

GENERAL LEDGER

How to Add Chart of Accounts items

Your General Ledger Chart of Account Codes and their other details are used to identify the different accounts to be used for your Trial Balance, Balance Sheet, etc. This should be done with reference to your accountant to ensure it is correct.

In Printcost, 2 accounts are set up in the Chart of Accounts to which transactions cannot be manually posted. The Brought Forward Profit / Loss and the Retained Earnings this Year are used for displaying on screen and printing the balance sheet only.

To add further chart of accounts items:

1. <New>
2. Enter the Chart of Account code.
3. Select the item by clicking it, and click <Details> to enter information about this item, including the type of account (expense, liability, etc.)

The Profit & Loss report, the Trial Balance and the Balance Sheet are viewed or printed out in Statements.

More about Chart of Accounts

Periods

Printcost accounting is based on Periods rather than dates. There are 14 periods in a year, allowing for adjustments at the beginning and end of the year.

The Periods need to be set up to relate a four-digit number to an accounting period; normally a month but could be any period. The status must also be set here.

When a new batch is manually created it will take the current accounts payable period by default. The period can be changed in an unposted batch, if required, but remember to do a Transfer to Profit to keep GL records correct.

Divisions

The Divisions need to be set up if they are being used.

Departments

The Departments need to be set up if they are being used.

GL History

This allows selection of lines from the General Ledger transaction file. It is used to select the unrepresented items to reconcile against the bank statement, or to print reports on GL detail (such as for GST or BAS returns).

How to Add Journals and Cheque payments

The transaction <List> will show a list of Batch Header lines. The <Details> button will show the individual line entries within a batch. General ledger journal entries are created here.

NB: in Printcost there are 2 accounts set up in the Chart of Accounts to which transactions must not be manually posted. The Brought Forward Profit / Loss and the Retained Earnings this Year are used for displaying on screen and printing the balance sheet only.

When entries are posted in other areas of Printcost, such as banking receipts, creditor invoices, or accounts payable, a batch is automatically created in general ledger. "Source" indicates the origin of the batch.

Journal Entries

There are two types of Journal entries

1. Those between G/L accounts other than the bank accounts. You can enter a batch of transactions for the period, as one entry. To enter these:
 - <GL>
 - <Transactions>
 - On Select screen click <OK>

- Click <New>. The new batch will use the current AP period. Change it if you need to.
 - <Details>
 - Enter the <Batch description>, and <Batch date>.
 - Enter the <G/L code> (enter a number and a drop down list will appear for you to make your selection, if you are not sure of the code), notes, the Debit or Credit amount, Whom, and Reference.
 - As each line is entered the Balancing figure is entered for you on the next line.
 - This gives you a running total for a Batch and means that for the last entry you only need to enter the G/L code, Notes and amount. Thus the batch will always be in balance and the Post button will be visible. Click Details if the Post button is invisible. If it does not appear the batch is out of balance by the amount on the last line.
2. The second type of batch affects one of the Bank accounts that need to be reconciled. This is the same method of entry but has some additional features.
- <GL>
 - <Transactions>
 - Click <Details>
 - <New>
 - Change Period if needed, enter batch description and transaction date
 - Select the Bank Account from the drop down box, if you use more than one. This is set up in Misc data in the Miscellaneous file.
 - Check the <Tax included> and <Add On Tax> check boxes if needed. If neither is checked then Tax is ignored. If <Tax included> is ticked (click it to turn the tick on) then you should enter the Gross amount, and tax is calculated as part of that amount (**when <Complete entry> is clicked**, see below).
 - If Add On Tax is ticked then you should enter the Nett amount, and tax is added onto that amount (**when the <Complete entry> button is clicked**, see below).
 - Enter the G/L code (if unsure of it enter a number to see a Chart of Accounts list where you can make your selection). Put the cheque number or a reference eg "DD" in the reference field (this shows on the bank rec screen), payee name in the Notes field, and the Debit or Credit amounts. Cheques will normally be debits.
 - After entering the Amount, click on the <Complete Entry> button. If "Tax Included" is checked, this will alter the amount you entered to remove the Tax, create a Tax line, and create a balancing (credit) Bank entry on the next line.
 - You can then start the next transaction on the following line, creating a full batch of bank entries. Note that you need to change the tax boxes, if required, before entering data on the second line. Tax will be included or added on as you click <Complete Entry>, as long as you have one of the tax buttons selected. For transactions without tax, leave both boxes unchecked.
 - NOTE. The last line of the transaction is the line that will be completed (ie have the tax calculated, if applicable) when you click on the <Complete Entry> button, so you must click it at the end of each transaction.
 - For multiline transactions, perhaps relating to one cheque payment, you enter each line with its code and debit amount, including one for tax if applicable, then enter the bank code against the balancing credit amount for the total of the debit lines, which the system has calculated on the last line
 - Lines can be inserted above the highlighted line by clicking the Insert Line button.
 - When you have entered the batch, you should print a report to check the entries before posting them.
 - To remove an entry from a batch, remove either the CoA codes or the debit and credit amounts. When you click the Details button, those lines will be removed.
- Batches with the status Posted cannot be edited, but there is a facility to Unpost, so that corrections can be made, then Post again.
 - Deposits made manually are processed in the same way: the entry against the relevant GL code is a credit and against the bank account is a debit (ie the opposite of cheque entries).

Duplicate and Reverse Batches

Batch entries which are entered regularly (eg recurring monthly transactions) can be set up in one batch and the whole batch copied (using the Duplicate button).

Changes can be made if required, so that transactions such as bank fees, which vary but which occur every month, can be put in the batch and be amended for each month. If you put in these

types of transactions you will need to be very careful to put in the correct amounts for each month. We suggest that you change the date as you enter each transaction in the month you are processing – this makes it easier to check that they are the amount for this month.

Note that where any transactions relating to your bank account are cleared, the duplicate transactions will also be checked as confirmed on the bank reconciliation screen. You will need to uncheck them if they are unrepresented items.

Reverse batch: Where a whole batch has been entered with the debit and credit amounts in the wrong columns, the Reverse button can be used to correct the whole batch without re-keying it.

Processing general ledger batches

- Postings from the other modules of Printcost will appear in unposted batches in the General Ledger. These will come from Accounts Receivable (AR), Creditors Invoices (CI), Inventory (IV), Time and Cost (TC), Jobs (JO) and Accounts Payable (AP). A later posting will be added to an existing G/L batch, if it is the same Period, is not posted and is of the same Type. If it can't find such a batch then it will create a new one.
- These batches are created with the Accounts Payable Period currently in use, but this can be changed if required.
- All batches need to be posted and a Transfer to Profit done, before they are actually counted as part of the General Ledger or affect the statements such as the balance sheet.

How to Reconcile your Bank Account

1. Enter any cash receipt or payment transactions (see How to Add Journals, above) that affect the bank account and need to be manually entered in General Ledger. These would include any cheque payments, automatic payments, interest and bank fees.

To reconcile your bank account with your bank statement, click

2. <GL>
3. <GL History>
4. On the selection screen, make your selection as close as possible to the likely entries on your bank statement.

The default selection is "Unrepresented bank entries". If it has not been set up especially for your general ledger code, you will need to enter the correct Chart of Accounts code for the bank account you are going to reconcile, on the second line of the selection. For example, if the bank account code is 11110, enter this on the selection line that has <G/L Code GH> <Alpha equals> enter 11110. You can create this as a quickpick. (See pg 7)

5. Click <Selection> and add <GH Period> and enter the period you are balancing to. (You can use <Date Transaction>, change the test to <Date To>, and enter the date you are balancing to. We recommend that you DO NOT use the date selection as it may omit transactions where the date has been wrongly entered, whereas Period will capture all batches with that period.)
6. Click <OK>. Make sure <Show All> is ticked.
7. When you have the list of transactions on the list screen you can re-sort them if you wish by clicking at the top of one of the columns, before clicking <Bank Reconciliation>. (You cannot change the sort order on the reconciliation screen itself).
8. The <Last Balance> amount should be as per your last reconciliation of this account. Check this against the previous bank reconciliation. After initial setup it should not be edited.
9. Enter the <New Balance Date>.

Note that if a batch has been created by using Duplicate, where any transactions relating to your bank account were cleared in the original batch, the duplicate transactions will also be checked as confirmed. You will need to uncheck them on the bank reconciliation screen if they are unrepresented items. You may want to do this before you check any other transactions.

10. Click each of the items which has been presented, according to your bank statement.
 - If you expect that most items have been presented, use the <Check All> button. It is easy to uncheck the unrepresented items.
11. When you think the balance is correct, click <Recalculate>.
 - You are aiming to have the <New Balance> figure the same as the balance on your bank statement. This figure, plus (or minus) any unrepresented items, should be the same as the figure for this bank account on the Trial Balance. Do a Transfer to Profit and remember only

posted batches affect the Trial Balance (but unposted transactions appear on the bank reconciliation list)

- If it is different, you need to calculate the difference and try to find the transaction that is missing or the cheque on the list that is unrepresented. You can click the List screen to sort the entries by a different column (eg by amount, or by reference).
12. For an amount which seems to be missing from your selection, you may find it by using the following selection:

<GL History>

<Reset> <Numeric Absolute Equals> Enter the amount

This selection checks for both positive and negative amounts of this value over all chart of accounts codes and periods. The missing transaction may have the wrong chart of accounts code or be in the wrong period.

- You can go to another part of the system to find a transaction - the ticked transactions will remain ticked. This effectively puts your reconciliation on hold while you find the missing transaction.
 - When you have found or entered it, you need to use Select again to add the transaction to the list for reconciliation.
 - If you are having trouble reconciling the statement and find it easier from a printed page than from the screen, you can use Reports to print out the list you have.
13. When the New Balance amount equals your statement balance, print a list of unrepresented items to keep for your next reconciliation. Report 354 lists all items, both presented and unrepresented, or report 008 lists only the unrepresented items.
14. Check that the balance agrees with the balance for this bank accounts code on your Trial Balance. (Remember the Transfer to Profit and that only posted batches affect the Trial Balance).
15. Clicking <Accept> removes the cleared entries from the list.
16. Next time you reconcile this account, the accepted entries will not show on this list, and the New Balance and the New Balance date will default to the Last Balance and Last Balance date.

Note however that if you later find that there was an error, you can go back to a previous selection and "unaccept" the entries, by clicking Uncheck, then re-do the reconciliation for that selection.

For example, if you have accepted the reconciliation for June but did not check it against (and it does not agree with) the trial balance, do this:

1. Use the selection for the bank GL code, and the appropriate GL period.
2. Find the unrepresented items printout of the end of May reconciliation for any outstanding items and add them to the list using Find.
3. Change the "last balance amount" and "Last balance date" to that of the last reconciliation.
4. When the list is correct, click the Uncheck All button and go through the reconciliation process again. Once you have the reconciliation correct, print the Unrepresented items, check the balance against the trial balance amount and Accept the entries.

General Ledger Monthly Procedure & Statements

- Complete and post all batches relating to this month. Go to <Statements> and click the <Transfer Profit> button. Transfer to Profit also needs to be done if any transactions relating to earlier periods have been entered and posted. The Retained Earnings and Profits Brought forward accounts are for internal Printcost use only and must not have manual postings made to them. If any transactions have been manually posted to these accounts, they may put the accounts out of balance. There is an option on the Chart of Accounts detail screen to disallow manual postings to an account. It should be ticked for these two accounts, plus any others you need.
- Enter the period(s) you are reporting on, and select the report you want to print. It shows on the screen before printing.
- Print out the Profit & Loss report, Trial Balance and Balance Sheet.
- Annual Ageing: there is no annual ageing for General Ledger. There is a function under <Functions> <Age> to create and set general ledger periods, but this is not intended to restrict use of them. You can still change the status of them. The periods need to be created and the status set for accurate reporting.
- <Functions> <Age> <Create / Set GL Periods>
- You will be asked twice if you are sure. Enter the periods you want to close, and open. If you want to create new periods you need to enter the last period to be created and make sure

“Autocreate new periods” is checked. The new periods will be created with a status of “Open”.

Custom statements are shown on the list in upper case (eg as TRIAL BALANCE or PROFIT AND LOSS). They usually include a Balance Sheet and Profit and Loss. (The internal Printcost “Trial Balance” shown in upper and lower case cannot be changed, which is why it does not appear on the list when you click Modify Statements).

You can create new statements for your own use, and you can use Modify Statements to change the composition of them, but we recommend that this be done only in consultation with your accountant. The statements need to be set up and the chart of accounts codes grouped correctly so that the information they show is accurate.