REES NEWS

*This newsletter assumes that you are running the latest version of Rees2000. You can update your version of Rees2000 via main menu option **14.8***

For most of us 31 March 2011 means the end of financial year for our business. With this comes a little added pressure, such as stocktakes (if you don't carry out regular rolling stocktakes), it's the time to tidy up your Accounts Receivable for bad debts, and it's the time when your period ends take a longer period of time. So let's address these issues:

Stocktake

An article has been previously written on this, it is on our web site:
http://www.rees.co.nz/company/news/stocktakes.pdf

Read this article, print it and use it.

REMEMBER Always count and enter your stocktake **PRIOR** to closing your Debtors system for the year.

Registry settings

> The "Windows Registry" on this computer workstation is not set correctly
> You must "Run as Administrator" this Rees program to set the Registry correctly
> If you fail to do this you Rees data can get CORRUPTED
> Press any key to continue

If you are getting the above message when you start a Rees2000 program you MUST follow the instructions on our Rees Computer and Network Troubleshooting document.

This document can be found on our website at:
http://www.rees.co.nz/products/Rees%20Technical.pdf

DO NOT ignore the message, as corruption can occur. If you don't understand the document, or can't get the registry to set then contact your IT professionals to complete this for you.

All information in this newsletter is to the best of the authors' knowledge true and accurate.

Bad Debts

In order to get your taxable deduction, bad debts must be physically written off your Rees2000 system PRIOR to your balance date. Our current Tax Act also state that reasonable steps have been taken t recover the debt. So assuming you made tried to collect the outstanding monies, then to write your bad debt off you have two options:

1. Enter a Hand Written Credit (1.10), for the amount of the write off, remember to claim the GST in the GST field, as this write off will also reduce your GST return.   This is a fast easy ay to write the debt off, however identifying 3 or 4 years down the track who you wrote of and how much is harder to achieve. Also this does not produce a tax credit note to print, so would not meet IRD requirements.

2. Create a non stock code in (2.1) Stock Set up, called say BADDEBT, then produce a credit note in (4.1) for the write off, ensuring that you print the credit out (you do not want it in a print run and accidentally posted to the client). This takes a little longer to set up, however you can easily print a list for your accountant (going back a total of 10 years, depending on your history settings) of all bad debts, when they were written off and the amounts. *This is the Rees Software Preferred Option for writing your bad debts off.*

Year End Update

Prior to performing your Period End update for 31 March (or whenever your year-end is) add the following to your normal procedures:

a) Bad Debts written off

b) Stocktake (if required) entered and reconciled

c) At the same time you perform your COPY TO LAST MONTH, Also perform a Copy to Last Year, this is found in your Rees2000 program (14.37)

d) Ensure you have a good back up of the system

e) **IF** it's the end of your financial year answer Y to the question 'Is this the end of your YEAR.'
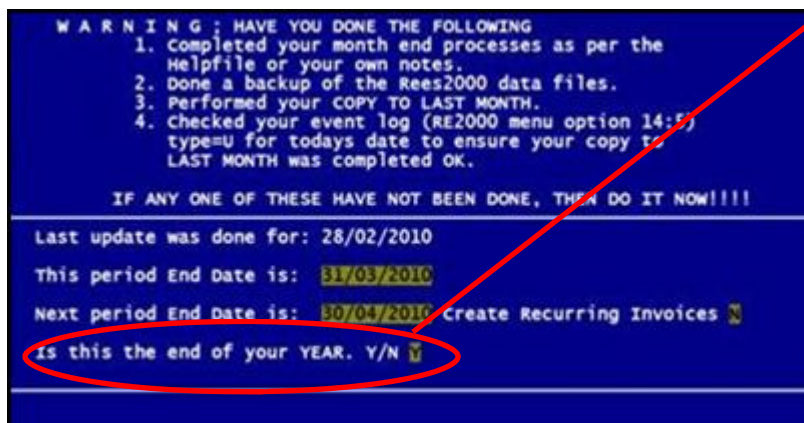
Finally be aware that the Year end update does take considerably longer than a normal month end process. There is a lot more tasks undertaken by the program therefore your update time extends.
**DO NOT STOP** the period end once you have started.
DO NOT STOP it if you realise you forgot to say Yes to Is this the end of your YEAR' Question.

If you crash out of your Period end, you will have to restore from Back up

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Copy to Last Year function

The copy to Last Year function (14.37) as mentioned in C above, takes a copy of your Data BEFORE your Year-end update. This copy is only done once a year, so it's available for the printing of extra reports for your accountant or your management team as required. To access this Copy, which is a Read only' copy, please follow the instructions below:

a) Left Click once on your Rees2000 shortcut (desktop icon), so that it's highlighted, then right click and left click on Copy
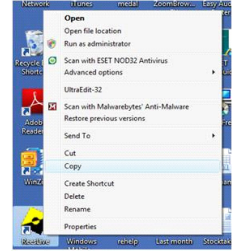
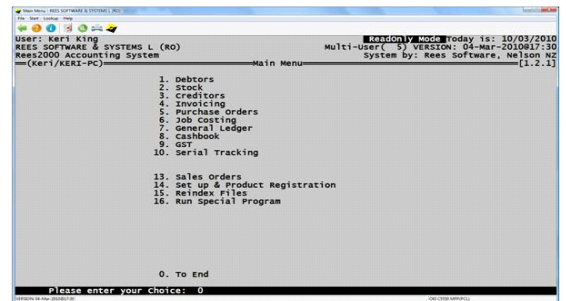b) Left Click on your desktop where there is room, and then right click and left click on Paste Shortcut
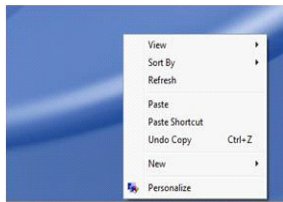
c) Right click on the new shortcut, then left click on Rename (see options on (a) above), Rename the shortcut, Rees2000 Last Year.

d)   Right click on this new shortcut and left click on Properties (see options on (a) above).

The screen alongside with appear, on the Start in line remove the word data (only) and replace with LASTYEAR.

Everything else on that Start in line remains the same.   When finished click on Apply then OK.
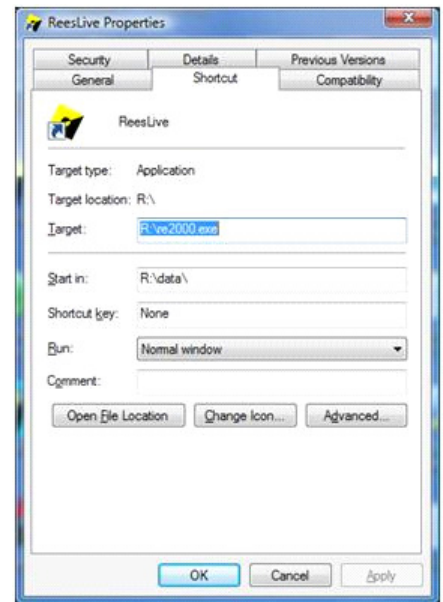
e) Lastly double click on the new shortcut icon to open. The Rees2000 program will open with ReadOnly mode at the top, the colours will automatically be Grey and Black.

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General Ledger

If you have the General Ledger installed and are currently using months 13-24, then you need to get your 31 March 2010 General Ledger finalised now. The Rees2000 General Ledger only has 24 open periods, so if you are currently using period 23 as February 2011, then get onto your Accountant to get the 2010 year end journals so that your General Ledger for that period can be closed.

Once the Accountant's journals (and reversing journals) have been entered (7.2), then print a set of accounts for period 12 (7.11.6). Compare this to your final accounts produced by your Accountant to ensure your Net Profit, Current Accounts, Assets and Liabilities all agree.

Then print a Trial Balance for your last period (i.e. 23/Feb) and check that your Accounts Payable, Accounts Receivable and Bank Accounts still agree to their sub ledgers (i.e. A/cs Payable = 3.11.5 report, A/cs Receivable = 1.11.5 report, Bank Accounts = 8.11.16 (or 5) reports for the corresponding period.)

If not check out why and fix as required (often reversing journals that have been missed).

When you are happy with both period 12 and your current period (say 23/Feb), then follow the General Ledger year end guide in our helpfile (F1) (see below)

· Print your financial statements to period 12 (7.11.6)
· Print other General Ledger reports for period 1-12 (7.11.3)
· Check Ledger for balance (7.7)
· Ensure your current period is in 12 (7.14) System Variables, question 2, Current Period = 12
· Take a backup –label General Ledger year ended …. (keep this for 7 years)
· Take a copy of Rees2000 data directory (14.36) Copy to LASTYGL
· Perform General Ledger period end (7.15)
· Check Ledger for balance (7.7)
· After your period end, your current period will be Period 1 – the first period in the new financial year. To change this to the actual period you are now in, go to (7.14) System Variables, question 2 Current Period, change as required.

FINALLY Do not close your General Ledger for a year WITHOUT your accountant completing your annual accounts, this often is 6-9 months after your balance date.

Financial Budgets & Forecasts

This is also the time of year when budgets and forecasts are constructed. The Rees2000 General Ledger module has the ability for both Budget and Forecasted information. Your budget normally is fixed once it has been agreed upon, whereas your forecast is an ever changing financial tool.

Both budgets and forecasts can be input (manually or by CSV file) for both current and next financial years. Reports such as Budget Vs. Forecast, Budget Vs. Actual, Actual Vs. Forecast are readily available in the Rees2000 General Ledger reporting options.

See General Ledger utilities (7.13.x) for budget and forecast options, including exporting and importing of information. Generating Budgets based on Actuals, etc.

The General Ledger report writer has also been updated to incorporate the new forecast feature, so you may want to review your existing reports and/or add new reports.