ACCOUNTING PROCESS USING PEACHTREE PROGRAM

MEMBERS:
1. KOU Kimhak
2. LIM Seangleng
3. MAO Visal
4. SOK Sotheara
5. VIN Sounratanak

COURSE:
Financial Accounting

LECTURER:
Mr. Sar Sopheap

A Report Submitted to the French Cooperation Department Royal University of Law and Economics In Partial Fulfilment of the Requirements For the Master's Degree of RMIBF & EPM

FEBRUARY 2022

Table of Contents

Introduction to Peachtree Quantum Accounting 2010

Peachtree is an accounting application for small and medium-sized businesses (SMBs) made by Sage Software which aims at any company that has up to 50 employees. Peachtree enables comptrollers and managers to automate and manage numerous accounting tasks, like:

- Reconciling accounts payable and receivable.
- Creating financial statements, checking invoices.
- Tracking banking transfers and payroll.
- Importing and manipulating spreadsheets.
- Integrating scanned documents like checks, receipts and invoices, eliminating paper from the accounting process.

Notably, Peachtree only works on the Windows version and is not available for Mac OS. Whereas the user can either use the cracked version (No License) or pay on a yearly basis to the company (Purchased License). Peachtree comes in three popular versions: Pro, Premium, and Quantum. Before going into detail about pricing and features, let's first and foremost look at the history of this software first.

History

Peachtree Software was founded in Atlanta in 1978 by Ben Dyer, Ron Roberts, Steve Mann, and John Hayes as part of The Computer System Center, an early Altair 8800 microcomputer dealer. The company acquired Layered, Inc. in 1990 to expand its business line. After then, Peachtree was acquired and sold many times in its history including the 1981 acquisition by Management Science America (MSA) and Automatic Data Processing (ADP) in 1994. Later on, Sage Group acquired Peachtree in 1998 and still remains the owner of the software to the present day.

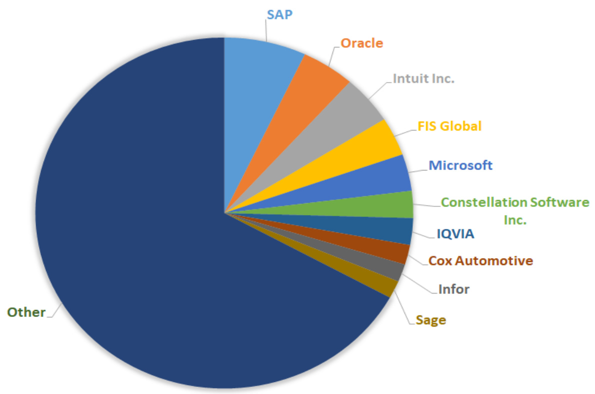
Nowadays, Peachtree has changed its name to Sage 50Cloud albeit its core features still remain the same just upgrade itself to be operable on the cloud.

About Sage Group PLC - The Parent Company

The Sage Group PLC, commonly known as Sage, is a British multinational enterprise software company based in Newcastle upon Tyne, England which was founded In 1981 by David Goldman with a team from Newcastle University, including Dr. Paul Muller, a computer expert who worked with NASA, and Graham Wylie, a student.

As of 2020, it is the world's tenth-largest supplier of enterprise resource planning software, the largest supplier to small businesses, and has ~6.1 million customers worldwide. It has offices in 24 countries and over 12,000 employees. Sage is listed on the London Stock Exchange with market capital of USD 9.5B as at Feb 2022.

EXHIBIT 1: 2020 ERP APPLICATIONS MARKET SHARES
SPLIT BY TOP 10 ERP VENDORS AND OTHERS, %



Installation of Peachtree Quantum 2010 Accounting System

Peachtree Quantum 2010 allows various methods to access functions throughout the program. In additions, some functions are the same throughout the program. We can open multiple companies at the same time, simply access functions, easily search for transactions, view and change accounting periods, and preview reports.

How to install the program:

Begin Installation Process:

1. Insert the optical disc in the drive and wait for the autorun window to appear or launch the Peachtree_XXXX.exe file if you downloaded it, where XXXX stands for the version year, such as Peachtree_2010.exe.
2. Choose "Install Peachtree Software Accounting." Review the instructions on the screen and select "Next." Review the license agreement, check the box to agree to it and choose "Next."
3. Follow the instructions on the screen to temporarily disable your firewall and then choose "Next" if the program displays a screen with firewall instructions.
4. Type the serial number for the program and choose "Next." Follow the steps in the appropriate section below, depending on whether you're installing the system on a single computer or installing it on a network.

Install Single-User Version

1. Select "Yes" to install a single-user version and click "Next" once again.
2. Tap or click "Browse..." to adjust the location where the files will be installed or accept the default locations and choose "Next."
3. Review the file locations to confirm they are correct and select "Install" to start the installation. Choose "Finish" when the installation completes.

Install Multi-User Version

1. Select "No" to install a multi-user version. Select "Yes" when asked if you are going to store company data on the computer if you're installing to the server. Choose "Next."
2. Select "Browse..." and adjust the file location of the program. Adjust the file location of the company data files on the server and then choose "Next."
3. Review and confirm the file locations and select "Install" to run the installation.
4. Review the information provided on the "Sharing Company Data" window when it appears during an installation to the server. Note the folder that you need to share on the server.
5. Launch Windows Explorer or File Explorer, locate the folder you need to share and tap and hold or right-click to display the folder properties if you're installing to the server. Select the "Sharing" tab, check the box to share the folder and enter a shared name or accept the default. Choose "OK" and navigate back to the Sage installation window.
6. Select "Next" and "Finish" to complete the installation.

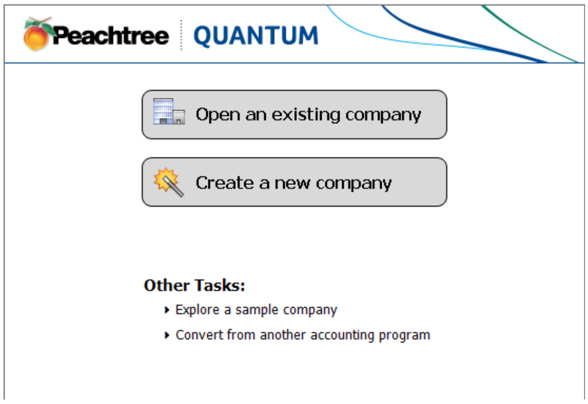
Starting Peachtree Quantum 2010

Once Peachtree Quantum 2010 is installed, we can start the program by either double-clicking the Peachtree Quantum 2010 icon placed on your desktop, or use the Start menu, also created during installation. To start Peachtree Quantum 2010 from the Start menu, click Start, All Programs, then select the Peachtree Quantum 2010 group. Finally, click Peachtree Quantum 2010.

When you first start Peachtree Quantum 2010, the Start Screen opens. The available options on the Start Screen include:

- Open an Existing company
- Create a new company
- Explore a Sample company
- Convert from another accounting application.

Choose the appropriate option and Peachtree Quantum 2010 opens.

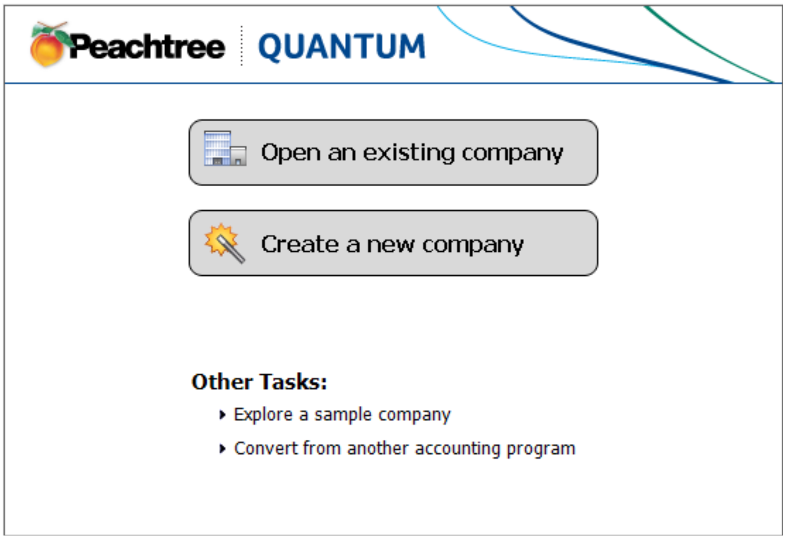


Create a New Company

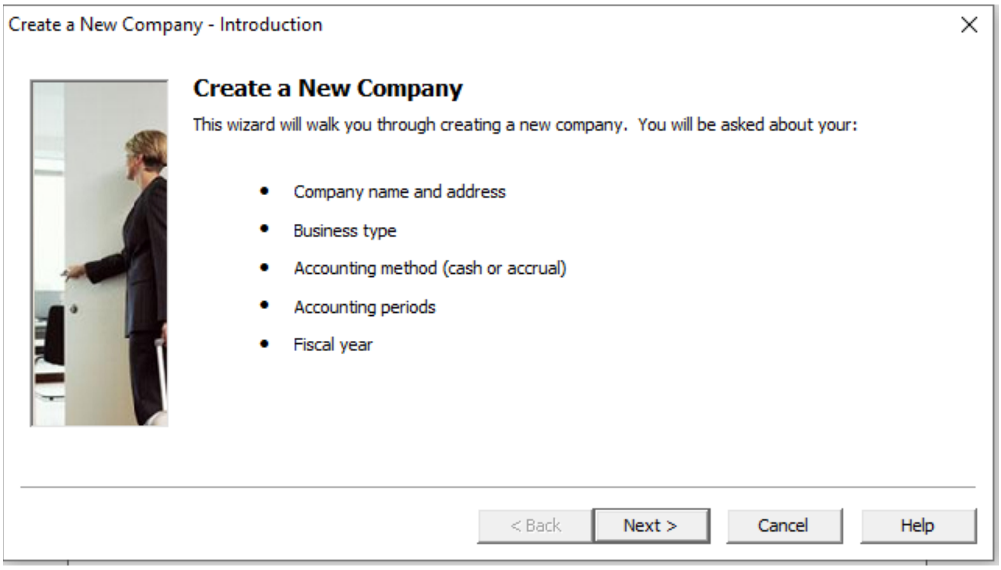
To begin using Peachtree Quantum 2010, a new company must be established. Basic information, such as the company name and address, to more significant details of the company, such as the chart of accounts, accounting and posting methods, are established in this initial process.

- Enter Company Information
- Select a method to create your company
- Choose an Accounting Method
- Choose a Posting Method
- Set up Accounting Periods

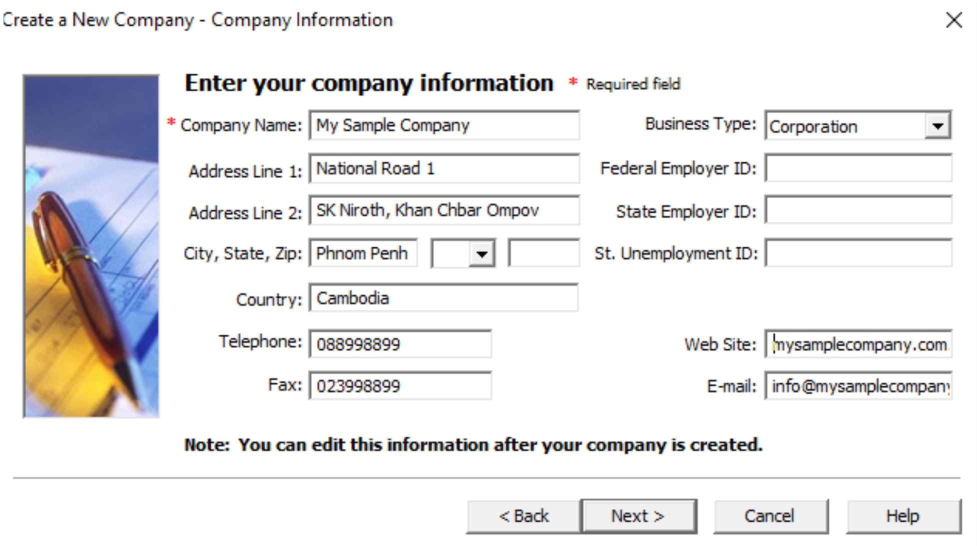
To help you create a new company, Peachtree Quantum 2010 provides the Create a New Company Wizard to guide you through entering the company address, telephone numbers, tax ID numbers and business type.
To create a new company:
1. Click the Create a new company icon on the Start Window, or select File from the menu bar and then select New Company



2. Click Next to begin

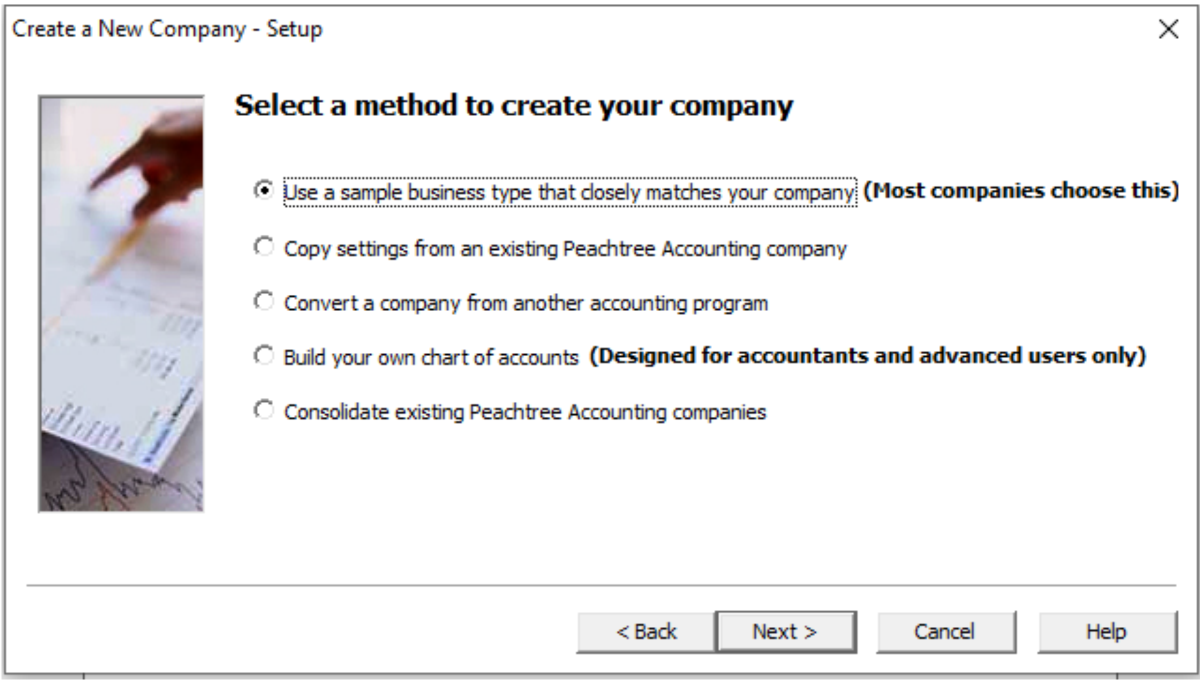


3. Enter your company information



Create Your Company Database

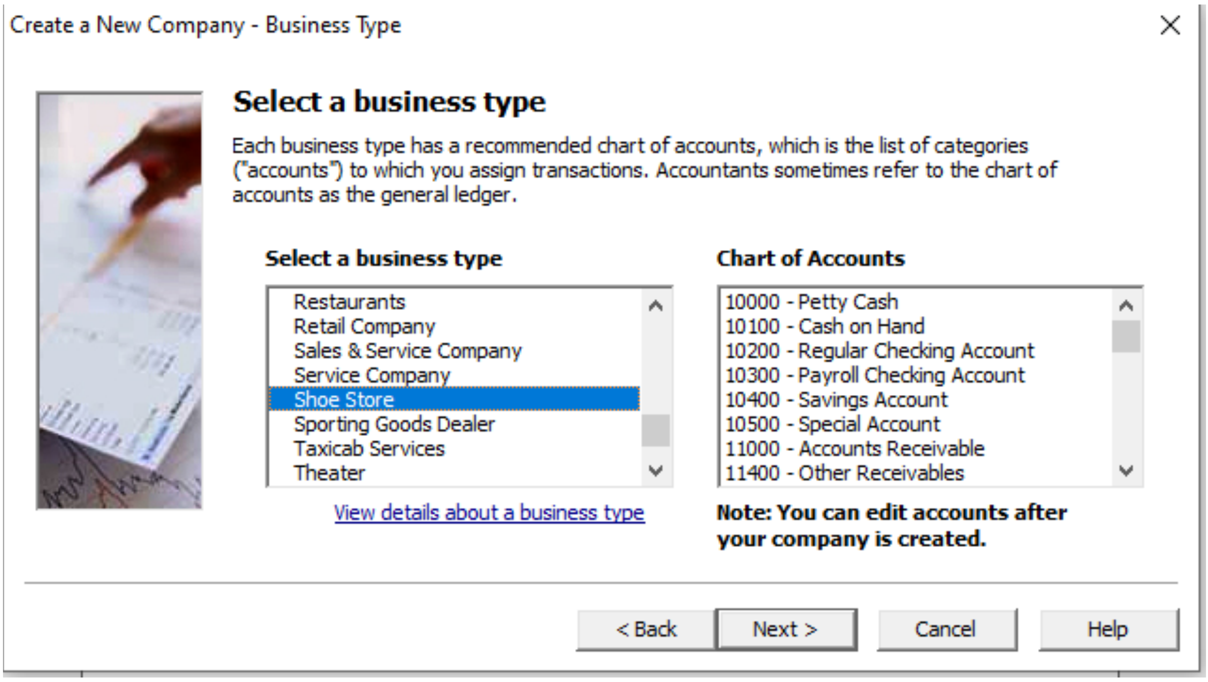
Depending on the version of Peachtree Quantum you are using, there can be up to five options for creating the chart of accounts when setting up a company:



- **Use a sample business type that closely matches you company –** Select this option choose either a simplified or detailed chart of accounts. On the next screen of the wizard, you select the type of company and can later add, edit, or delete accounts and account descriptions.
- **Copy setting from an existing Peachtree Accounting company** – Select this option to use a similar chart of accounts from another company. Later, you can add, edit or delete accounts and account descriptions. Additional setting can be copied from the existing company, such as the accounting periods and system defaults, as discussed later.
- **Convert a company from another accounting program** – Select this option to skip the chart of accounts section of the wizard. Later, you can add accounts and account descriptions.
- **Build your own chart of accounts** – Select this option to skip the chart of accounts section of the wizard (though account segments can be defined in the wizard). Later, you can add accounts and account descriptions.
- **Consolidate existing Peachtree Accounting Companies** – Select this option to establish this company as a holding company for subsidiary companies specified in the next window.

Select a Business Type

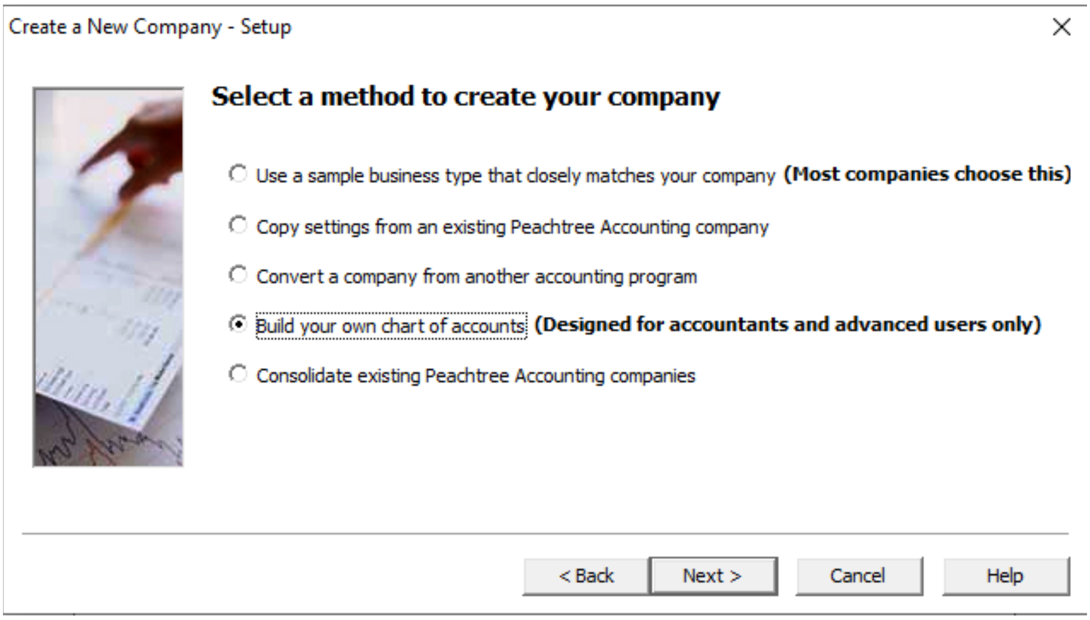
If **Use a sample business type that closely matches your company** is selected in the wizard, you can choose a business type from any of the sample companies provided. Once a business type is selected, you can view the chart of accounts on the right.



Click the View details about a business type link to see an overview of the highlighted business type, as well as related topics to assist you in setting up and customizing business type for your specific needs.

Build Your Own Chart of Accounts

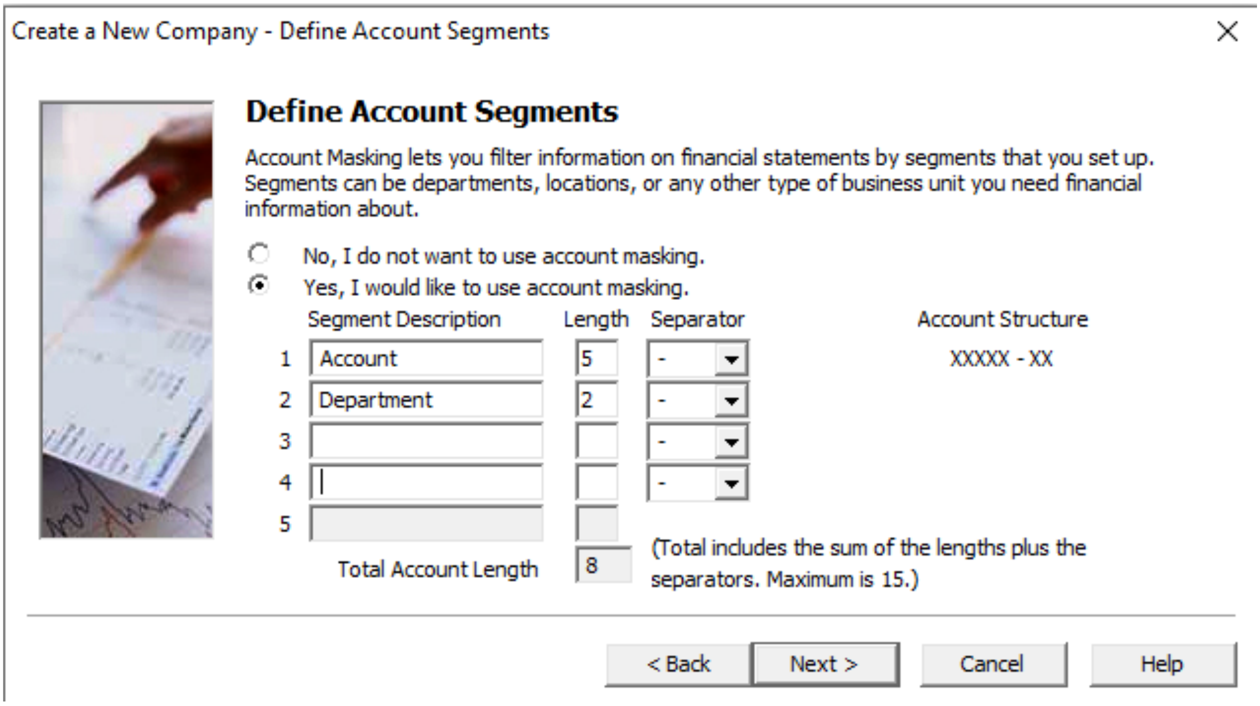
Select this option to skip the chart of accounts section of the wizard (through account segments can be defined in the wizard). Later, you can add accounts and account descriptions.



Defining Account Segments

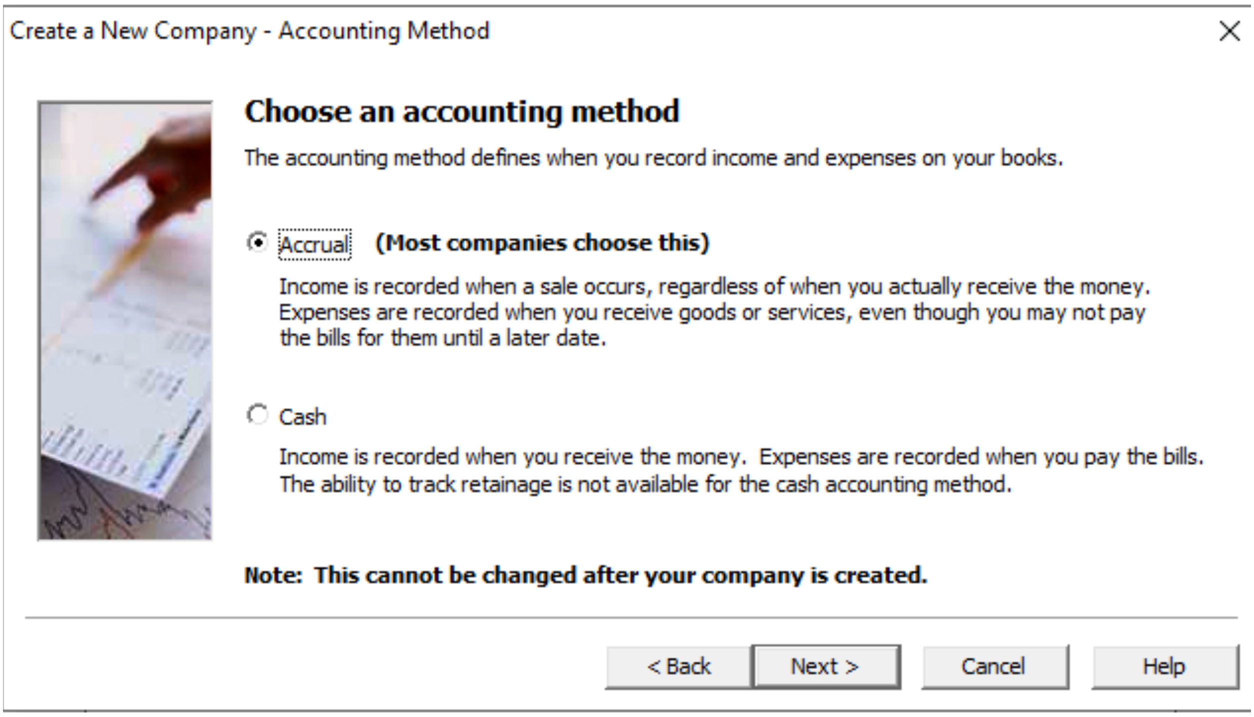
If Build your own chart of accounts is selected in the wizard, Peachtree Accounting enables you to divide your account number into segments. You have the ability to create and define up to five segments for your Account ID, which can be used to filter reports and financial statements by selecting the appropriate segment from a drop-down list. These are useful if you departmentalize your chart of accounts or use any other parts of your Account ID to define different parts of your company.

To use segments and masking, select Yes, I would like to use account masking and then enter a description for each segment (up to 10 characters), its length and the separator between that segment and the one that follows it. The total length of the ID, including separators, can be up to 15 characters. Peachtree Accounting displays the structure of the ID on the right side of the window. To modify, the account segmentation later, go to the Account Segments tab of the General Ledger Defaults Window.



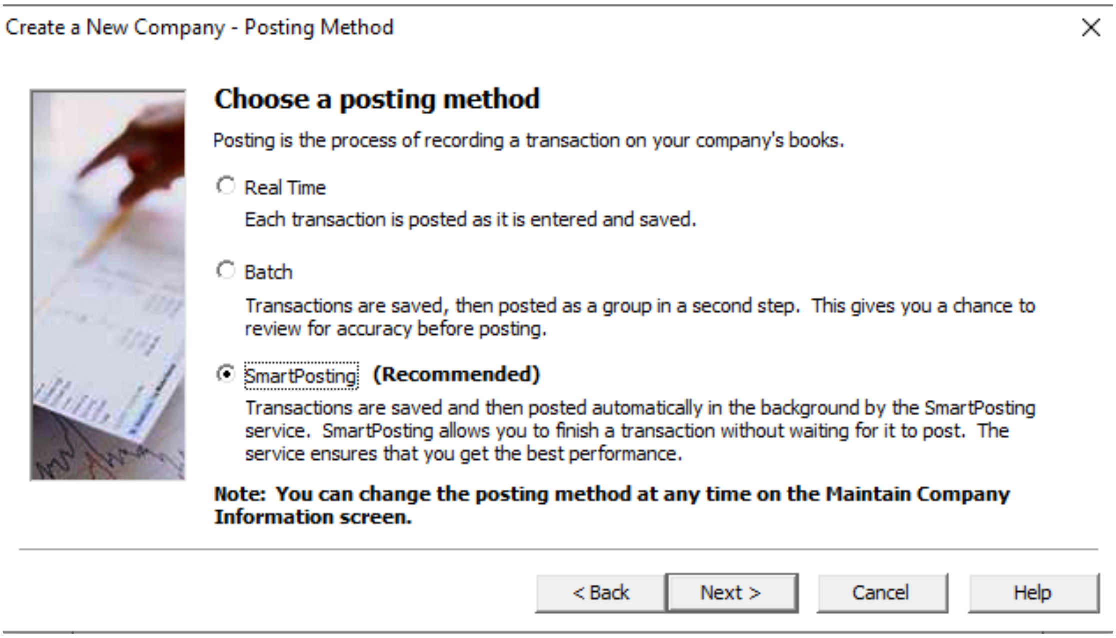
Choose an Accounting Method

Peachtree Accounting provides two accounting methods, Accrual or Cash from which to choose. The cash method records income when cash is received and expenses when they are incurred. In other words, an expense is recorded when the vendor bills you, not necessarily when you pay them. Typically, if you offer credit to your customers or sell inventory, you should pick Accrual. If you are unsure which accounting method your company should use, consult your accountant before selecting an accounting method, as this cannot be changed after the company is established in Peachtree Accounting.



Choose a Posting Method

Peachtree Accounting can use one of three posting methods, Real Time Batch or Smart Posting.



- **Real-time** – When you use real-time posting, transactions update the journals and General Ledger when they are saved. This means that your reports always reflect your current financial standing. For this reason, Peachtree recommends using real-time posing (unless you are using Quantum, in which case Smart Posting is recommended).
- **Batch Posting** – With batch posting, transactions are saved to Journals, and later posted to the General Ledger in a group. In addition, you can print registers and review a batch of transactions before posting them to General Ledger. To post transactions to the General Ledger, select Tasks, System, and Post. You can select to post as individual journal, or all journals simultaneously.
- **Smart Posting** – With Smart Posting, transactions are saved and then posted in the background by a service. This provides better performance in a larger multi-user environment.

The posting method can be changed at any time by selecting the **Edit Company Information Now** option in the System navigation center.

Set up Accounting Periods

Your company's fiscal year is divided into accounting periods. You can choose to use 12 monthly accounting periods per year, or Accounting periods that do not match the calendar months. Most companies typically use 12 accounting periods, but some use 13 periods with four weeks in each period.

Your accounting period setup should reflect the beginning your fiscal year, even if you entering transactions in the middle of the year. Examples of two common situations are below:

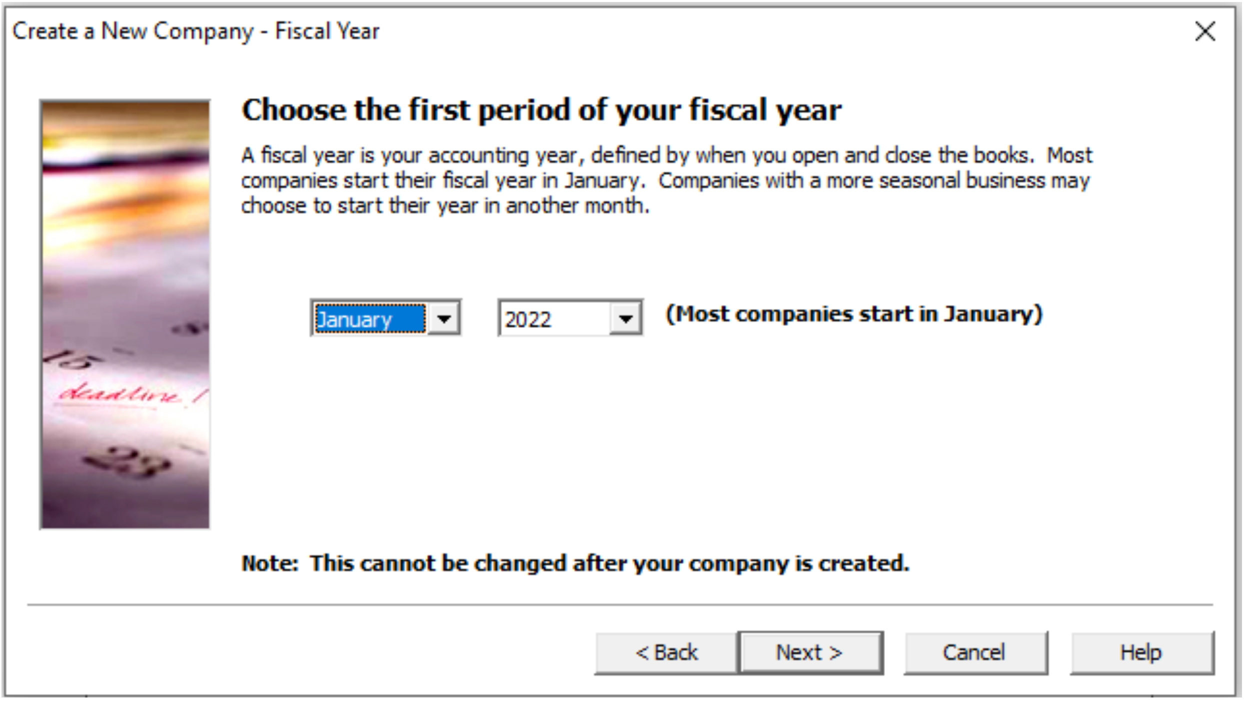
- The fiscal year matches the calendar year, starting from January through December. The accounting periods should be set up so that January is period 1, even though transactions will be entered in Peachtree Accounting starting in June, which is period six.
- The fiscal year starts in July and ends in June. The accounting periods should be set up so that July is the first period, even though transactions will be entered in Peachtree Accounting starting in December, which is period six.

After the company is set up, the current accounting period is displayed on the Business Dashboard. The current accounting period, in conjunction with the system date, is used by transactions. Reports, and Account Reconciliation in the following ways:

- If the system date is within the current accounting period a transaction automatically uses the system date.
- If the system date is not within the current accounting period, a transaction uses the first day of the current accounting period by default.
- When you double click to open any report, the date or dates used are based on the current accounting period.
- When you use the Account Reconciliation window, unclear transactions through the end of the current accounting period are initially listed.

Select a 12-Month Fiscal Year

If you chose the option 12 monthly accounting periods, you next specify when you want your fiscal year to begin.



Click next and then click Finish

NOTE: You cannot change the setup of Accounting Periods once New Company Setup is complete. Ensure that the correct accounting periods are selected before continuing.

Setting Up the Chart of Accounts

The General Ledger stores information relating to all financial activity for your company. In the lesson, you will learn how to: Establish General Ledger Defaults, Modify the Chart of Accounts, Enter Beginning Balances. The General Ledger stores information relating to all financial activity for your company. All business transactions are eventually posted to the set of accounts that make up the General Ledger. This set of accounts, called the Chart of Accounts, act as holding places for every amount you want to track in your business. The Banking navigation center in Peachtree Accounting is used to access most activities for the General Ledger, and specifically the Chart of Accounts.

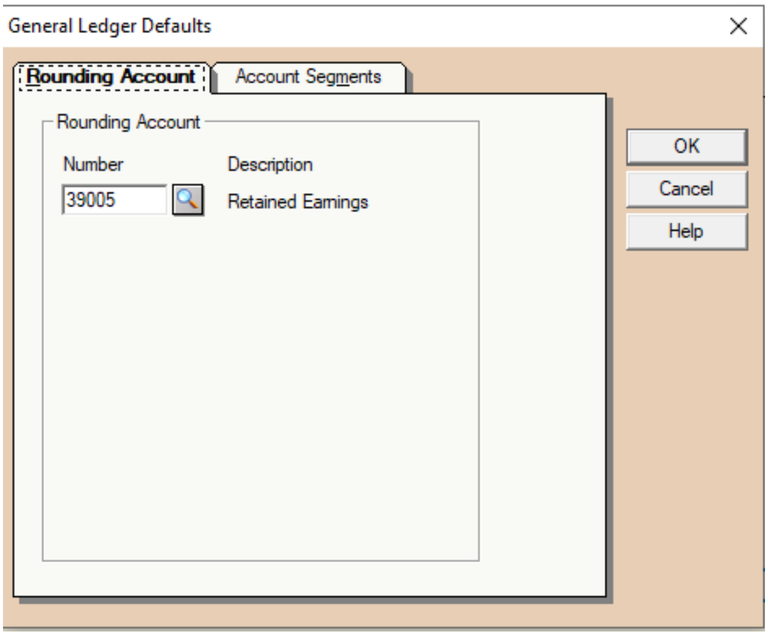
Setting up Accounting Defaults

Peachtree Quantum Accounting establishes default account values for its Rounding Account and Account Segments, as discussed in this section.
To access these defaults:

1. Click the **Banking** navigation center, Banking Tasks panel
2. Select **Set up Account Defaults** from the Chart of Accounts icon.

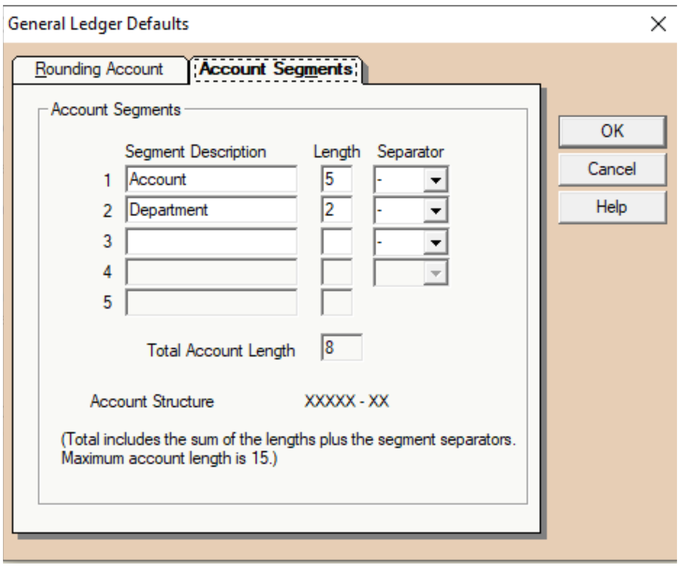
Rounding Account Tab

The Rounding Account is an account in your General Ledger used by Peachtree Accounting to store rounding differences on Financial Statements. Though this account can be either a balance sheet account or an income statement account, typically, the Retained Earnings account is used.



Account Segments Tab

On the **Account Segments tab**, you can create or change segments for your chart of accounts. This allows you to take full advantage of the masking and filtering features of Peachtree Accounting when you print reports and financial statements. You can use this feature for printing reports that are filtered by department, division, account number, or any other segment you create. When you initially create your company in New Company Setup, Peachtree gives you the opportunity to divide your Account ID into segments, but you can do it here as well. If your chart of accounts is already set up and you change the segment structure, Peachtree scans your chart of accounts and informs you if any accounts do not fit the new segment structure. You can then print your Chart of Accounts report to identify those accounts.
You can segment your account numbers by creating descriptions, lengths, and separators for up to five segments.



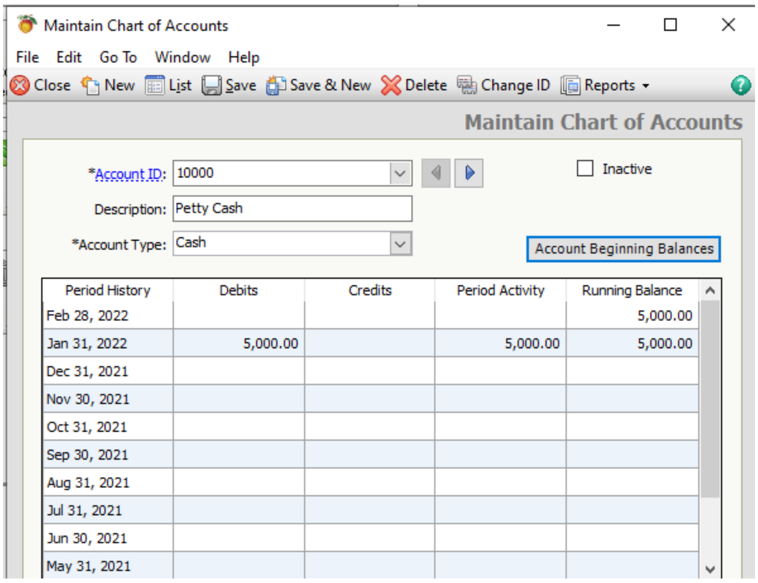
Modifying the Chart of Accounts

If you chose to base your company settings on a sample business while using the **New Company Setup Wizard**, you already have a full list of accounts available. However, since all businesses are different, it may be necessary to add, rename, or delete specific accounts in the chart of accounts.

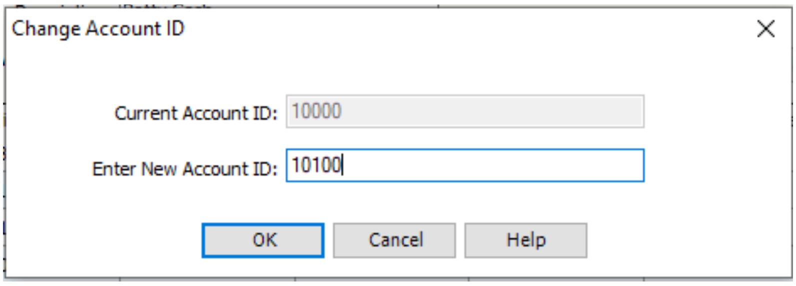
Maintain Chart of Accounts Window

The Maintain Chart of Accounts window is used to enter new accounts, edit existing accounts, and enter account beginning balances.

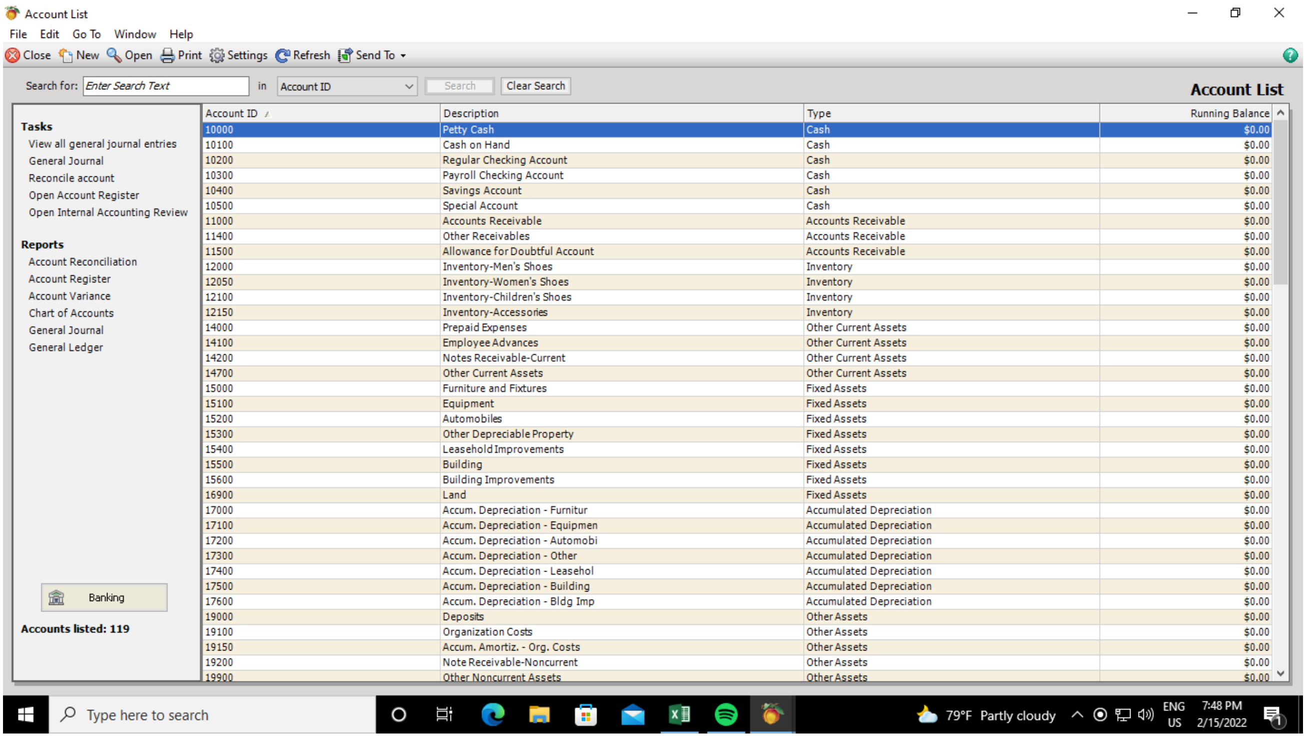
1. Select **Chart of Accounts** from the **Maintain** menu. It displays the Maintain Chart of Accounts window.
2. Enter an **Account ID**. The account ID determines how the account is identified and sorted in the chart of accounts list. Most charts of accounts are set up with specific account types grouped together. The ID can be up to 15 characters.
3. Enter a **Description**. This description prints on reports and financial statements
4. Select an **Account type** from the drop-down list. Accounts are grouped by account type on financial statements. Accounts assigned to the account types of Income, Expenses, Cost of Sales, and Equity--Gets Closed close to the account assigned to the Equity--Retained Earnings account type at the end of the fiscal year
5. Select **Save**



- **Change ID** - select this option to change the account number of an existing account. When you change an Account ID, all data records and transactions associated with this account will reflect the new ID, including current and past transactions.



- **Inactive** - Select this check box to make the ID inactive. Inactive records are deleted when the purge utility is run, if they have not been used in any transactions in an open fiscal year. Inactive records can be used in transactions, but a message appears, reminding you of the inactive status.
- **List** - select this option to open a list of the accounts set up in Peachtree. From the list, you can add new accounts, edit existing ones, print, search for an existing account, or open a task or report associated with the current list. In addition, you can customize a list by adding or removing fields, changing the order in which fields appear, and changing the sort field and order.



Account Numbering

Peachtree Accounting allows the use of both numbers and characters in an account numbering system. However, an account numbering system should be established so it can be understood by everyone from new employees to accountants. In a traditional Genera l Ledger, individual accounts are numbered and placed into ranges similar to those in the following table:

Account Range	Account Type
10000	Cash, Account Receivable, Asset
20000	Account Payable, Liabilities
30000	Equity
40000	Income
50000-70000	Cost of Sales, Expense
80000	Other Income
90000	Other Expense

Peachtree's sample companies use numbering schemes similar to those in the table above. If you choose not to use a sample chart of accounts, there are a few rules and guidelines that should be followed when on account numbering system is established.

- Up to 15 alphanumeric characters can be used in an account ID.
- Asterisks (*), quest ion marks (?), and plus signs (+) cannot be used in an account ID.
- Leading or trailing spaces are not permitted in an account ID. However, spaces between characters are allowed.
- Account numbers are sorted alphabetically, with numbers in the account ID sorted before letters. For example, account ID "2" lists after account ID "1000" and before an account ID starting with "AR." Account numbers are not case sensitive; therefore CASH and Cash are the same account D.
- There can only be one account assigned an account type of Equity--Retained Earnings.

Account Types

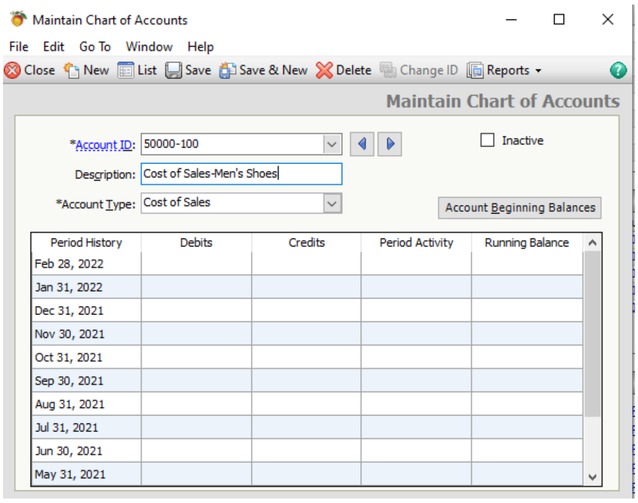
Account types are used to group similar accounts together. They also determine where the accounts appear on financial statements and whether the account typically carries a debit or credit balance. Peachtree Accounting has a wide variety of account types available:

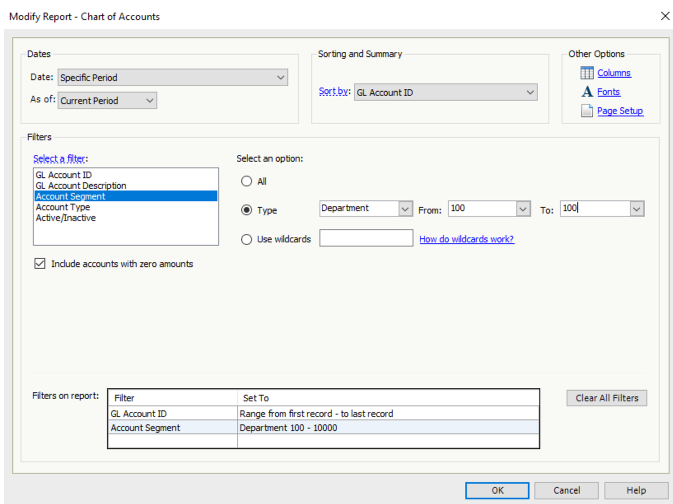
No	Account Type	No	Account Type	No	Account Type
1	Accounts Payable	7	Equity - Gets Closed	13	Long Term Liabilities
2	Accounts Receivable	8	Equity – Retained Earnings	14	Other Assets
3	Accumulated Depreciation	9	Expenses	15	Other Current Assets
4	Cash	10	Fixed Assets	16	Other Current Liabilities
5	Cost of Sales	11	Income	17	Payables Retainage
6	Equity - Doesn't Close	12	Inventory	18	Receivable Retainages

At the end of the fiscal year, the balances of the Income, Expense. Cost of Sales, and Equity-- Gets Closed account types become zero. The net difference of these accounts is added to the Equity--Retained Earnings account.

Masking

The chart of accounts can be divided into departments. When printing certain reports, you can filter or mask the information that appear in the window below, the "100" in account 50000-100 is an example of an account mask. Depertment masking is a powerful feature in Peachtree. Masking allows you to set up codes that as part of your account number, represent o division or department for that account.





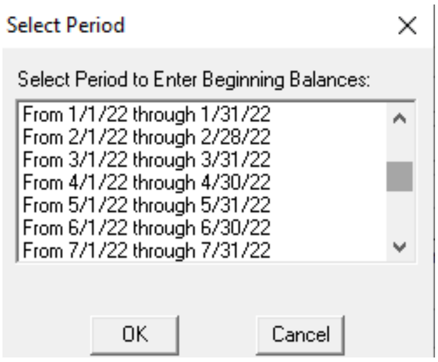
To view reports containing only data specific to a branch or department, use a department mask. For example, to view the totals for department 100, enter *****-100, where asterisks represent any possible character or number. Shown below is an example of masking the General ledger report to include transactions for department 100.

Entering Account Beginning Balances

Peachtree Accounting can record account beginning balances in any period in companies that have no posted transactions. After one or more transactions have been posted, it records account beginning balances as prior-period adjustments. To enter account beginning balances,

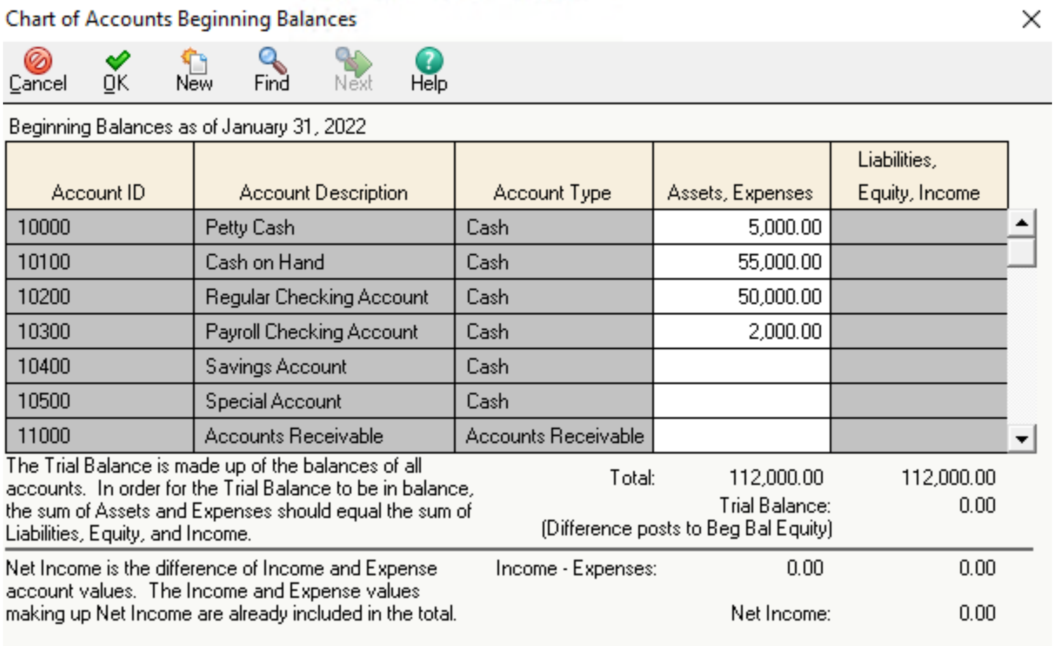
1. Click the **Account Beginning Balances** button on the **Maintain Chart of Accounts** window.
2. Select the accounting period to enter or adjust balances from the **Select Period** window.

When entering beginning balances, entries can be mode in previous, current, or future periods. When entering prior period adjustments, entries can be made only in previous periods.



The Chart of Accounts Beginning Balances window lists each account ID, description, and account type. Depending on the account, entries are made in the Assets, Expenses column or in the Liabilities, Equity, and Income column. Peachtree Accounting indicates which column to use by making the other column unavailable. Positive amounts are entered in both columns unless one of the following apply:

- The balances are for contra accounts other than accumulated depreciation.
- Your company is operating "in the red" and has a negative retained earnings account balance.
- You are converting mid-year and are recording dividends paid. The balance of this equity account would be entered as a negative value.
- Any time an account has a balance that is the opposite of its normal balance.



Account ID	Account Description	Account Type	Assets, Expenses	Liabilities, Equity, Income
10000	Petty Cash	Cash	5,000.00	
10100	Cash on Hand	Cash	55,000.00	
10200	Regular Checking Account	Cash	50,000.00	
10300	Payroll Checking Account	Cash	2,000.00	
10400	Savings Account	Cash		
10500	Special Account	Cash		
11000	Accounts Receivable	Accounts Receivable		

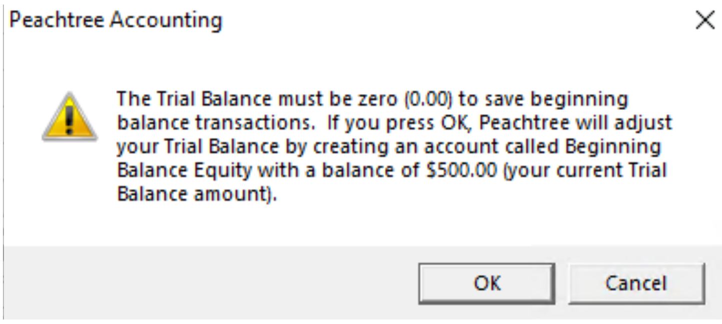
Assets, Expenses: Enter the balance of the account if the account typically carries a debit balance. If the account is a contra account other than accumulated depreciation or currently carries a credit balance, enter a negative amount.

Liabilities, Equity, Income: Enter the balance of the account if the account typically carries a credit balance. If the account is a contra account or currently carries a debit balance, enter a negative amount.

Trial Balance: Shows the result of the Assets, Expenses column minus the Liabilities. Equity, Income column. This value should be zero before you click OK. If this value is non-zero, the amount shown posts to a Beginning Balances Equity account.

Out-of-Balance Situation

If the Trial Balance shown at the bottom of the Chart of Accounts Beginning Balances window is not zero, then there is an out-of -balance situation. If you click OK with an out-of- balance situation the following message appears:



If you click **OK** to this message, a **Beginning Balance Equity** account is created in the equity section of your chart of accounts, and the total out-of -balance amount posts to this account. This keeps your books in balance, and you can enter and post transactions; however, this account appears on General Ledger reports and on the Balance Sheet until the amount in it is allocated to another account.

Peachtree Accounting suggests you click Cancel to return to the Chart of Accounts Beginning Balances window. Then, locate and correct errors made when entering account beginning balances. When the Trial Balance is zero, you can click OK.

Accounting behind the Screens

As a general rule, some report totals in Peachtree should match the balance of a balance sheet account that the report represents.

Later In this guide you will be asked to enter beginning balance invoices and beginning balance inventory values and quantities. These beginning balances should match the beginning balance you enter for their respective general ledger account.

Here are three examples:

- Your Accounts Payable account beginning balance should match the total of the outstanding purchase invoices you enter as part of your company setup.
- Your Accounts Receivable account beginning balance should match the total of the beginning balance sales invoices you record with your customer records.
- Your inventory account beginning balance should match the total value of your inventory beginning balances.

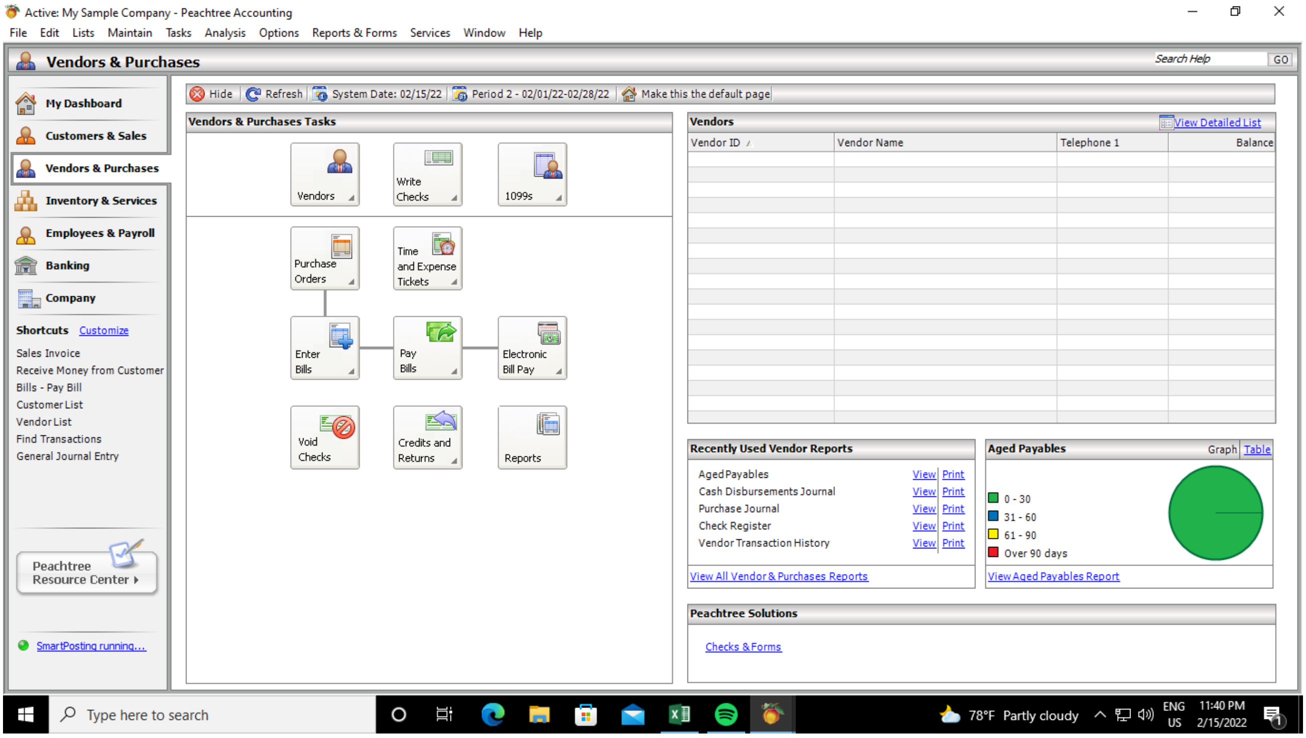
Making sure these match from the beginning help to ensure that your aging and valuation reports and your general account balances remain synchronized.

Setting Up Vendors

Vendors are used to track purchases from and payments to suppliers. In this lesson, you will learn how to:

- To Establish default information for Vendors
- To Add New Vendors
- To Enter beginning balance for Vendors

The **Vendors & Purchases** navigation center provides easy access to vendors, and most transactions involving vendors, such as purchase orders, bills and payments.



Entering Vendor Defaults

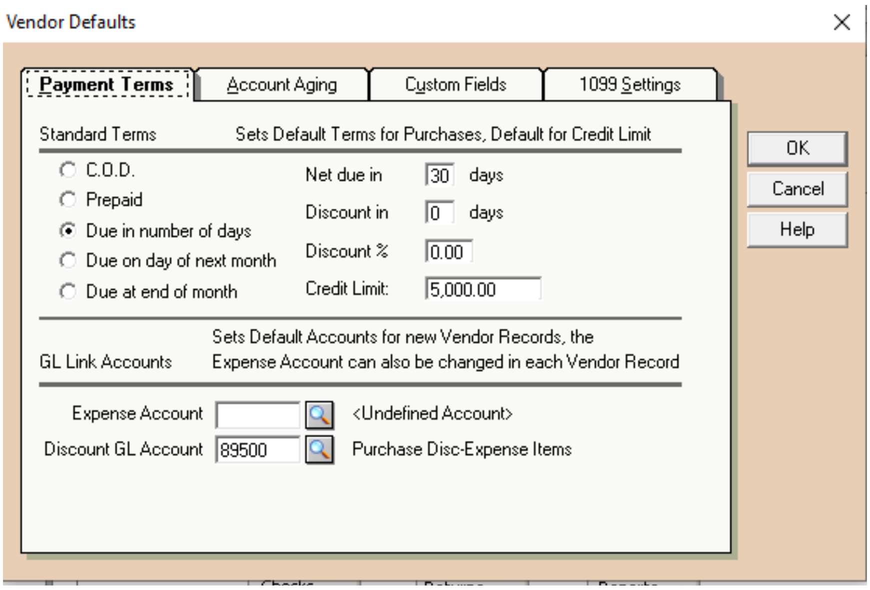
You can enter default information for vendors, such as standard terms and default expense accounts to be used during transaction entry, as well as custom fields. Later, specific information is established for each vendor.

To access the default information window for vendors

1. Click on the **Vendors & Purchases Navigation Center**
2. And than select **Set Up Vendor Defaults** from the **Vendors** icon.

Vendor Defaults Window

The Vendor Defaults window is used to enter basic information that applies to most of your vendors and purchase transactions. When you open the Vendor Defaults window, the Payment Terms tab appears. Each tab is described below:



Payment Terms Tab

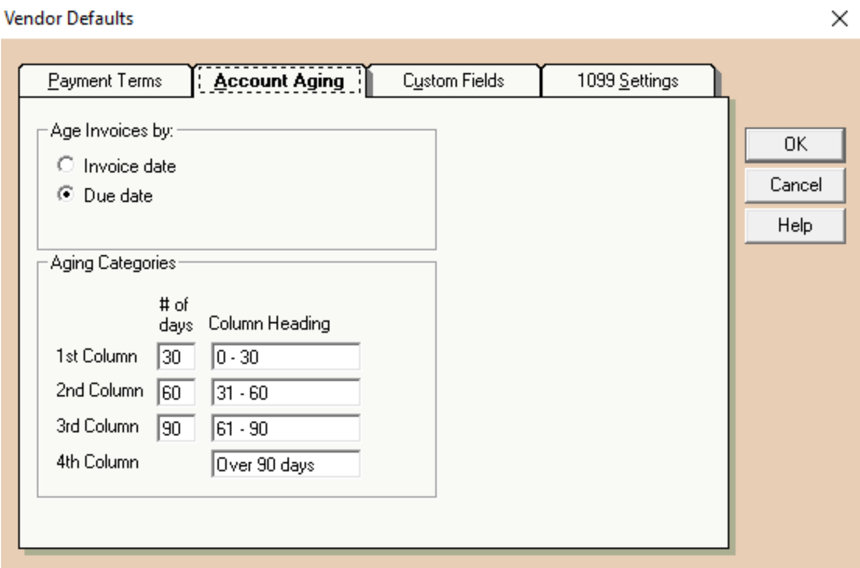
On this tab are the Standard Terms section and the GL Link Accounts section. In the **Standard Terms** section, you select the terms method most often assigned by your vendors. You will specify the following: the number of days extended to you for paying your invoices, any discounts, and the amount of your standard credit limit. Later, you can choose to use these standard terms for a vendor, or modify the terms as necessary.

Note: When you change the payment terms on this tab, the default terms for vendors that use standard terms change automatically.

In the **GL Link Accounts** section, a default **Expense Account** can be identified to serve as the default expense account for all vendors. If left blank, the Expense Account for new vendors is also blank but can be modified for the specific vendor. For terms that allow discounts, the **Discount GL Account** is utilized to record the amounts.

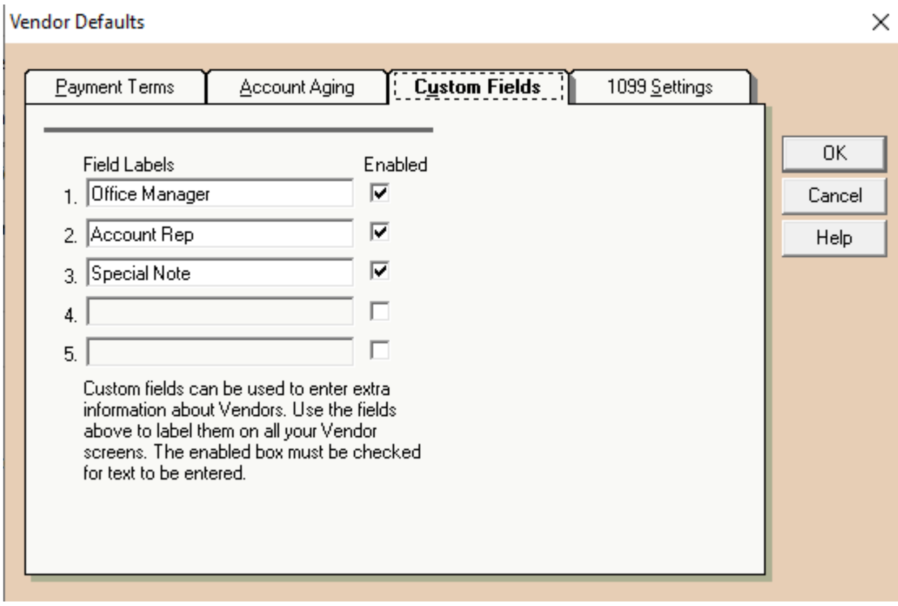
Account Aging Tab

Select the **Account Aging** tab to establish how invoices will be aged, either by invoice date or due date. Additionally, the categories of aging are also determined here, and are reflected on the Aged Payables report and Aged Payables section of the Business Status Center, as well as the Payment Manager accessed from the Analysis menu.



Custom Fields Tab

Peachtree Accounting allows you to customize up to five additional fields for maintaining information on your vendors. Additionally, many reports can be filtered using these fields. Enable fields and enter descriptions for the fields here.



Adding Vendors

After entering the vendor default information, the next step is to enter each vendor. As you add vendors, you can use the default information that was entered or change the information for specific vendors.

To add or edit vendors, 1. Click the **Vendors** on the **Vendors & Purchases Navigation Center** and select **New Vendor**. 2. On the Maintain Vendors screen, enter a new **Vendor ID**, and complete the necessary information. 3. When you're finished filling in the information, select the Save button.

Maintain Vendors Window

The Maintain Vendors window is used to enter, change, and store information about the people and companies from whom you purchase products and services.

On the toolbar are standard buttons found throughout Peachtree Accounting. While most are self explanatory, several are described below:

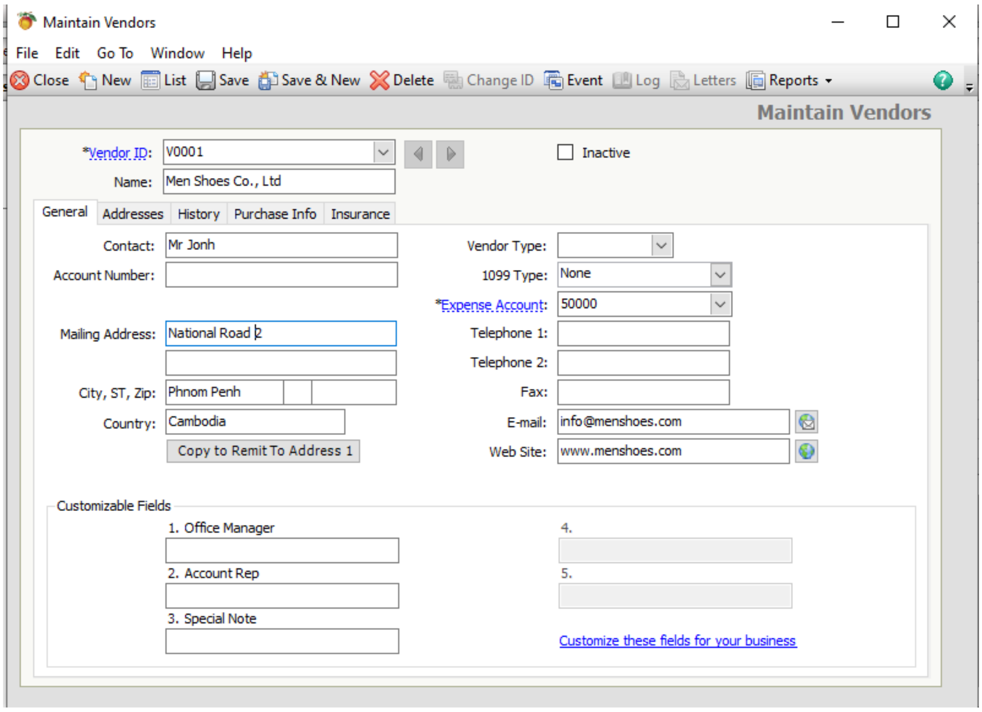
List - select this option to open a list of the vendors set up in Peachtree. From the list, you can add new vendors, edit existing ones, print, search for an existing vendor, or open a task or report associated with the current list. In addition, you can customize a list by adding or removing fields, changing the order in which fields appear, and changing the sort field and order.

Select the **Settings** button on the toolbar to customize the list. Select a field from the Available Columns list on the left, and move it to the Selected Columns list on the right using the Add button in the middle.

Change ID - select this option to change the vendor number of an existing vendor. When you change a Vendor ID, all data records and transactions associated with this vendor will reflect the new ID, including current and past transactions.

Additionally, an option is available to Add Attachments. A document can be attached to the Vendor's file, such as a contract, application or other document, for easy reference later. It is important to note that a copy of the document is attached to the vendor record, and any changes made to the original are not reflected in the attachment.

Each tab of the Maintain Vendors window is described below:



Vendor ID: Identifies the vendors in lookup lists, transact ions, and reports, as well as to select or sort vendors for payment and report processing. This is a required field.

Name: Enter the name as it should appear on transactions and reports.

Inactive: When a vendor is marked inactive, this is usually an indication that the vendor is no longer used and may be deleted; in fact, when you choose to purge after closing the fiscal year, all vendors that have no outstanding transactions and are tagged as inactive will be purged. However, if a vendor Is marked Inactive and a transaction is entered for the vendor, a warning appears, though the transaction can still be processed. If the Global Option is selected to Hide Inactive Records, inactive vendors do not appear in reports or lists, even if outstanding transactions still exist for the vendor.

1. General Tab

Enter information specific to each vendor, such as the vendor's name, address, 1099 information, and telephone numbers, on the General tab. Fields of interest are described below:

Account #: Enter the account number that this vendor has assigned to your company. This information is entered automatically in the Memo field on payments.

Vendor Type: This case-sensitive field can be used to classify vendors into groups for payment and reporting. To add a vendor type, simply type a code up to 7 characters in the field to group vendors.

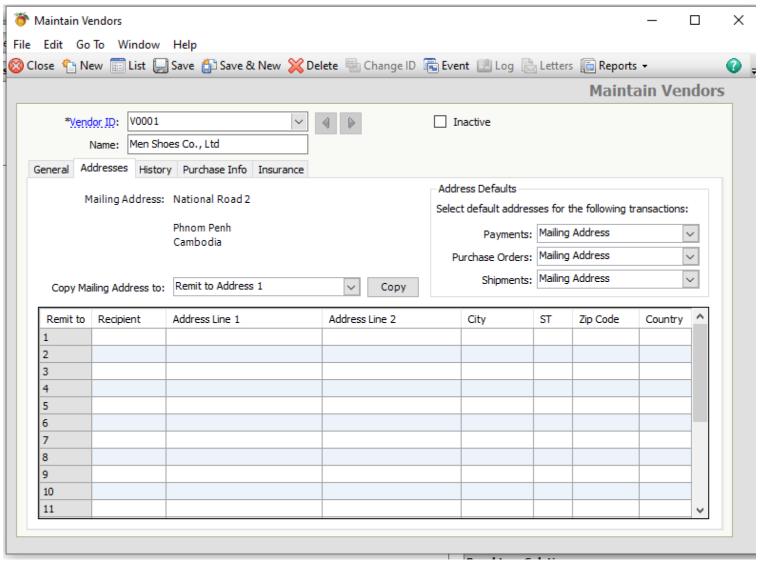
1099 Type: If you will be printing a 1099 form at the end of the calendar year for this vendor, select one of the available 1099 types.

Expense Account: Select the default expense account used when entering bills for this vendor. The initial account is from the Vendor Defaults established previously. This is a required field.

Current Balance: Once the vendor record is saved, the current balance amount, if there is one, displays here. To see the list of individual invoices that make up the balance, click the balance amount link.

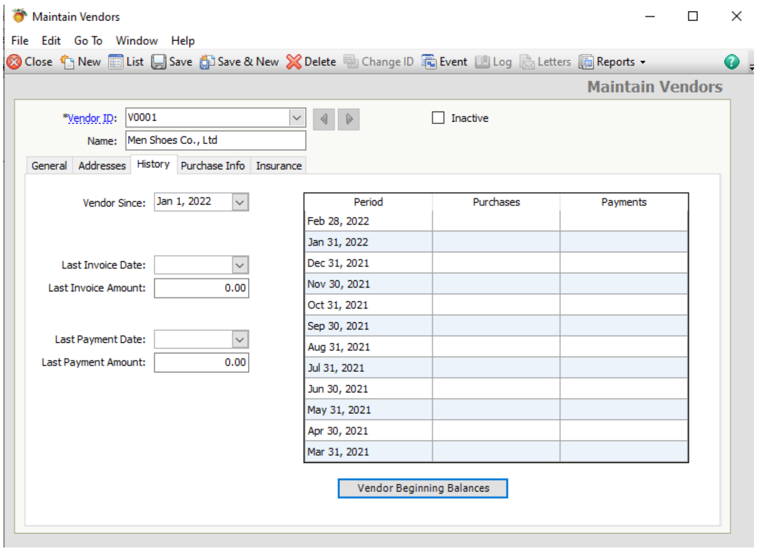
2. Addresses tab

Use the **Addresses** tab to keep track of remit to addresses for this vendor. You can also select addresses to use as defaults for Payments, Purchase Orders, and Shipments.



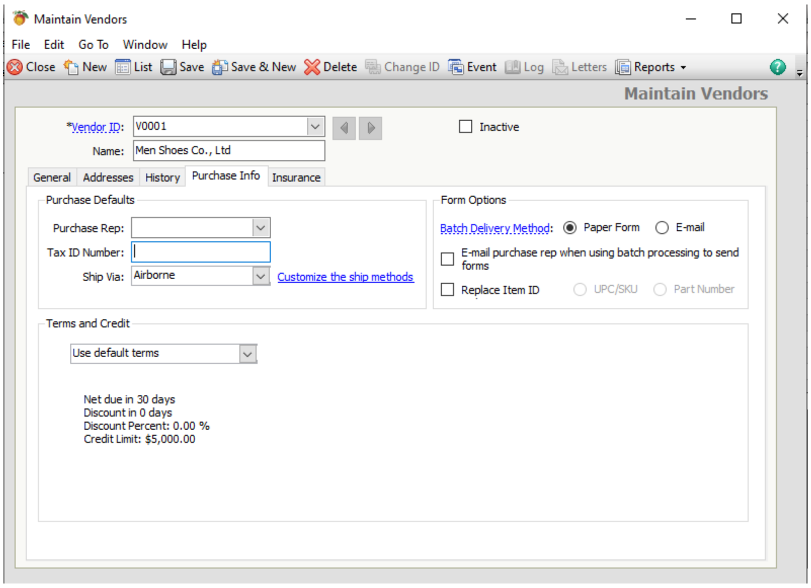
3. History Tab

Select the **History** tab to view purchases, payments, and last payment information. You can also enter beginning balances here.



4. Purchase Info Tab

Purchasing information, such as the purchase rep, tax ID numbers, and shipping terms, is entered on the Purchase Info tab. Fields of interest are described below:



Purchase Rep: Select an employee who is the purchasing representative for this vendor.

Tax ID Number: Enter your vendor's tax number if you plan to send a 1099- MISC or 1099-INT form. It will print on the 1099 automatically.

Ship Via: Enter or select the default method of shipping to be used on purchase orders. Select the Customize the ship methods to open the Inventory Defaults w indow to modify the available list.

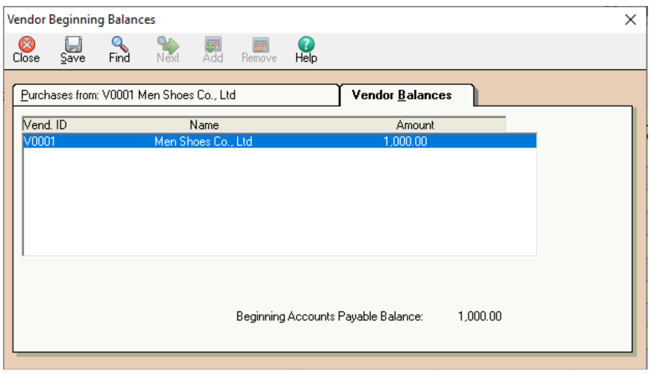
Terms: The default terms appear here automatically. To override the default terms, click the arrow button and select Customize terms for this vendor from the drop-down list. Then, modify the settings as needed.

Form Options: Select this option to automatically send a paper form or e-mail to the vendor when creating a Purchase Order. You can also have Peachtree automatically send a copy to the Purchase Rep.

Replace Item ID with: Select this option to enable Peachtree to repl-ace theltem ID with either the UPC/SKU or Part Number from the item record for this vendor.

Vendor Beginning Balances

The Vendor Beginning Balances window, accessed from the vendor 's History tab, is used to enter information regarding outstanding purchase invoices/bills that comprise the starting balance for the vendor. Each tab is described below:

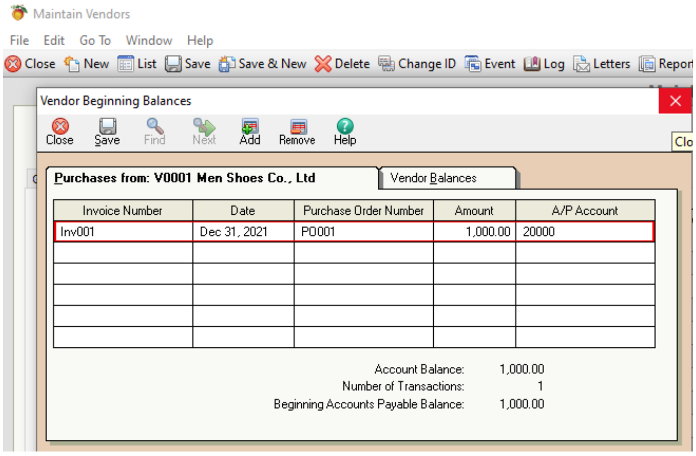


Vendor Balances Tab

This tab displays your list of vendors and amounts. To adjust beginning balances for a vendor, double- click the vendor 's name.

Purchases From Tab

The **Purchases** From tab is used to enter information for each beginning balance invoice. Beginning balances are not posted to the General Ledger; however, you should enter an Accounts Payable account in the right-hand column to ensure the program decreases the appropriate account balance when the payment is made for the invoice.



Fields of Interest are described below:

- Invoice Number: Enter the number that identifies the outstanding invoice.
- Date: Enter the original invoice date of the invoice, to allow proper aging of the document.
- Purchase Order Number: If a purchase order is related to the invoice, enter the number in this field.
- Amount: Enter the unpaid dollar amount of the invoice.
- A/P Account: Enter the account that this invoice's value is tracked in. If your company uses the cash-basis accounting method, this field is not available.

Setting Up Customers

Customers are the people and companies who purchase your goods and services. In this lesson, you will learn how to Establish default information for Customers, Statements and Invoices, Set up Sales Taxes, Add customers, and Enter beginning balances for Customers. The Customers & Sales navigation center provides easy access to customers. and most transactions involving customers including quotes. sales orders. invoices. finance charges and payments.

Entering Customers Defaults

You can enter default information for customers, such as standard terms, default expense accounts and payment methods to be used during transaction entry, as well as custom fields and finance charge information . Later, specific information is established for each customer. To access the customers default information 1. Click on the Customers & Sales Navigation Center. 2. Select Set Up Customer Defaults from the Customers icon.

Customer Defaults Window

The Customer Defaults window stores basic information that applies to most of your customers and sales transactions. Each tab is described below:

Terms and Credit Tab

In the Standard Terms section, you select the terms method most often assigned to your customers . You will specify the number of days extended by you for paying your invoices and any discounts .In addition, you can set the default credit limit that applies to all customers as well as the default credit status. (This field is preset to Notify Over Limit in Peachtree First Accounting). Later, you can choose to use these standard terms or credit limit for a customer, or modify them as necessary.

In the GL Link Accounts section, a default Sales Account can be identified to ser ve as the defoult sa.les account for all customers. If left blank, the Sales Account for new customers is also blank but can be modified for the specific customer. For terms that allow discounts, the Discount G L Account is utilized to record the amounts.

Account Aging Tab

Select the Account Aging tab to establish how invoices will be aged, either by invoice date or due date. Additionally, the categories of aging are also determined here, and are reflected on the Aged Receivables report and Aged Receivables section of the Business Status Center, as well as the Collection Manager accessed from the Analysis menu.

Custom Fields Tab

Peachtree Accounting lets you customize up to five additional fields for maintaining information on you r customers. Additionally, many reports can be filtered using these fields. Enable fields and enter descriptions for the fields here.

Finance Charges Tab

Select the Finance Charges tab to enter customer finance charge information. You can set up default parameters for all customers and elect not to calculate charges for individual customers. Finance charges are calculated by multiplying the number of days past due by the daily finance charge rote, then by the outstanding Invoice amount. **On Invoices:** Enter the number of days beyond the invoice date or due date of an invoice in or-der for finance charges to be applied. A finance charge calculates from the first day the invoice is overdue, but the charges are not applied until the grace period expires days overdue, up to: $: Enter the amount that divides different annual interest rates.

Pay Methods Tab

Peachtree Accounting allows you to define up to ten payment methods which appear on various transaction windows. Additionally, you can have Peachtree assign Deposit Ticket ID's, as described below:

- **In Receipts:** Select this option to assign the IDs for your deposits as you enter receipts from customers or vendors. Peachtree will automatically enter the current system date in the Deposit TicketID field in Receipts.
- **In Select for Deposit:** Choose this button to assign the IDs for deposits when running the Select for Deposit process. If you select this option, Peachtree will leave the Deposit Ticket ID f ield in Receipts blank.

Setting Up Sales Tax

To add or edit sales taxes, select the Sales Taxes icon to open the Sales Tax Wizard. When you enter an invoice for a customer, the sales tax is used to calculate the appr opriate amount. Later, the Taxable/Exempt Sales report shows taxes collected per agency.

Sales Tax Wizard

Peachtree Accounting utilizes the Sales Tax wizard to assist you in establishing your sales tax agencies and sales taxes. On the first screen of the Sales Tax wizard, select to Set up a new sales tax . Later, you can edit, delete and review information established here.

Set up a New Sales Tax

- What is the total rate that you will charge? Enter the total of the tax rote.
- How many individual rates make up this total rate? Enter the number of agencies that comprise this tax rate.

Add Sales Tax Agency

Next, you will add the sales tax agencies that make up this tax. You will create or select the same number of agencies as the number that you entered in the How many individual rates make up this total rate? field on the previous screen. Enter the appropriate information and click Next.

- **Sales tax agency ID:** Select or enter a new ID for the tax agency.
- **Sales tax agency name:** Enter a description for the I D.
- **Which Vendor do you send the taxes you' ve collected to?** Select the appropriate Vendor to whom taxes are sent. A new Vendor can be added "on the fly" by selecting the New button on the drop-down window.
- **How are taxes collected for this agency?** Select by single rate if the tax is a flat percentage. Select by formula if the rate is based on a formula. If you select by formula. Peachtree provides additional fields to enter the formula information. For additional information on the "by formula " calculation, refer to the in-product Help.
- **Rate:** Enter the rate to collect for this tax agency.
- **Select an account to track sales taxes:** Enter or select the appropriate account number which holds the amounts due to this tax agency for taxes collected. Later when payment is made, this account is also used to pay the amount owing.

Sales Tax Entered

After the sales tax agencies are created, the Sales Tax Entered window appears.

- **Sales Tax ID & Sales tax name:** Enter an ID and description which will appear on customer records and sales transact ions. Select View existing sales taxes to see previously configured taxes.
- **Do you charge sales taxes on freight?** Select yes to include freight on an invoice in the calculation of sales tax. Select No to exclude freight from the sales tax calculation.
- **Agency Name:** The agencies previously selected appear in the grid below, showing also the IO and rate. Below the grid Peachtree displays the Total tax Rate.

Adding Customers

After entering customer default information and sales tax information, the next step is to enter each customer. As you add customers, you can use the default information or change the information for specific customers. To **add or edit customers**, select the **Customers** icon. Maintain Customers/Prospects Window

The Maintain Customers/Prospects window is used to enter, change, and store information on the people and companies to whom you sell products and services.

On the toolbar are standard buttons found throughout Peachtree Accounting.

List - select this option to open a list of the customers set up in Peachtree. From the list, you can add new customers, edit existing ones, print, search for on existing customer, or open a task or report associated with the current list.In addition, you can customize o list by adding or removing fields, changing the order In which fields appear, and changing the sort field and order.

Select the **Settings** button on the toolbar to customize the list. Select a field from the Available Columns list on the left, and move it to the Selected Columns list on the right using the Add button in the middle.

Change ID - select this option to change the customer number of an existing customer. When you change a Customer ID, all data records and transactions associated with this customer will reflect the newID, including current and past transactions.

Additlonally, on the File menu is an option to Add Attachments. A document can be attached to the Customer's file, such as a contract, application or other document, for easy reference later. It is important to note that a copy of the document is attached to the customer record, and any changes made to the original are not reflected in the attachment.

Each **tab of the Maintain Customers/Prospects window** is described below**:**

- **CustomerID:** Identifies the customers in lookup lists, transactions, and reports
- **Name:** Enter the name as it should appear on transactions and reports.
- **Inactive:** When a customer is marked inactive, this is usually an indication that the customer is no longer used and may be deleted; in fact, when you choose to purge after closing the fiscal year , all customers that have no outstanding transactions and are tagged as inactive are purged. However, if a customer is marked inactive and a transaction is entered for the customer, a warning appears. though the transaction can still be processed.

General Tab

Enter information specific to each customer, such as the customer' s name, address, and telephone numbers, on the General tab. Fields of interest a.re described below:

- **Account #:** Enter the account number that you assign to this company. This information is entered automatically in the Memo f ield on payments.
- **Customer Type:** This case-sensitive field can be used to classify customers into groups for reporting. To add a customer type, simply type a code up to 7 characters in the field. such as North, South, East and West to group customers.
- **Current Balance:** Once the customer record is saved, the current balance amount, if there is one. displays here. To see the list of individual Invoices that make up the balance , click the balance amount link.

Contacts Tab

Use the Contacts tab to keep records of contacts for a specific customer. You con have a virtually unlimited number of contacts per customer and track their address, company name, phone numbers. email address, notes and other information. You can also add a new address for a contact or edit the existing address for a contact, or mark a contact as the default or primary ship-to contact for a customer . Click the Edit Addresses button to keep track of up to 20 shipping addresses associated with each contact. You can have a separate sales tax for each shipping address.

History Tab

The History tab offers a view of sales, receipts, last invoice, and payment information. Peachtree updates this window each time you enter a transaction for the customer. You can enter historical information when creating a customer, but once the record is saved, you cannot make changes.

Sales Info Tab

Select the Sales Info tab to view sales information assigned to the customer. This tab is used to enter sales reps. shipping methods, pricing levels, and General edger sales accounts for customers. Fields of interest are described below:

- **Sales Rep:** Select an employee who is the sales representative for this customer.
- **GL sales account:** Select or modify the default sales account used when entering invoices to this customer. The initial account is from the Customer Defaults established previously.
- **Open PO number:** Enter a PO# to be used as a standing purchase order for use with this customer . This defaults as their PO# on Quotes, Sales Orders and Sales/Invoicing windows .
- **Ship via:** You can select the primary shipping carrier you want to. use to ship items to this customer. Whatever you select here will default for sales transactions you enter for this customer. Shipping

carriers are set up in theInventory Items Defaults window, which you can open by clicking the link to the right of this field.

- **Resale number:** If this customer purchases items for resale, enter the resale number here. Resale numbers are required by most states for businesses that sell taxable goods. It enables the business to sell goods to other businesses for resale without charging a tax or to buy goods from other businesses for resale without paying a tax. If a customer intends to resell your goods, enter the customer ' s resale number {also called seller ' s permit) here.
- **Pricing Level:** Select the default inventory pricing level for this customer, which can be changed at the time of a sales transaction.
- **Form Options:** Select this option to automatically send a paper form or e-mail to the customer when creating a quote, sales order, or invoice. You can also have Peachtree automatically send a copy to the Sales Rep.
- **Replace ItemID with:** Select this option to enable Peachtree to replace the Item ID with either the UPC/SKU or Part Number from the item record for this customer.

Payment and Credit Tab

This tab contains default payment information for the customer that is used on the Receipts . window. Also, you can customize the payment terms and credit status for a customer. To override the default terms, select **Customize terms for this customer** from the Terms and Credit drop-down arrow.

Processing Purchases and Payments

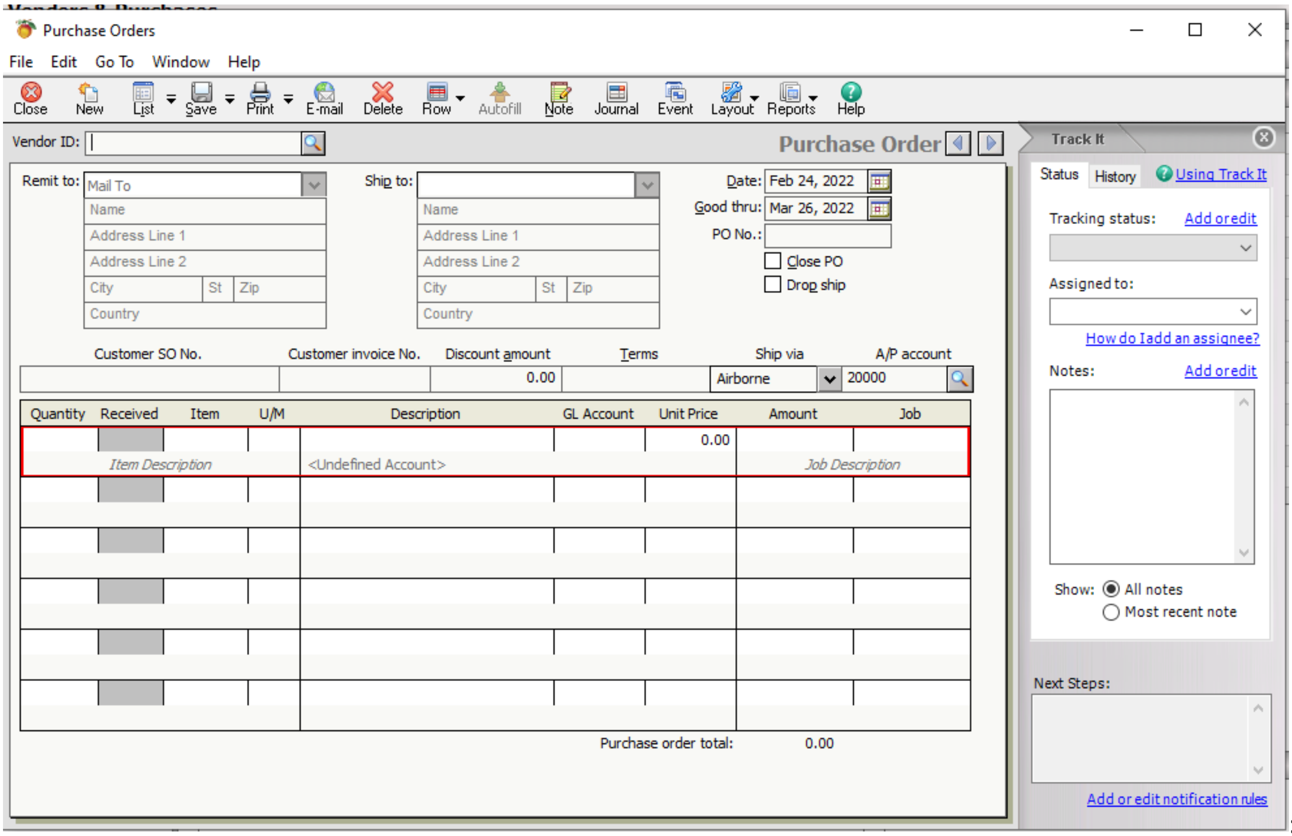
Purchase transactions can be entered in a variety of ways. **Purchase Orders**, which can be used for inventory and non-inventory related purchases, can be entered and printed from either the **Inventory & Sales** pane or **Vendors & Purchases** pane using the **Purchase Orders** icon found in each navigation center . **The Receive Inventory** icon in theInventory & Services pane allows you to fill purchase orders. and the same window can be accessed from the **Enter Bills** icon to enter operations-related purchases, such as for utilities and rent. You have the option of paying one vendor at a time or paying a group of vendors in the **Vendors & Purchases** navigation center.

Entering Purchase Orders

On the **Purchase Orders** window you can enter and print purchase orders for your vendors. Purchase orders can be edited by adding or removing line items. Peachtree Accounting automatically closes a purchase order when all the items on it have been received. but also gives the option of manually closing it if necessary.

To enter a purchase order, Click on the **Inventory & Services** or **Vendors & Purchases** navigation centers and select **New Purchase Order** from the **Purchase Orders** icon from either the.

The Purchase Orders window is used to enter and print purchase orders for inventory and supplies ordered from vendors . Fields of interest are explained below



:

- **Good thru**: By default, this date is one month after the purchase order date, but you can enter a different date.
- **PO No.:** If you plan to print the purchase order, leave this field blank. You will enter it during the print routine.If this PO was manually written, enter the purchase order number.
- **Close PO:** Select this check box to close a purchase order manually.
- **Drop Ship:** Select this option to specify a drop shipment from a vendor directly to a customer.
  - **Customer ID:** Enter the ID of the customer receiving the drop shipment.
  - **Bill to Address/Ship to Address:** When specifying a drop shipment, select the address where the drop shipment will be sent.
- **Quantity:** Enter the quantity of items to be purchased
- **Item:** Enter or select the item to be purchased. The item can be added "on the fly" by selecting the New button at the bottom of the drop-down list.If the item is not inventory related (for example, furniture for the office), then sk ip this field, and enter a description.
- **Unit Price:** By default, this is the last purchase cost for the item but you can change it as necessary. New items that have not been ordered before and do not have beginning balances use the cost assigned to them in the Last Unit Cost field on the Maintain Inventory Items window. For non-inventory items, enter a price here.
- **Amount:** A calculated field of quantity x unit price; however, if an amount is entered in this field, Peachtree re-calculates the unit price f ield by dividing the amount by the quantity.
- **Job:** Enter a job if the transaction line needs to be applied to a job. The amount is not applied to the job until the items are received.

Receiving Inventory and Entering Bills

The **Purchases/Receive Inventory** window allows you to receive items on a purchase order as well as enter vendor invoices and bills for non-inventory related purchases. To access this window, select **New Bill** from the **Enter Bills** icon: 1. Click on the **Vendors & Purchases** pane, or **Receive Inventory** from the **Receive Inventory** icon on the **Inventory & Services** pane. 2. Select **New Bill** from the **Enter Bills** icon.

Purchases/Receive Inventory Window

The header area of the Purchases/ReceiveInventory window contains fields for vendor-specific information for the transaction. The Apply to Purchases tab is used either to record vendor invoices that do not have a purchase order on file or to add items when you receive more Items than were ordered.The Apply to Purchase Order # tab is used to receive items from a purchase order. Fields of interest are explained below:

- **Invoice No.:** Enter the invoice number, if known, from the vendor. If not known, select the Waiting on Bill option below to update Peachtree Accounting without the invoice.
- **Waiting on Bill:** Select this option if a shipment of inventory is received without a vendor invoice. This allows the receipt to be recorded and inventory to be updated. The invoice is not available for payment until the transaction is edited by clearing this check box and saving again.
- **Amount Paid at Purchase:** Enter the payment amount here to make a partial or full payment to an invoice. Two additional fields appear when an amount is entered in the Amount Paid field.
    - **Reference:** Enter a reference number for the payment transaction in this field. A reference number must be entered before the transaction can be posted.
    - **Cash Account:** Select the cash account to which the payment amount is posted.

Apply to Purchases Tab

When you select a vendor who has one or more open purchase orders, the Apply to Purchase Order # tab appears. If you want to enter a purchase from this vendor that was NOT on a purchase order, just click the Apply to Purchases tab and enter it there. Fields of interest ore described below:

NOTE: Inventory set up as stock items or assemblies cannot be applied to a job on a purchase. These items should be applied to a job when the customer is billed for the items or when an inventory adjustment is entered to remove the items from stock.

Apply to Purchase Order No. Tab

When you select a vendor who has one or more open purchase orders, the Apply to Purchase Order # tab appears. If you want to enter a purchase from this vendor that does not originate from a purchase order. just click the Apply to Purchases Order No. tab and enter it there. Fields of interest are described below:

- **Apply to Purchase Order No.:** Select a purchase order from the drop-down list.All open purchase order s for the selected vendor are listed.
- **Remaining:** Displays the number of items that remain outstanding on the purchase order. This field cannot be changed on this window.
- **Received:** Enter the quantity of each item received. The purchase order remains open until all items are received or until it is manually closed.

Paying Bills

In Peachtree Accounting, you have three methods of paying bills, all accessed from the Pay Bills icon:

- **Pay Bills** - you can apply payments to open invoices or directly to expenses. Use this method when you need to pay only one vendor.
- **Write Check** - you apply payments directly to expenses. Use this method when paying bills that have no corresponding invoices. or for payments to non-vendors_
- **Pay Multiple Bills** - Peachtree selects invoices for payment based on specific criteria such as discount dates, due dates, and selected groupings of vendors .

Pay Bills

The Payments window is used to enter purchases without an invoice, as well as purchases for previously-entered invoices. When o vendorID is entered. all unpaid bills for the vendor appear on the Apply to Invoices tab. You can choose to pay an entire bill or make partial payments. Credit memos and prepayments may also be applied to invoices on this window. For purchases without an invoice, the Apply to Expenses tab is used. Each tab is described below:

- **VendorID/Customer ID:** Select to enter a payment for a vendor or customer. Then, enter theID for the vendor or customer being paid. To pay a vendor who is not in the vendor list. leave this field blank and enter the name in the Pay to the Order of field. Select Customer ID to issue a refund to a customer.
- **Check Number:** If you plan to print the check , leave this field blank. You will enter it during the print routine.If this check was manually written, enter the check number.
- **Memo:** By default, the account number entered in the Maintain Vendors window appears in this field for vendors set up in Peachtree. Modify this Information as necessary.
- **Cash Account:** Enter the account from which funds are withdrawn when the check is written. The account number displayed is the last cash account used for a payment, but can be changed if necessary.

Apply to Invoices Tab

The Apply to nvoices tab lists all outstanding invoices for the selected vendor. Choose invoices/bills to pay by selecting the Pay check box next to each one. When you have included all the invoices you wont click Print to print the disbursement check immediately, or click Save to print the check later.

- **Invoice:** Click an invoice link to view the purchase invoice in detail.
- **Date Due:** This date is entered in the Date Due field of the invoice. This date will determine if the invoice is eligible for a discount, if any.
- **Amount Due:** The current amount owed on the unpaid or partially paid invoice.
- **Description:** Enter a description for each invoice in this field. Text entered in this field prints on the disbursement check stub. The message "Waiting on Bill From Vendor" appears in this f ield when an invoice has a Waiting on Bill status In Purchases/Receive Inventory, and cannot be paid yet.
- **Discount:** Displays the amount of the discount if the invoice qualifies for a discount. If necessary, the amount in this field can be changed. A discount amount cannot be entered for a partially paid invoice.
- **Amount Paid:** Enter the amount to apply to the invoice. When you enter an amount, the Pay check box is checked automatically.
- **Pay:** Select this check box to pay the invoice in full.
- **Pay All / None:** Click a link to select or deselect all listed outstanding invoices.

Apply to Expenses Tab

When you select a vendor without any outstanding invoices/bills, the **Apply to Expenses** tab appears. The **Apply to Expenses** tab is used to enter prepayments and cash purchases.

- **Quantity:** Assign a quantity to the item or service purchased. This con be a physical quantity for stock items or units assigned to a service, such as hours.
- **Item:** If you are purchasing inventory, select an item from the lookup list.
- Description: Displays the description for the item selected. You can change the description , or enter a description when receiving items not tracked through inventory.
- **GL Account:** Displays the account found in the GLInventory Account field (Maintain Inventory) for the item selected. When you are ordering items not tracked through inventory, the account is the vendor 's purchase account.If necessary, enter a different account.

- **Unit Price:** Displays the last purchase cost for the item selected. You can change It if the price has changed. New items that have not been ordered before and •do not have beginning balances use the cost assigned to them in the Last Unit Cost field on the MaintainInventory Items window.
- **Amount:** Enter an amount here for the item purchased, if a unit price was not entered.
- **Job:** If the item' s expense should be applied to the cost of a job, select the job, phase, or cost code from the Job f ield lookup list.

Apply to Customer Account

If you select a customer ID on the Payments window, the Apply to Customer Account tab appears. This tab can be used to process customer refunds. Using the Apply to Customer Account tab in conjunction with the Credit Memo window in Acco unts Receivable allows a customer-issued credit memo and a customer- issued check to be recorded. The two transact ions can be reconciled on the Receipts window. To enter these transactions, follow these steps:

1. Enter the credit memo on the Apply to Sales tab on the Credit Memo window. This creates a credit to Accounts Receivable and a debit to an income account.
2. Record the check on the Apply to Customer Account tab in Payments. This creates a credit to cash and a debit to Accounts Receivable.
3. Reconcile these two transactions in Receipts. Select the Pay check box for both the credit memo and the payment to create a zero dollar receipt. Enter a unique identifier in the Reference field.

Writing Checks

Write Checks allows you to quickly enter a check and apply the amount to an expense.If the payment does not involve invoices or inventory items, this is the easiest payment method to use. The Write Checks window is also used to write a check to a vendor who does not have a Vendor ID. This window is a simplified version of the Payments window that allows you to quickly enter check information without having to enter line-item distributions.

- **Check Number:** If you plan to print the check, leave this field blank. You will enter it during the print routine. If this check was manually written, enter the check number.If paid by cash, enter a reference number such as CASH0201 to prevent the check from printing.
- **Memo:** By default, the account number entered in the Maintain Vendors window appears in this field for vendors set up in Peachtree Accounting. Modify this information as necessary .
- **Split:** Opens the Split Transaction window on which you can distribute the expense to multiple accounts. Once you click OK, all fields at the bottom of the Write Checks window are unavailab le. To change the transaction distribution, click Split.

Processing Sales & Receipts

Customer transactions can be entered in a variety of ways. Quotes can be entered for customers and later converted to Sales Orders or Sales Invoices when the customer commits to the sale. Sales Orders can be entered when customer orders a.re received. Sales Invoices allow you to f ill orders, or enter invoices unrelated to orders, and are paid using Receipts (Receive Money). Finance charges can be applied to outstanding customer balances.

Entering Quotes

Customers or prospects often request pricing Information about goods or services that a company sells. Since they are not receiving any products or services, they are provided with a quote. Once accepted by a customer, quotes can be converted to sales orders or sales invoices at any time. Quotes do not affect the General Ledger. To enter a quote, select the Quotes and Proposals icon, then New Quote. Quotes Window

The Quotes window is used to enter and print quotes for customer s. Fields of interest are explained below:

- **Good thru:** By default, this date is one month past the quote date, but can be modified as necessary.
- **Quote No.:** If you plan to print the quote, leave this field blank. You will enter it during the print routine. If this quote was manually written, enter the quote number.
- **Drop Ship:** Select this option if the items on the quote are to be drop-shipped directly from the vendor to the customer.
- **Quantity:** Enter the quantity of items to be quoted.
- Item: Enter or select the item to be purchased. The item can be added "on the fly" by selecting the New button at the bottom of the drop-down list. If the transaction is not for an inventory item, this field can be left blank, and a description entered in the next field.
- **Description:** Displays the description for the item selected. You can change the description or enter a description when entering items not tracked through inventory.
- **Unit Price:** Displays the sales price of the item selected. If the item ordered is not tracked through inventory, enter a sales price. If necessary, this price can be changed. For items tracked through inventory, you can select a different sales price from the drop-down list.
- **Tax:** Displays the item tax type for the item selected. If the item ordered is not tracked through inventory, select an item tax type. If necessary, the item tax type can be changed.
- **Amount:** A calculated field of quantity x unit price; however, if an amount is entered in this field. Peachtree Accounting re-calculates the unit price field by dividing the amount by the quantity.

Converting a Quote

After a customer accepts a quote, it can be converted to a sales order or an invoice using these steps:

1. Select from the Quotes and Proposals icon.
2. Click the Convert View and Edit Quotes button.

There are several options on the Convert Quote window.

- **Sale/Invoice:** Select this option to convert a quote to an invoice. If this option is selected, you can use the Invoice # field below to enter an Invoice number. If the invoice will be printed later, the invoice number can be entered at the time of printing.
- **Sale/Invoice and Print Now:** Select this option to convert a quote to an invoice and then print the invoice. You will be given the opportunity to enter the Invoice number prior to printing.
- **Sales Order:** This option converts a quote to a sales order. When a quote is converted to a sales order, Peachtree uses the next available sales order. This number is displayed in the SO # field on the Convert Quotes window and can be changed if necessary.
- **SO #:** Enter the sales order number if one exists for this quote and it does not need to be printed.
- **Proposal:** Select this option to convert the quote into a proposal, which you can bill in Sales Invoicing. Proposals are available only in Premium Accounting.

Entering Sales Orders

Sales orders are used when a customer agrees to purchase items or services that are not shipped immediately. The Sales Orders window allows partial orders to be shipped and backorders to be tracked. To enter a sales order, Select the Sales Orders icon, then New Sales Orders. Sales Orders Window

The Sales Orders window is used to enter and print sales orders for products and services ordered by customers. Fields of interest are explained below:

- **Ship By:** Enter a date that the order should be shipped by.
- **SO No.:** Displays the sales order number assigned by Peachtree Accounting. This number is increased by one automatically each time a sales order is posted. It can be changed, but you cannot save sales orders with numbers. This field is blank for the first sales order entered.
- **Close SO:** Select this option to manually close a sales order. A sales order is automatically closed after all items are shipped.

- **View related transaction:** Click this link to view transactions that are related to the currently displayed sales order.
- **Description:** Displays the description for the item selected. You can change the description or enter a description when ordering items not tracked through inventor y.
- **Unit Price:** Displays the sales price of the item selected. If the item ordered is not tracked through inventory, enter a sales price. If necessary, this price can be changed. For items tracked through inventory, you can select a different sales price from the drop-down list.
- **Tax:** Displays the item tax type for the item selected. If the item ordered is not tracked through inventory, select an item tax type. If necessary, the item tax type can be changed.

Entering Sales Invoices

Use the Sales/Invoicing window to enter Invoices and bills for customers, as well as to invoice customers for items that were entered on sales orders. Unlike quotes and sales orders, Invoices update the General Ledger. To enter invoices, Select the Sales Invoices icon, then New Sales Invoices.

The header area of the Sales/Invoicing window is used to enter customer-specific information. The Apply to Sales tab is used to record customer Invoices without a sales order on file. The Apply to Sales Order tab is used to ship inventory items from sales orders. Each tab is explained below:

- Invoice No.: If you plan to print the invoice, leave this field blank. You will enter it during the print routine. If this invoice was manually written, enter the invoice number.
- Due Date: Enter a due date, in different than the default.
- Pay Now: If the invoice is unpaid or partially paid, you can click this link to display the Receipts window with the invoice checked and ready to pay.
- Amount Paid at Sale: Enter the payment amount here to make a partial or f ull payment to an invoice. An additional window appears when selected.
- Deposit Ticket ID: Accept the session date, or enter a different ID. All receipts that have the same date for account reconciliation will have the same reference number.
- Reference: Enter a check number, credit card approval number, or "cash" for the payment transaction in this required field.
- Cash Account: Select the cash account to which the payment amount is posted.

Apply to Sales Tab

Direct sales to customers are entered on the Apply to Sales tab. Fields of interest are described below:

- **Description:** Displays the description for the item selected. You can change the description or enter a description when ordering items not tracked through inventory.
- **GL Account:** Displays the account set up for the item selected. When ordering items not tracked through inventory, the account displayed is the customer's sales account. If necessary, enter a different account.
- **Unit Price:** Displays the sales price of the item selected. If the item ordered is not tracked through inventory, enter a sales price. If necessary, this price can be changed. For items tracked through inventory, you can select a different soles price from the drop-down list.
- **Apply Tickets/Expenses:** Click the arrow button to open the Apply Tickets/Expenses window on which you can select which time tickets, expense tickets, and reimbursable expenses should be applied to the invoice.
- **Freight:** Enter the shipping amount. In Peachtree Complete Accounting and Premium Accounting, you can click on this link and Peachtree will open the Shipments window, automatically filling in appropriate fields with information from the current Sales invoice.
- **Amount Paid at Sale:** Enter the payment amount here to make a partial or full payment to an invoice. An additional window appears when selected.

- **Deposit Ticket ID:** Accept the session date, or enter a different ID. All receipts that have the same date for account reconciliation will have the same reference number.
- **Reference:** Enter a check number, credit card approval number, or "cash" for the payment transaction in this required field.
- **Cash Account:** Select the cash account to which the payment amount is posted.

Apply to Sales Order # Tab

When a customer with one or more open sales orders is selected, the Apply to Sales Order # tab appears. Fields of interest are described below:

- **Apply to Sales Order #:** Select the sales order being filled from the drop-down list. All open sales orders for the selected customer are listed.
- **Remaining:** Displays the number of items that remain outstanding on the sales order. This field cannot be changed on this window.
- **Shipped:** Enter the quantity that will be shipped to the customer. This is also the number of items for which the customer will be invoiced.
- **Amount:** Displays the value of the Shipped quantity times the Unit Price. When shipping an item not tracked in inventory, enter the total price of the item in this field.

Enter Receipts/Receive Payments

When customers pay invoices and bills, the amount they pay is entered on the Receipts window. Cash sales can be entered on this window if a customer does not require a printed invoice. To enter customer payments, select the Receive Money icon, then Receive Money from Customer.

The Receipts window is used to enter cash sales and deposits without invoices, as well as to apply payments to customer invoices. When a Customer ID is entered, all unpaid sales invoices appear. You can enter payments for the entire amount or partial amounts. Credit memos and prepayments may also be applied to invoices on this window. Each tab is described below:

- **Deposit Ticket ID:** Enter a reference to group this deposit with other deposits in Account Reconciliation. Receipts with the same Deposit Ticket ID will be grouped as a single deposit in Account Reconciliation.
- **Customer ID/Vendor ID:** Select to enter a receipt for a customer or vendor. Then, enter the ID for the customer or vendor. To enter a receipt for a customer who is not in the customer list, leave this field blank and enter the customer name in the Name field. Choose Vendor ID to deposit a refund received from a vendor.
- **Reference:** Enter the check number or another reference for tracking this receipt.
- **Receipt Number:** Enter the number corresponding to the receipt number on your preprinted form.
- **Process Credit Card:** Select this button to open a window in which credit card payment information can be entered. Information entered on the Payment Defaults tab in the customer file appears automatically.
- **Prepayment:** Select this option to -enter a deposit from a customer. After a prepayment has been posted, it can be applied to one or more of the customer's outstanding invoices on the Apply to Invoices tab.
- **Description:** Displays the description for the item selected. You can change the description or enter a description when ordering items not tracked through inventory.
- **GL Account:** Displays the account set up for the item selected. When ordering items not tracked through inventory, the account displayed is the customer's sales account. If necessary, enter a different account.
- **Unit Price:** Displays the sales price of the item selected. If the item ordered is not tracked through inventory, enter a sales price. If necessary, this price can be changed. For items tracked through inventory, you can select a different sales price from the drop-down list.

Apply to Invoices Tab

Select the Apply to Invoices tab to receive payments against customer invoices. Fields of interest are described below:

- **Discount:** Displays the amount of the discount if the invoice qualifies for a discount. If necessary, the amount in this field can be changed. A discount amount cannot be entered for a partially paid invoice.
- **Invoice:** Click an invoice link to view the sales invoice in detail.
- **Date Due:** This date is entered in the Date Due field of the invoice. This date will determine if the invoice is eligible for a discount, if any.
- **Amount Due:** The current amount owed on the unpaid or partially paid invoice.
- **Discount:** Displays the amount of the discount if the invoice qualifies for a discount. If necessary, the amount in this field can be changed. A discount amount cannot be entered for a partially paid invoice.
- **Amount Paid:** Enter the amount to apply to the invoice. When you enter an amount, the Pay check box is selected automatically.
- **Pay:** Select this check box to pay the invoice in full.

Apply to Vendor Account Tab

If you select a Vendor ID on a receipt, the Apply to Vendor Account tab appears. This tab can be used to record vendor refunds.
Using the Apply to Vendor Account tab in conjunction with the Vendor Credit Memo window allows both the vendor-issued credit memo and the vendor receipt to be recorded. The two transactions can be reconciled on the Payments window. To enter these transactions:

1. Enter the credit memo on the Apply to Purchases tab in the Vendor Credit Memo window. This creates a debit to Accounts Payable and a credit to an expense account.
2. Record the receipt/refund on the Apply to Vendor Account tab in Receipts. This creates a debit to cash and a credit to Accounts Payable. ·
3. Reconcile these two transactions in Payments. Select the Pay check box for both the credit memo and the receipt to create a zero dollar check. Enter a unique identifier in the Reference field.

Handling Specific Types of Receipts

When a customer pays a prepayment or deposit amount, this amount can be applied to future invoices. To enter a prepayment, select the Prepayment option on the Receipts window.

- **Description:** Enter a description of the prepayment.
- **GL Account:** Select a General Ledger account, such as Deposit from Customer.
- **Amount Paid:** Enter the amount of the prepayment.

To apply a prepayment to a customer invoice, open the Receipts window and select the appropriate Customer. On the Apply to Invoices tab, you will notice prepayments appear with a minus sign preceding the dollar amount in the Amount Due column.

Select the Pay check box next to the prepayment, and then select the invoices being paid by selecting the Pay check box in those rows. The receipt amount will reflect the total of the selected invoices minus the amount of the prepayment. If the prepayment amount is larger than the invoices due, apply only a portion of the prepayment. This leaves a partial prepayment amount available for future invoices.

Banking

Banking transactions occur whenever money is handled. For example, when money is received from a customer, or checks are written to vendors, these result in transactions at the bank. The Banking navigation center provides easy access to many transactions that can be entered in other areas of Peachtree Accounting, such as Receive Money and Enter and Pay Bills, but also hosts transactions unique to banking, such as Account Register and Reconcile Accounts.

The Select Receipts for Deposit

The **Select for Deposit** window allows you to combine multiple customer receipts into one or more bank deposits, to match the actual deposit at the bank which appears on the bank statement. You can also print deposit tickets to submit to your bank along with the cash and checks. To access the Select for Deposit window, select **New Bank Deposit** from the **Bank Deposits** icon.

The Select for Deposit window lists all current receipts for the General Ledger account in the Account ID field. If this is the first time the window has been used, the default account is your company's default cash account. Subsequently, the account that appears is the last account selected in the window.

Using the Account Register

Using the Account Register option, you can enter payments or receipts to cash accounts, view transactions posted to a particular cash account, and select options to reconcile the account and print the report register. To open the **Account Register** window, select the **Account Register** icon.

The Account Register window layout is similar to a traditional paper checkbook. Fields of interest ore described below:

- Cash Account: Enter or select on account. Only accounts with an Account Type of Cash appear in the list and are available for use in the Account Register window.
- Show Transactions for: Select the time period for which you want to see transactions.
- Payee/Paid by: Shows the vendor or customer associated with the existing transact ion. Select the appropriate customer or vendor for a new transaction.
- Payment: Shows the amount for a payment. Enter an amount if the new transaction is a Payment.
- Receipt: Shows the amount for a receipt. Enter on amount if the new transaction is a receipt.
- Balance: Shows the running balance for the Account, calculated as the beginning balance minus payments plus receipts.
- Sort By: Allows the Account Register to be sorted. If you sort transactions by dote, you can also filter out transact ions you do not want to see.

Reconciling Accounts

Any account in Peachtree Accounting can be reconciled using the Account Reconciliation window, though typically it is used to reconcile bank accounts such as checking and savings accounts, petty cash, and credit card accounts. To access this window, select **Reconcile Accounts**.

The Account Reconciliation window shows uncleared transactions that have debited or credited the selected account through the end of the current accounting period. You can use this window to reconcile the transactions entered in Peachtree to your bank statement for the account. As you clear transactions reported on the bank statement, the Unreconciled Difference will approach zero. Once the Unreconciled Difference equals zero, the account is reconciled. Additional transactions, such as bank service charges, can be added to the General Ledger while you are reconciling the account using either the Adjust icons or the fields at the bottom of the window.

Fields of interest are described below:

- **Statement Date:** Enter the date of the bank statement. You can enter a previous period statement date and Peachtree will list all the transactions dated in the period and any uncleared transaction from periods before that. This feature allows you to reconcile previous period statements and accounts without having to change the current accounting period.

- **Status:** Select this check box to indicate the transaction listed also appears on your bank statement. Cleared transactions are removed from the list after you change to the next accounting period.
- **Interest Income:** Enter a single interest income amount, date, and General ledger Account. To enter multiple amounts, select the Adjust button.
- **Service Charges:** Enter a single service charge amount, date, and General Ledger Account. To enter multiple charges, select the Adjust button.
- **Statement Ending Balance:** Enter the ending balance of the account as shown on your bank statement.
- **Unreconciled Difference:** Displays the difference between the Statement Ending Balance and the GL (System) Balance, less Outstanding Checks, plus Deposits in Transit. When all transactions listed on the bank statement are entered and cleared in Peachtree Accounting and outstanding transactions have been accounted for, the red exclamation mark will turn into a green check mark, and the value should be zero.

Banking Reports

Account Reconciliation reports provide information about bank reconciliation transactions. To preview or print these reports, select **Account Reconciliation** from the **Reports & Forms** menu.

Report Descriptions

- **Account Reconciliation:** Shows the last reconciliation information, including the GL balance and any outstanding reconciling items to compare to the ending bank balance.
- **Account Register:** Lists transactions for an account, including a running balance, much like the Account Register window.
- **Bank Deposit Report:** Displays the details of each bank deposit, showing which customer's checks are included in the deposit.
- **Deposits in Transit:** Lists the deposits that have not yet cleared the bank.
- **Other Outstanding Items:** Lists transactions, other than deposits or checks, which have not yet cleared the bank.
- **Outstanding Checks:** Lists checks that have not yet cleared the bank.

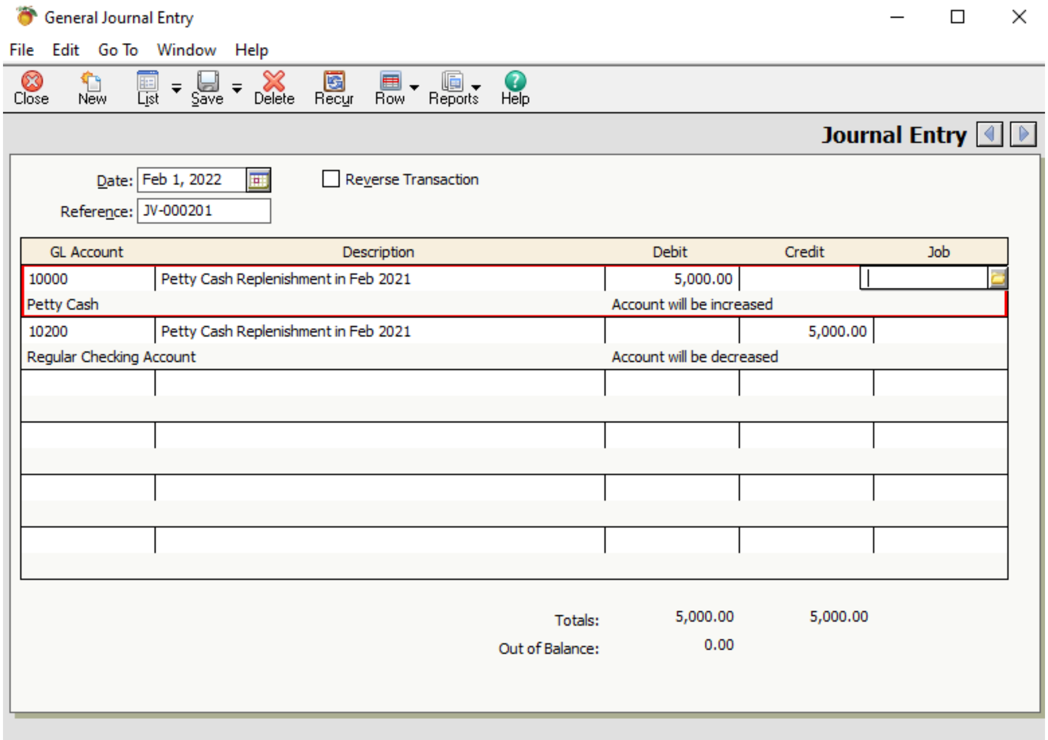
Entering Journal Entries & Running Financial Reports

The General Ledger is updated as transactions are posted. In addition, separate transactions can be entered directly in the General Ledger. After all transactions and adjustments are posted, reports and financial statements can be run.

Enter General Journal Entries

The General Journal Entry window is used to enter transactions that are not recorded in other journals, for adjustments and other miscellaneous transactions. This window is also used to edit account reconciliation adjustments. In the General Journal Entry window, both debits and credits are entered to balance the transactions.

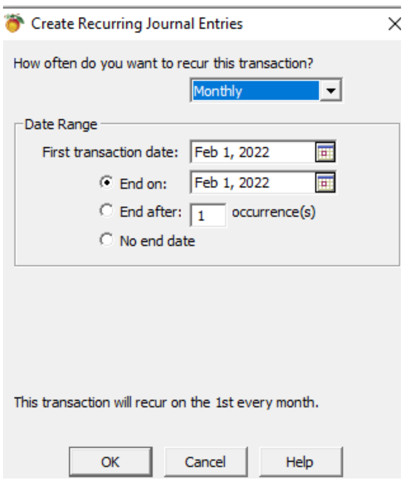
Select General Journal Entry from the Banking navigation center. Fields of interest are described below:



- **Date:** Enter the date of the transaction. Any date within either the current period or a future period can be used.
- **Reverse Transaction:** Select this option to make a transaction automatically reverse the debit and credit amounts on the first day of the next accounting period. For example, use a reversing entry to record accrued Telephone expenses to recognlze the expense when it occurs, rather than at the time of payment.
- **Out of Balance:** Displays the difference between the total debits and total credits for the transaction. This amount must be zero before the transaction can be posted.

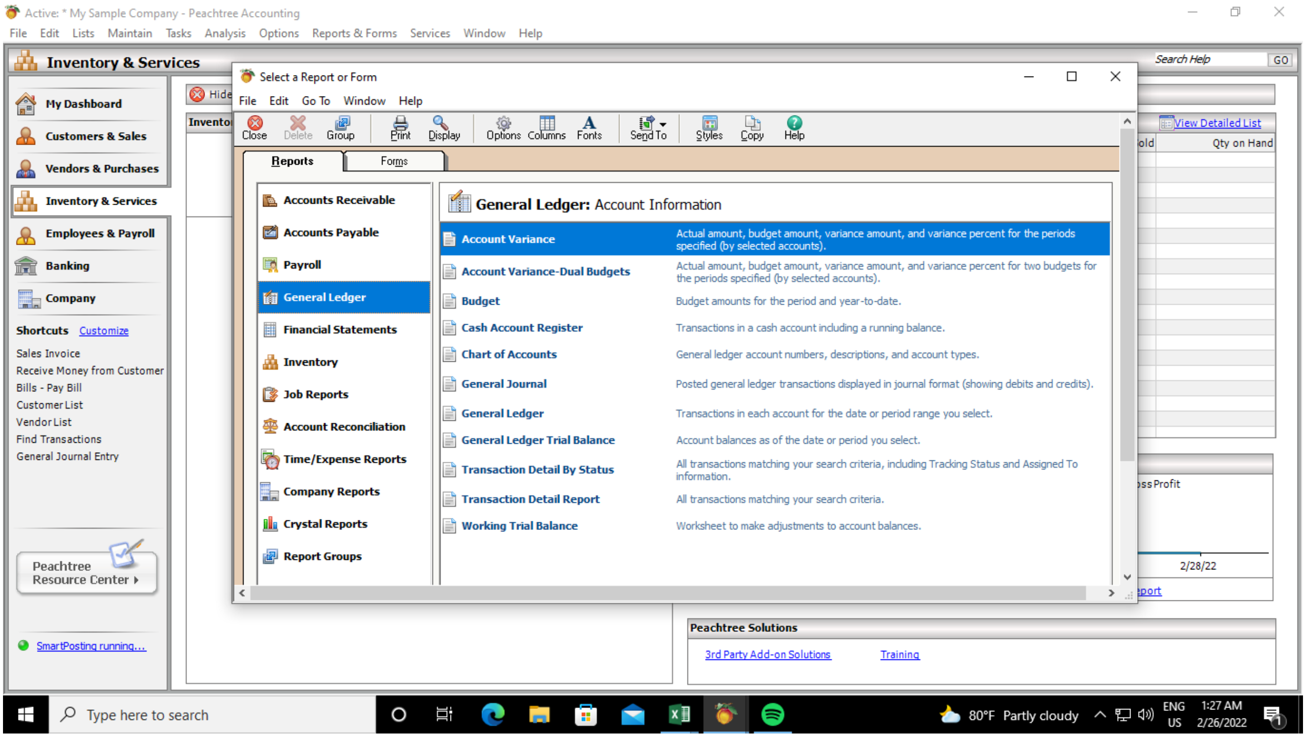
Recurring Journal Entries

Transactions which are the same in one or more future periods are called recurring journal entries. To copy journal entries into one or more future periods, click the **Copy** icon on the toolbar, and then select **Create recurring.** The following window appears . Recurring entries can be edited or deleted for the current period or for a future period at any time.



General Ledger Reports

General Ledger reports organize transactions recorded in the various journals by account number. Select **Reports & Forms** from the Peachtree menu bar, and then select **General Ledger**.



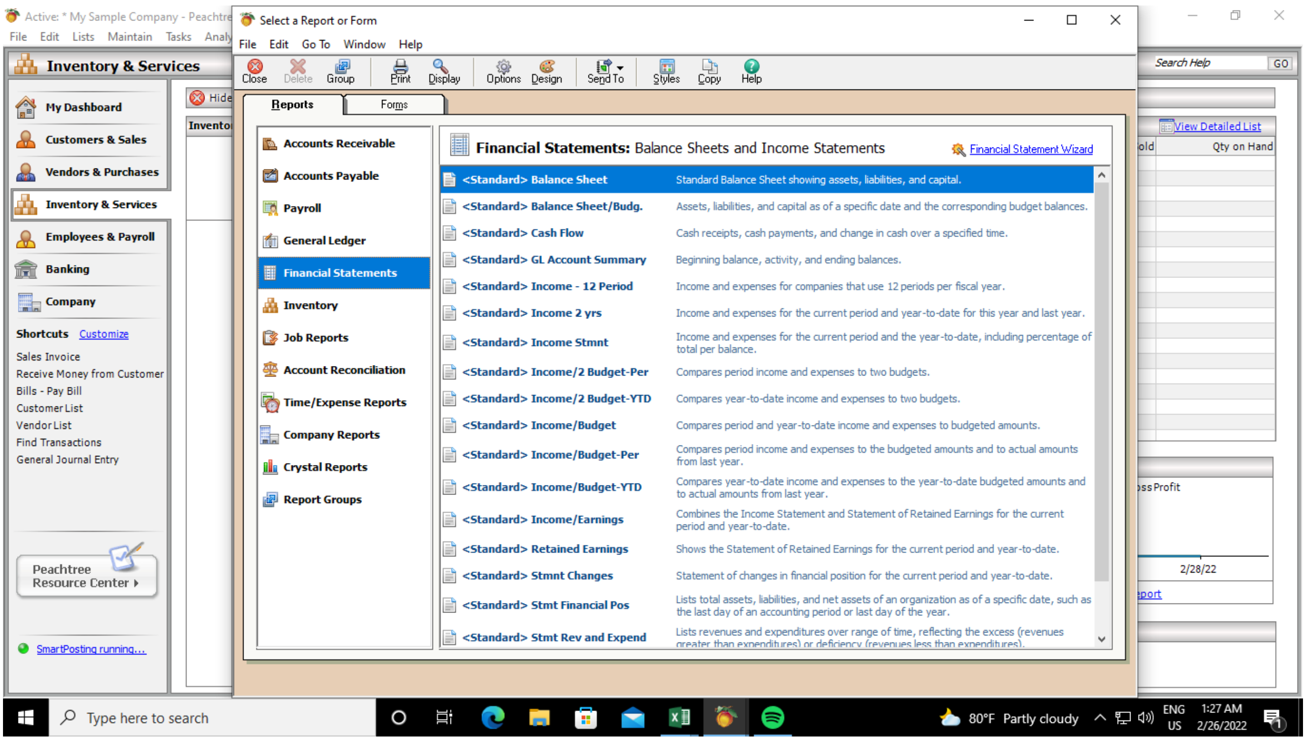
Report Descriptions:

- **Account Variance:** Provides a comparison of budget and actual figures for each account. as well as variance information. It is useful for determining the accuracy of budgets and for forecast ing future budgets.
- **Account Variance-Dual Budgets:** Provides a comparison of budget and actual figures for each account, as well as va riance information, using two budgets instead of one. It is usef ul for determining the accuracy of budgets and for forecast ing future budgets.
- **Budget:** Lists period and year-to-date budget amounts for each account.
- **Cash Account Register:** Lists all transactions in a cash account, along with a running balance.
- **Chart of Accounts:** Lists each account number, account description, and account type. Useful for verifying that all ncessary General Ledger accounts have been set up with the correct account type and for identifying changes or additions that need to be made to the accounts.
- **General Journal:** Lists all general journal transactions for the selected date range with related General Ledger distributions. This journal is used to record transactions that cannot be entered in one of the subsidiary journals, such as the Sales Journal or the Purchase Journal. It is useful for verifying General Journal postings, including beginning balance amounts.
- **General Ledger:** Shows all transactions in each account for the selected accounting period(s). Gives vital information about the activity and balance in each General Ledger account and provides detail for financial statements .
- **General Ledger Tria Balance:** Lists the current balance for each account . Also, prov ides a historical record of account balances for the selected accounting period(s).
- **Transaction Detail Report:** Shows you the detail for transactions in the system.
- **Working Trial Balance:** Lists the General Ledger accounts and their debit or credit balances. This report serves as a test as to whether the General Ledger is in balance.It can also be used as a worksheet to make adjustments to account balances.

Financial Statements

The information stored in the General Ledger is also used to produce Financial Statements. Financial Statements are used to examine the financial position of a business and are usually prepared at the end of an accounting period and at the end of the fiscal year . You should store these reports in a secure location, since banks and lenders commonly request these reports for several years.

Select Financial Statements from the **Reports & Forms** dropdown menu at the top of Peachtree.



Report Descriptions

- **Balance Sheet:** Shows balances for Assets, Liabilities, and Equities for a given time period.
- **Balance Sheet/Budg:** Lists all assets, liabilities, and capital of a business entity as of a specific date and the corresponding budget balances. PREMIUM: The Balance Sheet/Budg. report is available in Peachtree Premium and higher.
- **Cash Flow:** Shows increases and decreases in cash for the selected account ing period(s) and the year-to-date total.
- **GL Account Summary:** Shows beginning balance, activity, and ending balance for each account as of the selected accounting period.
- **Income - 12/13 Period:** Shows you income and expense information for all 12 or 13 periods in your fiscal year.
- **Income 2 years:** Shows income and expense activity for the selected accounting period(s) and the year-to-date total for this year and last year.
- **Income Statement:** Shows income and expense activity for the selected accounting period(s) and the year-to-date total for each account .
- **Income/ 2 Budget-per:** Compares the income and expense activity for the current period to two budgets.
- **Income/2 Budget-YTD:** Compares the year-to-date income and expense amounts to two budgets.
- **Income/Budget:** Compares the income and expense activity for the current period and the year-to-date amounts to the budget figures.
- **Income/Budget-Per:** Compares the current period income and expense amounts to budgeted amounts and actual amounts from last year.
- **Income/Budget-YTD:** Compares the year-to-date income and expense amounts to budgeted amounts and actual amounts from last year.
- **Income/Earnings:** Combines the Income Statement and Statement of Retained Earnings for the selected accounting period(s) and year- to-date.

- **Retained Earnings:** Shows changes in the Retained Earnings balance as of the selected accounting period.
- **Statement of Changes:** Shows changes in financial position as of the selected accounting period.

Conclusion

- Easy to set up: User friendly, which takes little time to register and set up.
- Functionality: a fully functional accounting system that allows users to issue invoices, receives payments, enters payables, print checks, pays employees, tracks expenses, enters journal entries, and is packed with lots of preloaded reports.
- Easy to use: embedded with simple functions that are easy to grasp and get the hang of it.
- Best value compared to price: it is built specifically for small business owners and managed by a company that clearly knows its game, thus its functionalities are spot on and practical by spending just a few hundred dollars to a few thousand or even free of charge.
- Reporting capabilities: preloaded with a large number of reports and can be customizable. Moreover, it could be exported as either Excel or PDF.

References

Cramer, E. (2020, June 20). *Advantages of Using Peachtree Accounting Software*. ToughNickel. Retrieved February 01, 2022, from https://toughnickel.com/industries/Advantages-of-Using-Peachtree-Accounting-Software

Goldman, D. (n.d.). *Sage Group*. Wikipedia. Retrieved February 01, 2022, from https://en.wikipedia.org/wiki/Sage_Group

Sage Group PLC (SGE) Stock Price & News. (n.d.). Google. Retrieved February 01, 2022, from https://www.google.com/finance/quote/SGE:LON