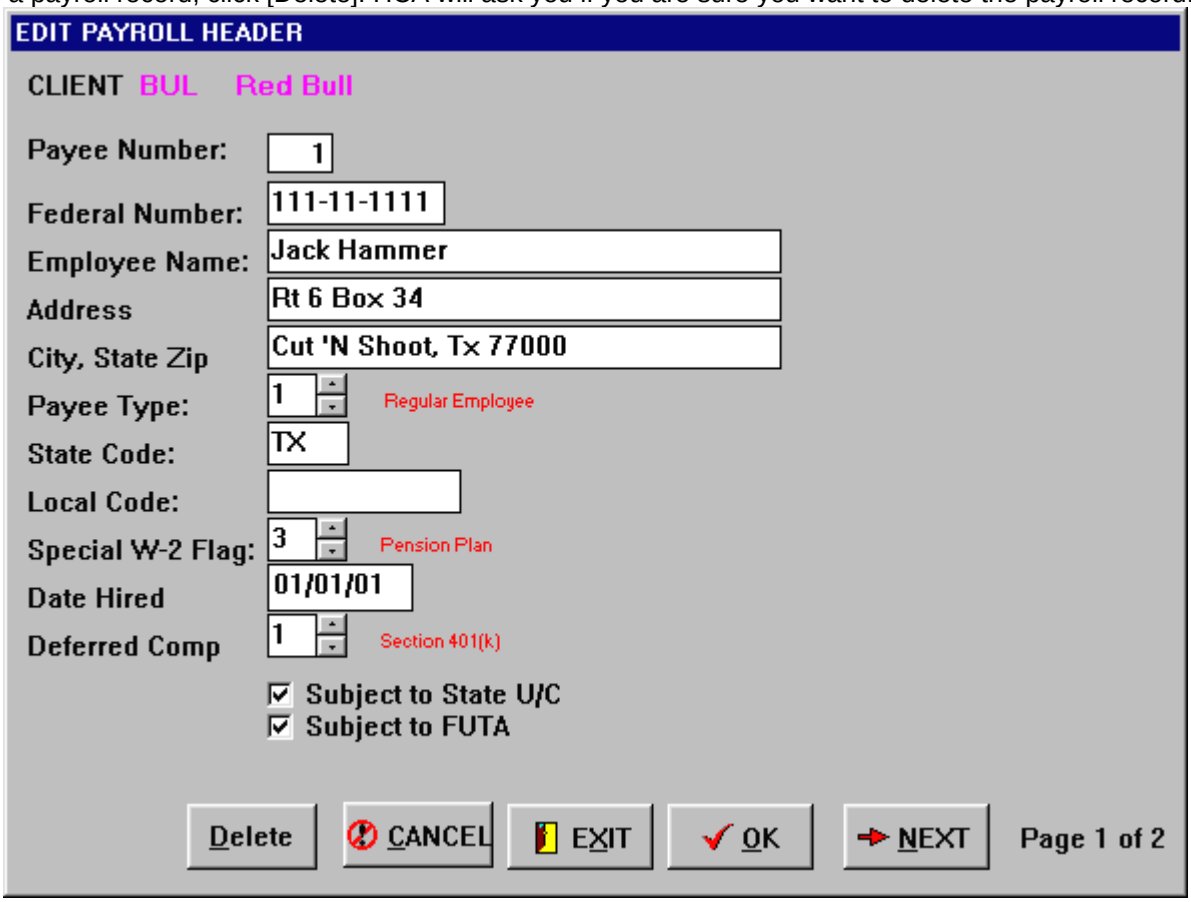
When you are satisfied with the payroll information, press [OK]. The new payroll record will be inserted into PRL-xxxx.

HCA, the system will confirm this by displaying a message, and you can then add another payee. When you are finished entering payroll records, press [Exit].

To Edit An Existing Payroll Record
There are two methods of selecting a payroll record for editing:
Use the cursor keys to place the highlight bar over the desired record and double click the left mouse button.
Click [Change]. HCA will prompt you for the payee ID. if the payee ID you entered does not exist, HCA will beep and prompt you again for another ID.

The system will display the Edit Payroll Record screen and you can begin editing the record. When you are satisfied with the changes, click [OK]. The updated information on the payee will be saved in PRL-xxxx. HCA and HCA will return you to the payroll listing. If you click [Exit] instead of [OK], any changes made to the payroll record will not be saved.

Deleting A Payroll Record
To delete a payroll record, click [Delete]. HCA will ask you if you are sure you want to delete the payroll record.



To Print The Payroll File
Click [Print]. A listing of the Payroll file PRL-xxxx. HCA is printed with each employee's payroll ID, federal ID, name, address, and payee type printed.

PAYROLL DATA FIELDS
ID
A 1-3 number that uniquely identifies the employee.

FEDERAL ID
For individuals, use their Social Security number. For companies, use their federal ID number.

NAME
Name of the employee or contractor (maximum length=30 characters)

ADDRESS 1
ADDRESS 2
Two lines for the employee's or contractor's address

PAYEE TYPE
W-2

1	Regular Employee
9	Family Employee-exempt FICA
10	Agricultural Employee

1099

2	Proceeds From Broker and Barter Exchange Transactions
3	Dividends and Distribution
4	Interest Income
5	Taxable Distributions Received From Cooperatives
6	unused
7	unused
8	Miscellaneous Income

Refer to Appendix G-W-2's and 1099's for detailed information on how these forms are printed.

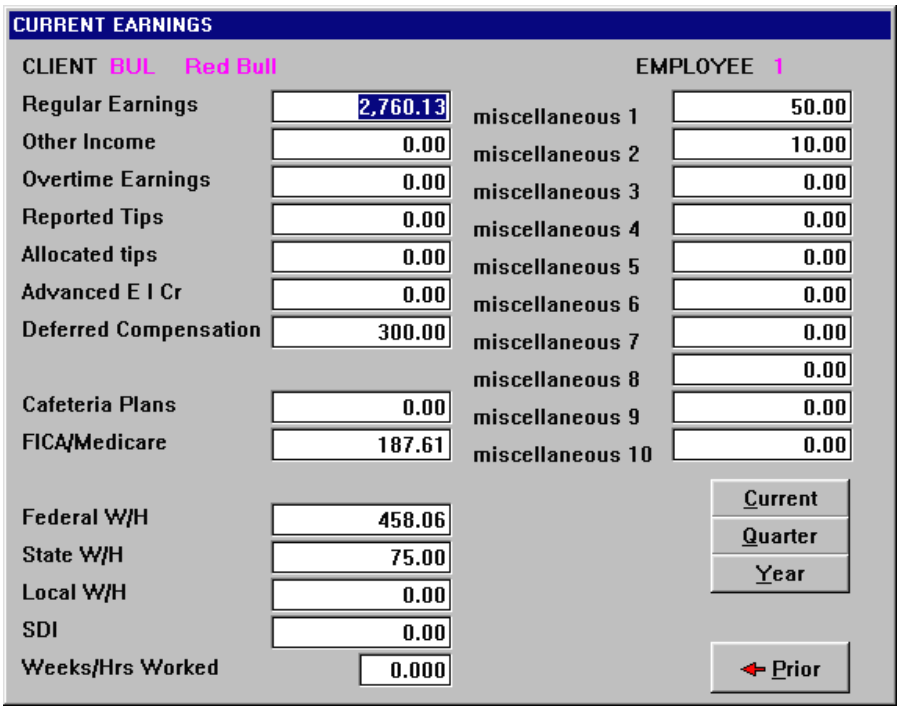
STATE CODE
Two-character state identifier. This field is essential in order for the state payroll report(s) to print correctly.

LOCAL CODE
If you are tracking Local Withholding, enter the local identifier here.

SUBJECT U/C / SUBJECT FUTA
Regular employees can be indicated as exempt from U/C or FUTA. These options deal primarily with certain types of student employees as opposed to family employees that are exempt from both unemployment taxes and FICA.

SPECIAL W-2 FLAG
1 Statutory Employee
2 Deceased
3 Pension Plan
4 Legal Representative
5 942 Employee
6 Deferred Compensation
7 Deferred Compensation and Pension Plan

EARNINGS SCREEN
Initially the earnings screen displays the current period. To change periods click the desired period. You are able to enter or change balances in any displayed field.



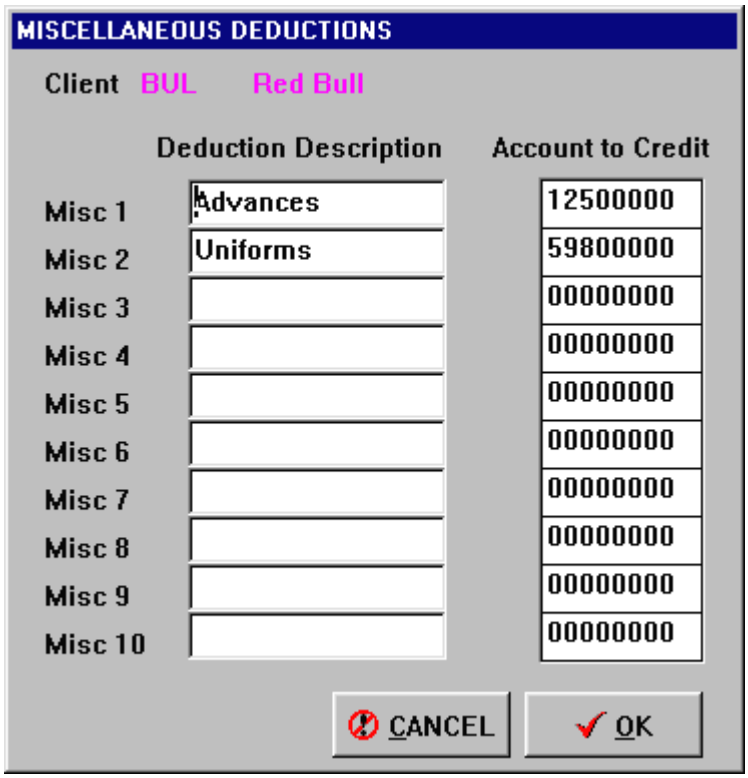
Of the fields listed, some will not appear if you have not told the system to track them (through the PAYROLL and TAX STANDARDS routine).

To edit a field on this page, move the cursor to the field you want to change and click the left mouse button. The prompt starts at the Current Period field and moves to Quarter-To-Date and then the Year-To-Date fields.

EARNINGS FIELDS

Regular Pay
Other Pay
Reported Tips
Allocated Tips
Overtime Earnings
Advance Earned Income
401 (k)
FICA Withholding
Federal Withholding
State Withholding
Local Withholding
S.D.I. (State Disability Insurance)
Weeks/Hours Worked

MISCELLANEOUS DEDUCTIONS
You can maintain up to 10 miscellaneous deductions for each employee. Edit the fields the same way you did the pay fields. You will not be able to edit a deduction that is not set up through the PAYROLL ACCOUNTS / MISCELLANEOUS DEDUCTIONS routine.

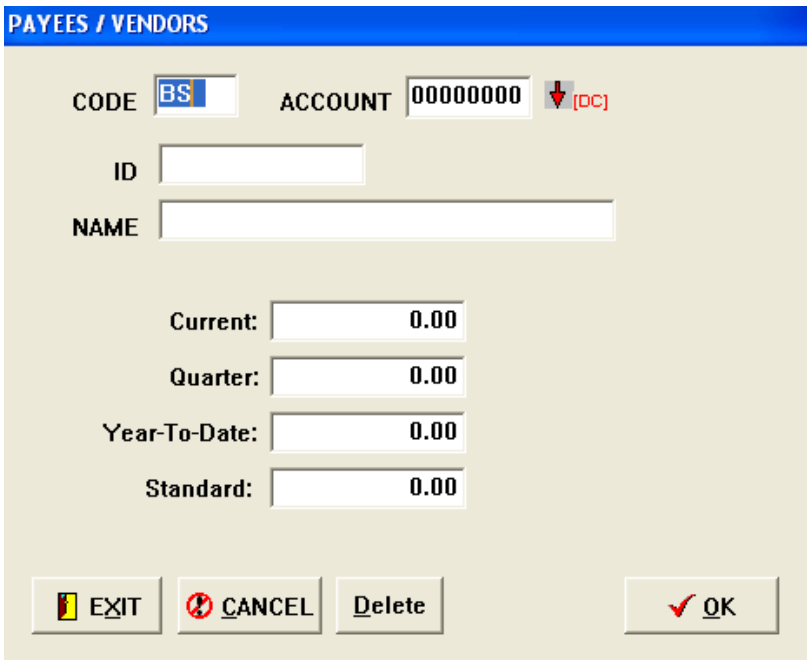


7.3 PAYEES / VENDORS
This is the routine where you can create, edit and print your client's vendor codes.

When you select the PAYEES / VENDORS option, HCA displays the main vendor screen. If you want to display the Vendor file then click [Display]. Each vendor record displayed consists of the vendor code and the vendor description.

You can scroll through the vendor codes with the cursor keys: UP, DOWN, HOME, END, PAGE UP, and PAGE DOWN. This code can be entered in the description field when entering transactions to save you key strokes

To Add A New Vendor Code
Press [Add]. The Add Vendor screen will be displayed. Use the mouse pointer to move from field to field.



When you are satisfied with the vendor information, press [OK]. The new vendor code will be inserted into VDR-xxxx. HCA. The system will confirm this by displaying a message, and you can then add another vendor code. When you are finished entering codes, press [Exit].

To Edit/Delete An Existing Vendor Code
Place the highlight bar over the appropriate vendor record and double click. The system will display the Edit Vendor screen, and you begin editing the vendor record. When you are satisfied with the changes, press [F2]. The updated information for the vendor will be saved in VDR-xxxx. HCA, and HCA will return you to the Vendor File listing. if you press [Exit] instead of [OK], any changes made to the vendor will not be saved.

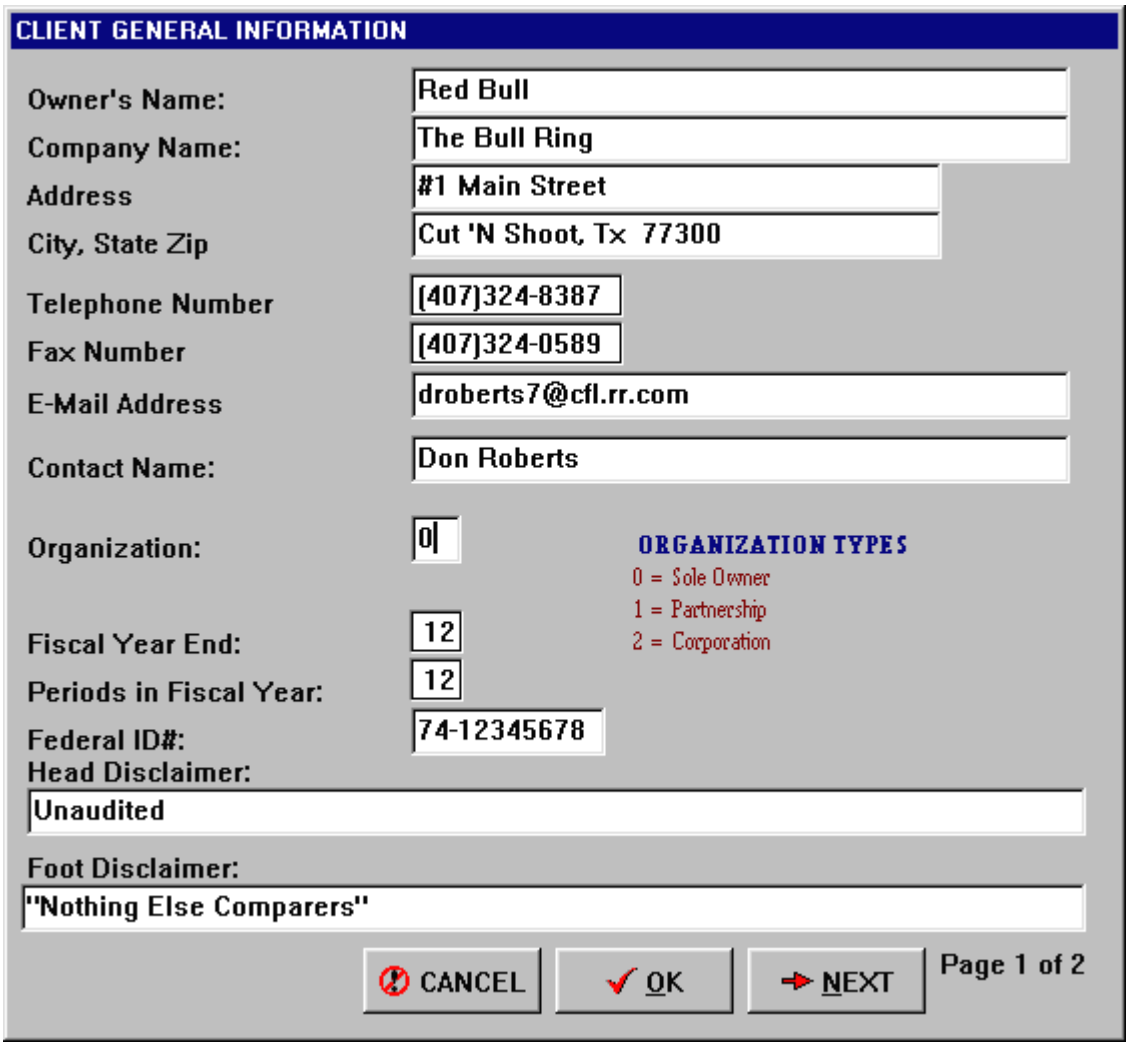
7..4 CLIENT GENERAL INFORMATION
The information you supply in this routine is used throughout the HCA system. This information will differ, for the most part, from client to client. These parameters can be changed at any time, but they should be set properly at the time the client is created. The CLIENT GENERAL INFORMATION routine uses two screen pages to display all of the data.

On each page, press the letter displayed next to the data field you want to change. One of three things will happen, depending on the data field:

A numeric or alphanumeric field will be displayed for you to enter data into. Enter the desired value and press [RETURN].

Another window will pop up, with a list of the available options. Make a selection by pressing the appropriate number or letter. Press [ESC] if you don’t want to make a selection.

If the field is a YES / NO type, pressing the data field letter will switch the flag between YES and NO.



PAGE 1

OWNER'S NAME
A 30-character alphanumeric field for the name of the owner. If the client is a corporation, enter the corporation name.

COMPANY NAME
The DBA or trade name of the business, if any.

ADDRESS 1
The street address of the client.

ADDRESS 2
The city, state, and zip code of the client.

ORGANIZATION
SOLE-OWNER, PARTNERSHIP, or CORPORATION. If the client is a corporation, you can have the system calculate estimated Federal Income Tax and make a memo posting. This is not to be confused with the account file organization.

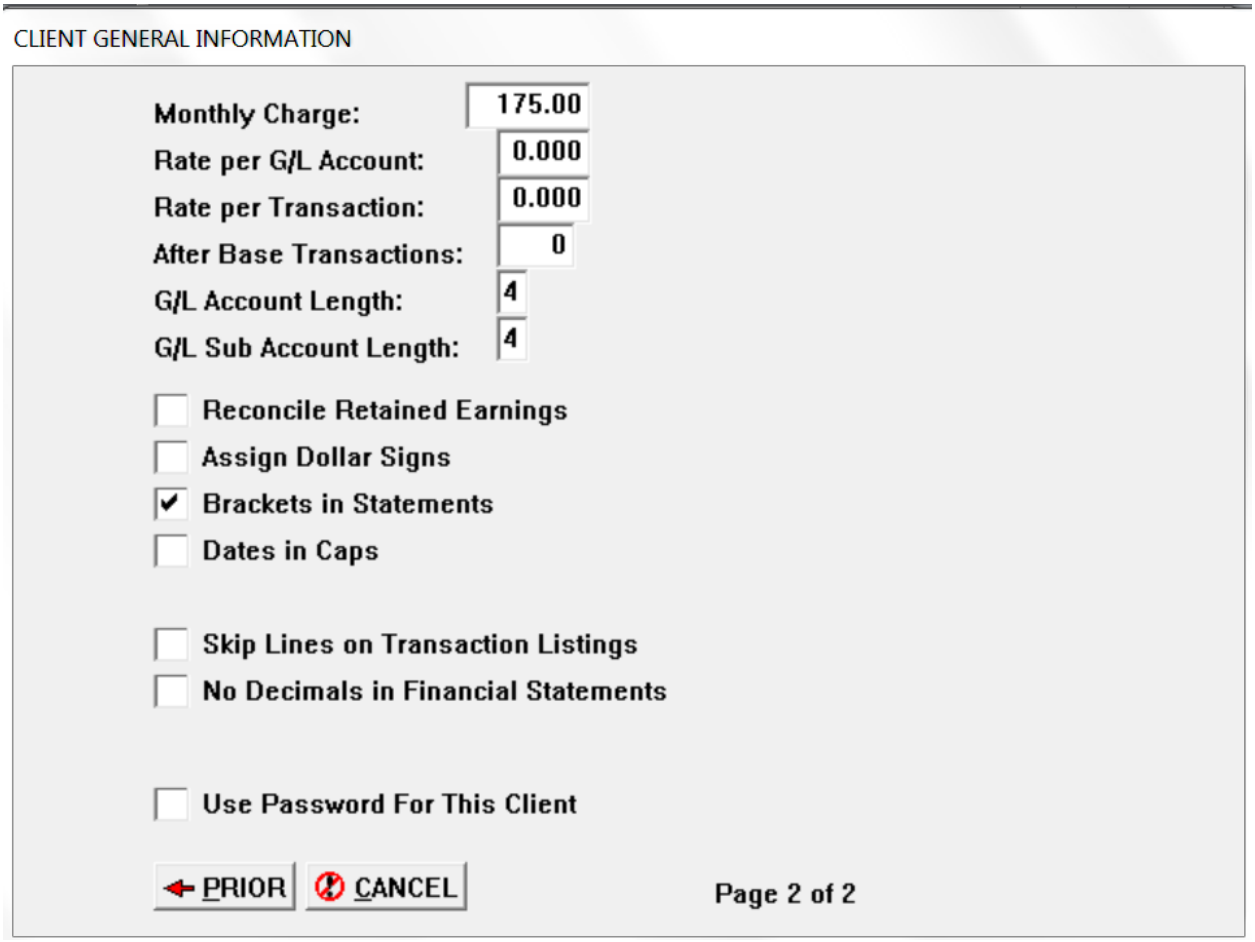
FISCAL YEAR END
Enter the number of the month (1-12) that the client's fiscal year ends (e.g. - 12 for December, 5 for May)

FEDERAL ID
The company's federal number.

HEAD DISCLAIMER
A message (maximum of 50 characters) that is printed at the top of financial reports. For example, "UNAUDITED".

FOOT DISCLAIMER
A message (maximum of 50 characters) that is printed at the bottom of financial reports. For example, "SEE ACCOUNTANT'S COMPILATION LETTER".

PAGE 2



MONTHLY CHARGE
When you have HCA print a client bill, you can have it insert a monthly retainer amount on the bill. Enter that amount here.

RATE PER G/L ACCOUNT
If you want the client bill to include a General Ledger account charge, enter the dollar amount per account here.

RATE PER TRANSACTION
If you want the client bill to include a transaction charge, enter the dollar amount per transaction here.

AFTER BASE TRANSACTIONS
If the transaction charges start only after a certain number of transactions, enter the base number here.

G/L ACCOUNT LENGTH
This is the maximum length of each G/L account. You can define any length from 3 to 8 characters.

G/L SUB ACCOUNT LENGTH
This is the length of the sub accounts. The total of the G/L account length and the sub account length can

not exceed 8 characters. You can specify a sub account length of 0 if you are not keeping sub accounts.

Example: With a G/L account length of 4 and a sub account length of 2, a typical account would be 401102.

It is essential to set these account lengths to prevent trailing zeroes from appearing on reports, or to establish departmental accounts. Other than establishing departmental accounts, this is strictly a formatting option and is not required. If you prefer, just set the G/L ACCOUNT LENGTH to 8.

RETAIN ALL TRANSACTIONS
If you want to retain every transaction posted to every account for the Year-To-Date General Ledger, set this flag to YES. (recommended) This will override each account's RETAIN TRANSACTIONS flag. If set to NO, you must specify, on an account-by-account basis, if you want transactions retained.

PERIODS IN FISCAL YEAR
This is the number of periods in the client's fiscal year. There are three possible values: 4 (if the client is processed on a quarterly basis), 12, or 13.

ASSIGN DOLLAR SIGNS
If you set this flag to YES, dollar signs will be printed before each account balance only if the account's DOLLAR SIGN flag is set to YES.

If the flag is set to NO, HCA assumes that you do not want to set the DOLLAR SIGN flag for each account. It will automatically put a dollar sign before an account's balance if:

The account is the first account on a page, or
The account is a TOTAL account, or
The account's LINE FLAG is set to 5.

BRACKETS IN STATEMENTS
If set to NO, HCA will print a minus sign (-) after an account's balance if that balance is counter to the account's NORMAL BALANCE. If you set this flag to YES, the balance is enclosed in brackets <>.

DATES IN CAPS
If you want the date on your financial reports to be printed in all upper-case characters, set this flag to YES.

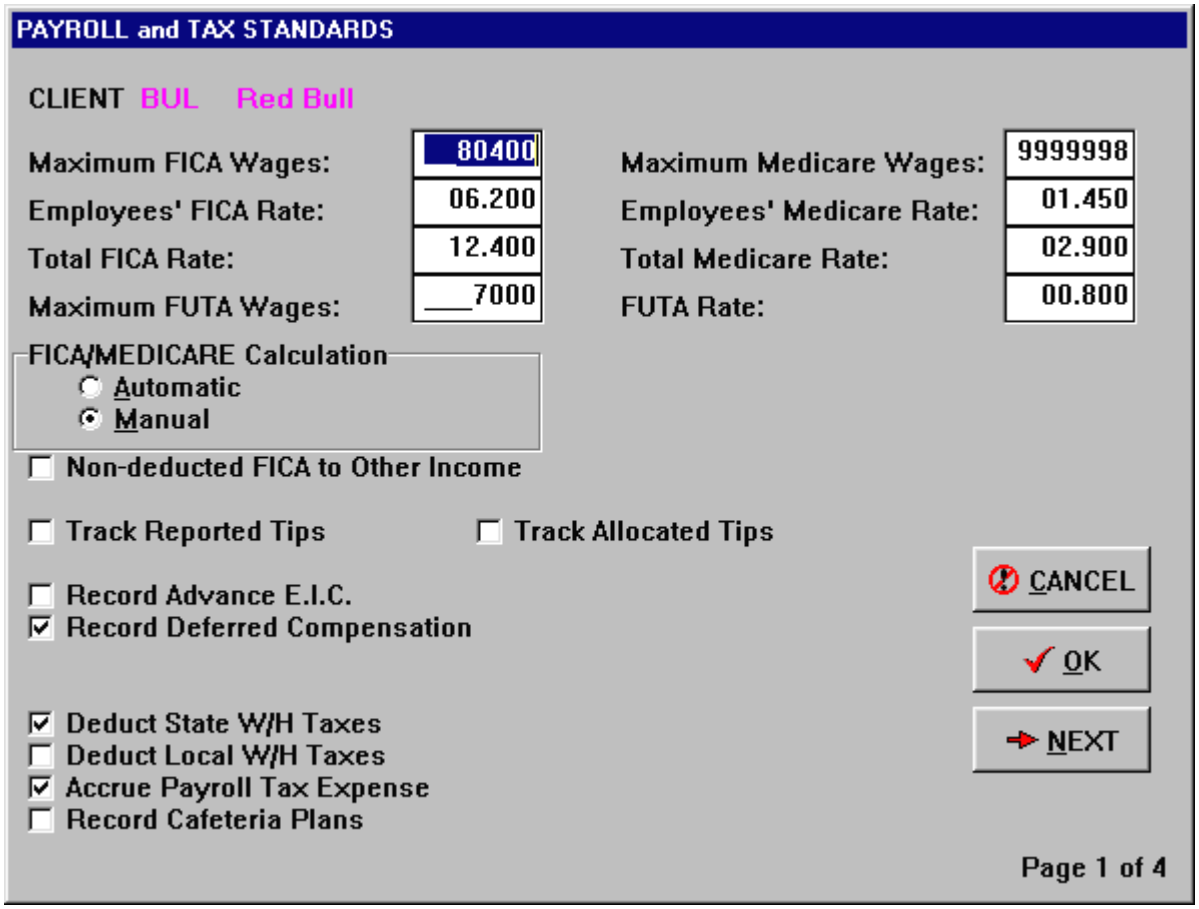
SKIP LINES IN TRANSACTION LISTINGS
If this flag is set to YES, HCA will skip a line (for improved readability) after each transaction set is printed on transaction listings (PRINT TRANSACTIONS, PRINT JOURNALS, etc.).

7.5 PAYROLL & TAX STANDARDS
The PAYROLL & TAX STANDARDS routine consists of at least four pages of information concerning the tax rates and limits, tracking deductions, and payroll account assignments. Pages 1 and 2 contain general payroll information. State information is maintained in sets of two pages each, starting with page 3. If you are tracking only one state, pages 3 and 4 are all you need.

Single Client, Multiple States
If your client has to track payroll for more than one state, you can set up the information for as many states as required and print state reports for each of the states.

The Client General Information file, initially, has room for just one state (screen pages 3 and 4). Pages for additional states can be created by entering a new state number on state page 1

PAGE 1



MAXIMUM FICA/MEDICARE WAGES
Enter the cut of value from the federal tax tables. If there is no maximum (i.e. Medicare) enter 9999998.

EMPLOYEE'S FICA/MEDICARE RATE
Enter the rates at which FICA/MEDICARE taxes are deducted from employee wages.

TOTAL FICA/MEDICARE RATE
Enter the rate for the sum of the employees and employer's portion of FICA/MEDICARE taxes.

MAXIMUM FEDERAL U/C WAGES
Enter the maximum wages subject to FUTA tax.

FEDERAL UNEMPLOYMENT RATE
Enter the current FUTA rate.

FICA CALCULATION
FICA (now including Medicare) and Federal Withholding calculations are special considerations in payroll entry and differ depending on how the FICA CALCULATION flag is set. If FICA CALCULATION is set to AUTOMATIC, you will be prompted only at the FEDERAL WITHHOLDING field. The system with automatically calculate the FICA amount, deduct it from the WITHHOLDING amount and place it in the FICA field. If the WITHHOLDING amount is less than the Calculated FICA, all of the WITHHOLDING is carried to FICA.

TRACK REPORTED TIPS
If you have to track reported tips, set this flag to YES. The REPORTED TIPS field will appear on the PAYROLL / 1099 maintenance screen and you will be prompted at the PAYROLL ENTRY screen.

TRACK ALLOCATED TIPS
Set to YES if you need to track allocated tips.

RECORD ADVANCE E.I.C.
If any of the client's employees are eligible for Earned Income Credit, set this flag to YES.

RECORD 401(k) CONTRIBUTIONS
If any employees are contributing to 401(k) plans, set this flag to YES.

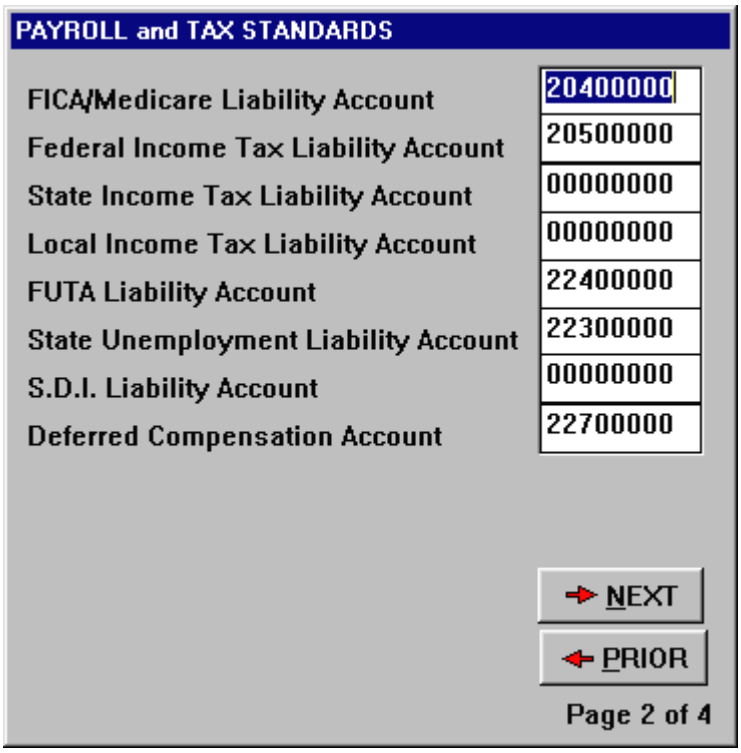
DEDUCT STATE WITHHOLDING TAXES
If the client deducts state withholding taxes from employees, set this flag to YES.

DEDUCT LOCAL WITHHOLDING TAXES
If the client deducts local withholding taxes from employees, set this flag to YES.

ACCRUE PAYROLL TAX EXPENSE
If you want the system to calculate and post the employer's payroll tax expense after payroll entry, set this flag to YES.

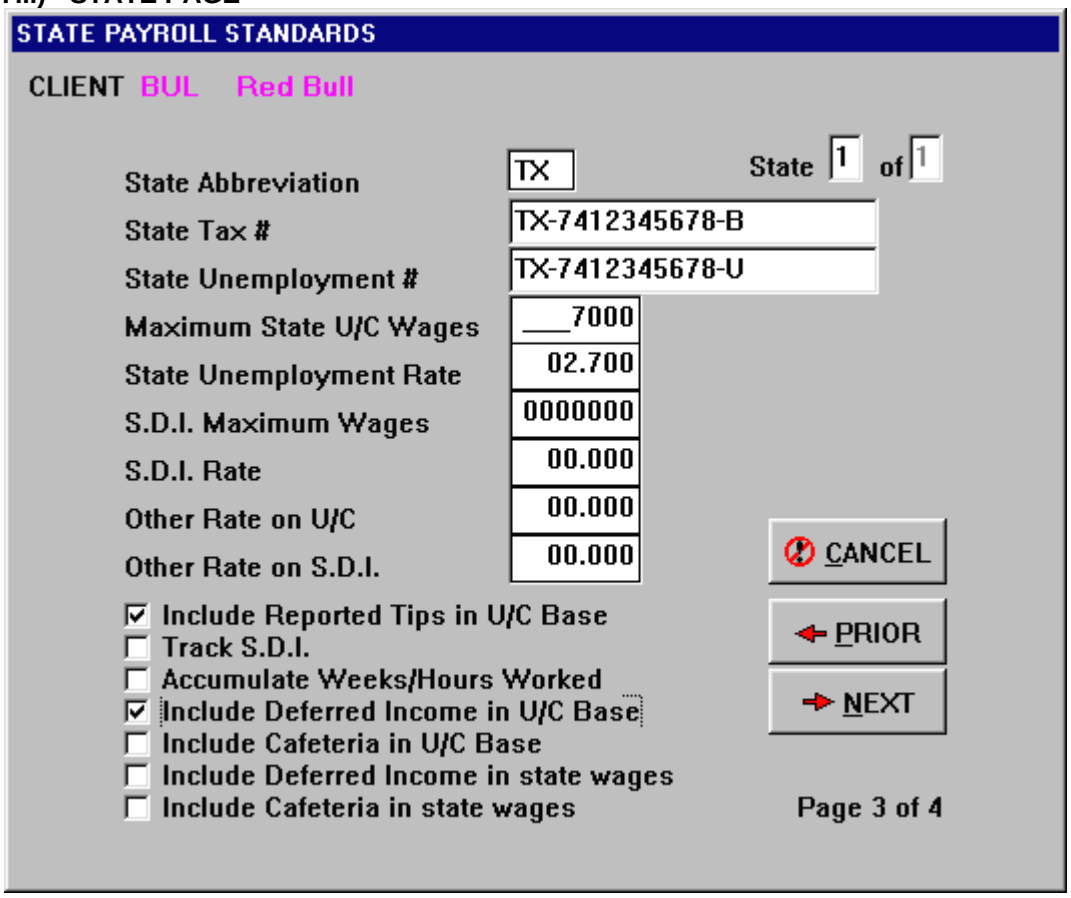
NON-DEDUCTED FICA TO OTHER INCOME
If the employer deducts no FICA, the system treats the employee portion of FICA tax as Other Income. If there is any FICA withheld, HCA will not treat any shortage as Other Income.

PAGE 2



TAX LIABILITY ACCOUNTS
The second screen is used to enter the appropriate tax liability accounts. During payroll transaction entry, these accounts are updated automatically. All accounts must be filled in, except the state and local liability accounts, unless you have specified that you are deducting these taxes (in which case, the accounts are required).

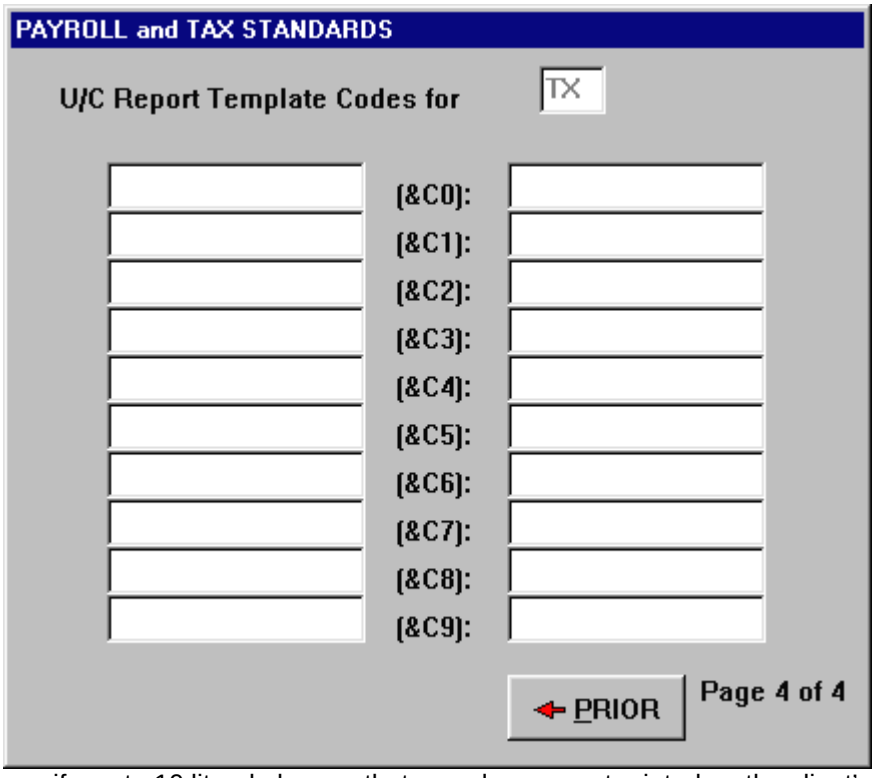
PAGE 3 (or 5,7...) - STATE PAGE



STATE ABBREVIATION
Enter the postal abbreviation for the client's state.
STATE TAX #
The company's state number, used on W-2's.
STATE UNEMPLOYMENT #
The company's state unemployment number, if there is one.
MAXIMUM STATE U/C WAGES
Enter the maximum wages subject to unemployment taxes in your current state.
STATE UNEMPLOYMENT RATE
Enter the client's current state unemployment rate.
S.D.I. MAXIMUM WAGES
Enter the maximum wages subject to state disability insurance contribution.
S.D.I. RATE
Enter the state disability insurance rate.
OTHER RATE ON U/C
If there is another unemployment tax, enter the rate here.
OTHER RATE ON S.D.I.
If there is another S.D.I. contribution required, enter the rate here.
REPORTED TIPS INCLUDED IN U/C BASE
Set to YES if reported tips are subject to unemployment taxes.
TRACK S.D.I.
If any of the client's employees are required to contribute to state disability insurance plans, set this flag to YES so you will be prompted during payroll transaction entry.
ACCUMULATE WEEKS / HOURS WORKED
If the client needs to report weeks or hours worked, set this flag to YES and you will be prompted during payroll transaction entry.

PAGE 4 (or 6,8...) - STATE PAGE

U/C REPORT TEMPLATE CODES



This is where you can specify up to 10 literal phrases that you always want printed on the client's Employer's Quarterly Report and that are not included elsewhere in the Client General Information file INF-xxxx. HCA. These phrases are fairly constant from one report to the next and are not dependent on the constant changes in the Payroll file. Examples of such phrases could be a country code, a tax area code, etc.

Other literal phrases, pulled from the Client General Information file, are always available and are assigned their own template codes. Examples of these phrases include client name and address, period ending date, federal ID, etc.

For each code, you can specify at 15-character description for the code and a 15-character phrase that will actually be printed on the report. The codes are labeled &CO through &C9. Press the appropriate number displayed next to the code you want to change. HCA will first prompt you for a description and then the actual phrase itself.
For more information see Appendix D - SETTING UP THE STATE U/C REPORT.

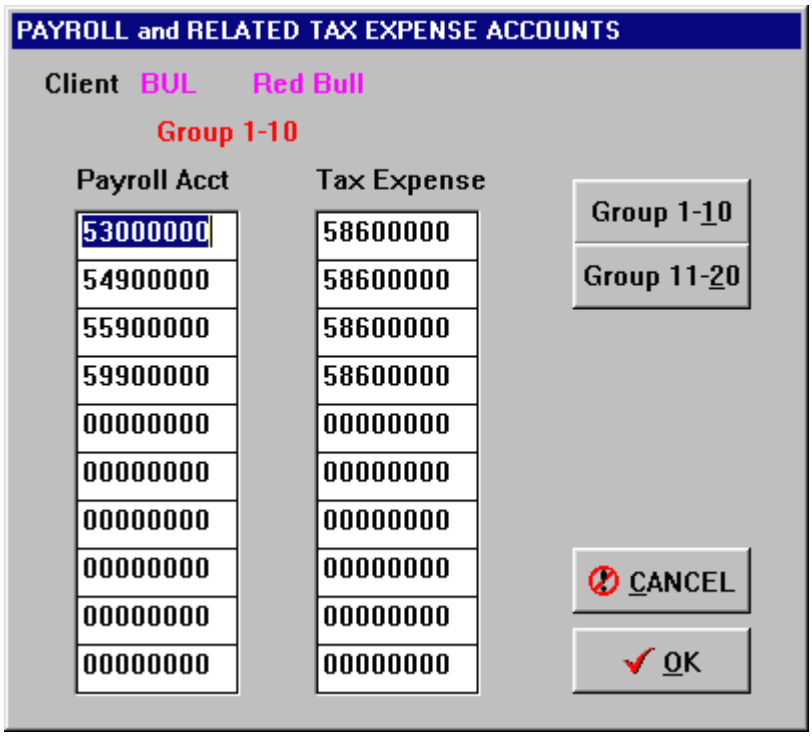
7.6 PAYROLL ACCOUNTS

This routine instructs the system where to charge employer's taxes and miscellaneous deductions.
If you set the ACCRUE PAYROLL TAX EXPENSE flag to YES, you have to tell the system where you want to charge the payroll taxes it generates. HCA automatically creates the necessary debit and credit entries based on the account assignments you provide here. The Payroll accounts and Payroll Tax Expense accounts are established on a one-to-one relationship. Payroll tax liability accounts are explained on page 7-28.

You can establish up to 20 regular payroll accounts and their related tax expense accounts. You can, if you wish, charge all accrued payroll taxes to one payroll tax expense account, but you have to enter that expense account for each payroll account. Accounts are displayed and entered in groups of 10. When you first enter the screen group 1 is displayed. If you need more than 10 accounts then click the next group you want to edit.

HOW THE SYSTEM ACCRUES TAXES

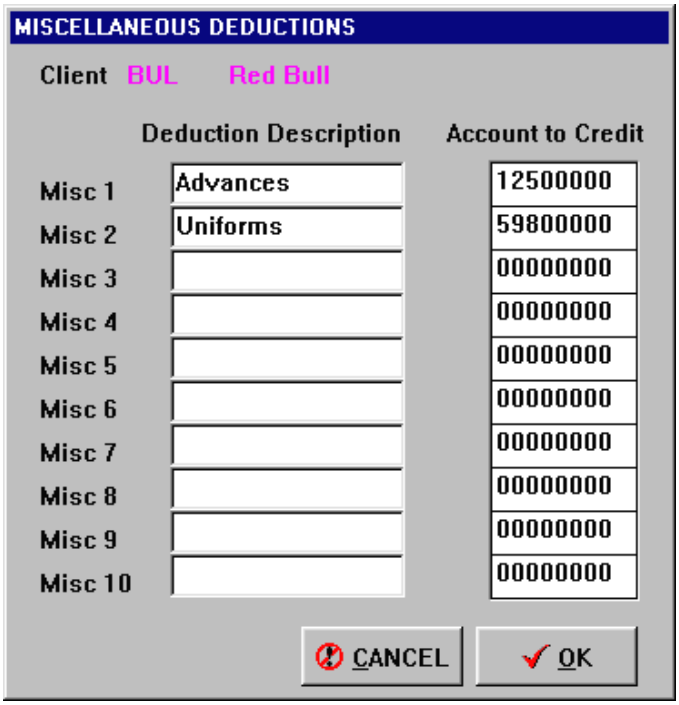
To accrue payroll taxes, the system audits every payroll entry. If the wages are not over the maximum amounts set in PAYROLL & TAX STANDARDS, the system calculates the amount of the employer's FICA, FUTA, and state unemployment tax. The amount of the total payroll tax is debited to the employer's payroll tax expense account(s), and the proper tax liability accounts are credited.



FUTA and state unemployment tax calculation is very straightforward - the amount of taxable wages is multiplied by the tax rate to get the taxes. FICA tax is calculated by computing the total amount of FICA due for the wages paid. The employee's portion of the FICA tax is deducted from the total, with the remaining amount assigned to the employer's portion. When an employee reaches the maximum FICA wage level, any excess is carried over to Federal Withholding. If there is no employer's tax expense account assigned to a payroll account, an out-of-balance condition will occur because the system will have a debit entry and no credit account to post to.

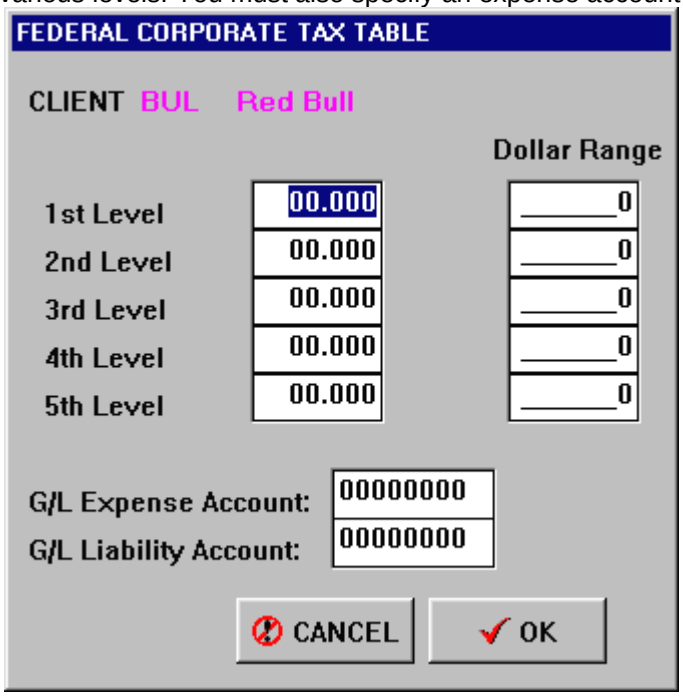
7.7 MISCELLANEOUS DEDUCTIONS

HCA will allow you to create and maintain up to 10 miscellaneous deductions. These deductions can be created and edited at any time. By pressing the appropriate letter displayed next to the deduction, you can enter a 15-character description for the deduction and the proper G/L account number. During payroll entry, you will only be prompted for deductions that are assigned a valid account number.



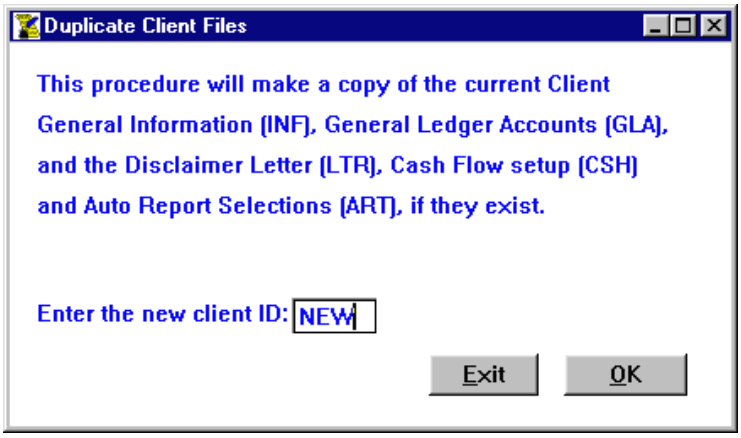
7.8 FEDERAL CORPORATE TAX TABLES

If you want the system to generate a memo posting for estimated federal tax expense and federal tax payable, you have to create the necessary data in the FEDERAL CORPORATE TAX TABLE routine. This involves setting up the tax rates and dollar ranges for the various levels. You must also specify an expense account and a liability account.



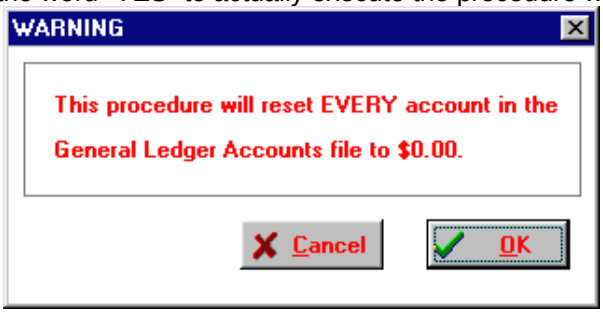
7.9 DUPLICATE CLIENT FILES

DUPLICATE CLIENT FILES is a fast and easy way to copy your Client General Information file INF-xxxx. HCA and Chart of Accounts file GLA-xxxx. HCA to a new client. HCA makes identical copies of these files. You provide the new client ID and the system does the rest.



7.10 CLEAR ALL ACCOUNTS

CLEAR ALL ACCOUNTS can be a useful but dangerous routine. It will zero every balance in every account in GLA-xxxx. HCA. In fact, you must type the word “YES” to actually execute the procedure when HA prompts you.



Once the procedure has been executed, there is no going back. So you should have a current backup of your client data files before you run this routine.

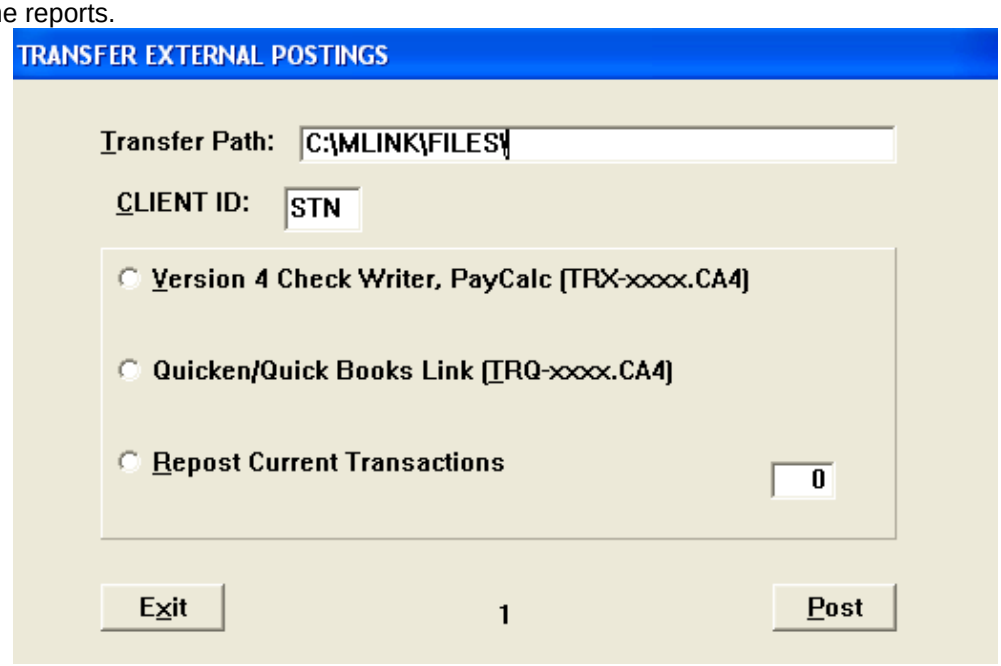
8
CONVERT DATA FILES

8.1 TRANSFER EXTERNAL POSTINGS

This routine merges an external postings file into the current transaction file and posts the appended transactions to the General Ledger. The external posting file is then deleted.

External posting files are provided by our other accounting programs such as the Check Writer, Payroll, Data Entry or MAGIC LINK (which can convert data from QuickBooks). While external files are not necessary to run HCA, if you or your client is processing data with other programs, you can easily update that client's HCA data files by transferring these external postings. If you are very careful, you can also **repost** current transactions entered from HCA itself.

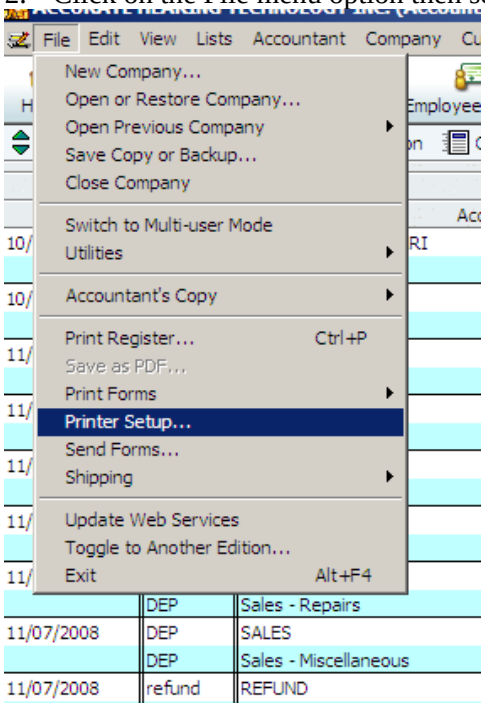
The transfer routine should always be run before printing month-end reports to ensure that your most recent postings are included in the reports.



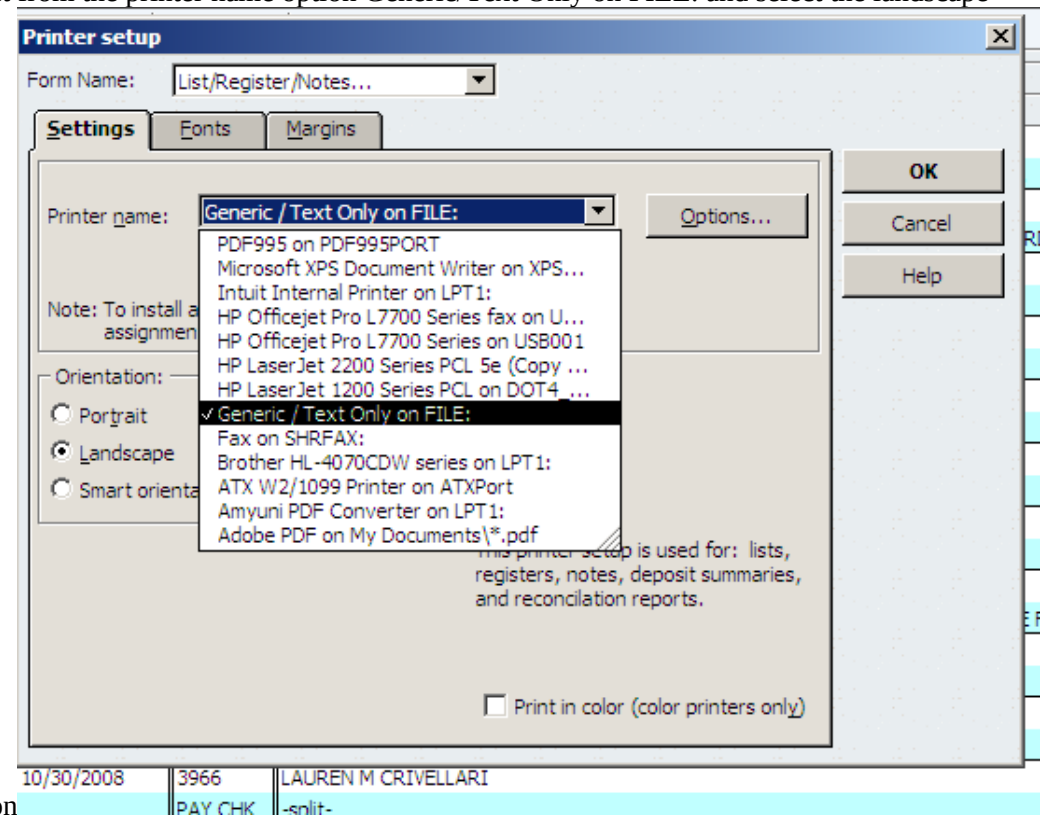
QuickBooks Interface Instructions

We took this approach for importing the QuickBooks register transactions because it should work with any version of QuickBooks and will not be outdated with future versions. Although the instructions seem complicated once you have the setup done correctly it will be easier the next time. This new program is "free" and is a work in progress, we always encourage input from our customers to make all of our software a useful tool for your practice. As you know, there is no way we can anticipate what kind of strange situations may arise from the operators of the Quickbooks program.

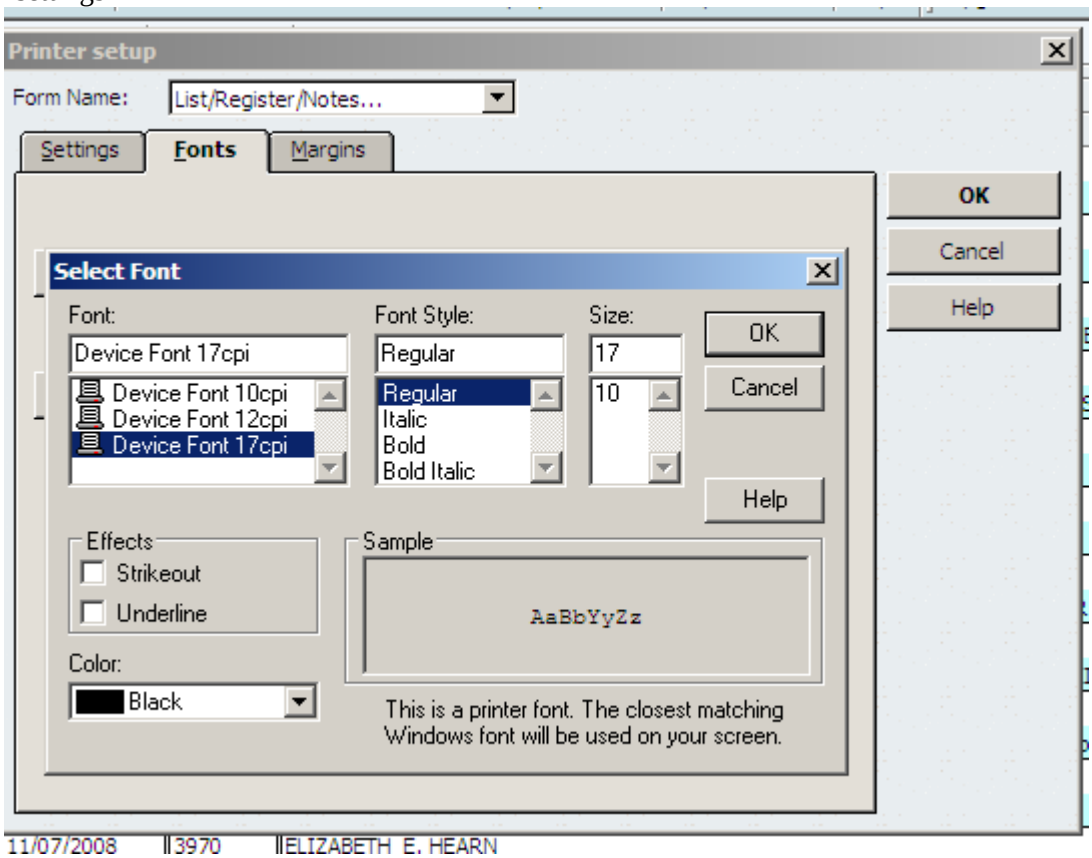
1. Load the check register in QuickBooks that you want to import transactions into Client Accounting
2. Click on the File menu option then select printer setup



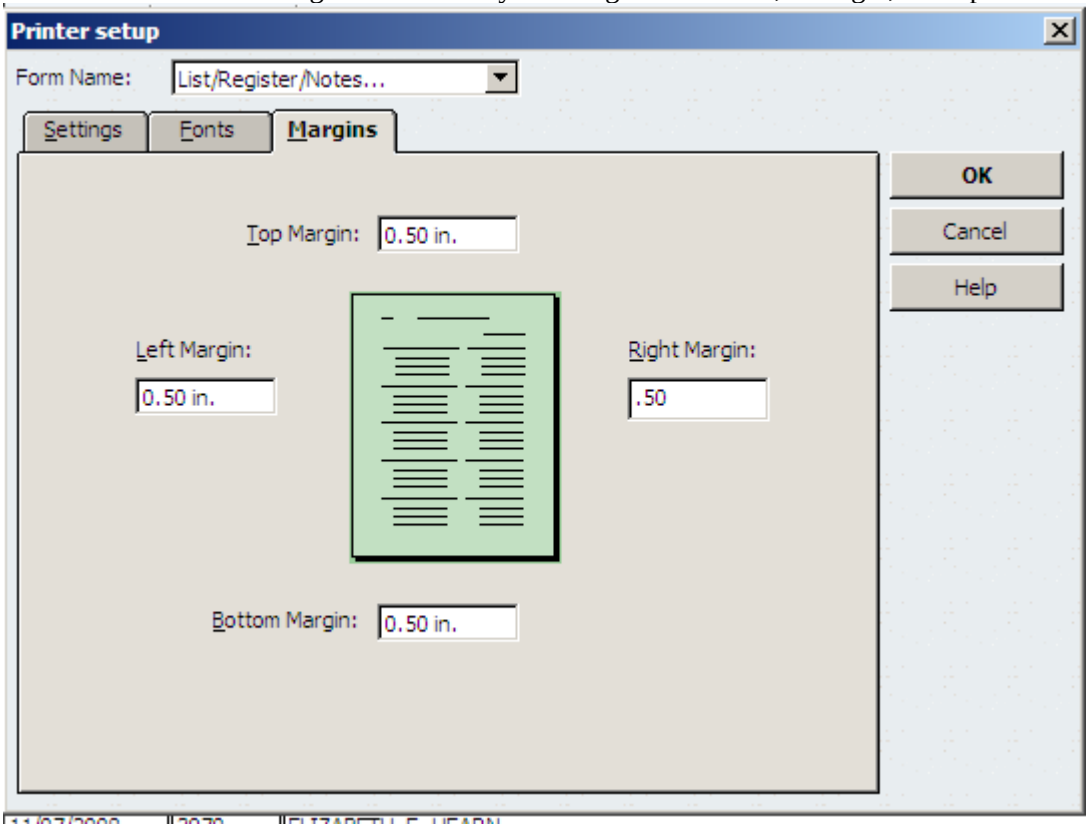
3. Select from the printer name option Generic/Text Only on FILE: and select the landscape orientation



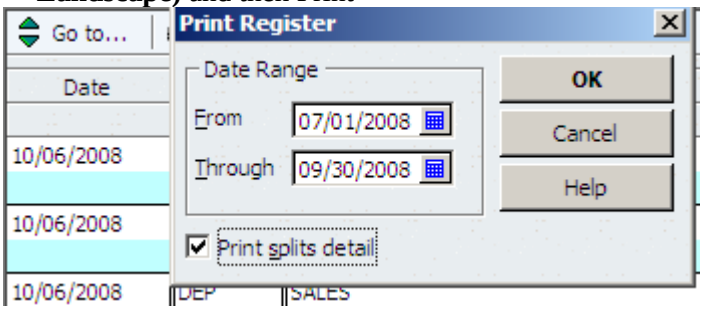
4. Now select the tab for the Font selection and select Device Font 17cpi then click OK to save these print settings



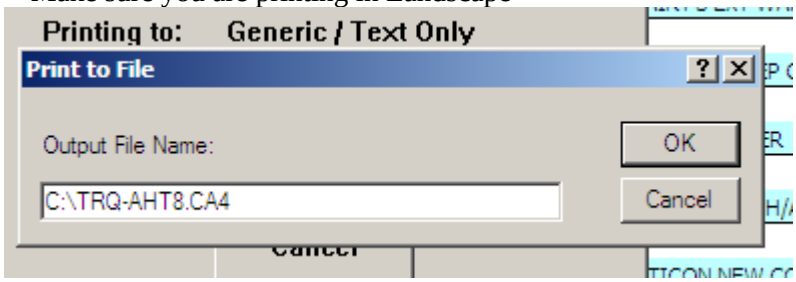
5. Now click on the Margins tab and set your margins to .50 left, .50 right, .50 top & .50 bottom then click OK



6. Now click on the File menu option in QuickBooks and select Print Register then select the date range of the transactions you need and check the Print splits detail box then click OK **(Make sure you are printing in Landscape)** and then Print



7. After you click Print the following box will appear for you to enter the output file name you can enter any drive letter to save the file to (in this case I will use my C:\ drive) the actual file name has to be in the correct syntax - for example my client code for this client in Client Accounting is AHT8 so I enter the following and click OK – Make sure you are printing in Landscape



(The file name will always be TRQ-xxxx.ca4 where xxxx = your client ID in Client Accounting)

Now you should have a file named trq-aht8.ca4 on the C:\ drive or other device. Now you need to copy the TRQ-AHT8.CA4 file to your Client Accounting data directory C:\VERSION4\DATA to prepare the file for posting into Client Accounting. This TRQ file can be created on your client's machine or yours and the file saved to a USB flash drive and then transported to your office and then copied to the C:\VERSION4\DATA folder.
If you open the TRQ-AHT8.CA4 file with Windows note pad it should look similar to this: The first items printed should be 9 spaces from the left and 0 from the top, if not you had the printing setup wrong in QuickBooks.

ACCURATE HEARING TECHNOLOGY INC.
Register: NationsBank
From 07/01/2008 through 09/30/2008
Sorted by: Date, Type, Number/Ref

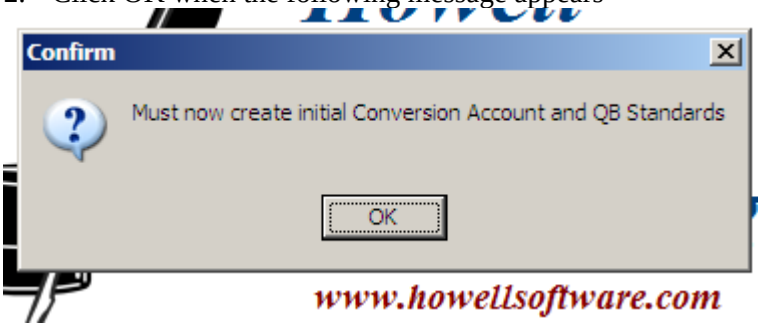
Date	Number	Payee	Account	Memo
07/03/2008	DEP	SALES	Sales - Miscellaneous	LILLI
07/03/2008	DEP	SALES	Sales - Miscellaneous	LIELBI
07/03/2008	3880	FLORIDA ACADEMY OF AUDIO...	Professional & Legal Fees	MEMBEI
07/03/2008	3881	LAUREN M CRIVELLARI	-split-	
			Salaries	
			Salaries - Sales Commissions	
			Payroll Taxes - Federal W/H	
			Taxes - Payroll	
			Payroll Taxes - FICA	
			Payroll Taxes - FICA	
			Taxes - Payroll	
			Payroll Taxes - FICA	
			Payroll Taxes - FICA	
			Taxes - Payroll	
			Payroll Taxes - FUTA	
			Taxes - Payroll	
			Payroll Taxes - SUTA	
07/03/2008	3882	NATIONSBANK	-split-	59-352
			Payroll Taxes - Federal W/H	
			Payroll Taxes - FICA	
			Payroll Taxes - FICA	
			Payroll Taxes - FICA	
			Payroll Taxes - FICA	
07/03/2008	3883	NATIONSBANK	Payroll Taxes - FUTA	59-352

Page 1

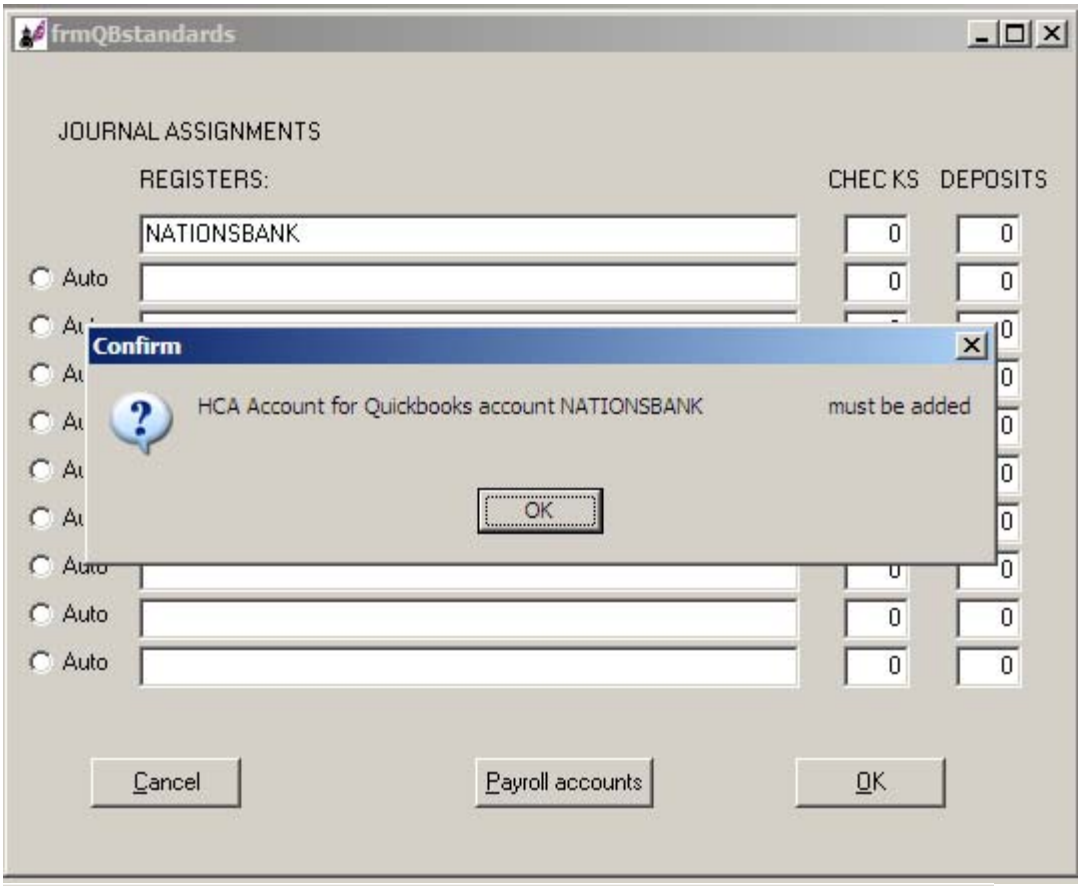
Now we are ready to import the QuickBooks check register transactions into Client Accounting

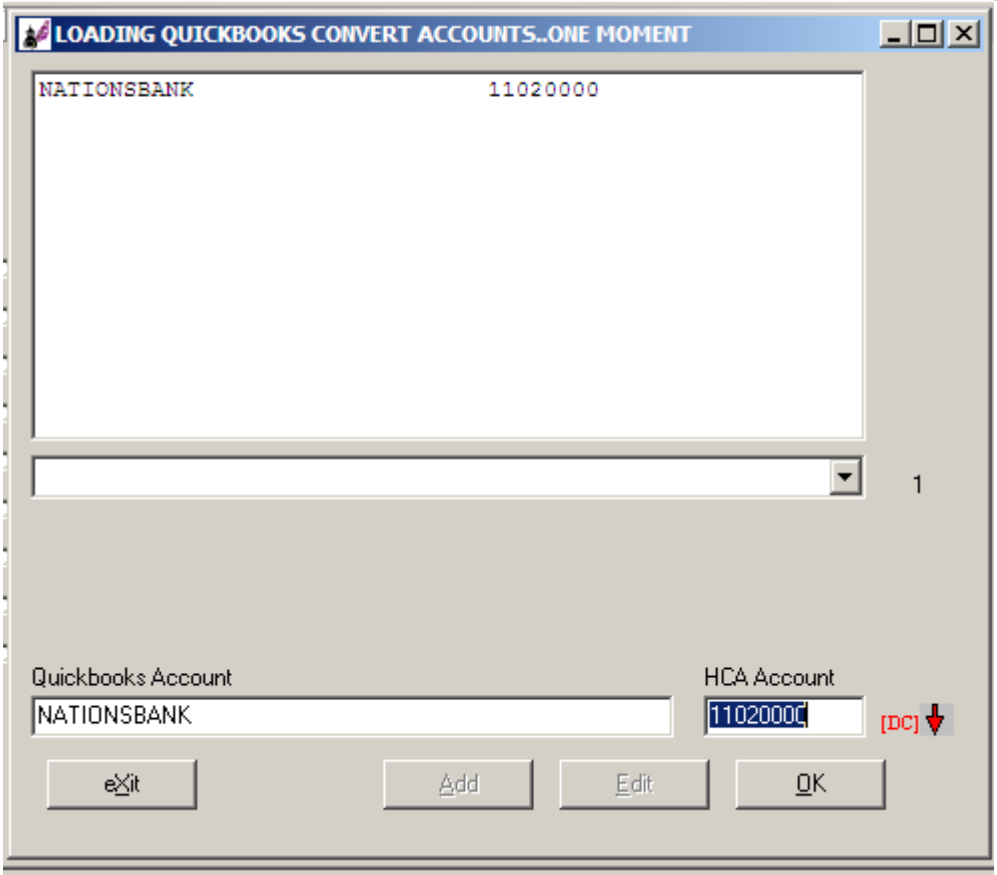
1. Start your Client Accounting program and load your client, make sure you period ending date is correct and then select Convert then Convert Quick Books

2. Click OK when the following message appears

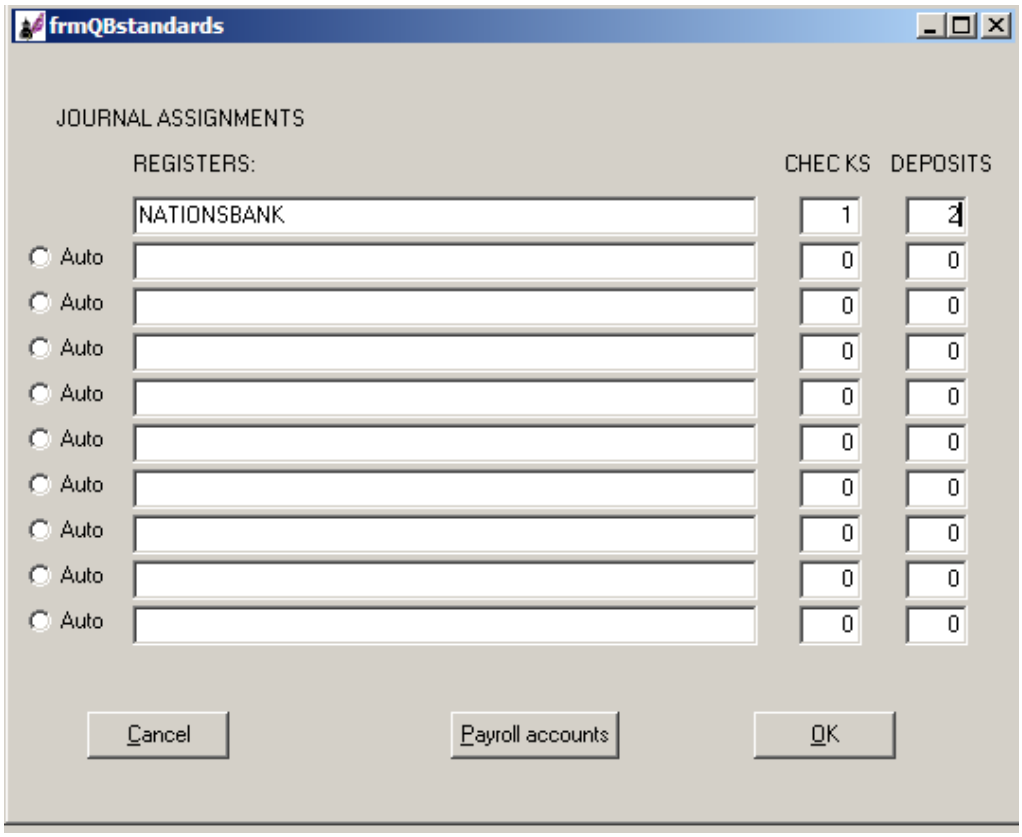


3. The following screen will appear for you to setup your bank accounts and the payroll accounts – again once this is done the first time, your settings will be saved and the next time you import you do not have to repeat these steps. The name of the Quickbooks bank account will be shown automatically and then you will need to setup the cross reference account number for the bank account. You can double click in the HCA account field to select your corresponding G/L account in my example it is 11020000. See pictures below:

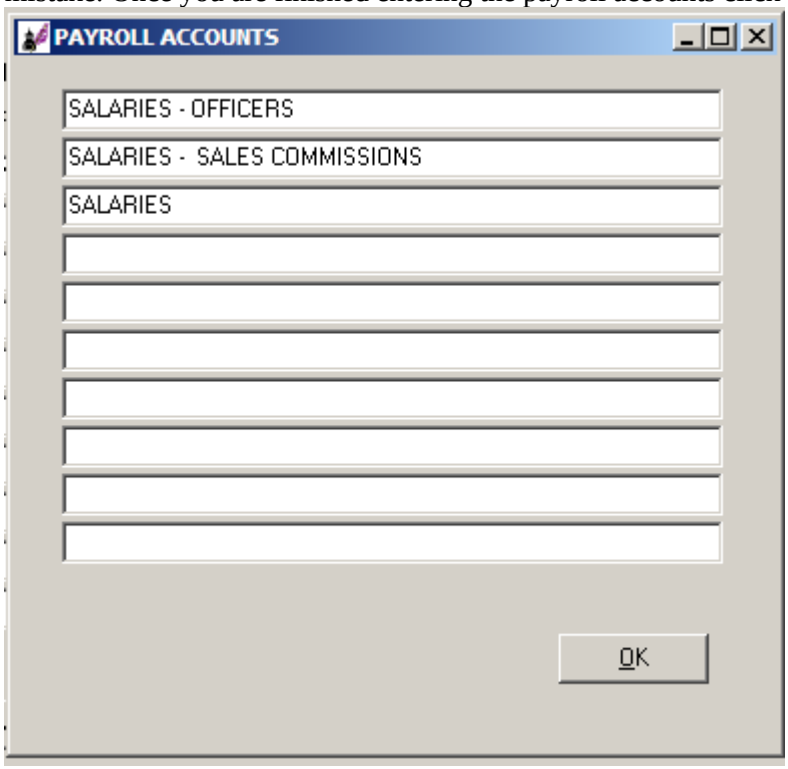




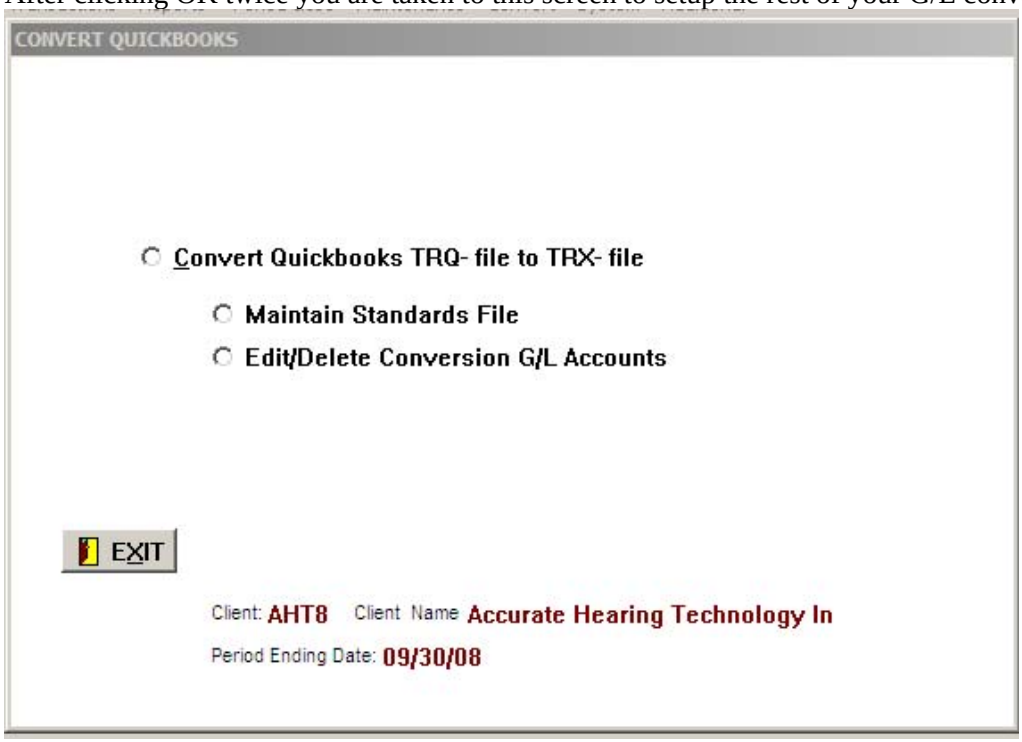
Click OK and you will be returned to the first screen to enter the journal numbers you want the checks and deposits to be recorded to. I my example I enter Journal 1 for checks and Journal 2 for deposits, see next screen shot.



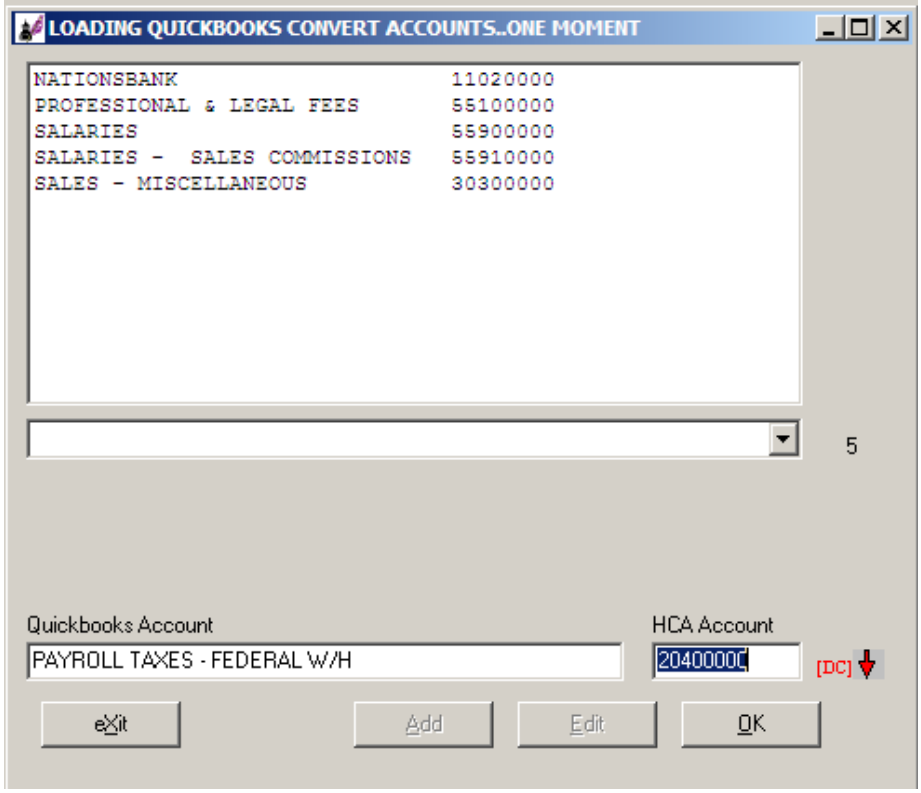
Now click on the Payroll accounts button and here is where you enter the account name (category) Quickbooks uses for payroll accounts, these have to be entered exactly as they are named in QuickBooks. I found it was very easy to copy the names from QuickBooks chart of accounts and then paste. You can type the names in but it is easy to make a mistake. Once you are finished entering the payroll accounts click OK twice.



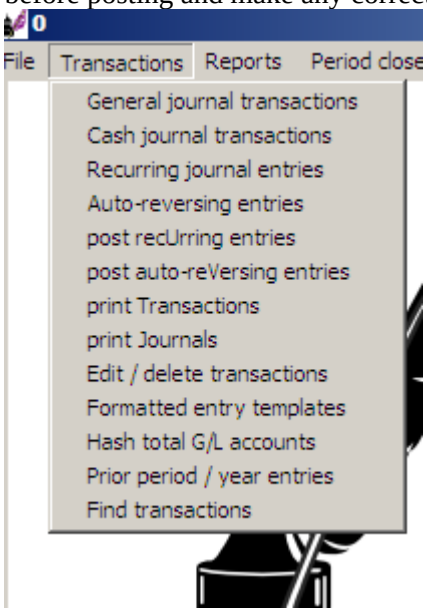
After clicking OK twice you are taken to this screen to setup the rest of your G/L conversion table.

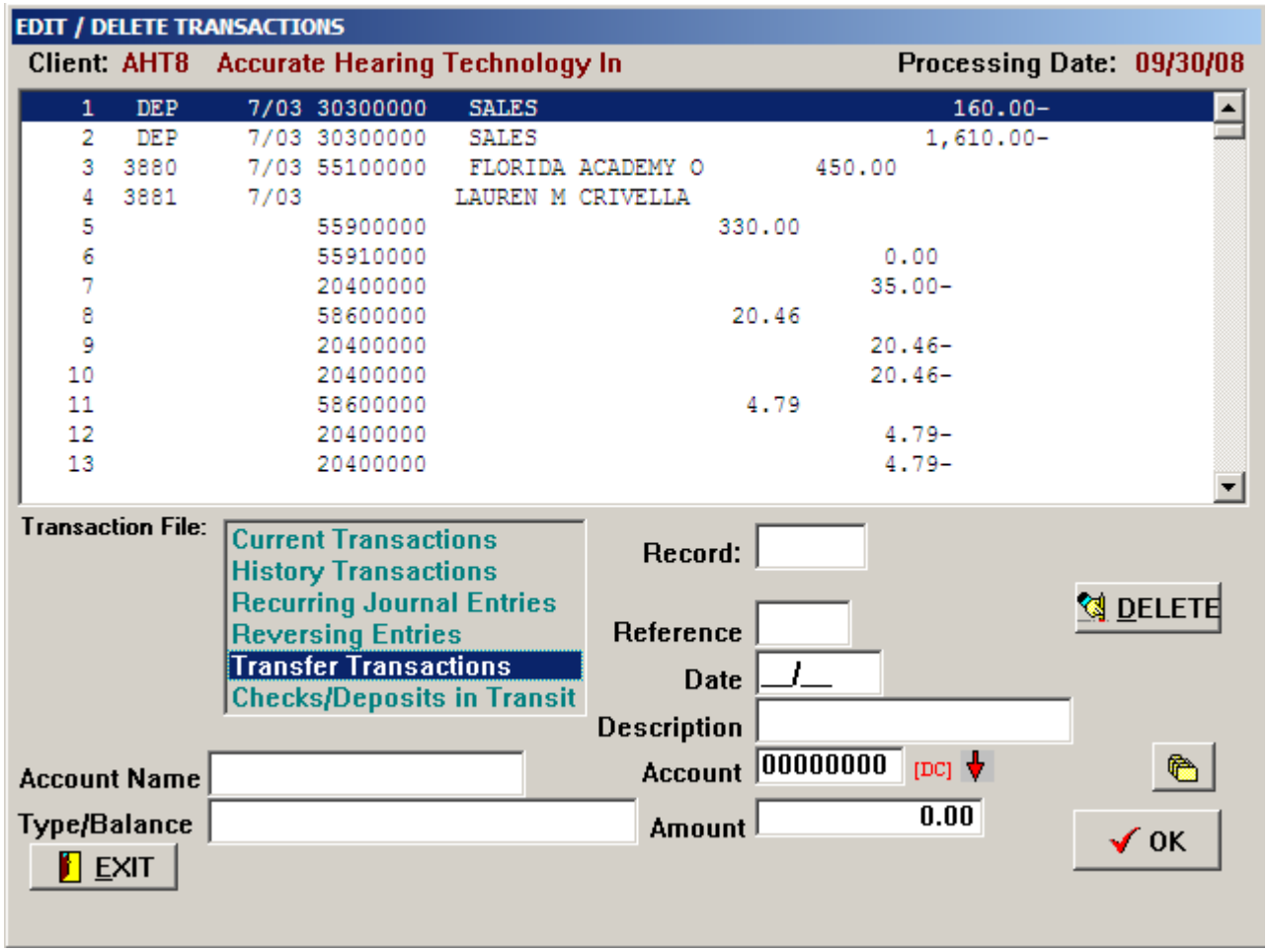


At this screen select the radio button for Convert Quickbooks TRQ-file to TRX-file, the cross reference table will appear again and you will need to enter each HCA account which corresponds to the Quickbooks accounts the first time. This file is saved and does not need to be done the next time you import.



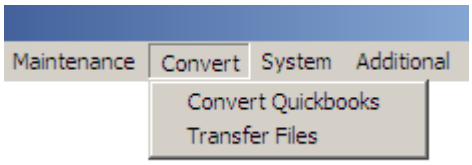
Once the Conversion is complete you now have a file named TRX-AHT8.ca4 which is ready to post into Client Accounting. If you go to the Transactions menu option and select Edit/delete transactions you can view the TRX file before posting and make any corrections if needed.



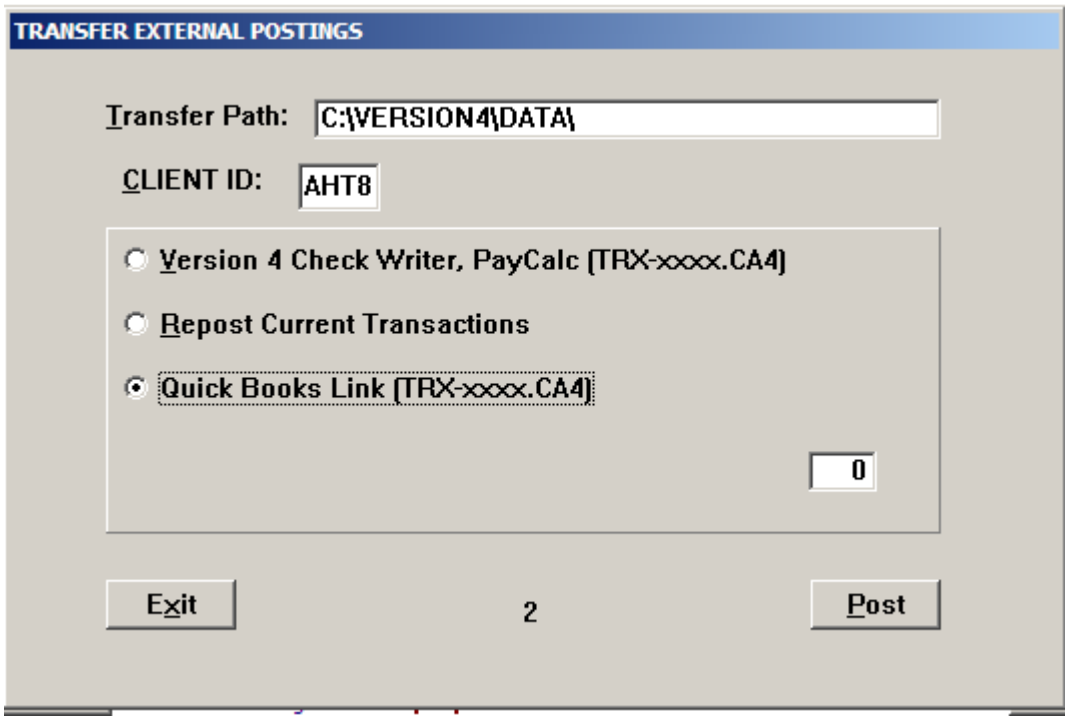


Once you have reviewed the transactions you are now ready to post into Client Accounting

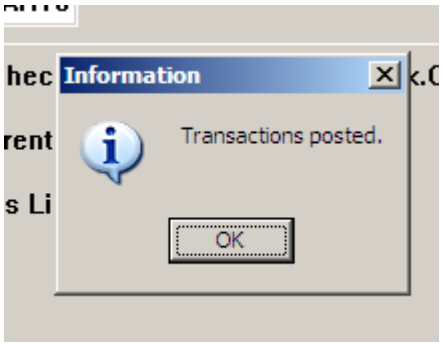
Select Convert from the main menu in Client Accounting then select Transfer Files



Select the Quick Books Link option and click on Post



You should see the following screen and you are finished, it will be much easier the next time.

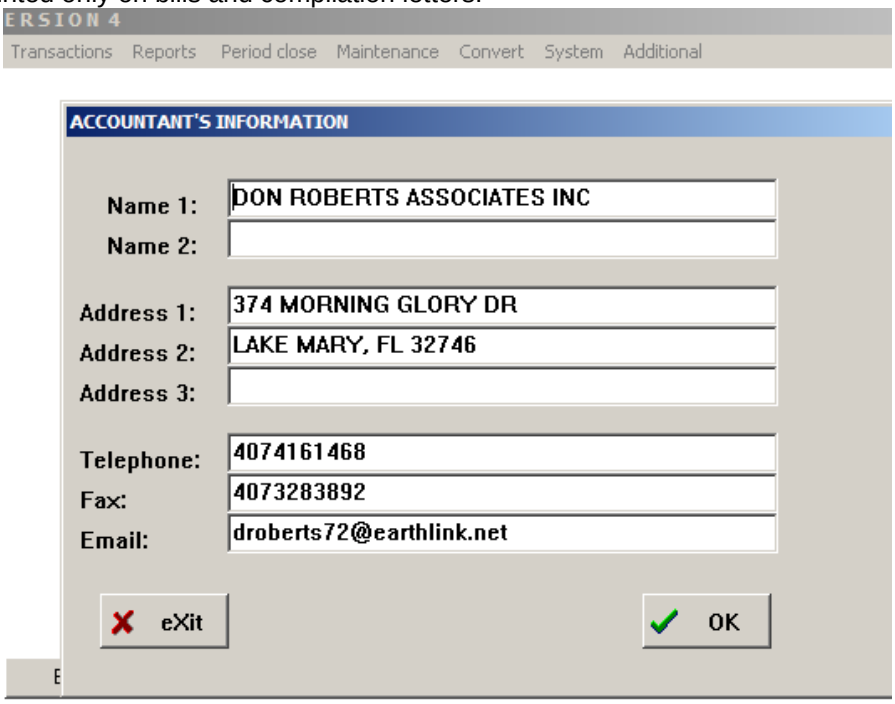


If the client is using the QuickBooks payroll program the payroll totals are posted to the General Ledger accounts only in Client Accounting and not to the individual employee's earnings file which you could enter manually if you need to.

9
SYSTEM PARAMETERS

9.1 ACCOUNTANT'S INFORMATION

The Accountant's Information consists of five lines that you can use to store your company's name and address. The name (2 lines) is printed at the bottom of financial reports and on bills, compilation letters, and cover sheets. The address (3 lines) is printed only on bills and compilation letters.



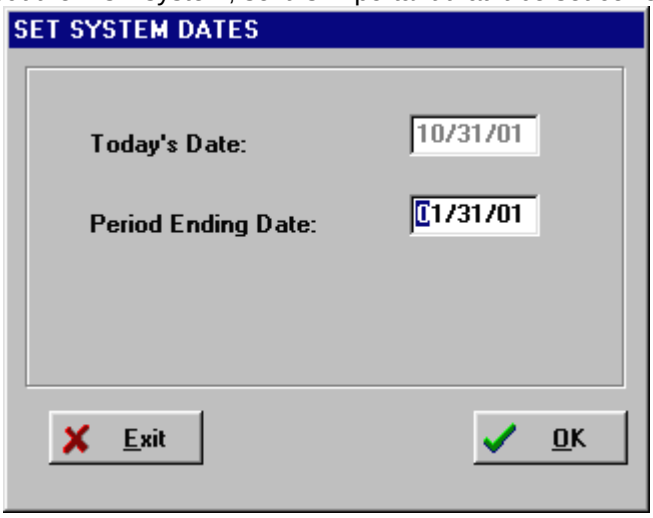
9.2 SET SYSTEM DATES

TODAY'S DATE

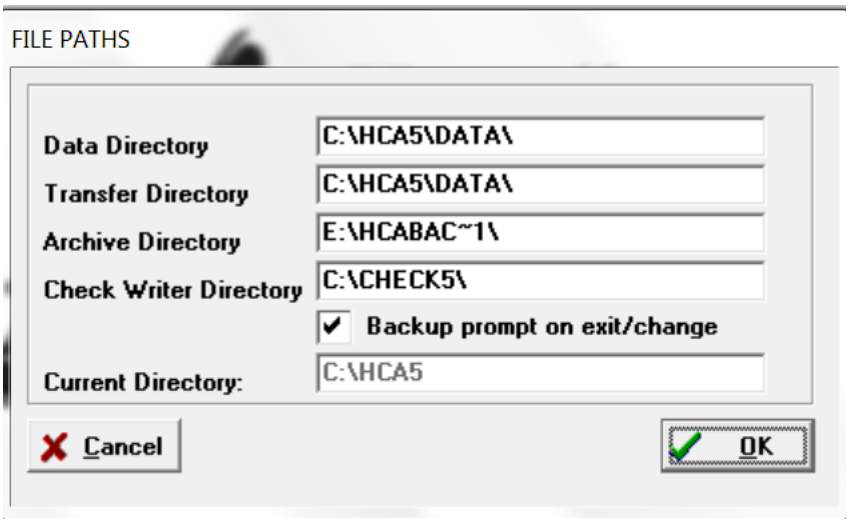
Enter today's date in the form MMDDYY (e.g.-May 12, 1991 as 051291 or 51291). If you don't want or need to enter today's date, just press [RETURN] at the prompt. The next prompt will be the client period ending date.

PERIOD ENDING DATE

This is the period ending date for the current client and is stored in the client's Client General Information file INF-xxxx. HCA. This date is used throughout the HCA system, so it is important that it be set correctly at all times.



9.3 FILE PATHS
The FILE PATHS routine lets you tell the system where to find the various data files associated with the clients you are Processing as well as where additional programs are located.



DATA FILES
This is the directory on your hard disk where HCA expects to find every client data file.

TRANSFER FILES
This is the directory where HCA expects to find the data files from our other accounting programs.

ARCHIVE DIRECTORY – FOR BACKING UP FILES
This is where HCA will make copies of client data files for backup purposes. It is also the location where HCA will look for client data files to restore. Example: A:\

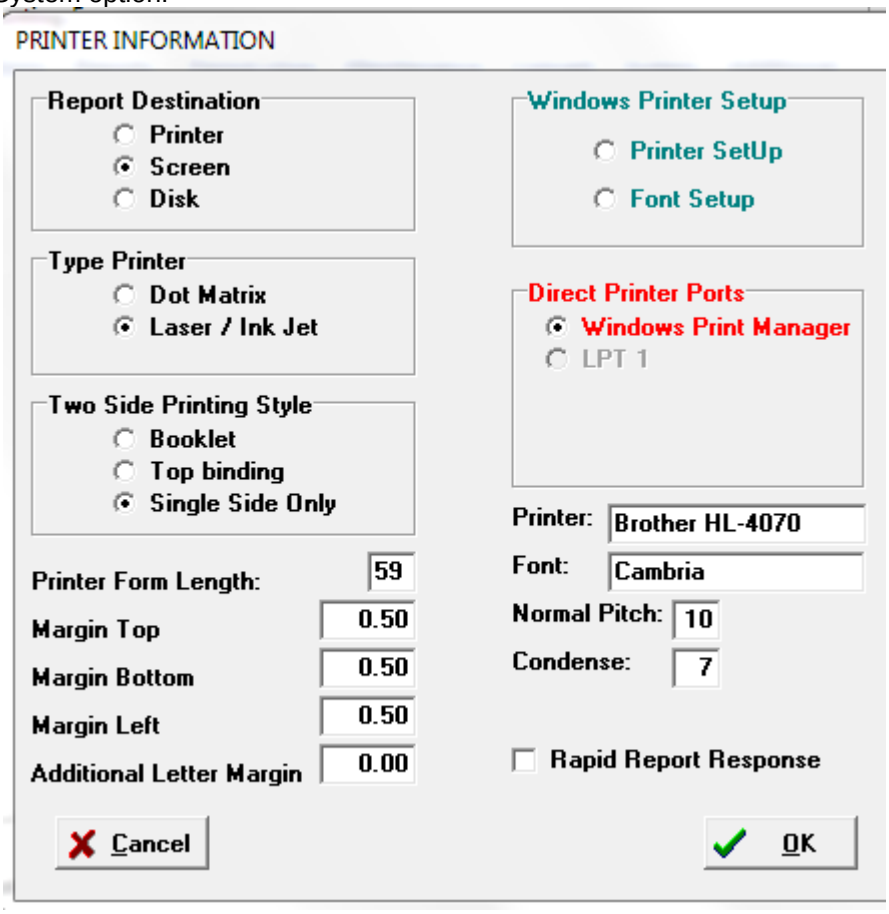
If you enter a file path that does not exist, HCA will ask if you want the sub-directory created.

The maximum length of each file path is 30 characters.

The current HCA system directory is displayed at the bottom of the screen to help you make the decisions about setting the file paths.

9.4 REPORT MODE

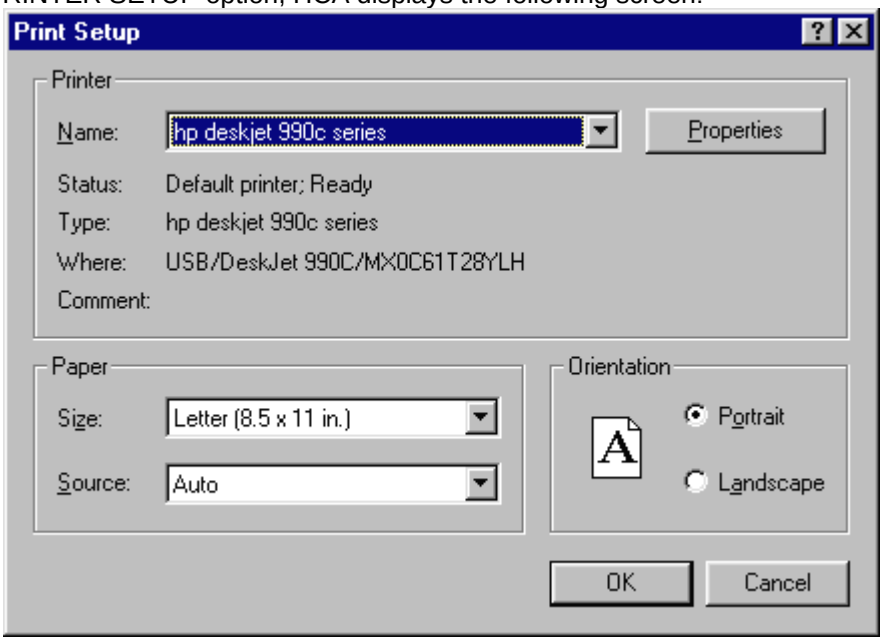
Throughout HCA you can open the Report Mode screen any time you see REPORT MODE and the mode displayed. The Report Mode screen allows you to enter or change both Windows and HCA specific parameters. You can also make changes in the System option.



WINDOWS PRINTER SETUP

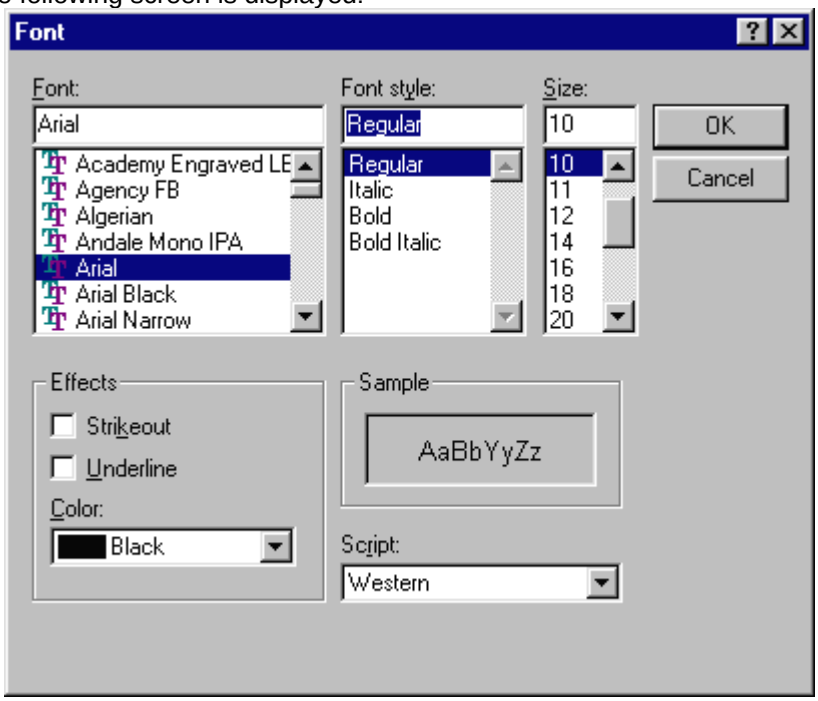
The Windows Printer Setup option allows you to change the default printer and the default font setting. The current font setting is displayed just below the Printer Ports section of this screen.

When you select the PRINTER SETUP option, HCA displays the following screen:



This is the standard Windows printer control screen, and the printer, and printer controls, selected here are used by HCA.

FONT SETUP
Select Font Setup and the following screen is displayed:



This is the standard Windows font control screen. You can select most fonts, but some of the more fancy fonts do not work well for financial statements. Ariel, Courier New, and Times Roman are examples of good selections. The recommended font size is 10; condensed codes are usually two sizes smaller. Selections of bold, italic, underscore and other special control codes made at this screen do not affect HCA. Special controls are entered on a line-by-line basis. Pages 2-4 and 2-5 of the manual describe how to apply special codes.

TYPE PRINTER
HCA needs to know if the selected printer is Dot Matrix, Laser/Ink Jet, or Bubble Jet. Certain reports are printed differently depending on the type of printer.

PRINTER FORM LENGTH
Select this option to set the number of lines per page that you want printed on reports. Normally, Dot Matrix printers are set to 66 lines while Lasers and Bubble Jets are set to 59 lines. If you are using the Windows Print Manager option, the print manager determines the number of lines per page.

DIRECT PRINTER PORTS
You must also tell the system how your printer is connected to your computer. Selections are made on the Windows printer control screen. The current setting is displayed here. The best selection is Windows Print Manager, specific ports such as LPT-1 is best used for older dot-matrix printers.

SEND REPORTS TO
This flag has three possible setting: PRINTER, SCREEN, or DISK that determine where reports will be sent.

9.5 SYSTEM INFORMATION
The SYSTEM INFORMATION screen contains some basic information on the current state of the HCA system and the current client. There is no user action required for this screen, except that you need to press any key to exit the screen when you are finished viewing its contents.

APPENDIX A
SPECIAL TOPICS

A.1 DEPARTMENT / DIVISION ACCOUNTING

Basically there are two different ways to establish departments: (1) you can establish a separate client file for each division and merge the files for report purposes or (2) you can use MASTER/SUBS in a single client file, and divisions are established as sub accounts.

If you choose to establish a different file for each division you may want to use the DUPLICATE CLIENT FILES option in FILE MAINTENANCE to establish each division with an identical copy of the Chart of Accounts. In many ways, this is the easiest way to establish divisions, but data entry can be complicated if each division does not use separate check books, or if there are shared expenses such as payroll between the divisions.

After merging files, you can run any Income Statement, Balance Sheet, or Special Accounts report option. Merge routines do not affect reports such as General Ledger, Payroll, Journals, or Cash Flow.

By establishing divisions as sub accounts, divisions can share source documents such as checking accounts and all reports, including payroll reports, can include all divisions. The key requirement is keeping the same numbering scheme for all accounts.

If you are doing divisions / departments and want to use sub accounts in the various departments, HCA provides for SUB/MASTER accounts to accumulate amounts from SUB/SUB and SUB/FILE accounts. The system keys off the SUB/MASTER account numbering scheme to find division accounts so the SUB/SUB and SUB/FILE numbering scheme must keep these accounts clustered.

An example of a division / department client is sample client SAM1.

A.2 BUDGETS

Budgets can be established on an annual basis for all types of client files, but if you need period budget amounts and reports you need to establish either a type 2 (monthly budget) or type 3 (monthly budget and 12 month history) client.

An example of period budget amounts and reports is sample client BUD.

A.3 INVENTORY JOURNAL ENTRIES

You may need to show opening and closing inventory on the Income Statement for situations where actual inventories are taken. This is one example where you would need to make a current period journal and a prior period journal. Account numbers given are shown as three digits without the trailing zeroes.

A normal financial statement that agrees to the tax return format would be similar to this example:

	Period ending 02/28/01	PERIOD 02/28/01	YEAR-TO-DATE
401	**Beginning Inventory**	100	150
402	**Purchases**	500	1000
481	**Ending Inventory**	-125	-125
499	**Total Cost of Sales**	475	1025

Let us assume that the ending inventory at the end March is $155 and purchases for the month were $600. The Income Statement would show the following balances for March without making an adjusting entry

	After closing February	PERIOD	TO-DATE
401	**Beginning Inventory**	0	150
402	**Purchases**	600	1600
481	**Ending Inventory**	0	-125
499	**Total Cost of Sales**	600	1495

To properly reflect the income statement the following journal entries must be made in March:

Current Period Adjusting Journal Entry for Inventory Dated 03/31/01

		Debit	Credit
129	**Balance Sheet Inventory**		125
129	**Balance Sheet Inventory**	155	
401	**Beginning Inventory**	125	
481	**Ending Inventory**		155

Prior Period Adjusting Journal Entry Dated 02/28/01

		Debit	Credit
401	**Beginning Inventory**	125	
481	**Ending Inventory**		155

These entries are made to reflect the correct beginning of the month inventory amount without changing the beginning of the year's starting balance. The adjustment will also increase or decrease the actual Balance Sheet inventory account 129.

	Before Closing March	PERIOD 03/31/01	YEAR-TO-DATE
401	**Beginning Inventory**	125	150
402	**Purchases**	600	1600
481	**Ending Inventory**	-155	-155
499	**Total Cost of Sales**	570	1595

Without making these adjusting entries your Cost of Sales for March would be incorrect and report incorrect ratios on your financial statements to your client.

A.4 EXECUTIVE REPORTS

Executive reports offer an expanded and more flexible general ledger system. Although most clients can be processed using the regular reports, the options available through Executive reports can save time in certain situations and give you a more professional-looking end product. Before trying to set up accounts with the Executive option, be sure you have had experience setting up regular accounts.

The DONOR/RECEIVER accounts are the basis of Executive reports. DONOR/RECEIVER is similar to MASTER/SUB. While a MASTER account can have many SUB accounts, a RECEIVER can have only one DONOR. A DONOR can be called by many RECEIVERS. Both the MASTER/SUB and DONOR/RECEIVER relationships can be used in conjunction with each other if necessary. Another useful account is the FILE account which is both a RECEIVER and SUB.

You will not make any direct entries to a RECEIVER or a FILE account. RECEIVER and FILE accounts receive memo postings from their DONOR accounts when the PREPARE FOR EXECUTIVE REPORTS option is run in the Print Financial Reports menu. The PREPARE FOR EXECUTIVE REPORTS option will produce two trial balances; the first trial balance is a normal Trial Balance, and the second is the result of distributions to RECEIVER and FILE accounts.

The DONOR and RECEIVER accounts can appear numerically anywhere on the financial statements. The DONOR account still retains the amount posted to it as well as allocating all or any portion of the amount to other accounts.

In many cases, you will use Special accounts as the basis for DONOR accounts. Special accounts are those accounts that fall Numerically after the Income Statement. In the Special account field, you can set up job costing and have the totals for the job donated to the Balance Sheet while the job is in progress and then to the cost of sales when the job is complete and sold. You may need to accumulate special ratio amounts such as bed-days for a hospital or nursing home. The total bed-days can become the ratio basis for Income and Expense accounts in the Income Statement.

Some illustrations of DONOR/RECEIVER relationships are given below. For simplicity, account numbers are shown as three digit numbers, but in the system, you can use account numbers from three to eight digits long.

A.5 COST OF SALES (Automatic Percent Calculation)
There are two methods of setting up this automatic calculation:

METHOD 1

1. Individual cost of sales accounts may be computed as specific percentages of sales accounts. This automatic computation is a memo posting to the financial statement and will not affect the General Ledger. The computations will generally be debits within the cost of sales section. The offsetting memo credit entry is posted to the Balance Sheet inventory change account.

Example:

301	**Sales-Food**	**10,000 cr**
302	**Sales-Drugs**	**5,000 cr**

Automatic Entries - Cost of Sales

401	**Food (60% of Sales Account 301)**	**6,000**
402	**Drugs (75% of Sales Account 302)**	**3,750**
128	**Inventory Change**	**6,000 cr.**
129	**Inventory Change**	**3,750 cr.**

Accounts 128 and 129 can be either RECEIVERS or FILES. If they are FILES, you would need an account 127 which would be a MASTER account.

2. Using this method, all purchases must be posted to a Balance Sheet inventory account. You should never post purchases to the cost of sales accounts as this would distort the percentages.

3. When an actual inventory is taken, post the difference between actual and the last reported financial statement (Executive) to the inventory account and the offset to cost of sales.

METHOD 2

1. There can be one of more purchase accounts in the cost of sales section of the Income Statement with the last account in the section being an inventory change account. Given that gross profit is a specific percent of total sales, the computer will plug an amount to the inventory change account to achieve the desired ratio. Again, the balancing entry will be posted to the Balance Sheet inventory or inventory change account.

Example: Given a gross profit percent of 40%

	301 Total Sales	**10,000 cr**
Cost of Sales		
	401 Food	**3,000**
	402 Drugs	**2,100**
	470 Inventory Change (plug entry)	**900**
	129 Inventory (Balance Sheet)	**900 cr**

In this example, 470 is a MASTER account with 401 and 402 being DONORS to 471 and 472 which are FILE accounts receiving 100 percent or 401 and 402. In addition, there is a FILE account 473 which receives 60 percent of 301. Account 480 becomes the difference between 471 + 471 - 473. In the Balance Sheet section, there are accounts 131, 132, and 133 which cause 129 to have the same value as 470.

2. All purchases are posted to their respective purchase accounts 401 and 402.

It is important to remember that both of these calculations are memo financial statement entries only and are not posted to the general ledger.

A.6 BACK PERCENTING
This feature can be used to set up any type of back percentages of accounts from a TOTAL account such as Total Sales. The base of the percentage calculation is the DONOR and each amount to be divided by the DONOR are RECEIVERS with a " %" value.

Some Uses of Back Percentages
Your client has had no sales, but has had expenses (such as a start-up business), and the Income Statement looks strange because the normal Total Sales amount to ratio by is zero. You can correct the appearance of the statement and make the ratios reasonable by making the Net Income (Loss) total a DONOR and your first income account a RECEIVER. By doing this, the ratios become a percentage of the loss. Once an amount is designated for rationing, all ratios will use that amount until another ratio basis account is designated, or the statement ends.

Your client has several clearly defined sales and purchase categories and you want to make each Purchase amount ratio to its corresponding Sales account. Make each Sales account a DONOR and its corresponding Purchase account a RECEIVER, and the ratios will be correct. Be sure to make Total Sales a DONOR to Total Purchases so the totals will agree, and all expenses will ratio to Total Sales.

An example of back-percentages is show in same client EXX.

A.7 ALLOCATION OF NET PROFIT AMONG SEVERAL PARTNERS
This routine is only slightly different from other DONOR type memo postings. The system normally posts current earnings to the one account you identified as account type 5. An account type 5 is actually a Receiver type account as it always receives an amount from the Net Profit or Loss Account. To allocate net profit among several partners we do not have a type 5 account. Each partner's share of earnings accounts is a RECEIVER account, and the DONOR is the Net Profit or Loss account (79999999 20 in this example).

Account 330	Capital-John Doe (Receiver 50% of 79999999 20)
Account 340	Capital-Rich Roe (Receiver 50% of 79999999 20)

In this example, 50% of the amount in net profit will be automatically allocated to accounts 330 and 340 each processing period. Remember to do Prepare for Executive Reports prior to printing the Balance Sheet and Income Statement.

A.8 SCHEDULED FINANCIAL REPORTS
You may wish to format a financial report where all amounts on the report are summary totals, and then provide schedules completely rationed for each line on the report.

This formatting option uses DONORS/RECEIVERS, Special accounts, and back percentages. Each report summary line is a RECEIVER, and POSTING accounts are all in the Special section with TOTAL accounts in the special section being DONORS back to the Income Statement or Balance Sheet. Ratio factors are created by using the back percentages method.

An example of this type application is displayed in same client PRO.

A.9 OTHER USES OF EXECUTIVE OPTIONS
Allocating general and administrative expenses to departments on historical percent basis.

Setting up special schedules. An example of this is an accounts payable vendor schedule in which a total of the schedule is a DONOR. The Balance Sheet accounts payable account is set up as a RECEIVER of 100% of the DONOR total account. This routine is typically how you set up job costing.

Any special type of formatting or totaling.

A.10 YEAR END PROCEDURES
If you are maintaining any accounts in the Special section that you do not want closed out at the end of the year, be sure to Indicate your last Income Statement account as the last account to clear when you run End of Period Processing for the fiscal year end. Should you have a mixture of accounts to clear and not clear, you will have to make journal entries to clear selected accounts.

A.11 JOB COST APPLICATIONS
For clients who need to control costs by particular jobs, set each job up as a separate report with all the desired income and Expense accounts. Use DONOR/RECEIVERS to automatically transfer to the Balance sheet work in process account until the job is completed, then transfer to the Income Statement. These schedules should be in the Special section of your Chart of Accounts. You can enhance the job reports by also using a MASTER/SUB relationship where the MASTER will give a detail total of the jobs.

An example of a job-cost application is shown in sample client JOB.

A.12 FEDERAL CORPORATE INCOME TAX
The system will automatically calculate and memo-post the estimated Federal Corporate Income Tax if three conditions are met.

In CLIENT GENERAL INFORMATION routine, specify that the client is a corporation and, establish the current Federal Corporate Tax rates and specify the Income Tax Expense and income Tax Liability accounts.

In the GENERAL LEDGER routine, establish both the Income Tax Expense and Liability accounts. These accounts must be either RECEIVER or FILE Accounts. The system will force you to specify the DONOR account and percentage donated for each account. You can specify any account and any percentage amount as the system overrides any DONOR and percentage amount with the calculated profit for the DONOR and the calculated tax for the percent donated.

An example of this option is shown in sample client EXX.

A.13 OPERATING RATIOS
By using DONOR/RECEIVERS, you can donate amounts from both the Income Statement and Balance Sheet into the Special section to produce operating ratios such as Quick Ratio, Acid-test Ratio, Break Even Ratio, and any other special ratio.

APPENDIX B
TECHNICAL NOTES

B.1 DEVELOPMENT NOTES

The CLIENT ACCOUNTING SYSTEM FOR WINDOWS was complied using Borland International's Pascal Professional Series products including Delphi compilers. Printing functions are provided by Nevrona Designs' Report Printer Pro 2.

The source code was written and edited with the implementation of MicroStar and the Delphi editors.

B.3 HCA CLIENT DATA FILES

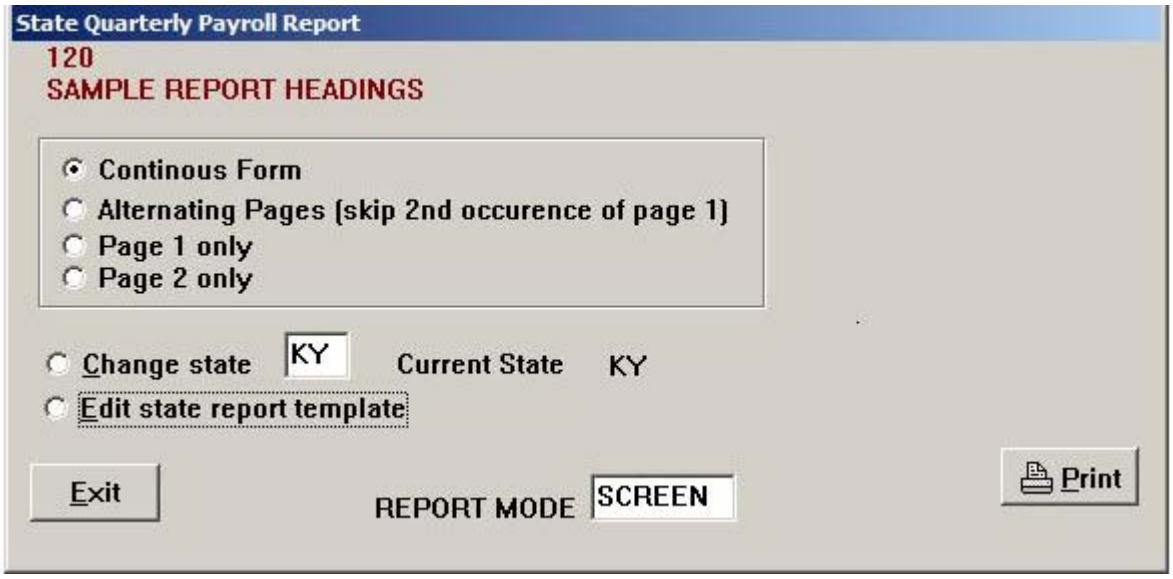
The following is a list of all possible client data files and what they contain ("xxxx" refers to the 1-4 character client ID):

INF-xxxx.CA4	Client General Information
GLA-xxxx.CA4	General Ledger Accounts
PRL-xxxx.CA4	Payroll Records
VDR-xxxx.CA4	Vendors Codes
TRN-xxxx.CA4	Current Transactions
TRH-xxxx.CA4	Transaction History
TRS-xxxx.CA4	Transaction Sort (internal use only)
FET-xxxx.CA4	Formatted Entry Templates
RJE-xxxx.CA4	Recurring Journal Entries
ARV-xxxx.CA4	Auto-Reversing Entries
TLB-xxxx.CA4	Federal Tax Liability
ART-xxxx.CA4	Auto-Reports
SFP-xxxx.CA4	Statement of Changes in Financial Position
CSH-xxxx.CA4	Cash Flow Statement

APPENDIX C
SETTING UP THE STATE U/C REPORT

HCA can print any state quarterly payroll report as long as you tell it what data you want printed and where you want that data to appear on the report. This information is stored in templates. You can set up as many as 60 different templates, although you will probably never need more than 3 or 4. This, of course, depends on the number of states you have set up through the PAYROLL & TAX STANDARDS routine.

Templates are created and edited through the EDIT STATE PAYROLL TEMPLATE routine, which calls the HCA Text Editor.



When you select the PRINT STATE PAYROLL REPORT option, HCA examines the state abbreviation displayed on the QUARTERLY PAYROLL REPORT menu. (You can change the state abbreviation by select the CHANGE STATE option.) It will then search the template files looking for the template associated with the current state abbreviation. If it cannot find the template, HCA will display a warning message and you will have to change the state abbreviation or create a new template.

If HCA finds the template, it will display a window where you can change 6 balance amounts that your state report may require. If taxes are owed, enter the amounts as positive. If there is a tax credit, enter the amounts as negative.

When you tell HCA to print the report, it first resets to $0.00 approximately 40 variables, not all of which your report will use. The system then opens the Payroll file PRL-xxxx. HCA, pulling all appropriate employee records and totaling up the various data fields (such as taxable wages, excess wages, withholding, etc).

After than, HCA begins moving through the report template, analyzing each line, looking for the template codes you Have entered, and printing the corresponding data for each code in the appropriate location on the form.

C.1 TEMPLATE CODES

When HCA is scanning a template line, it looks for the ampersand symbol (&) followed immediately by a two-character alphanumeric code. For example:

&U1

When it encounters such a string of characters, HCA assumes that the string is a template code, which it will replace on the report with the appropriate data corresponding to the code U1. HCA recognizes U1 as the symbol for U/C Taxable Wages. (A complete list of the available template codes is provided later in this appendix.)

Any text HCA finds on the template not in the form &XX, where XX is a valid template code, will be printed literally on the report.

For example, the strings & U1 and &Q will be printed as they appear on the template. HCA does not recognize these as valid template codes. In the first example, the space needs to be removed after the ampersand. In the second example, another character (either an N, M. D, Y, or 1) must be added after the Q to make up a valid template code.

The ampersand indicates the beginning of the data field. If you want the Total Wages Paid field to appear on line 20, column 34 of the report, you should also put the ampersand character (in &WP) on line 20 and in column 34 of the template file.

Each data field has a default length, the number of spaces on the report that it takes up. The field lengths are listed with the template codes at the end of this appendix.

If a template code is placed too close to another template code before it on the same line, the second code will be ignored. For example, do not place a template code any closer than 14 spaces after a dollar amount field.

Dollar amount fields (taxes, wages, etc.) have a pre-determined length of 14 that cannot be changed. The amounts are right-justified in the field. If you are familiar with the PRINT USING statements in various languages, the following format string may help you visualize how dollar amounts are printed:

##, ###, ###, ##-

The Rate fields (U/C and S.D.I.) require 5 spaces on the report and are right-justified as well.

The DATE fields require either 3 or 8 spaces, depending on the template code.

The General Information fields (Owner's Name, State ID, etc.) will take up exactly enough spaces on the report to print the Complete value of the field.

Employee First Name, Middle Name, Last Name, and Social Security fields also require only enough spaces to print the value of the field. The Initial fields, however, are right justified in three spaces.

For the employee names (but not the initials), the general information fields, and the user-defined fields (&CO-&C9), you can also specify a maximum length by putting an appropriate value in parentheses immediately after the template code; for example: &ON(10). If the owner's name is longer than 10 characters, it will be truncated on the right. If it is less than 10 characters long, it will be padded on the right with enough blank spaces to fill a 10-character field.

These are the only fields that you can specify a maximum length for.

C.2 ENTERING THE CODES

To enter template codes, just type the characters as you would if you were editing any document in the HCA Text Editor. In other words, the editor commands are identical.

C.3 PRINTING THE REPORT

When printing the report, HCA uses the Printer Form Length value to determine how many lines to scan and print on any page. For example, if your Printer Form length is set to 50, HCA will scan the first 50 lines of the template for the first page of the report. Lines 51 through 100 will be scanned for the second page, and so on. Therefore, line 51 in the editor would correspond to line 1 of the second page of the report, and line 101 would be the first line of the third page of the report.

A note on continuation pages: you must enter template codes for every employee you expect to be included on the report. However, when HCA finds an employee template code and there are no more employees to be printed, it will skip that field.

C.4 TEMPLATE DATA FIELDS

The following general information fields require only as much space as is required to print all of the field's characters. You can also specify a maximum field length by placing the value in parentheses immediately after the template code (e.g.-&A1(15).

CODE	DATA
A1	Accountant's Name #1

A2	Accountant's Name #2
ON	Owner's Name
CN	Company's Name
S1	Client's Address #1
S2	Client's Address #2
F1	Federal ID
S1	State ID

The following date fields are based on the current period ending date:

QN	Current Quarter (1,2,3,4)
QM	Quarter Ending Month (3,6,9,12)
QD	Last Date of Quarter Ending Month (DD)
QY	Year in the form YY
Q1	Quarter Ending Date in the form MM/DD/YY
DT	Today's Date in the form MM/DD/YY

Dollar amounts always require 14 spaces and are right-justified. Other fields (such as rates) are also right-justified but their length varies.

WP	Total Wages Paid in Quarter
MU	Total Maximum State U/C Wages
UE	Total Excess U/C Wages
UO	State U/C Rate #1
U1	U/C Taxable Wages
U2	U/C Taxes Subtotal (UO x U1)
U3	U/C Taxes Balance
U4	U/C Total (U2 + U3)
U5	State U/C Rate #2
U6	U/C Taxable Wages
U8	U/C Taxes Balance
U9	U/C Total (U7 + U8)
UT	Total U4 + U9
MD	Maximum S.D.I. Wages

DE	Excess S.D.I. Wages
DO	State S.D.I. Rate #1
D1	S.D.I. Taxable Wages
D2	S.D.I. Taxes Subtotal (DO x D1)
D3	S.D.I. Taxes Balance
D4	S.D.I. Total (D2 + D3)
D5	State S.D.I. Rate #2
D6	S.D.I Taxable Wages
D7	S.D.I. Taxes Subtotal (D5 x D6)
D8	S.D.I. Taxes Balance
D9	S.D.I. Total (D7 + D8)
ST	D4 + D9
AT	UT + ST
SW	State Withholding Taxes
SP	State Withholding Balance
WT	State Withholding Total (SW + SP)
TD	Total Tax Due
BD	Balance Due From Prior Periods
TL	Total Due (TD + BD)

The following fields relate to employee data as well as employee page and report totals:

FN	First Name
MN	Middle Name
LN	Last Name
I1	First Initial
I2	Middle Initial
WN	Whole Name (uses the name exactly as in file)
SS	Social Security Number (Federal ID)
DH	Date Hired
E1	Employee’s Total Wages
E2	Employee’s Taxable Wages

E3	Employee's Nontaxable Wages (Excess Wages)
E4	Employee's Weeks/Hours Worked
P1	Total Wages-Current Page Total
P2	Taxable Wages-Current Page Total
P3	Excess Wages-Current Page Total
P4	Weeks/Hours Worked-Current Page Total
G1	Total Wages-Report Total
G2	Taxable Wages-Report Total
G3	Excess Wages-Report Total
G4	Weeks/Hours Worked-Report Total
NE	Number of Employees Total
M1	Number of Employees First Month
M2	Number of Employees Second Month
M3	Number of Employees Third Month

The following fields relate to FUTA wages and rate. While this information is seldom needed on state U/C reports, it is never the less useful information. A suggested way to capture this data is to have the system print it on page 1 of the state report in an area of the page not used by the state.

FW	FUTA Wages
FR	FUTA Rate
FT	FUTA Tax
FE	FUTA Exempt Wages
FM	FUTA Maximum Wages

Some state U/C reports have requirements that the social security number or amounts be printed differently than normally displayed. **These format commands must be on the first line of the report.**

ND	Use blanks in place of dashes in the soc sec numbers
NB	Use neither dashes nor blanks in the soc sec numbers
NC	No commas in the dollar amounts, but use decimals
NF	No commas and blank spaces in place of decimals
NP	No Pennies Round to whole $

These are the user-defined fields you set up through the PAYROLL & TAX STANDARDS routine. The length of each field on the report is either the length of the actual value or the field length you set up on the template (by enclosing it in parentheses after the template code).

C0	???

C1	???
C2	???
C3	???
C4	???
C5	???
C6	???
C7	???
C8	???
C9	???

Notes:

Disclaimer Letter
When the Disclaimer Letter option is chosen, the HCA TEXT EDITOR screen appears. If you click the Disclaimer button, the disclaimer letter is loaded. If there is not an existing disclaimer letter, the system will create a letter with just the heading. It is possible to have multiple disclaimer letters, however Auto Reports will only print the standard LTR-xxxx.CA4.

When Open file is chosen the system is in a normal text editing mode for general correspondence. When the open file is first clicked the system will display File Not Found message. Click OK, then in the program click File, then Open. The file selection box allows you to open a file anywhere in the system. If you want to create a new text file, just start entering text into then untitled file, and when you are finished save as the new file name.

In the general text editor routine you can use all available options such as Auto-indentation, Tabs, and Wordwrap.

While doing the disclaimer letter the Wordwrap option should be turned off and tabs should not be used to indent lines. All body text should be flush left. Lines can be centered by using the center command @C@. When printing the disclaimer the system will combine the values in the left and right margin. If you are using type font that is printing too far to the left, try increasing the right margin. The disclaimer is the only printed report that uses the right margin value. Rather than using Wordwrap to format text you must enter a carriage return to end a line. The system will print a maximum of 80 characters on a single line.

The editor component is a multi-line text editor capable of editing any ASCII text file up to 16M in size. It provides a powerful undo facility that allows multiple edit commands to be undone. In addition, the redo command allows you to "undo an undo".

The available search options include backwards search, case-sensitive search, whole word search, and search from beginning/end of file. The replace function allows you to replace either a particular occurrence or all occurrences.

The editor components work with fixed pitch fonts and do not support multi-font viewing.

The text editors have all standard clip-board text handling capabilities. Cursor movement is accomplished by moving the mouse or using the text arrow keys. Text is marked for deleting or moving by placing the mouse pointer on the text and dragging the mouse over the text while holding the left mouse button down. Marked text will be displayed as reverse text. Once text is marked click on menu option Edit and the editing options are displayed. A single character can be deleted by Using the delete key to delete the character at the cursor, or the backspace key to delete the character before the cursor.

State U/C report

The State U/C report editing routine has very limited editing options. Cursor movements are by using the mouse or arrow keys. Characters are deleted by pressing the delete key at the character to delete or by pressing backspace to delete the character before the character. Large amounts of text can be deleted by dragging the mouse over the text then pressing delete.

Appendix D
Statement of Cash Flow

Poor cash controls are a major reason for business failure. An excellent means of controlling cash is the frequent preparation and use of cash flow reports. Financial Accounting Standards Board Statement of Financial Accounting Standards No. 95 establishes standards for cash flow reporting. It supersedes APB Opinion No. 19, Reporting Changes in Financial Position, and requires a statement of cash flows as part of a full set of financial statements for all business enterprises in place of a statement of changes in financial position.

This Statement is effective for annual financial statements for fiscal years ending after July 15, 1988. Restatement of financial statements for earlier years provided for comparative purposes is encouraged but not required.

Users of the statement of cash flows are interested in a statement that is consistent in classification, comparable across firms, and understandable. The statement is considered particularly helpful for financial analysis and planning, as opposed to performance evaluation.

The FASB adopted a cash and cash equivalent definition of funds and requires a specific reconciliation of the change in cash and cash equivalents to balance sheet line item.

This reconciliation requirement required a new definition of cash be adopted for reporting purposes and/or a change in the presentation of selected information on the financial reports. In many entities cash is thought of as only cash on hand and cash in the checking account. In other companies, cash includes such items as six-month certificates of deposit. Still other companies use a cash management definition of cash and explicitly include both short-term borrowings and lending in the cash category. Not all of these items qualify as cash equivalents under the new standard.

CASH STANDARD

According to the standard, cash equivalents must be highly liquid investments which are quickly convertible to known cash amounts. To be a cash equivalent, the remaining maturity to the purchaser at time of purchase must be three months or less. By focusing on investments with known cash inflows and a limited maturity period the FASB is specifying that a cash equivalent has little or no market-rate risk or interest-rate risk. All short-term borrowings are excluded from the definition of cash equivalents, without regard to the entity's cash management practices. The rules preclude an entity from presenting a negative cash and cash equivalent number in the financial statement. Within these guidelines, each firm develops, uses, and discloses what is a cash equivalent. In most cases, the decision of what is a cash equivalent is relatively easy...the key is to make the determination and document the decision.

The definition of cash equivalents is flexible within the limits provided by the standard. For example, assume that a cash and short-term investments line item has always been presented on the balance sheet of an entity, and this line includes certificates of deposit with maturities exceeding three months ... this is typically how management regards cash. To comply with the standard, the enterprise could define cash equivalents in a narrow manner and create a separate "liquid investments" line on the balance sheet.

There is no requirement that all investments with an original maturity of three months or less must be considered as cash equivalents. The requirement is that those investments with original maturities of more than three months may not be cash equivalents.

CLASSIFICATION

FASB No. 95 requires that a statement of cash flows classify cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category. The use of separate inflow and outflow sections within a category is not required, but this type presentation can make the statement easier to read and use.

INVESTING

According to the Statement, investing activities include making and collecting loans and acquiring and disposing of long-term assets, debt and equity instruments. The investing section must always include both fixed asset acquisitions and fixed asset dispositions.

FINANCING
Financing activities involve transactions amount the entity, its long-term creditors and the owners. These include borrowing and repaying amounts borrowed, issuing and repurchasing equity securities and paying dividends.

OPERATING
Operating activities cover all transactions that are not either investing or financing activities. Cash flows from operating activities are generally the cash effect of transactions that enter into the determination of net income. While interest paid is generally considered a financing cost and dividends received as an investing activity, the Statement regards interest paid, as well as interest and dividends received, as operating items. The requirement to keep interest-related cash flows in the operating section is consistent with the view that operating cash flows should reflect the cash effects of events that enter into the determination of net income.

Most classification decisions are fairly straightforward, but some situations may raise questions. FASB 95 does provide explicit guidance in several areas:

An installment sale or purchase of a fixed asset results in the principal payments being classified as investing or financing while the interest is operating. However, all cash flows from the installment sale of normal inventory items are considered to be operating.

Insurance settlements for the loss of a productive asset would be investing, just as if the asset had been sold. Insurance settlements for the loss of inventory would be operating, just as if the inventory had been sold.

A wide variety of classification problems are likely to exist. A simple approach is to make the decision that seems most consistent with the rather strict definitions of activities included in FASB 95; this seems to be in keeping with the focus on uniformity that is found throughout the standard. It may also be helpful to use the following guidelines:

Financing cash flows are associated with transactions that deal with the right side of the balance sheet, i.e., inflows and outflows related to debt and equity.

Investing cash flows are associated with transactions that deal with the left side of the balance sheet, i.e., inflows and outflows of productive assets and investments.

Operating cash flows are primarily the cash flows related to revenue and expense items that are found on the income statement. Numerous adjustments may be required, such as:

Gains and losses are recognized as part of income but do not themselves represent cash flows. The cash flows related to transactions giving rise to these gains and losses must be appropriately classified to reflect the event that occurred.

Accounts receivable may include amounts due from customers from the sale of inventory and amounts due from employees for purposes unrelated to operations. The non-operating amounts should be separated for classification and presentation purposes.

Accounts payable in many firms may be among the most troublesome accounts to properly classify because of the variety of activities that go through this account. If possible, you may want to establish sub-accounts for accounts payable that affect financing, investing, and operating sections.

To ensure compliance with Statement No. 95, ledger accounts must be coded according to the category they affect. Some accounts can have both a positive and negative effect on cash--for example, notes payable. Using the gross method, additional borrowings are shown separately on the statement from a reductions of principal. To present notes payable under the gross method, you must set up sub-accounts for both notes payable--borrowing and notes payable--retirement, with a master account summarizing transactions for balance sheet purposes.

Similar requirements for gross presentation existed in the past, but the rule was often ignored and the statement of changes in financial position showed only the net change in selected items.

While the statement of cash flows does have stronger gross cash flow presentation rules requiring that gross cash inflows and outflows be presented for financing and investing transactions, the Statement does allow netting of investing inflows and outflows and of financing inflows where turnover is quick, the amounts large, and the maturities

short. The original maturity of an investing or financing transaction must be three months or less for a net change to be presented on the statement of cash flows.

NETTING

Use of netting may cause potentially important information to be lost. The volume of borrowing activity may have information important to users, particularly if the short-term borrowing is required because the firm is unable to raise significant long-term capital.

There is no requirement that a netting approach ever be used on the cash flow statement. A gross presentation may always be used and may be the most practical approach in many situations.

GROSS CASH INFLOW AND OUTFLOW

Obtaining gross cash inflow and outflow information can be a challenge for many entities. The statement of changes in financial position was frequently prepared only from information available in the balance sheet and income statement. Now, new information often needs to be gathered.

Total acquisitions and dispositions of fixed assets by category is typically readily available from the general ledger, but the amount of cash paid and received as the result of these acquisitions is frequently not currently accumulated.

FASB 95 requires that information about investing and financing activities not resulting in cash receipts or payments in the period be provided separately.

STRICT CASH DEFINITION

The strict cash definition is a sharp contrast to the “all-financial resources” approach that had been previously used. The issuance of debt for fixed assets is now presented in a separate supplemental schedule, rather than as an investing inflow and a financing outflow on the statement. If a company leases or buys an asset with a note secured by the asset, the lease and/or note acquisitions appear only in the supplemental schedule of non-cash transactions. Some transactions are part cash and part non-cash; only the cash portion shall be reported in the statement of cash flows.

This Statement encourages enterprises to report cash flows from operating activities directly by showing major classes of operating cash receipts and payments (the direct method). Enterprises that choose not to show operating cash receipts and payments are required to report the same amount of net cash flow from operating activities indirectly by adjusting net income to reconcile it to net cash flow from operating activities (the indirect or reconciliation method) by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. If the direct method is used, a reconciliation of net income and net cash flow from operating activities is required to be provided in a separate schedule.

When the operating section of the cash flow statement is presented using the direct method, only a limited number of inflow and outflow categories are mandatory.

The minimum operating cash inflow disclosures include:

Cash collected from customers;

Interest and dividends received in cash;

Any other cash receipts related to operations (such as an insurance settlement).

The minimum operating cash outflow disclosures include:

Cash paid for normal operating expenses, such as payments to employees and suppliers;

Interest paid in cash;

Income taxes paid;

Any other cash payments related to operations (such as the settlement of a lawsuit).

CASH FLOW PER SHARE
This Statement states that financial statements shall not report an amount of cash flow per share. Neither cash flow nor any component of it is an indicator of an enterprise's performance, as reporting per share amounts might imply.

FOREIGN CURRENCY
This Statement requires that a statement of cash flows report the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows. The effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents.

Notes:

APPENDIX E
PRINT FORMS W-2/W-3 * 1099/1096 *
QUARTERLY & ANNUAL REPORTS

INTRODUCTION

The W-2's, 1099's, Tax Reports program reads the **Employee and 1099 Summary Report** generated from within the Client Accounting program to print all the payroll tax reports. There are a variety of options available that determine what information will be printed on each form and you should have reconciled this report before doing any printing. Forms can be printed with a laser or inkjet printer.

The following W2/1099 **Employee and 1099 Summary** was printed from the Client Accounting program using the sample client **code FOOD**

Food & Beverages, Inc.
Winners Sports Bar & Cafe
EMPLOYEE AND 1099 SUMMARY
December 31, 2010

ID	TYPE	FED ID	STATE	PERIOD	QUARTER	YEAR
5	1	458-85-5652	FL			
Any Cook		REGULAR PAY		2,400.00	4,800.00	4,800.00
1510 East Street		OTHER PAY		0.00	0.00	0.00
Winter Park, FL 32789		FEDERAL WH		240.00	480.00	480.00
		FICA TAX		148.80	297.60	297.60
		MEDICARE		34.80	69.60	69.60
10	1	456-88-3251	FL			
Any Bartender		REGULAR PAY		1,200.00	2,400.00	2,400.00
1211 Orange		OTHER PAY		0.00	0.00	0.00
Orlando, FL 32745		FEDERAL WH		100.00	900.00	270.00
		FICA TAX		99.20	204.60	204.60
		MEDICARE		23.20	47.85	47.85
		REPORTED TIPS		400.00	900.00	900.00
15	1	787-78-9999	FL			
Any Waitress		REGULAR PAY		800.00	1,600.00	1,600.00
1203 Sweetwater		OTHER PAY		0.00	0.00	0.00
Lake Mary, FL 32746		FEDERAL WH		100.00	300.00	300.00
		FICA TAX		86.82	192.22	192.22
		MEDICARE		20.30	44.95	44.95
		REPORTED TIPS		600.00	1,500.00	1,500.00
20	1	756-89-7854	FL			
Any Officer		REGULAR PAY		4,000.00	8,000.00	8,000.00
1510 Webster		OTHER PAY		0.00	0.00	0.00
Orlando, FL 32758		FEDERAL WH		1,200.00	2,000.00	2,000.00
		FICA TAX		248.00	496.00	496.00
		MEDICARE		58.00	116.00	116.00
105	8	593-04-8754	FL			
Cleaning Person		NON-EMP COMP		375.00	453.00	453.00
410 Liberty Dr.		RENTS		0.00	0.00	0.00
Longwood, FL 32746		ROYALTIES		0.00	0.00	0.00
		STATE WH		0.00	0.00	0.00

W-2 SUMMARY	PERIOD	QUARTER	YEAR
REGULAR PAY	8,400.00	16,800.00	16,800.00
OTHER PAY	0.00	0.00	0.00
FEDERAL WH	1,640.00	3,680.00	3,050.00
FICA TAX	582.82	1,190.42	1,190.42
MEDICARE	136.30	278.40	278.40
REPORTED TIPS	1,000.00	2,400.00	2,400.00

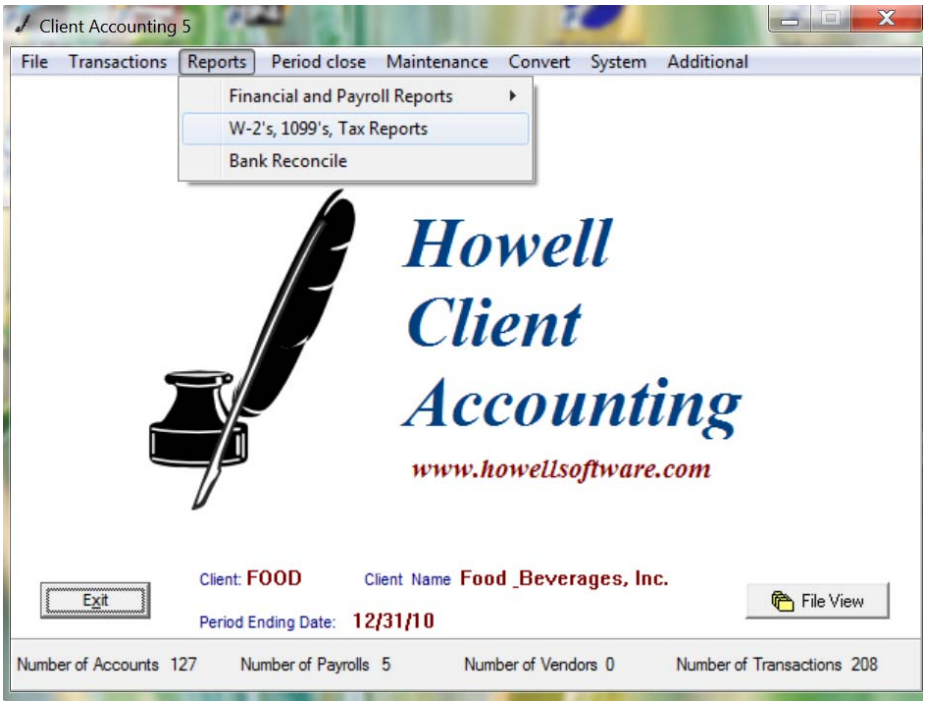
.

The form generating routine allows you to print W-2's, W-3's and 1099's on plain paper in conjunction with our Laser Forms program. The IRS request that all information be printed using the 12-point Courier font.

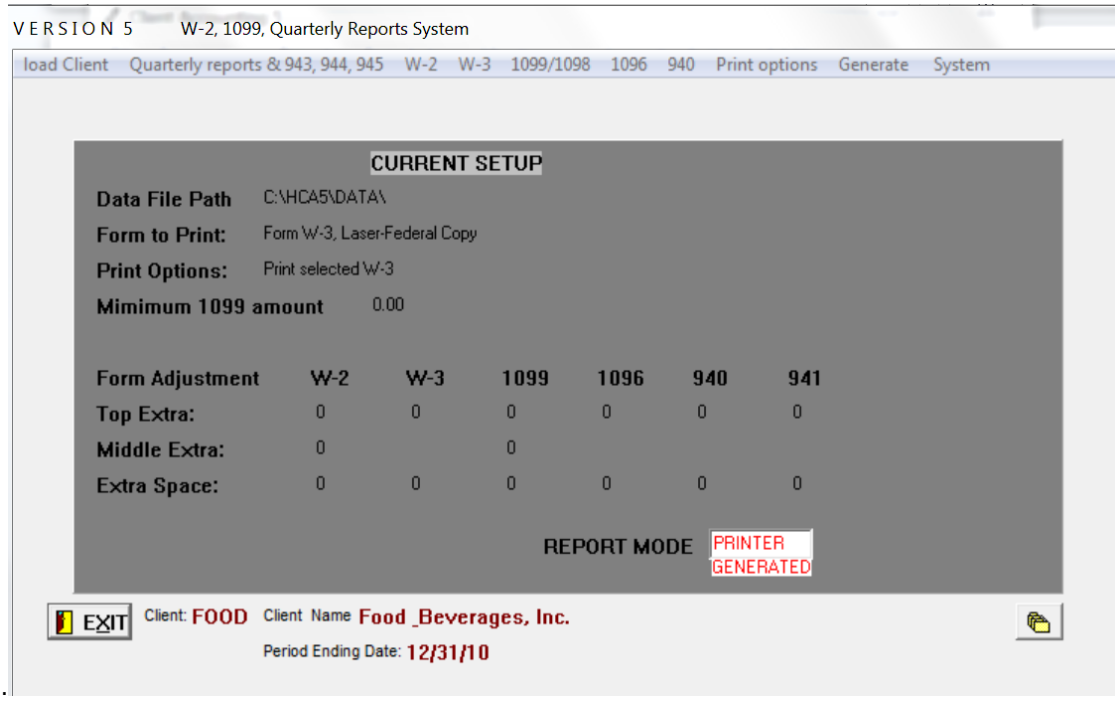
With the exception of specifying boxes 10 through 21 on the form W-2 no payroll data entry (wages, taxes, etc.) is required in the W2 program. All of the necessary information is transferred from the client's payroll / 1099 files (Employee and 1099 Summary Report shown above) from Client Accounting.

RUNNING THE W2 PROGRAM

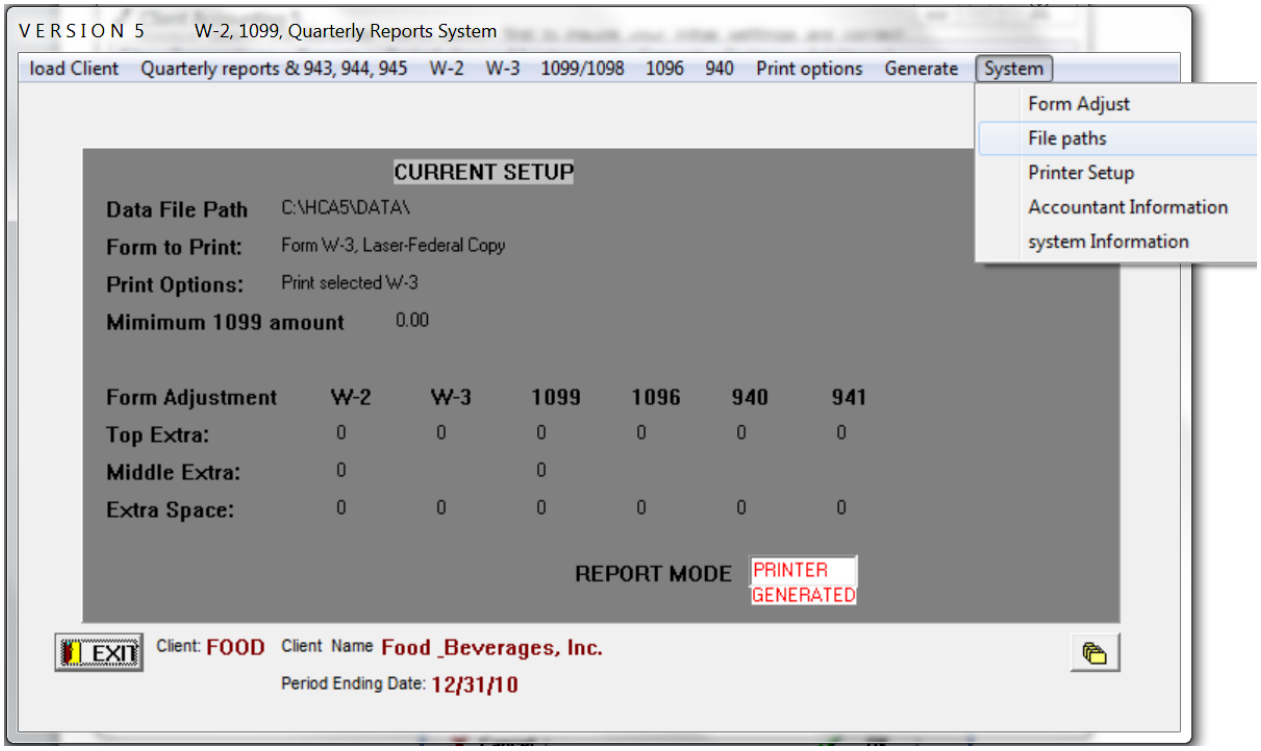
Click on **Reports** from the Client Accounting program then click the W-2's, 1099's Tax Reports option.



The main W2 menu screen below should load.

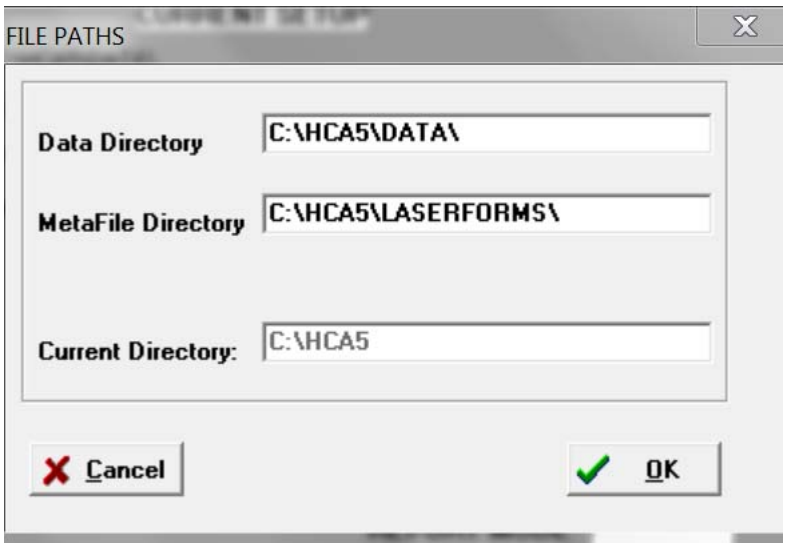


Always select the **System** menu option first to insure your initial settings are correct.



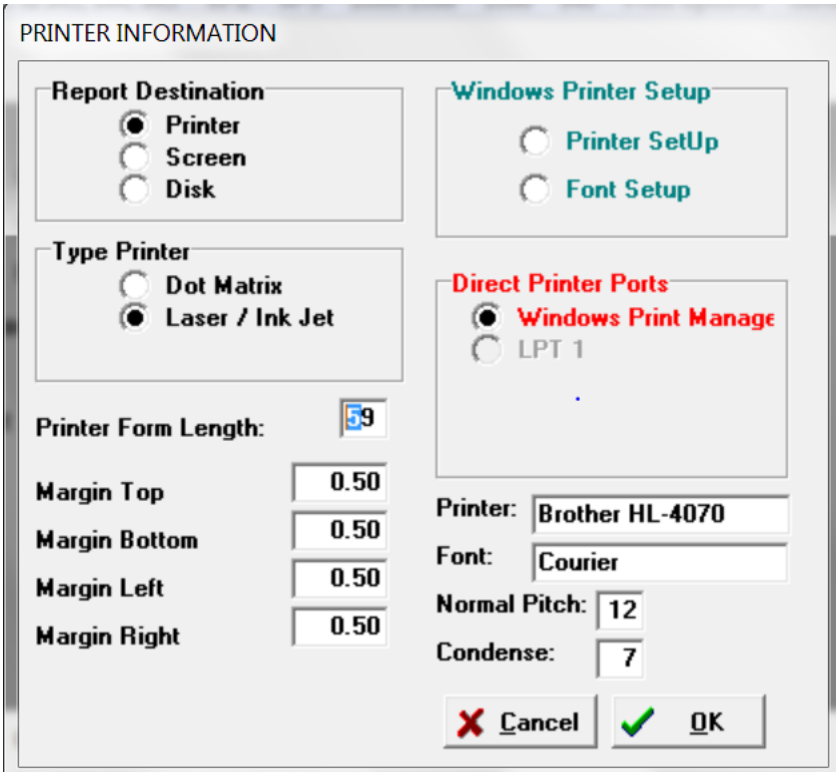
System Menu Options

File Paths



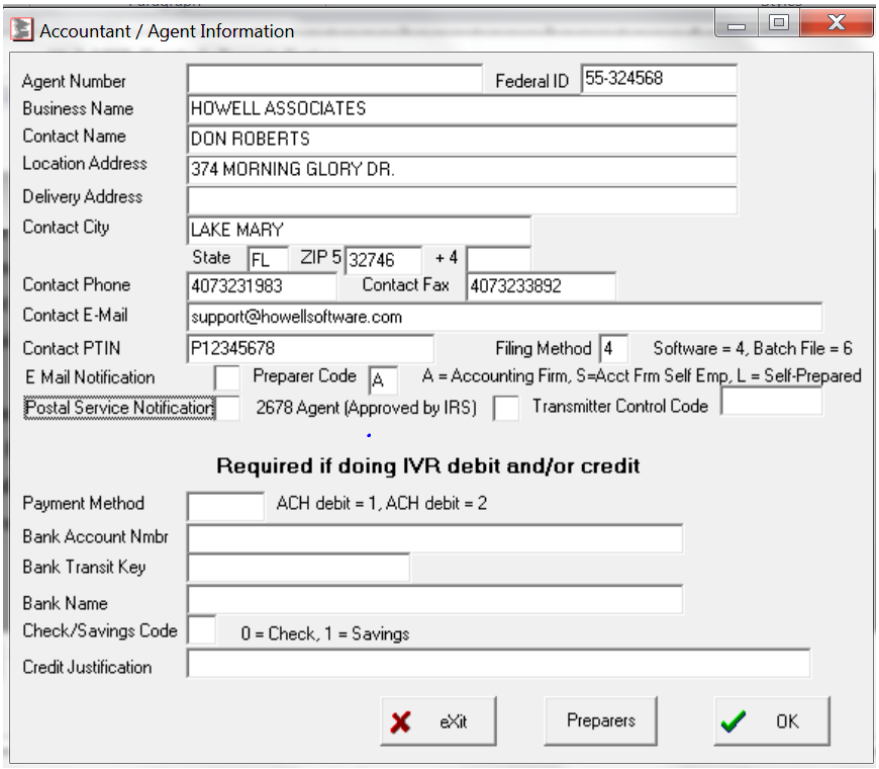
Selecting the File Path option allows you to specify where the system will look for the client's payroll files required for printing the forms. A data field is displayed in the Current Setup window for you to enter a new path if needed. The default path is the same path specified in the main Client Accounting program. Consequently, you should rarely need to change the data file path in the W2 program. The Meta file path should be set to where your Laser Forms files are located on your hard drive for generating the plain paper tax forms.

Printer Setup



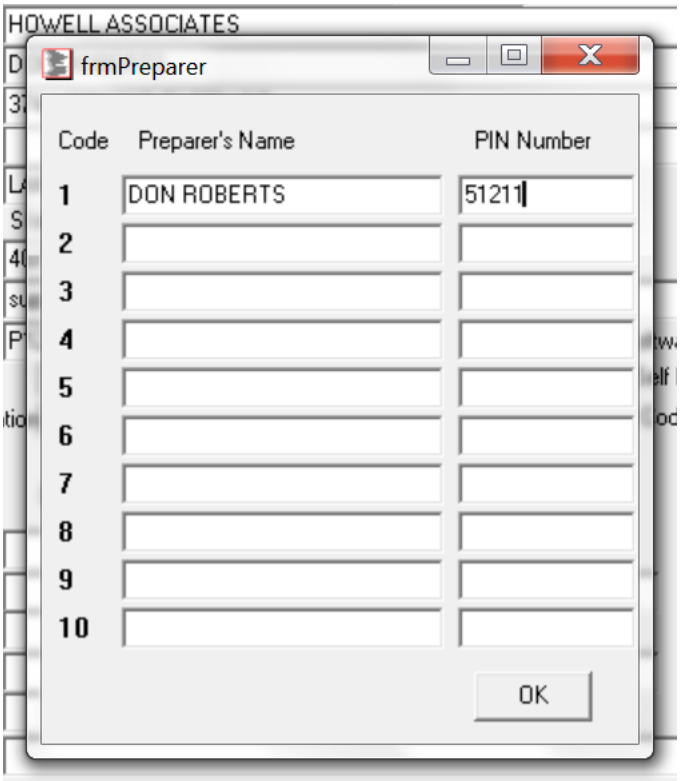
Verify that your printer selections are correct - the setup procedures are the same as in the Client Accounting Program. **This printer setup only pertains to the W2 program and will not change your printer settings in Client Accounting.**

Accountant Information



You need to fill in all the appropriate information for your firm.

Click on the Preparers Box

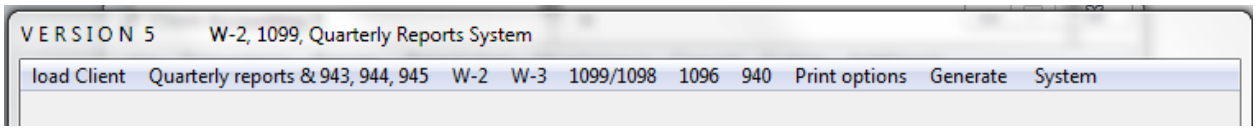


Your firm can setup 10 different Preparers if needed, type in all the appropriate data needed.

The default ID, the one that first appears when you run the W2 program, is the ID of the client that was last processed in the main Client Accounting Program. The procedures for selecting different clients to process W2s/1099s are identical to the Client Accounting Program.

Quarterly Reports, W-2, W-3, 1099/1098, 1096 and 940

The other six options at the top of the Main W2 menu allow you to select which forms to print. When one of these menu options are selected another sub-menu will appear with additional choices relating to the different types of forms that can be printed.



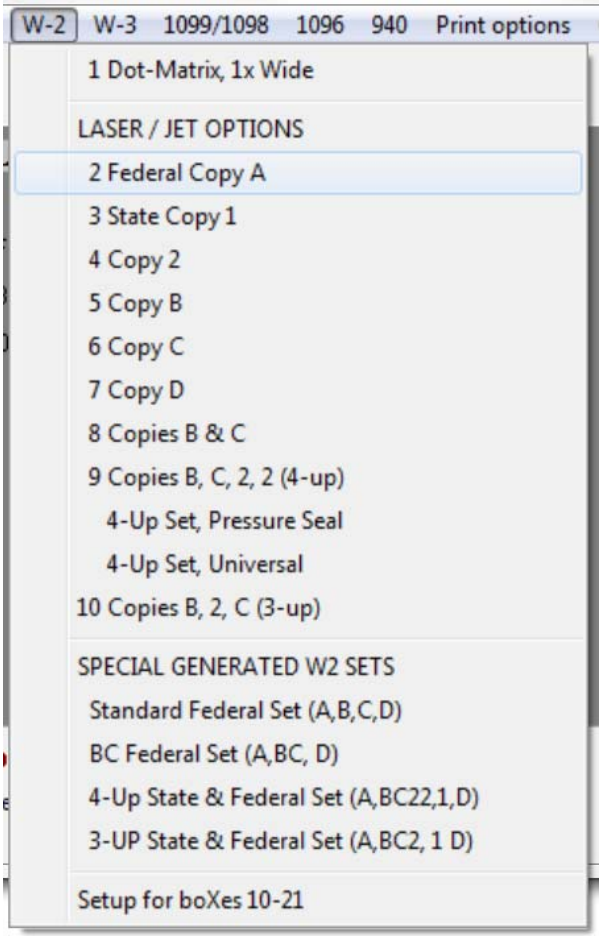
Printing W2-’s

When you select the W-2 option a window is displayed listing the type of W-2’s that can be printed. Make a selection by clicking the type of W-2 you want to print.

The first option is for Dot Matrix printers only.

The next options are the various laser forms available, either on pre-printed forms or generated on plain paper.

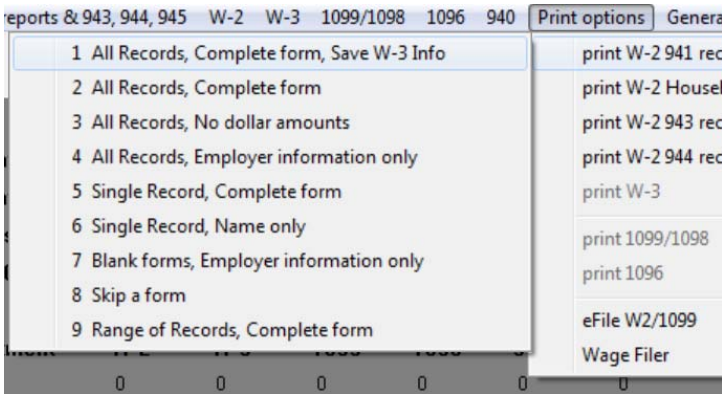
The Setup for Boxes 10-21 option allows you to make special changes either by employee or for all employees. This option is explained in detail later.



Now Select The Print Options

After you have selected the W-2 you want to print, choose Print Options, print W-2, tell the system how many forms you want printed and what detail should be included on each form. There are 9 options for Print W-2, They are:

1-All Records, Complete Form, Save W-3 Info-If this option is selected, all W-2 employees will be printed, with all the information available included on the form. In addition, totals for printing the client’s Form W-3 will be saved in a separate file. This is the only option that will save W-3 information. If you are using a Laser Printer, this option is normally selected when you print Federal Copy A.



2-All Records, Complete Form-Same as #1, except totals for Form W-3 are not saved.

3-All Records, No Dollar Amounts

4-All Records, Employer Info Only

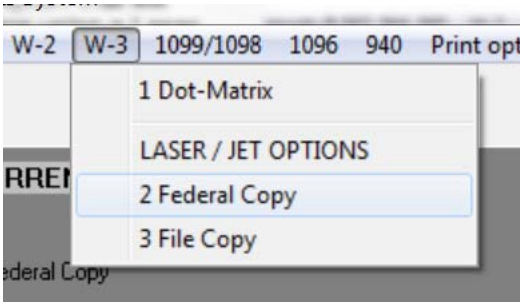
5-Single Record, Complete Form

6-Single Record, Name Only

7-Blank Forms, Employer Info Only

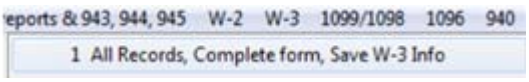
8-Skip a form - Select this option to skip a W-2 form on your printer

9-Print W-2’s by Range - Select this option and the system will ask for the first and last employee to print

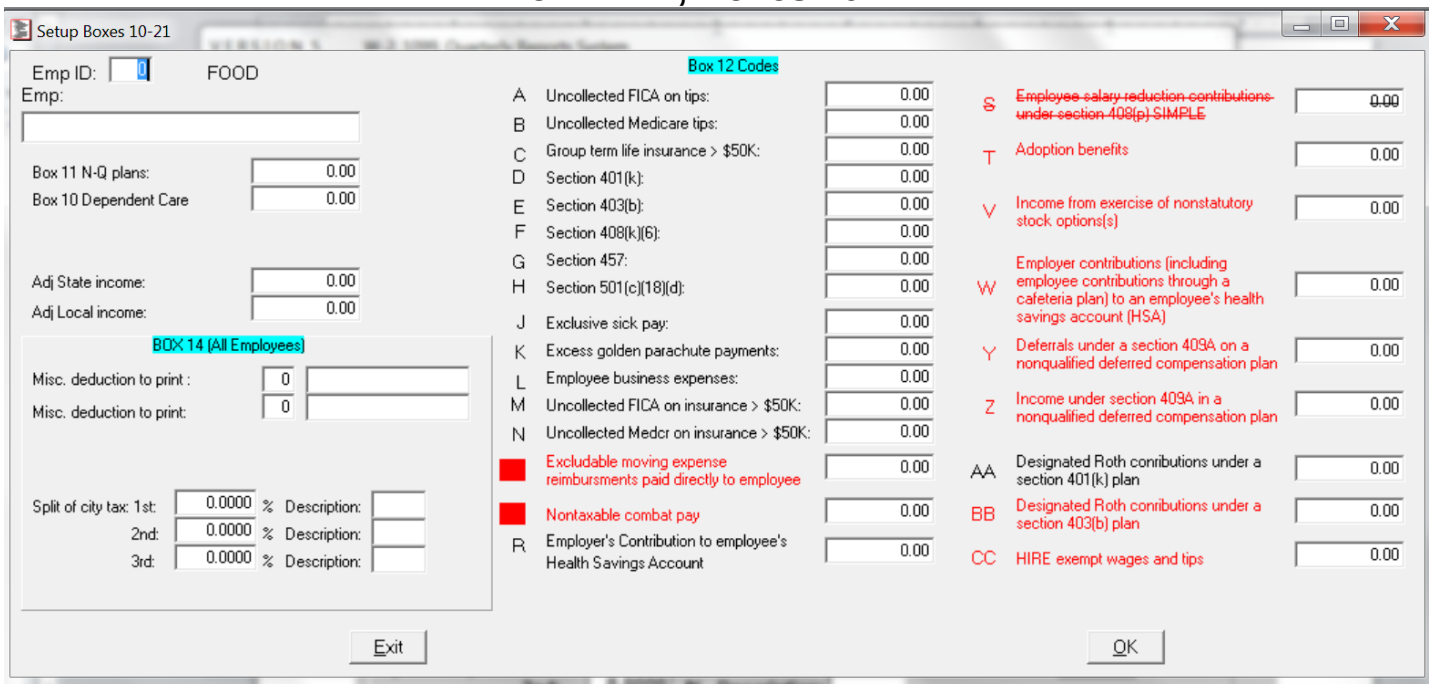


Printing W-3’s

When you print the form W-2 using Option #1, the system will save the totals required to print the Form W-3.



Form W-2, Boxes 10-21



Box 10 - Dependent care benefits. Show the total dependent care benefits under a dependent care assistance program **(Section 129)** paid or incurred by you for your employee. Include the fair market value (FMV) of employer-provided or employer-sponsored day-care facilities and amounts paid or incurred in a **section 125** (cafeteria) plan. Report all amounts paid or incurred including those in excess of the $5,000 exclusion. This may include (a) the FMV of benefits provided in kind by the employer; (b) an amount paid directly to a day-care facility by the employer or reimbursed to the employee to subsidize the benefit; or (c) benefits from the pre-tax contributions made by the employee to a section 125 dependent care flexible spending account. Include any amounts over $5,000 in boxes 1, 3, and 5. For more information, see Pubs. 15-A and 15-B.

Box 11 —Nonqualified plans. Show **distributions** to an employee from a nonqualified plan or a section 457 plan. Also report the distributions in box 1. **Make only one entry in this box.** See **state and local agencies** below for certain employees who received distributions from both types of plans. **If you did not make distributions this year, show deferrals (plus earnings) under a nonqualified or section 457 plan that became taxable for social security and Medicare taxes during the year (but were for prior year services)** because the deferred amounts were no longer subject to a substantial risk of forfeiture. **Do not report in box 11 deferrals that are included in boxes 3 and/or 5 and that are for current year services.**

Box 12 —Codes. Complete and code this box for all items described below. Do not report in box 12 any items that are not listed as codes **A –CC.** Also, do not report in box 12 section 414(h)(2) contributions (relating to certain state or local government plans). Instead, use box 14 for these items and any other information you wish to give your employee. For example, union dues and uniform payments may be reported in box 14.

On Copy A (Form W-2), do not enter more than four items in box 12. If more than four items need to be reported in box 12, use a separate Form W-2 to report the additional items (but enter no more than four items on each Copy A (Form W-2)). **On all other copies of Form W-2 (Copies B, C, etc.), you may enter more than four items in box 12.** See also **Multiple forms** on page 7.

Use the IRS code designated below for the item you are entering followed by the dollar amount for that item. Even if only one item is entered, you must use the IRS code designated for that item. Enter the code using a capital letter. Leave at least one space blank after the code, and enter the dollar amount on the same line. Use decimal points but not dollar signs or commas. For example, if you were reporting $5,300.00 in elective deferrals to a section 401(k) plan, the entry would be **D 5300.00** (not A 5300.00 even though it is the first or only entry in this box).

See the Form W-2 Reference Guide for Box 12 Codes on the next page.

Form W-2 Reference Guide for Box 12 Codes (See the box 12 instructions.)

A	Uncollected social security or RRTA tax on tips	K	20% excise tax on excess golden parachute payments	V	Income from exercise of nonstatutory stock option(s)
B	Uncollected Medicare tax on tips	L	Substantiated employee business expense reimbursements	W	Employer contributions (including employee contributions through a cafeteria plan) to an employee's health savings account (HSA)
C	Taxable cost of group-term life insurance over $50,000	M	Uncollected social security or RRTA tax on taxable cost of group-term life insurance over $50,000 (for former employees)	Y	Deferrals under a section 409A nonqualified deferred compensation plan
D	Elective deferrals under a section 401(k) cash or deferred arrangement plan (including a SIMPLE 401(k) arrangement)	N	Uncollected Medicare tax on taxable cost of group-term life insurance over $50,000 (for former employees)	Z	Income under section 409A on a nonqualified deferred compensation plan
E	Elective deferrals under a section 403(b) salary reduction agreement	P	Excludable moving expense reimbursements paid directly to employee	AA	Designated Roth contributions under a section 401(k) plan
F	Elective deferrals under a section 408(k)(6) salary reduction SEP	Q	Nontaxable combat pay	BB	Designated Roth contributions under a section 403(b) plan
G	Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan	R	Employer contributions to an Archer MSA	CC	HIRE exempt wages and tips
H	Elective deferrals under a section 501(c)(18)(D) tax-exempt organization plan	S	Employee salary reduction contributions under a section 408(p) SIMPLE		
J	Nontaxable sick pay	T	Adoption benefits		

Box 12a—Deferred compensation. Enter the total of all amounts reported with codes D through H, S, Y, AA, and BB in box 12 on Forms W-2. Do not enter a code.

• Make sure that the social security wage amount for each employee does not exceed the annual social security wage base limit ($106,800 for 2010).

Box 12b—HIRE exempt wages and tips. Enter the total of all amounts reported with code CC in box 12 on Forms W-2. See page 3.

• Do not report noncash wages that are not subject to social security or Medicare taxes as social security or Medicare wages.

• If you use an EIN on any quarterly Form 941 for the year (or

Box 13 —Checkboxes. Mark all checkboxes that apply.

- **Statutory employee.** Mark this checkbox for statutory employees whose earnings are subject to social security and Medicare taxes but **not subject to Federal income tax withholding.** Do not mark this checkbox for common-law employees. There are workers who are independent contractors under the common-law rules but are treated by statute as employees. They are called statutory employees.

  1. A driver who distributes beverages (other than milk), or meat, vegetable, fruit, or bakery products; or who picks up and delivers laundry or dry cleaning, if the driver is your agent or is paid on commission.

  2. A full-time life insurance sales agent whose principal business activity is selling life insurance or annuity contracts, or both, primarily for one life insurance company.

  3. An individual who works at home on materials or goods that you supply and that must be returned to you or to a person you name, if you also furnish specifications for the work to be done.

  4. A full-time traveling or city salesperson who works on your behalf and turns in orders to you from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments. The goods sold must be merchandise for resale or supplies for use in the buyer's business operation. The work performed for you must be the salesperson's principal business activity.

See Pub. 15-A for details on statutory employees and common-law

Box 14—Income tax withheld by payer of third-party sick pay. Schedule H (Form 1040):

Complete this box only if you are the employer and have employees who had federal income tax withheld on third-party payments of sick pay. Show the total income tax withheld by third-party payers on payments to all of your employees. Although this tax is included in the box 2 total, it must be separately shown here.

• Be sure that the amounts on Form W-3 are the total amounts from Forms W-2.

• Reconcile Form W-3 with your four quarterly Forms 941 (or Forms 943, 944, CT-1, and Schedule H (Form 1040)) by comparing amounts reported for:

1. Income tax withholding (box 2).

Box 15—State/Employer's state ID number. Enter the two-letter

2. Social security wages, Medicare wages and tips, and social

abbreviation for the name of the state being reported on Form(s) security tips (boxes 3, 5, and 7). Form W-3 should include Form W-2. Also enter your state-assigned ID number. If the Forms W-2 941 or Forms 943, 944, and Schedule H (Form 1040) adjustments being submitted with this Form W-3 contain wage and income tax only for the current year. If the Form 941, Form 943, or Form 944 information from more than one state, enter an “X” under “State” adjustments include amounts for a prior year, do not report those and do not enter any state ID number. prior year adjustments on the current year Forms W-2 and W-3.

Boxes 16 through 19. Enter the total of state/local wages and 3. Social security and Medicare taxes (boxes 4 and 6). The income tax shown in their corresponding boxes on the Forms W-2 amounts shown on the four quarterly Forms 941 (or annual Form included with this Form W-3. If the Forms W-2 show amounts from 943, Form 944, and Schedule H (Form 1040)), including current more than one state or locality, report them as one sum in the year adjustments, should be approximately twice the amounts appropriate box on Form W-3. Verify the amount reported in each shown on Form W-3.
box is an accurate total of the Forms W-2. 4. Advance EIC payment (box 9).
Reconciling Forms W-2, W-3, 941, 943,

Notes:

Generate Forms

The Generate option is a toggle option. If the Report Mode is not set to GENERATE (for plain paper forms), clicking the option turns it on or off. You will need the current update each year for the Laser Forms program.

Form Adjust

Form Adjustment allows you to move the form data when using pre-printed forms.

When you enter a positive number for extra TOP lines, the entire page image will move down one line. When you enter a number in extra MIDDLE, only the second form, and third form on three up forms, will move down the specified number of lines.

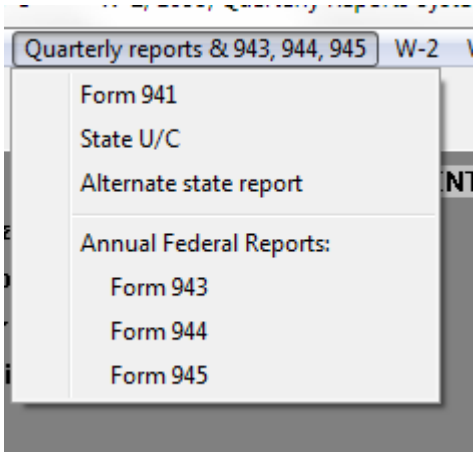
When you enter a positive number for extra left SPACE each line will move to the right the specified number of spaces.

In each case you can enter a negative amount if you need to move the image up or to the left. If you enter a negative amount that causes the top or left margin to be less than one the form will not print, or lines will not print.

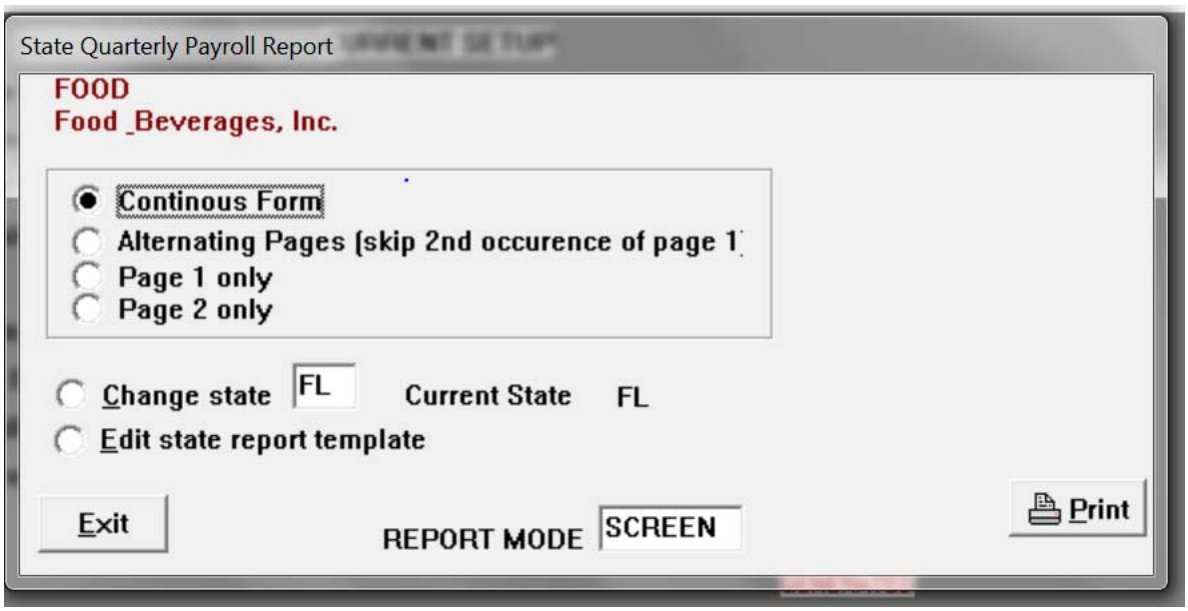
If you want to print telephone numbers on W-2's then click the telephone number box.

PRINTING QUARTERLY REPORTS

SELECT - QUARTERLY REPORTS FROM THE MAIN MENU



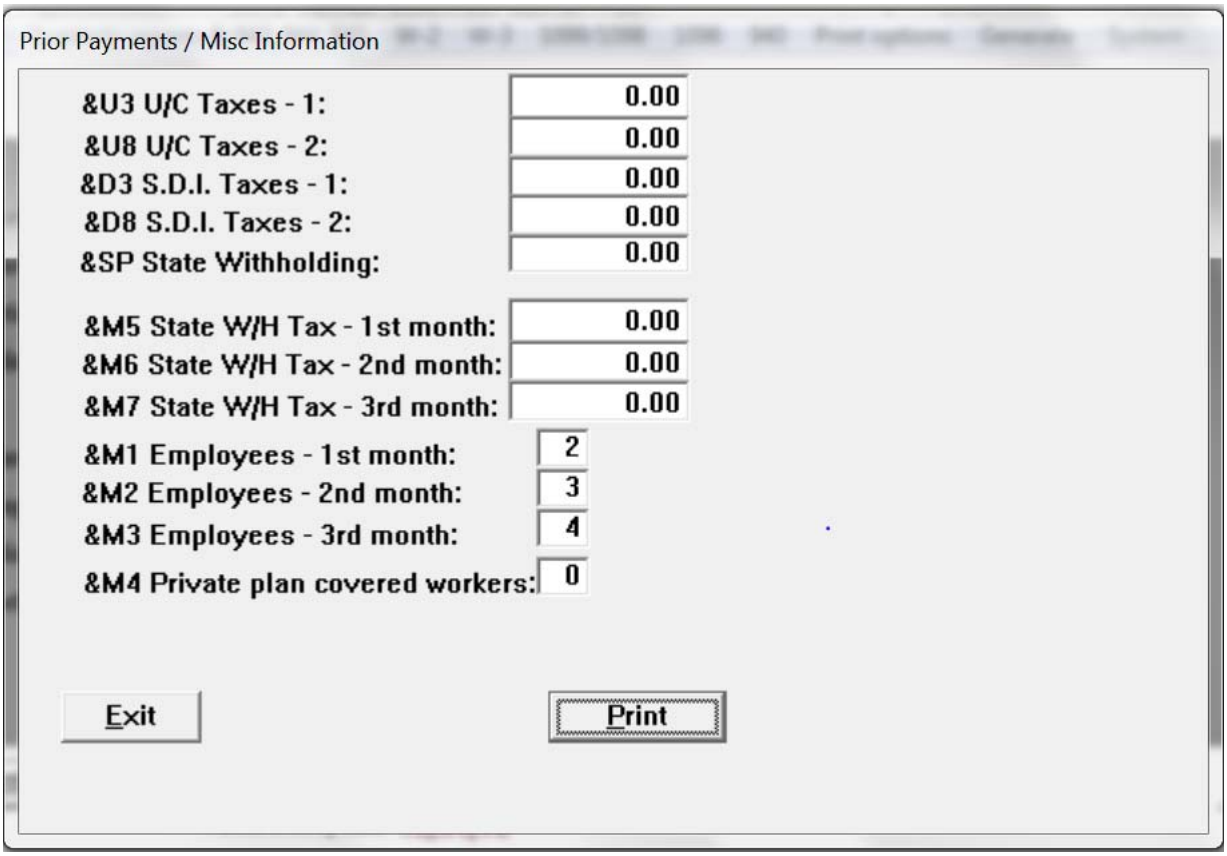
State U/C - QUARTERLY PAYROLL REPORT
This routine will print your state quarterly payroll report template based on the state abbreviation you enter. The STATE QUARTERLY PAYROLL REPORT menu has four options.



The CHANGE STATE prompts you for the 2-character state abbreviation.

The last option, EDIT STATE REPORT TEMPLATE, takes you into the Text Editor, which automatically brings up the current state template. Instructions for using the editor and setting up the state template are detailed in Appendix C - USING THE TEXT EDITOR and Appendix D – SETTING UP THE STATE U/C REPORT.

When you click [Print] to print the report the miscellaneous information screen appears to let you further define the quarterly report for the current client.



TOP SECTION
You can record payments and adjustments for one or two U/C and S.D.I. type taxes and one state with-holding. The payments and adjustments are sign sensitive, use a credit entry (-) to reduce the taxes due and a debit entry to increase the taxes due.

BOTTOM SECTION
If the state requires reporting the number of employees on a particular date of each month, you must enter the number of employees in each month as the system cannot accurately track when the employees worked...only when they were paid.

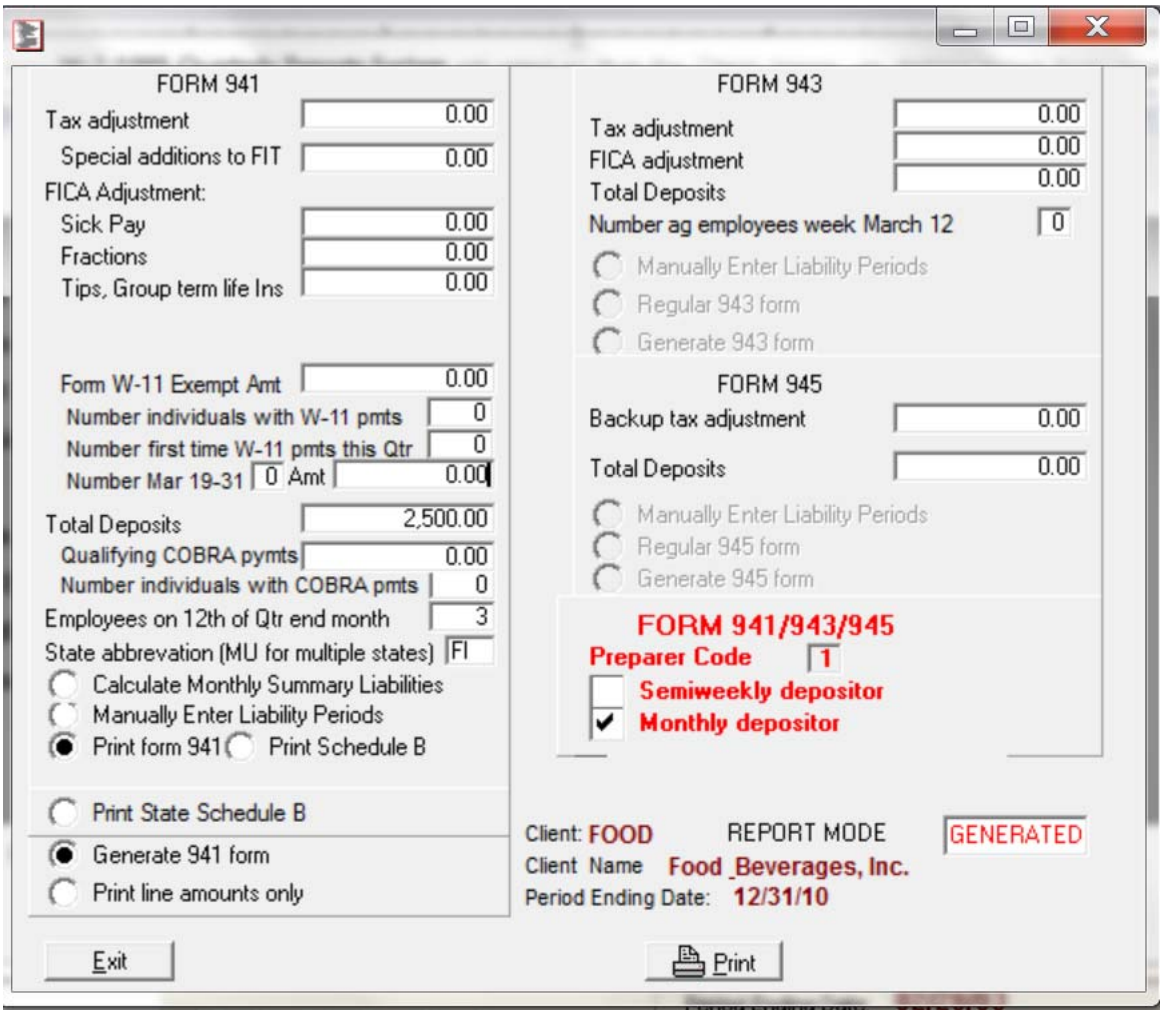
Notes:

FEDERAL 941 / 943 /945

You can print Form 941-Employer's Quarterly Federal Tax Return, Form 943 Agriculture Return, and Form 945 Backup Withholding for 1099 recipients based on the information contained in the Client Accounting Payroll file. Although the system automatically maintains the tax liability amounts (during payroll transaction entry), you can manually change them in this routine.

Printing plain paper forms requires the Laser Forms program requiring no printer adjustments, but printing on dot matrix requires that your paper alignment be adjusted so that the Client Name (as distinguished from trade name) is printed 2 inches from the left margin and 1 1/2 inches from the top of the page. The decimals for lines 1 - 15 should be 7 1/2 inches from the left. The left measurement is after the pin-feed holes are removed. If the 941 is properly aligned, schedule B will automatically be properly aligned.

The FORM 941 / 943 / 945 menu looks like this:

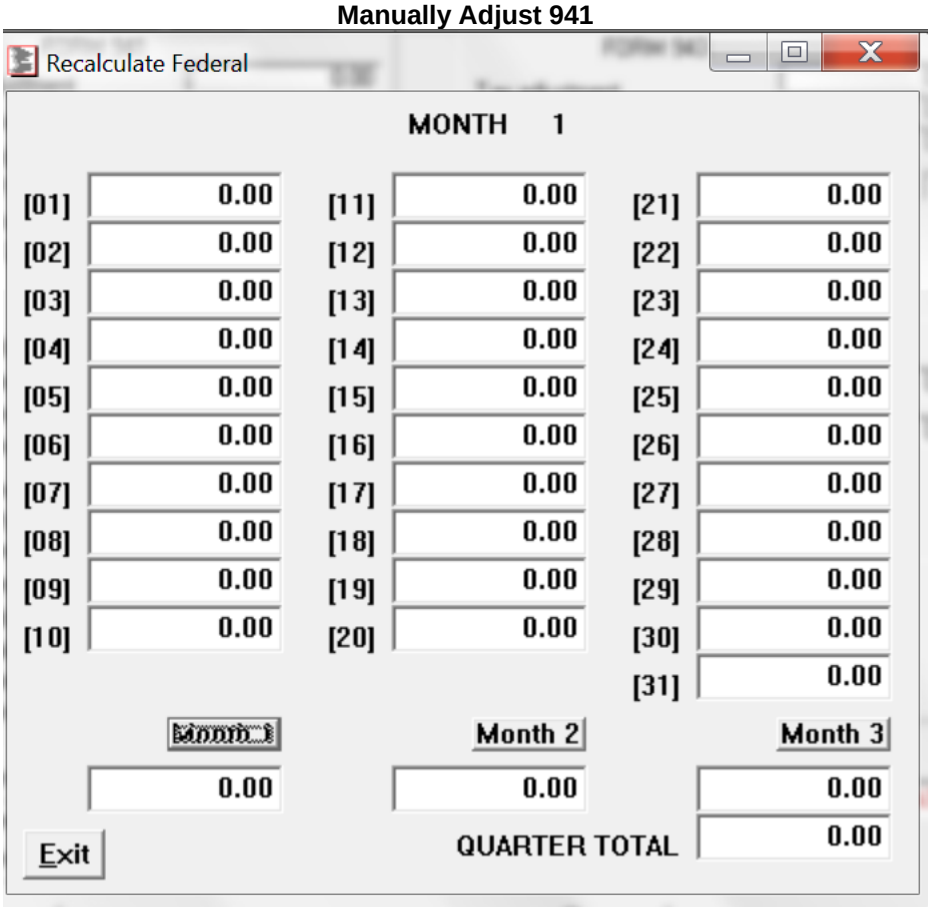


Total Deposits, Form 941, 943, 945
Enter the total amount paid in federal deposits including any overpayment from prior quarters.

Manually Enter 941 Tax Liability Periods

This option gives you the chance to review and edit your client's tax liability by pay period. When you enter the liability period editing routine for the 941 the first month of the quarter is displayed. When you enter the period editing routine for the 943 and 945 the monthly amounts are displayed. On the 941 screen clicking the month button will advance the screen to the selected month. You can edit the amount for a period by moving the cursor to the desired field and clicking the left mouse button. Enter the new value and press [RETURN]. Any changes made are instantly updated in the Tax Liability file FLB-xxx. HCA. Monthly sub-totals and the total for the quarter are recalculated and displayed as well.

Manually Adjust 941

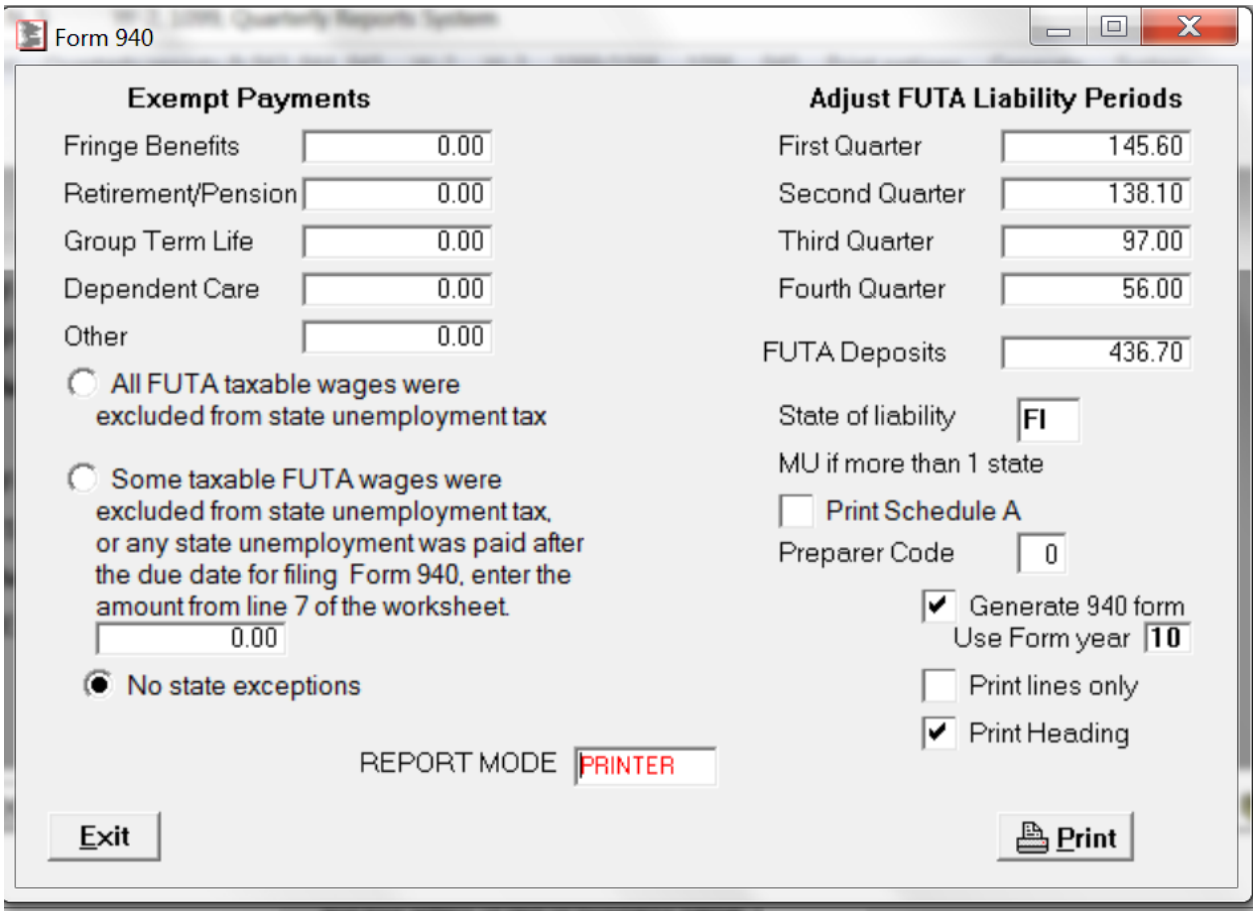


Printing Forms

To print, click on the print option for that form. Before printing you should check the proper box for depositor Requirements, Preparer Code and check the Do Not Print Heading box if you are using pre-printed forms.

Notes:

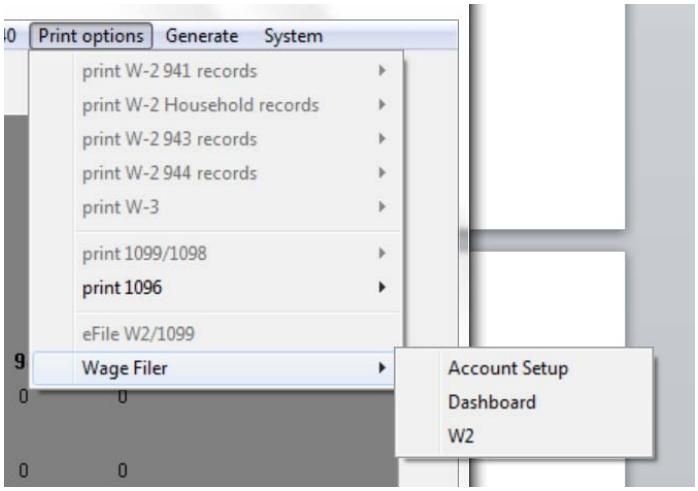
FEDERAL 940
You can print the Form 940-Employer's Annual Unemployment Federal Tax Return based on the information contained in the Payroll Summary file. Although the system automatically maintains the tax liability amounts (during printing quarterly 941's), you can manually change them in this routine.



Your options on this menu are:

Record Exempt Payments
The system can determine three types of FUTA exempt payments. If the employee is Family and exempt FUTA the system will show Family exempt. If the employee is regular, no special flag, and exempt FUTA the system will show Student exempt. If the employee is regular, the special flag is set to Statutory Employee, and exempt FUTA the system will show Statutory exempt. If there are other types of exempt Earnings then enter the amount of exempt wages, and a description of the type of exemption here.
Record State Payments
Enter the total amount paid to the reporting state.
Total FUTA Deposits
Enter the total amount paid in FUTA deposits including any overpayments.
Adjust Tax Liability Periods
This option gives you the chance to review and edit your client's FUTA liability by QUARTER. Any changes made are instantly updated in the FUTA Liability file FUT-xxxx.CA4.

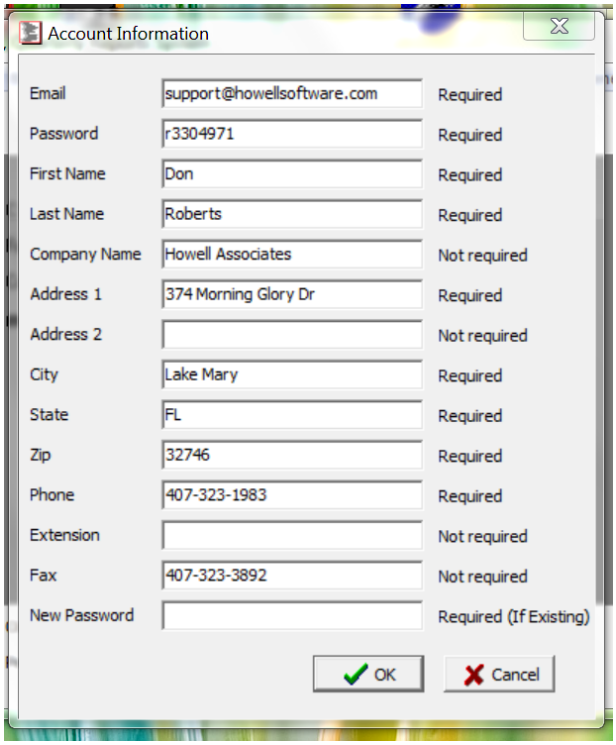
Wage Filer & E-Filing Instructions



The information on this page is intended to help you successfully complete your electronic filings within our software. If this page doesn't provide what you are looking for, please visit the "HELP" section in the software.

Filing Instructions

In order to start filing, you must first do the Account Setup This only done once and you should never have to bring this option up again unless you need to change your password.



After you have set up your filing account, it's time to get started. Click on the forms you are filing.

W2, 1099, 941, 944 or State U/C

1. Select the services you wish to use. Choose from Federal e-filing, State e-filing and Recipient print & mail fulfillment.
2. Confirm the payer(s) and payee(s) you are filing for.
3. Evaluate and choose your state filing selections for each payer. For 1099-MISC and 1099-R, we will tell you what states are available for filing based on your data. Other forms, you will have to select your states.
4. Add your filings to your filing cart.
5. Edit reconciliation forms in your filing cart.
6. Enter your payment information (VISA, MASTERCARD, AMEX, DISCOVER)
7. Submit your filings

Pricing Information

Federal E-Filing

1-25 Forms	$0.85 each
26-50 Forms	$0.75 each
51-100 Forms	$0.65 each
101-250 Forms	$0.50 each
251-500 Forms	$0.40 each
501-1000 Forms	$0.35 each
1001+ Forms	$0.30 each

State E-Filing

1-25 Forms	$1.00 each
26-50 Forms	$0.90 each
51-100 Forms	$0.75 each
101-250 Forms	$0.60 each
251-500 Forms	$0.50 each
501-1000 Forms	$0.48 each
1001+ Forms	$0.45 each

Recipient Print & Mail Fulfillment

1-25 Forms	$3.10 each
26-50 Forms	$2.75 each
51-100 Forms	$2.35 each
101-250 Forms	$2.00 each
251-500 Forms	$1.60 each
501-1000 Forms	$1.15 each
1001+ Forms	$1.00 each

About your data

The data in this electronic filing module comes directly from our program. Each time you enter this electronic filing module, the data available to you is representative of the most current data you have entered into your program. We do save the data from all the forms you have filed for you to review.

Checking statuses and reports

This module makes it easy for you to regularly check on the status of your filings and print reports.

How to check your filing statuses:

1. Go to "Dashboard"
2. Under "Status & Reports" click on "Check Status"
3. From there you can view the status reports of all your electronic filings

How to view submitted forms:

1. Go to the "Dashboard"
2. Under "Status & Reports" click on "Submitted Forms"
3. You will then see a list of all your submitted forms

How to print reports:

1. Go to the "Dashboard"
2. Under "Status & Reports" click on either "Summary Report" or "Reconciliation Report"
3. You will then see a report and have the option to print or save a report.

BANK RECONCILIATION

RECONCILE CONVENTIONS

The following conventions must be followed for CLIENT ACCOUNTING to correctly work with RECONCILE.

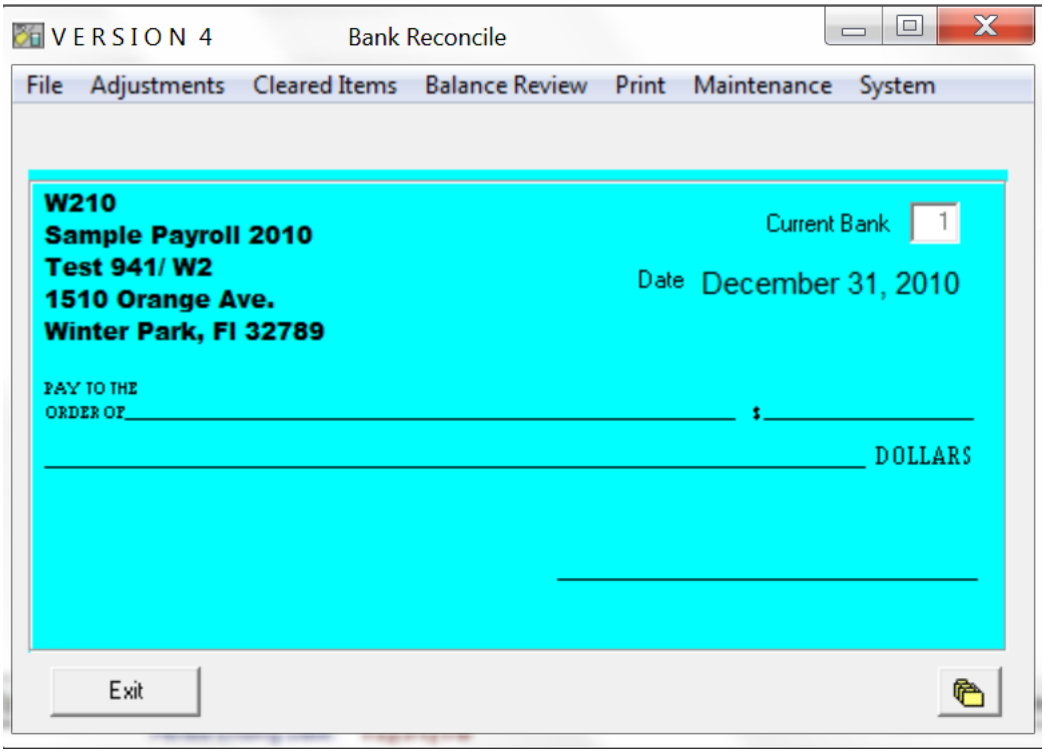
1. All entry references must be **NUMERIC** when entering disbursements and deposits.
2. The Check and deposit entries must reside in different journals. (Cash Journals 21 & 22)
3. Reconciliation of transactions must be done before end-of-period processing in Client Accounting.

RECONCILE will not acknowledge entries with non-numeric references, nor will it be able to seperate deposits and check entries from the same journal number.

RUNNING RECONCILE

To run RECONCILE from within CLIENT ACCOUNTING WINDOWS, at the Main Menu click Reports, then click Bank Reconcile.

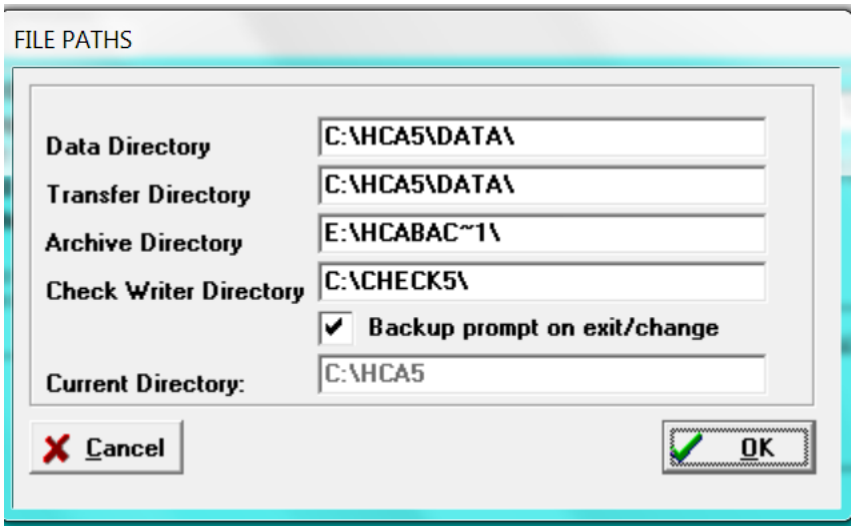
The Bank Reconciliation Main Menu



PREPARING FILES

Before starting to use RECONCILE you must prepare data files for the program, and for each client you will process.

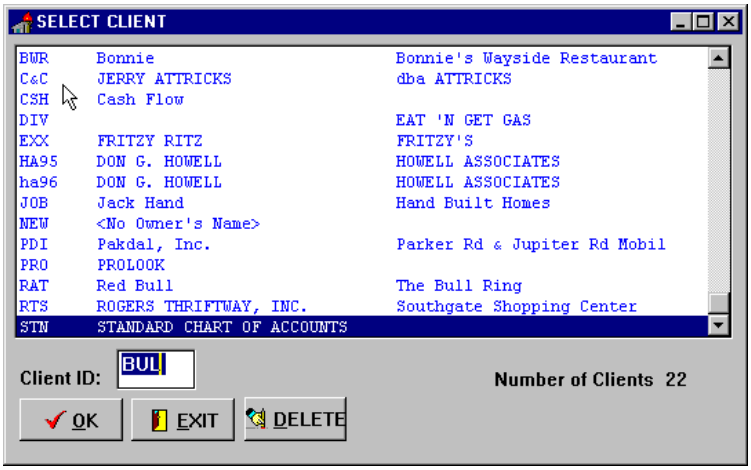
When the RECONCILE Main Menu loads, click System, then click File paths. The File Paths should be set the same as they are in CLIENT ACCOUNTING. The main file path used by RECONCILE is the Data Directory.



After the file paths are set, click OK to return to the Main Menu.

CLIENT SELECTION

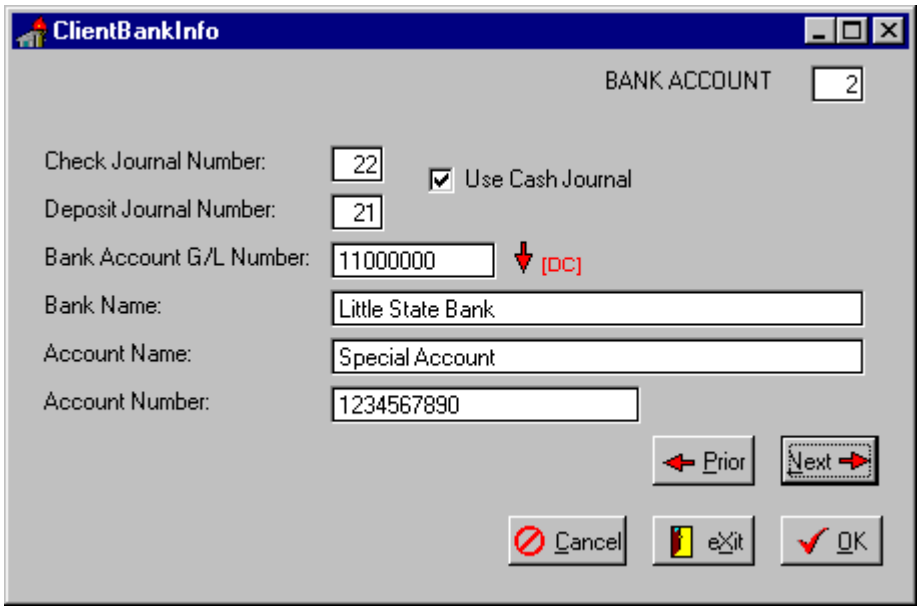
Next click on file, and select the client you want to process. Client selection is made in the same manner as in CLIENT ACCOUNTING WINDOWS. After you have the desired client, return to the Main Menu, and then click Maintenance.



After you have the desired client, return to the Main Menu, and then click Maintenance.

The first Maintenance routine is Client Information.

CLIENT INFORMATION



In client Information you can establish as many as **eleven** separate bank accounts for each client. The typical usage is one or two accounts. If you typically process using the Cash Receipts / Cash Disbursements journal, click Use Cash Journal and the system will automatically insert the Check Journal Number, the Deposit Journal Number and the Bank Account G/L Number you have assigned in CLIENT ACCOUNTING.

Any of the eleven defined accounts can be assigned to Cash Receipts / Cash Disbursements, but once an account is assigned to the Cash Journal, the Use Cash Journal check box will not be available on any other screen. If you need to change the selected journals, you must first un-select the Cash Journal, then proceed to the desired journals and click Use Cash Journal.

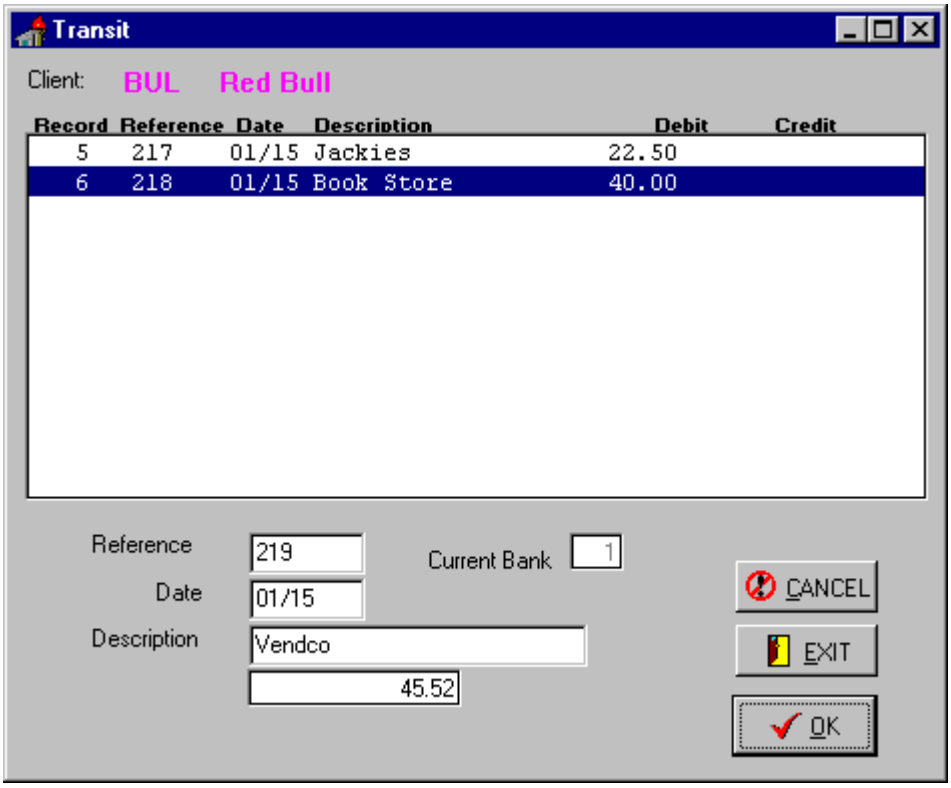
If you do not use the Cash Journal, then enter the Check Journal Number, the Deposit Journal number, and the Bank Account G/L number for the bank account. To make a Bank Account valid you must assign a Check Journal. If you will not track deposits, but will enter group totals for deposits made and deposits in transit, then enter a 0 for the Deposit Journal Number. If there is no Deposit Journal assigned the system will not access any fields or routines dealing with deposits. If there is no Check Journal assigned, the bank account cannot be accessed at all.

> **The RECONCILE system extracts transactions from your CLIENT ACCOUNTING transaction file based on the assigned numbers. The system will extract only those transactions with a numeric reference. As typical, the check transactions have a check number assigned, and if you are tracking deposits the deposits must be a numeric reference also. ** The offset amount for the total amount of checks or deposits must be an alphanumeric reference. ****

After the journal and account numbers are assigned, enter the related bank names, the name on the bank account, and the number of the bank account.

Once the individual bank accounts are established, you can proceed to Main Menu, File, select Bank, and select the desired bank account by double clicking the displayed account.

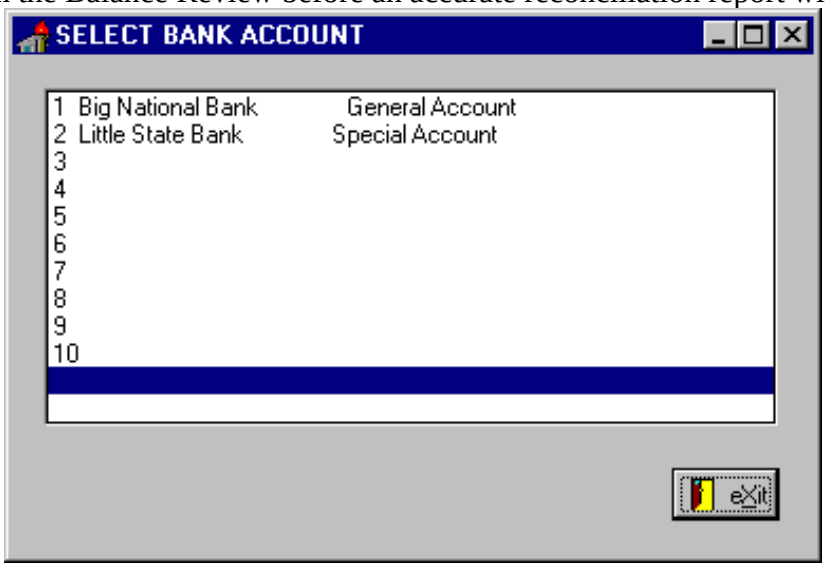
After you have selected the desired bank account you may have to create the currently open checks and/or deposits in transit. To record the open items click Maintenance, then Checks or Deposits.



The Open Item maintenance screen is similar to the transaction entry screen in CLIENT ACCOUNTING, except you are entering only information needed by Reconcile. Normally this screen is used only once, as the open items are automatically created when you do Period End Processing. Once you have entered the open items, exit back to the Main Menu.

NORMAL WORKFLOW

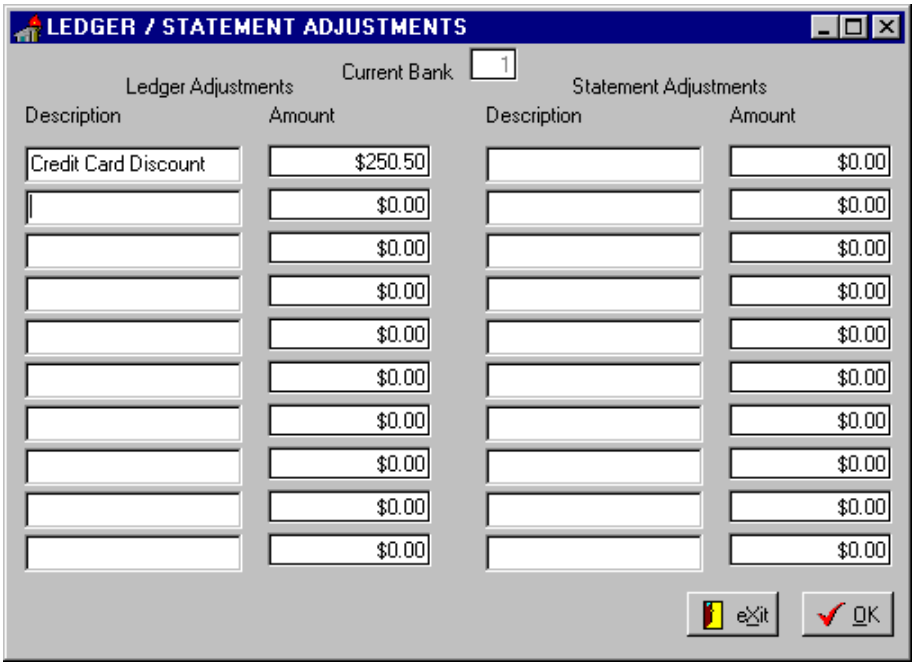
The Main Menu is arranged in a logical workflow, and you can make selections in any order, however you must perform the Balance Review before an accurate reconciliation report will print.



When you first receive the bank statement you will select the Client and Bank Account, then select Adjustments to record any debit or credit memos included in the statement.

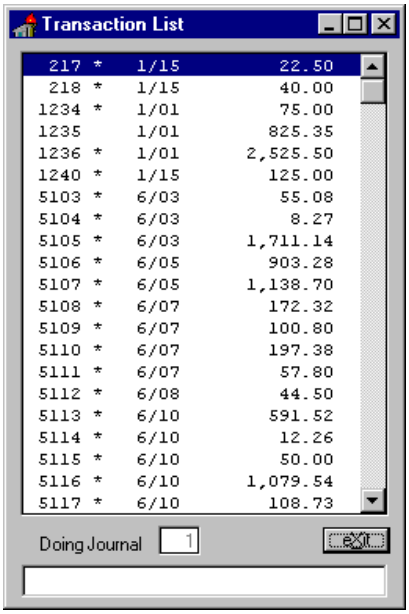
LEDGER / STATEMENT ADJUSTMENTS

The system allows for ten adjustments to the ledger or statement in each bank account. Typically the adjustments capture debit and credit memos. In the normal keying of transactions debit and credit memos have an alphanumeric entry such as DM-1 or J#-2. To enter an amount to add to your bank adjustments such as Interest Income enter the amount then hit the minus sign to reverse the entry.

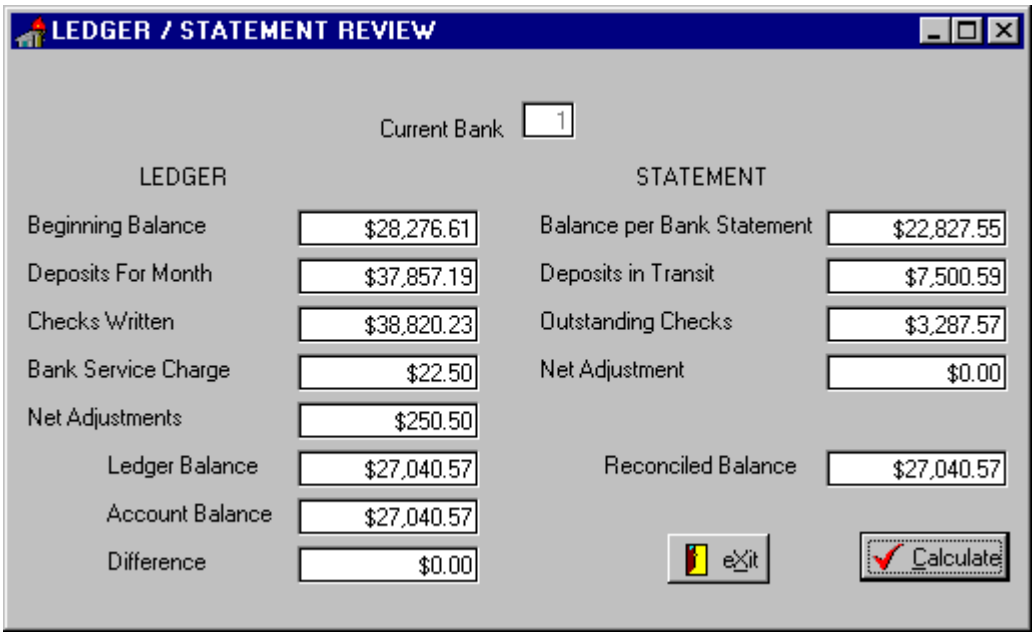


MARKING CLEARED TRANSACTIONS

Next you will move to indicating which transaction have cleared by clicking cleared Items at the Main Menu, then indicate if you are doing cleared Checks or Deposits. At the Transaction List, double click on each item that has cleared. Cleared items are indicated by an asterisk '*' Double clicking a cleared item will un-mark it.



BALANCE REVIEW

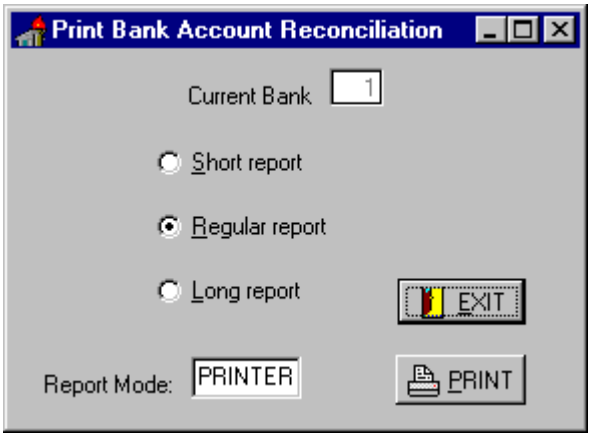


Once all cleared items are flagged, proceed to Balance Review and enter the bank balance and bank service charge as per the current bank statement. If you are not tracking deposits, then enter the total Deposits for Month, and the Deposits in Transit. Once you have entered the service charge and deposit information click Calculate, and the account status is displayed. If everything is correct the Ledger Balance, Account Balance, and Reconciled Balance should equal. If the totals are not equal you will have to research to find the problem.

You may want to start tracking the out of balance by printing cleared transactions, and compare the cleared items with those listed in the statement.

Once the Balance Review is equal, proceed to Print, then Print Reconciliation Report.

PRINT RECONCILIATION REPORT



In Print Reconciliation you have a choice of three formats.

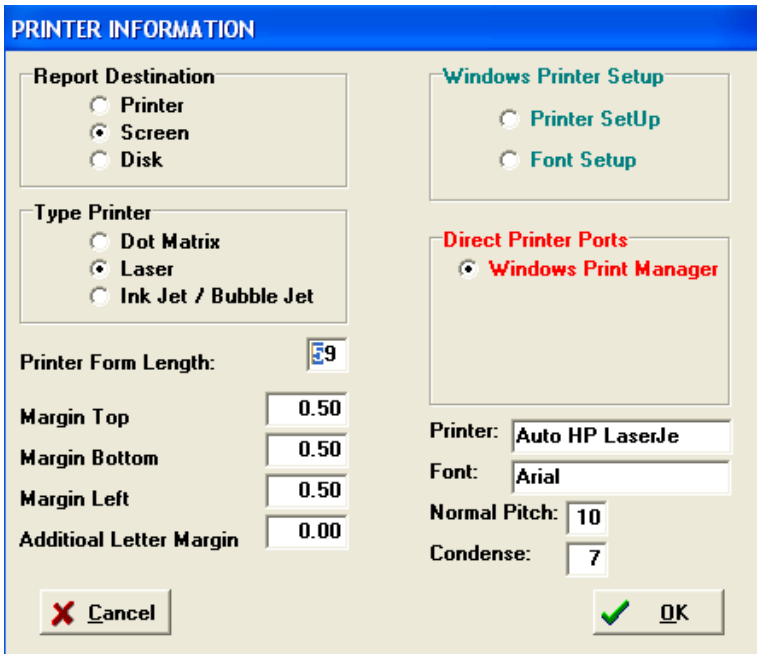
The SHORT format prints the open items four across showing Reference and Amount only.

The REGULAR format prints the open items three across showing Date, Reference, and Amount.

The LONG format prints the open items one to a line showing Date, Reference, Amount, and Description.

Before printing you may want to check your Report Mode.

REPORT MODE



PRINTED RECONCILIATION REPORT TO SCREEN

BEGINNING BALANCE	24,028.30	BALANCE PER BANK STMT	26,500.00
DEPOSITS FOR MONTH	52,882.00	DEPOSITS IN TRANSIT	2,203.00
CHECKS WRITTEN	48,664.48	OUTSTANDING CHECKS	-809.68
BANK SERVICE CHGS	45.00		
Credit Card Fees	176.00		0.00
Bad Check	75.00		0.00
Cash Short	55.00		0.00
Equipment Lease	130.00		0.00
Interest Income	-128.50		0.00
BALANCE PER LEDGER	27,893.32	RECONCILED BALANCE	27,893.32

OUTSTANDING CHECKS

DATE	NUMBER	AMOUNT	DESCRIPTION
2/26	1015	309.68	Bud
2/27	1016	325.00	Sams Wholesale
2/28	1017	175.00	Bill Johnson

LAST CHECK TOTAL OUTSTANDING CHECKS 809.68

DEPOSITS IN TRANSIT

DATE	NUMBER	AMOUNT	DESCRIPTION
2/28	2	1,400.00	Visa
2/28	3	175.00	Amex
2/28	4	628.00	Cash & Checks