TOPS PROFESSIONAL™

GENERAL LEDGER MANUAL

By

TOPS Software, LLC

Clearwater, FL

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This guide is provided by TOPS Software, LLC as a reference and help tool for using the TOPS Professional™ General Ledger Module. Illustrations used in this guide may display windows with modules, features, and or functions that may not be part of the TOPS Professional™ version you are currently running or available as add-ons or as plug-ins to an interface to third party products. Additionally, the most recent updates may not be reflected in this guide.

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It is also assumed that the user of this guide is familiar with basic windows functionality and navigation tools. Refer questions regarding the use of Windows Explorer to your system administrator.

Table of Contents

About General Ledger

The General Ledger module is the cornerstone of the accounting system. It is where all the transactions from the subsidiary modules, including Accounts Receivable, Accounts Payable, Check Reconciliation and Payroll, get posted. The General Ledger records the transactions from the subsidiary modules in real time—meaning, as soon as a transaction is posted in a subsidiary module, the General Ledger is updated at the same time. Because of the real time updating from the subsidiary modules, you can print General Ledger reports, like a Balance Sheet and Income/Expense Statement at any time during a month.

The General Ledger, like the rest of TOPS Software, is totally date sensitive. That means, you can backdate or forward date transactions to any open accounting period. The accounting system understands the dates of transactions and will post them to the correct accounting period. There is closed period protection that can be activated to prevent posting transactions to closed periods or closed years so you can't change balances once financial statements are generated. But the date sensitivity throughout TOPS means you can print reports for any past accounting period by simply entering the dates you wish.

The General Ledger is specially designed to work for Condo/HOA (community) management. The terminology, the capabilities, the ease of use and the design of reports all demonstrate that this accounting system was designed for community management. For example, you can print either a standard Balance Sheet report or a Fund Balance formatted report with the click of the mouse. The Income/Expense Statement is also designed to show the necessary information in an easy to understand format so that Board Members, who may not be familiar with accounting reports, can easily understand the report.

The General Ledger is included when you purchase TOPS as part of the "Basic System".

To access the General Ledger module and its features, click the General Ledger button on the TOPS Software™ toolbar. You will see the General Ledger menu:

Use the General Ledger module to perform the following:

- **Chart of Accounts** - maintain the Chart of Accounts for a community. Also, enter Budgets through the Chart of Accounts.

- **Journal Entries** – enter direct transactions to the General Ledger to change account balances. This can be used to make adjustments, when necessary.

- **Recurring JE** – recurring journal entries can be setup, then posted each accounting period. Examples of this might be, interest earned on savings accounts, depreciation, reserve distributions, etc.

- **View Accounts** – select a general ledger account #, then a range of dates. View all the transactions for the account for the range of dates. You can also print the activity if you wish.

- **Reports** – print GL reports, such as the Balance Sheet, Income/Expense Statement, Reserve Fund Statement and either a trial balance or full detail general ledger report. There is also a report designer on this menu where you can customize the look of your financial statements.

- **Accounting Periods** – define the fiscal year for the community. You can setup either a calendar year or non-calendar year. You also keep track of the Current Accounting Period here, which makes it easier for making entries to the GL and printing reports.

- **Close Year** – moves the current year to previous year as it performs the closing processes. Gives options to save the general ledger account detail for the year just ended or summarize it into balances forward. This function also makes the retained earnings entry for net income as it resets the income and expense balances for the new year.

- **Control Info** – stores settings and options for the general ledger module. For example, it stores the retained earnings account # to use when closing a fiscal year. It also activates and deactivates the use of Cost Centers.

Chart of Accounts

INTRODUCTION

The Chart of Accounts is used by ALL modules in TOPS Software. It is the method through which the software keeps track of all the general ledger transactions. Every transaction in the general ledger contains the Chart of Accounts number. The Chart of Accounts consists of a main account number which can be up to 5 digits in size with an optional 3 digit Cost Center which can be activated in the GL Control File.

You can define "Ranges" for your Chart of Accounts that will simplify adding new accounts. Also, the "Ranges" can automatically create Financial Statement Layouts (Balance Sheet, Income/Expense Statement, Reserve Fund Statement) that include all accounts in the Chart of Accounts with the correct groupings and subtotals for professional looking reports.

A typical Chart of Accounts organization is:

> **1xxx - 2xxx**   **Assets**
>
> **3xxx - 4xxx**   **Liabilities**
>
> **5xxx**   **Equity & Reserves**
>
> **6xxx**   **Income**
>
> **7xxx- 9xxx**   **Expenses**

The software is shipped with a Chart of Accounts in Community XX – Showcase Condo. This is a well organized Chart of Accounts that will work well for either Condominiums or Homeowner Associations. It uses the number ranges listed above. Unless you have a Chart of Account s you prefer, you are welcome to copy this Chart of Accounts into any new community you setup.

Define Ranges

Ranges are groups of account #'s for organizing your Chart of Accounts. By defining "Ranges" it will simplify the setup of your Chart of Accounts and Financial Statement Layouts. After defining "Ranges", as you add new accounts to your Chart of Accounts, it will automatically give you the correct defaults, such as, the typical Financial Statement Type for the new account.

Here are the predefined "Ranges" for your Chart of Accounts.

- **Assets** - Cash, Receivables, Current Assets, Fixed Assets, etc.
- **Liabilities** - Amounts owed including A/P Clearing, Payroll Taxes, Notes Payable, etc.
- **Reserves** - The "Fund" balances in the "Equity" section of your G/L, not the "Cash" accounts. See the Appendix "Reserve Handing" for more details.
- **Members Equity** - Retained Earnings
- **Income** - both Owners and Misc. (non-owner) income
- **Expenses -** With Expenses you can define the names of the "Ranges" that will then be used on the Financial Statements. These will then be the headings you see on your Income/Expense Statements if you let the system create the Financial Statement

Layouts for you.

Ex. "General & Administrative"

"Utilities"

"Maintenance"

To read more about defining ranges, go to the Setup manual, General Ledger Setup.

Required Accounts

There are certain accounts which must be part of the "Chart of Accounts". These are accounts used by the "A/R & Owner Collections", "Accounts Payable" and "Payroll" modules. The Required Accounts are:

Module	Account Description	Account Type
General Ledger	Retained Earnings	Equity
	Year End Suspense	Expense
Accounts Receivable	Cash – Checking	Asset
	Maintenance Fees	Asset (accrual) or Income (cash)
	Prepaid Maintenance Fees	Asset (accrual) or Income (cash)
	Accelerated Assessments	Liability (accrual) or Income (cash)
Accounts Payable	AP Clearing	Liability

There are more accounts that might be needed, such as Late Fees and other owner related charges, but the above accounts are the bare minimum that are required.

Cost Centers

Cost Centers are a way of breaking down the General Ledger, Owner A/R and Accounts Payable systems to give visibility as to different groupings of Income or Expenses or for keeping what is essentially separate sets of books within one General Ledger. Cost Centers   Cost Centers have many uses which include:

- Master Association with Sub-Associations

- Section or Building Accounting

- Departmental Accounting

Cost Centers are 3 digit numbers that can be appended to the main GL Account #. If you are using Cost Centers (activated in the "Company Data" file or GL Control File), you must define each account WITH the Cost Center in the Chart of Accounts. An example would be:
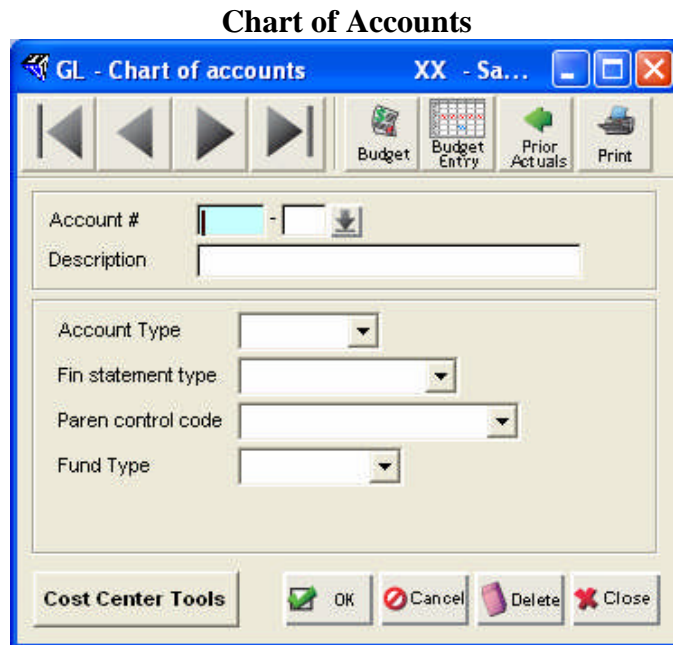
7280-010   Insurance Expense - Maintenance Dept.

See Appendix D titled "Cost Centers" for more information.

Maintain Chart of Accounts

Chart of Acct.	Click this button on the GL Menu to maintain the **Chart of Accounts**.

You will see the main Chart of Accounts window:

Chart of Accounts

From here you can add, change, delete, or print a list of accounts in the Chart of Accounts file. You can also maintain the yearly Budgets. We'll cover each of the window elements in detail.

[browse arrows]	Click on the **browse arrows** to move backwards and forwards through the Chart of Accounts.
[down arrow]	Click the **down browse arrow** to open up a browse of the Chart of Accounts to select the account you wish.
Account #	The main GL **Account #**, which can be up to 5 digits. It must be numeric, you cannot use alpha characters. You can type in the GL Account # if you know it, or use the down browse arrow [arrow] to open a browse list to select the Account.
Cost Center	This is an optional 3 digit field which can be turned on for tracking departments or sections of the community. If Cost Centers are turned on in the GL Control File, then you need to enter a Cost Center along with the main GL Account # in order to select an Account.
Description	The name of the account up to 30 characters. The name should describe the account because it is used on financial statements and elsewhere.
Account Type	Notice the down browse arrow [arrow] to let you select from one of the 5 pre-defined **Account Types**:

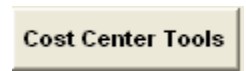|	
	Asset Liability Equity Income Expense

	You must select an Account Type. By selecting an Account Type, the GL will know how to treat the balances in the account on reports. It will also define which report types the Account # should be include on, such as, a Balance Sheet or Income/Expense Statement.
	
	Asset Types
	When you define an account as an Asset, you will see the "Asset Type" field appear at the bottom of the screen. The choices are:
	
	    • Cash
	    • Current Asset
	    • Fixed Asset
	    • Accumulated Depreciation
	
	You are NOT required to fill in the "Asset Type" on the Chart of Accounts screen, however, you cannot print a "Cash Flow Report" until you have defined a "Type" for each Asset account. For more explanation, see the **Asset Type** heading below.

Financial Statement Type	Notice the down browse arrow ▼ to let you select from one of the 2 pre-defined **Financial Statement Types**: Balance sheet Profit and loss You must select a Financial Statement Type for each account. By selecting a Financial Statement Type, it also defines which reports the Account # should be included on—the Balance Sheet or Income/Expense Statement.
Paren Control Code	This means **Parenthesis Control Code**. Notice the down browse arrow ▼ to let you select from one of the pre-defined Parenthesis Control Codes**:** Enclose when debit Enclose when credit The General Ledger will show negative balances for the Account Type with parenthesis ( ) around them so they clearly stand out. When you answer the Account Type and Financial Statement Type above, it will give you the correct default Parenthesis Control Code for the account, but you can change it if you wish.
Fund Type	The **Fund Type** is used to do Fund Balance reports. Notice the down browse arrow ▼ to let you select from one of the 3 pre-defined Fund Types**:** Operating Reserves Other Unless you know an account is part of the Reserves, it is best to take the

	default of Operating for most accounts. Consult a knowledgeable community accountant for more information on Fund Balance accounting.
Asset Type	When you define an account as an Asset, you will see the "Asset Type" field appear at the bottom of the screen like this:

In order to print a "Cash Flow Report", you must further breakdown each Asset account into one of the following "Asset Types":

- Cash
- Current Asset
- Fixed Asset
- Accumulated Depreciation

While you are not required to fill in the "Asset Type" on the Chart of Accounts screen, you cannot print a "Cash Flow Report" until you have defined a "Type" for each Asset account. The Cash Flow Report on the GL Reports menu checks to see if each Asset account has an "Asset Type". If it finds any Assets where the type is not defined, it will automatically pop-up a wizard to help you quickly define the "Asset Types". |

A typical Chart of Accounts looks like this:
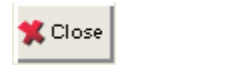
Chart of Accounts
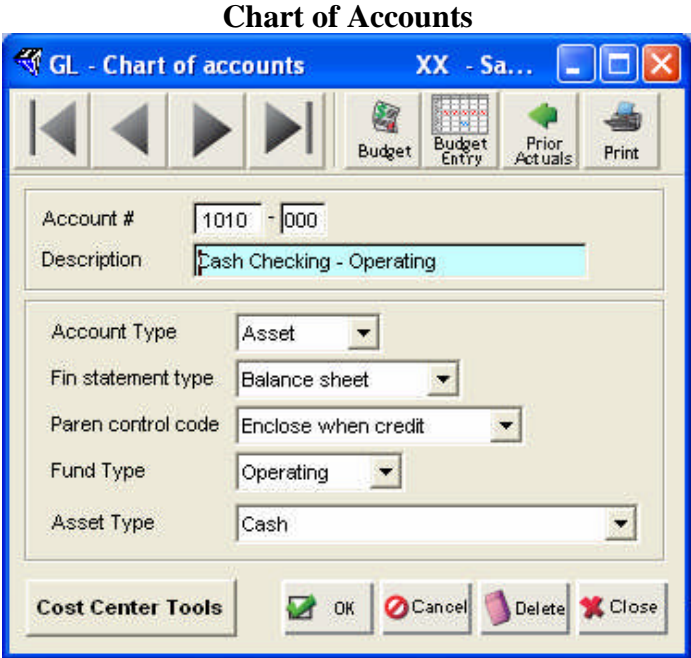
Click on any of the fields to make changes EXCEPT the Account # itself. You cannot change the Account #, you must delete the account and re-add it with the correct Account #.

Note: You cannot delete an Account # if General Ledger transactions exist for that account even if the transactions are in a previous fiscal year. You must wait to delete the Account # until the General Ledger transactions are purged as part of performing a Year-End Close in GL.

Cost Center Tools	If you use **Cost Centers**, this button contains handy functions that let you easily define Cost Centers, and tools to activate them across your Chart of Accounts. Read the Cost Center section of this manual for more info on the use of these tools.

Navigation

Use these buttons to on the Chart of Accounts window.

◄◄ ◄ ► ►►	Use the **Arrow** buttons to move account # to account # on the Chart of Accounts window or jump to the LAST/FIRST account. The arrow navigation can be handy when you want to review/change the Chart of Accounts.
☑ OK	**OK** – Click this button to accept any changes made and clear the Chart of Accounts window.
⊘ Cancel	**Cancel** – Click this button to scratch any changes entered on the Chart of Accounts window.
🗑 Delete	**Delete** – Subject to the warning Note below, you may delete an account from the Chart of Accounts. **Note** – You cannot delete an account that has transaction history attached to it in either the current or any past year still on file. This is a safeguard to protect the integrity of the accounting system. If you deleted an account with activity in it, previous accounting reports would be made invalid because an account with accounting transactions has now disappeared.
✖ Close	**Close** – Click this button to exit from the Chart of Accounts.

Budgets

Budgets for communities are entered through the Chart of Accounts. You can enter or maintain budgets for 3 years:

- Previous Year
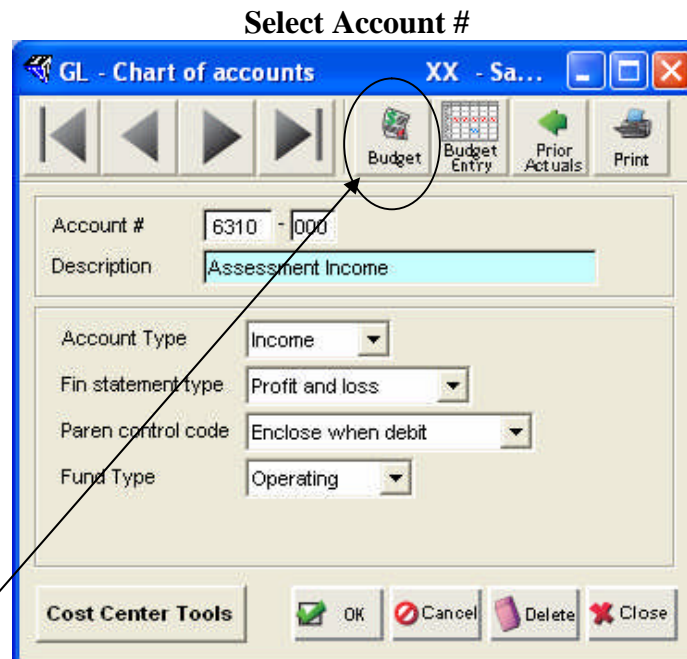- Current Year
- Next Year

Budgets are the financial plan for a community for a fiscal year. Budgets can be printed as a point of comparison on financial statements to help evaluate the actual financial performance of the community. Budgets can be entered for the *Next Fiscal Year* at any time without affecting the current year budget. In fact, the new Budget Entry program can be used to develop the *Next Fiscal Year* budget instead of using a separate spreadsheet software.

Because budgeting is so important to a community, we give you two ways to work with budgets. There is the original budget entry program and also a new budget entry program that works like a spreadsheet.

Old Budget Method

This method of entering and maintaining budgets has been replaced by a new, more streamlined way of working with budgets. Therefore, we will just point out a few of the highlights of this method of budget entry:

First, you must select the Account # from the Chart of Accounts where you wish to maintain the budget. Follow the procedure described above to select the Account #. Once selected, it will look like this:

Select Account #

Notice the **Budget** button at the top of the window.

	Click the **Budget** button to access the old budget entry method.

You will see the budget entry window:

Old Budget Entry

It will automatically display the budget for the selected account for the current year. You can move to the **Previous Year Budget** or **Next Year Budget**.

Budget Rules

Keep these simple rules in mind when working with Budgets:

- **Income** - Enter Budget with a minus (-) sign such as "-100"

- **Expenses** - Enter Budget as a positive number such as "100"

Clear	Use the **Clear** button to erase the budget figures on the budget entry window so you can enter new budget figures for each period.
Yearly Budget	Use the **Yearly Budget** button to enter the yearly total budget for this account, then have the software divide the total evenly across each accounting period.
OK	Click the **OK** button to accept the budget for this account the way it is displayed.
Cancel	Click the **Cancel** button to scratch any changes made to the budgets displayed in the window.

This completes the brief instructions on the Old Budget Entry method. The new Budget Entry Method follows.

New Budget Entry

Overview:

TOPS Version Software offers an easy way to enter, update and print yearly budgets for communities. It uses a "spreadsheet" interface similar to popular spreadsheet packages. In addition, a user may enter Budget Notes attached to budget line items explaining the line item.

You can export the budget in several formats including Excel®. After export, the budgets may be altered in another application, like Excel®, then imported back into TOPS Version Software.

Budget spreadsheet reports can be printed with our without the Budget Notes. In addition, the budget reports can be generated in PDF file where it can be attached to an e mail and sent.

Budget Entry:

Budgets are entered through the Chart of Accounts maintenance window on the General Ledger menu.

When you click the Chart of Accounts button, you will see this window:

Chart of Accounts
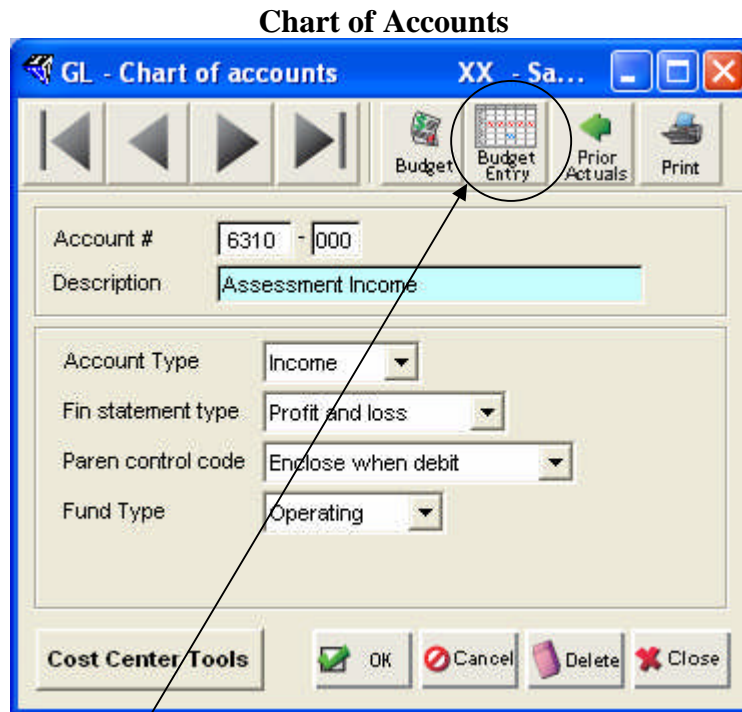
Click on the new **Budget Entry** button. Unlike the old budget entry method, you do NOT need to select a GL Account # before clicking on the new Budget button. You can proceed to work with your budgets without selecting a GL Account #.

You can select the Budget Options you wish to work with:

Select Budget Options
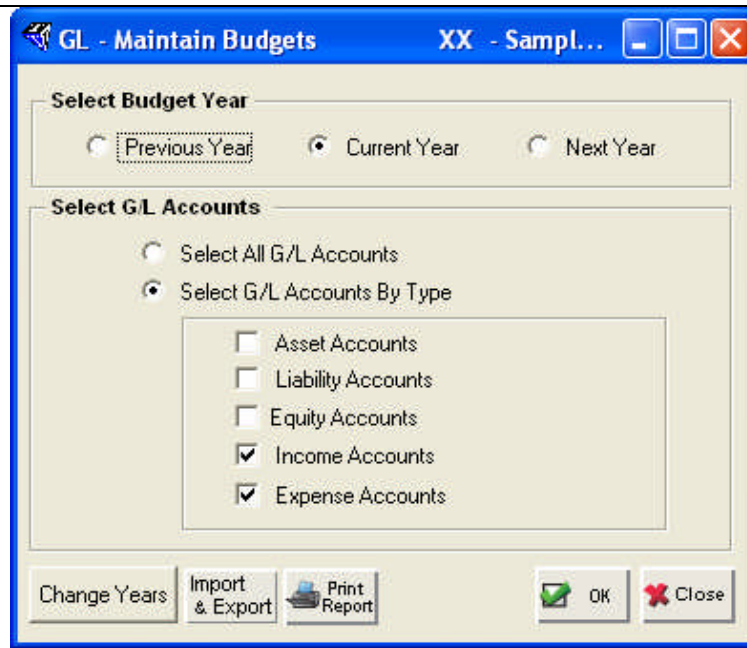
The Budget Options are described below.

Select Budget Year:

Select from Previous Year, Current Year, or Next Year budgets. Typically, once a budget is approved for a year, it is not changed. Although you may change any of the budgets available in this window.

The Next Year budget is where you would enter an approved budget for the following year while you are still in the Current Year. The GL Year End Closing gives you the option of moving Next Years Budget to Current Year during the closing process.

Select GL Accounts:

You can select which GL accounts to enter budgets. These options work like this:

- **Select ALL G/L Accounts** – will give you a spreadsheet entry window for every active account in this community's Chart of Accounts.

- **Select G/L Accounts By Type** – the user can then select the GL account types to include in the spreadsheet entry window. The account types are:

  - **Asset Accounts** – Cash, accounts receivable, fixed assets and the like. Normally, you would NOT enter budgets for these account types.

  - **Liability Accounts** – amounts owed to others, notes payable, deferred revenue and the like. Normally, you would NOT enter budgets for these account types.

  - **Equity Accounts** – Reserves fund balances, accumulated profit and losses, contributed capital and the like. Normally, you would NOT enter budgets for these account types.

  - **Income Accounts** – Assessment income, late fees, special assessments and the like. Normally you WOULD budget for these account types.

❑ **Expense Accounts** – Insurance, utilities, lawn maintenance and the like. Normally, you WOULD budget for these account types.
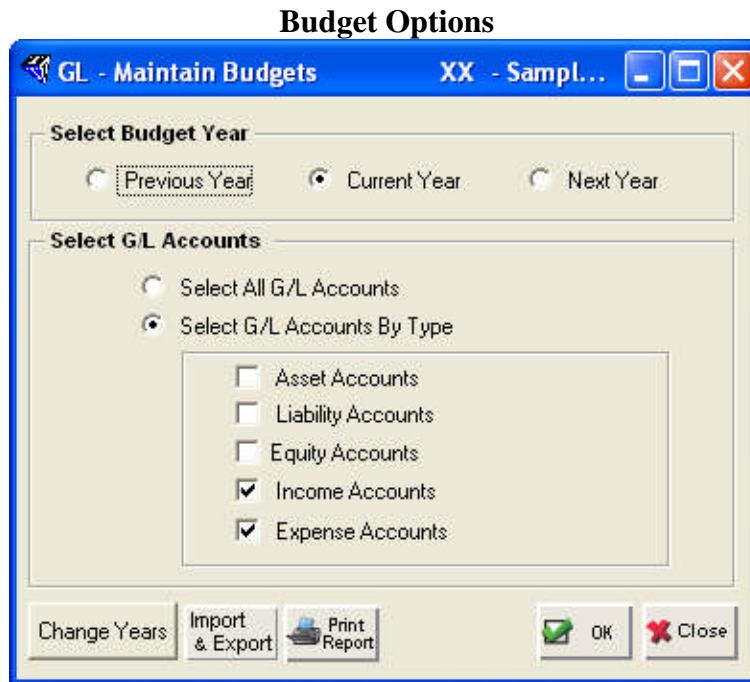
Notice that the default checkmarks are next to Income and Expense Accounts. These are the typical account types for entering budgets.

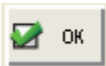Select the Account Types you wish to enter Budgets for.

Budget Options

The following section explains how to enter Budgets and Budget Notes so they are available to print on financial statements as a point of comparison.

Start at the **Budget Options** window:
Budget Options
Select your Budget Options.

	Click **OK** after making the selection of Budget Account Types and changing any other options in this window.
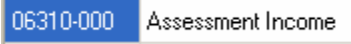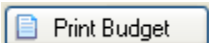
You will then see the budget entry window:
Budget Entry
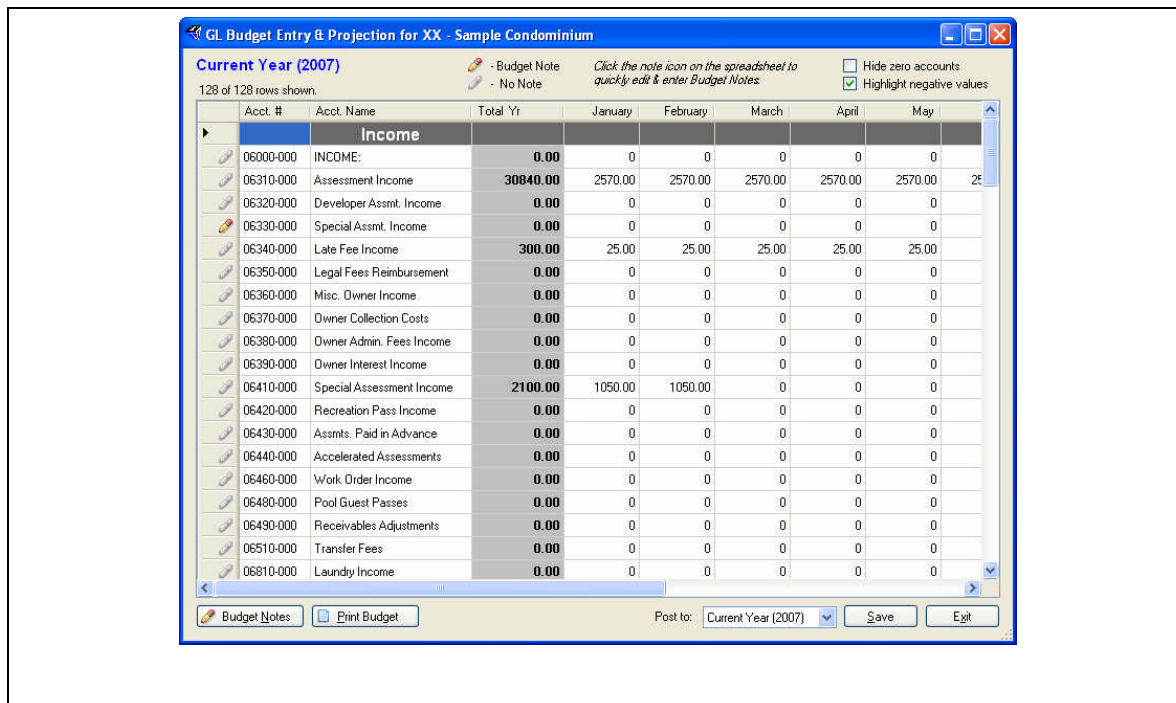
Navigation:

Use these buttons to work with budgets:

06310-000 Assessment Income	Click on the **GL Account #** to select an account for budget entry.
▶ ✏	Click on this icon to enter a **Budget Note** for the selected GL Account #.
▶ ✏	When the Note icon displays as a colored pencil, it means a **note exists** for the budget line item.
☐ Hide zero accounts	Checkmark this box to suppress displaying GL accounts that have NO budgets entered.
☑ Highlight negative values	This will make negative values (- minus sign) appear red. For Income, it would be Debits because income is normally a Credit. For expenses, it would be Credits because expenses are normally Debits.
✏ Budget Notes	Click this button to switch to the **Budget Notes** window for all the GL Accounts.
📄 Print Budget	Click **Print Budget** button to print budget spreadsheet reports.
Post to: Current Year (2007) ▼	**Post To** gives you the ability to save the budget to any of the 3 years available, Previous Year, Current Year of Next Year. Use the down browse arrow to select the year.

Save	**Save** the budget changes to the *Post To* year above.
Exit	**Exit** will exit the program discarding any changes that were not saved with the Save button.

Entering Budgets

From the Budget spreadsheet window above, you are ready to select a GL Account # where you wish to enter or change a budget. Just click on the GL Account #. You are now ready to enter either of the following:

- **Yearly Budgets** – Enter the total year budget amount, let the budget program spread it evenly across each budget period.

- **Period Budget** – Enter the amounts in the periods where the budget belongs. Use this method where the amounts are not the same amount each period.

** Important Note **

Entering Income Budgets – Unlike the original budget entry program, Income does NOT need to be entered with a minus (-) sign to make it a CREDIT. If you are entering a Budget to a GL Account that is setup as an INCOME account, the new Budget Entry program translates a positive amount to be a CREDIT. So the only time you need to enter an Income budget item with a minus (-) sign is when it is a contra (a DEBIT which is a negative) income amount.

Yearly Budgets

This is where you enter the total year amount and let the program spread it for you evenly across each budget period. This will work whether your fiscal year is 12 periods, 6 periods or quarterly (4 periods).

Enter Yearly Amount

Notice when you enter an amount in the *Total Yr* column it asks whether you wish to spread the

amount evenly across the periods. To have the program do this for you, answer **Yes**. A **No** will let you enter the amount in each period manually.

The Yearly Budget amount will be spread evenly across the periods like this:

Spreading Yearly Budgets

You are located at the first period ready to change any of the period amounts if you wish.

To make the individual period amounts add back to the *Total Yr* amount, any needed rounding will be done in the last budget period for the year.

Use the Yearly Budget spreading function to save time in budget entry where it makes sense.

Remember – enter Income budgets without a minus (-) sign. The budget program will automatically translate this as normal income which is a CREDIT.

Period Budgets

Use this method where the amounts are not the same amount each period. You can enter the budget amount for only 1 period, for several periods or however you wish to distribute the budget based on how the income or expenses will actually happen during the budget year.

Enter Period Amounts

Enter the amount(s) in the periods where they belong, press Tab or ENTER key to record them.

Update Total Year Amount

Once you press the Tab or ENTER key to record a budget amount in a period, the Total Yr amount is updated as well as the period amount.

Continue to enter budget amounts using the Yearly Budgets or Period Budget methods.

Remember – enter Income budgets without a minus (-) sign. The budget program will automatically translate this as normal income which is a CREDIT.

Post to: Current Year (2007)	Before Saving the budgets, make sure you have selected the correct **Budget Year** to save it to at the bottom of the window. The budget can be saved to Previous Year, Current Year or Next Year. ****Warning**** - be careful not to overwrite a Budget Year you do not wish to change.
Save	Click on the **Save** button to save the budgets entered once you have confirmed the selection of the "Post To" Year.

Budget Notes

Notes let you enter an explanation for line items in the budget. Notes are attached to particular budget line items. Notes can be printed on the budget spreadsheet report with the budget line item. The budget reports with Notes could be sent to community officers so they could understand each budget line items.
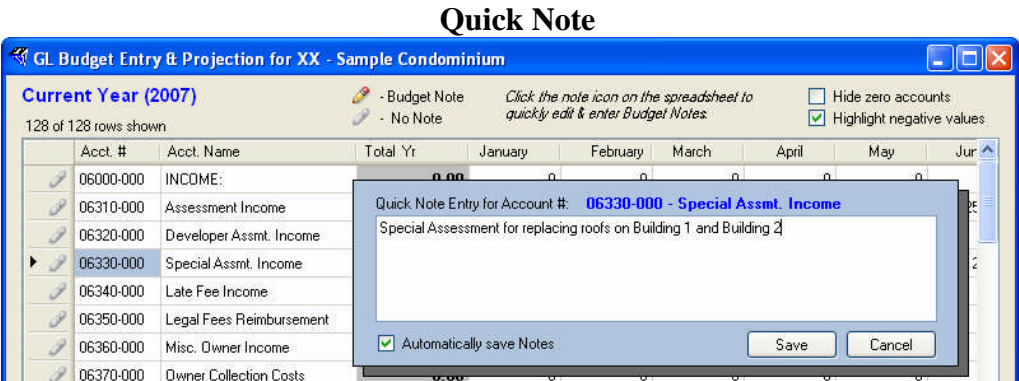
Budget Notes are limited to 250 characters per Note. You can enter as much of an explanation for a particular budget line item as you wish up to this limit.

There is only 1 Budget Note for a GL Account. There are not separate Budget Notes for each Budget Year (Previous, Current, Next). The Budget Notes cannot be copied from one year to the next because only 1 set of Budget Notes are stored.
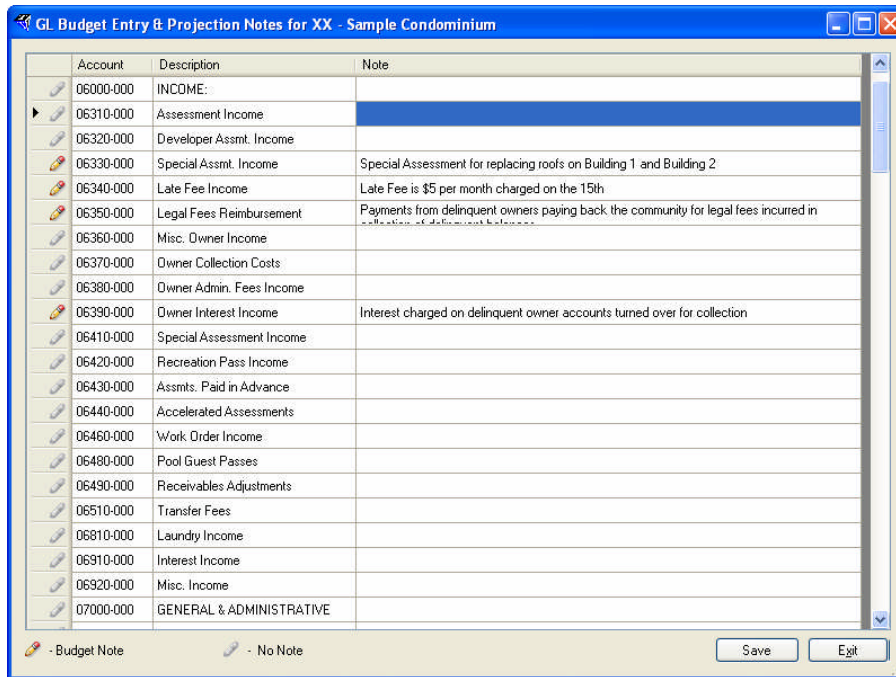
There are two ways to enter Notes.

- **Quick Notes** – pop-up a Note box to enter a Budget Note for one of the budget line items.

- **All Notes** – switch windows from the budget spreadsheet to a full Budget Notes window.

Notes can be entered, changed or deleted using any of these two methods.

Quick Notes:	
Enter a Budget Note quickly when on a selected budget line item in the spreadsheet.	
▶ 🖉	Click on this icon on a budget line item where you wish to enter a Budget Note.
Quick Note	
If a Budget Note exists for that line item, it will be displayed. You can change it as necessary. If no Note exists, you may add one.	
Save	**Save** the Budget Note to record it.
All Notes:	
Displays a full Budget Notes window where you can enter or edit Notes for any line item. This can be handy when you want to review the existing Notes for your budget. Remember, there can only be 1 Budget Note per budget line item.	
🖉 Budget Notes	Click this button to show all **Budget Notes** for all the GL Accounts.

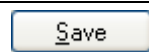You will see all the GL Account #'s where you can enter **Budget Notes**:

All Notes

Click on any of the GL Account #'s to enter, change or delete a Budget Note.

Save	Click **Save** to record the Budget Notes entered in this window.

Printing Budgets

Use this option to not only print budget reports, but also when you wish to export budget reports to another application or generate a PDF file so you can attach the budget to e-mail. All of this is done through the Print Budgets area. There is a direct Import/Export budgets function that has less steps than using the Print Budget, this is covered later in this manual section.
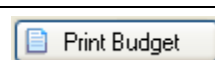
Print Budget	Click **Print Budget** button to print the budget spreadsheet reports.

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You will see the Report Options:
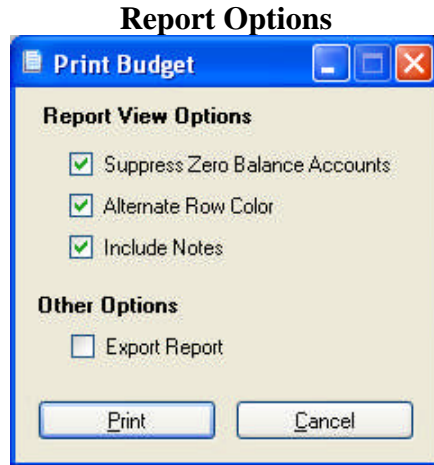
Report Options

Checkmark the options you wish for the printed report.

☑ Suppress Zero Balance Accounts	Checkmark this to only print GL Accounts with Budgets.
☑ Alternate Row Color	Checkmark this to print an alternating shaded row to make it easier to read across on this landscaped report.
☑ Include Notes	Checkmark this to print the Budget Notes on the spreadsheet report.
☐ Export Report	Checkmark this button to export the budget report. This will be covered in more detail below.
Print	Click **Print** after selecting the report options.
Cancel	Click **Cancel** to exit the print budgets.

Export Report:

This is how you can export the report to another application, like Excel®, or generate a report file to attach to e mail. When you checkmark this option, then click the **Print** button, you will see the print preview window with export formats:

Print Preview

Notice the Export Report box. Use this to select the export options and the file path.

Click the down **browse arrow** to see the export format:
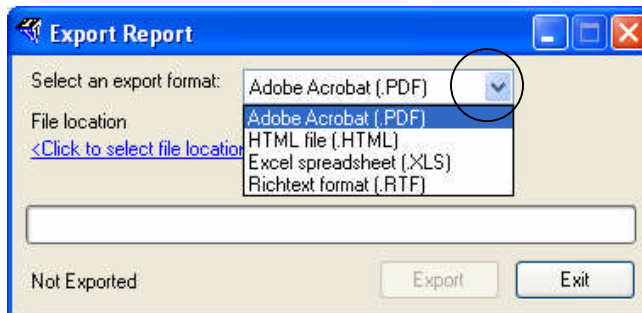
You can chose from these file formats:

- **Adobe Acrobat (PDF)** – use this format to get a report file to attach to e mail.
- **HTML file (HTML)** – use this format to publish to a web site.
- **Excel Spreadsheet (.XLS)** – use this format to export the report into Excel®.
- **Richtext format (RTF)** – use this format to export the report to Word® or other word processor.

Click or arrow down to the export format you wish.

Select Export Path
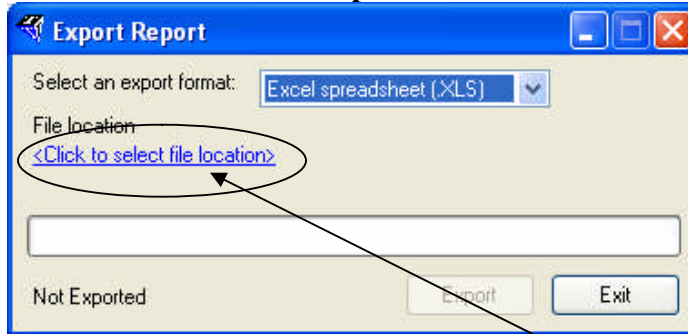
Once you select the export format, you are ready to select the location where you want the report file saved. Notice the "Click to select file location" link above.

You can select the location to save the budget file and the file name:

Select Save Location
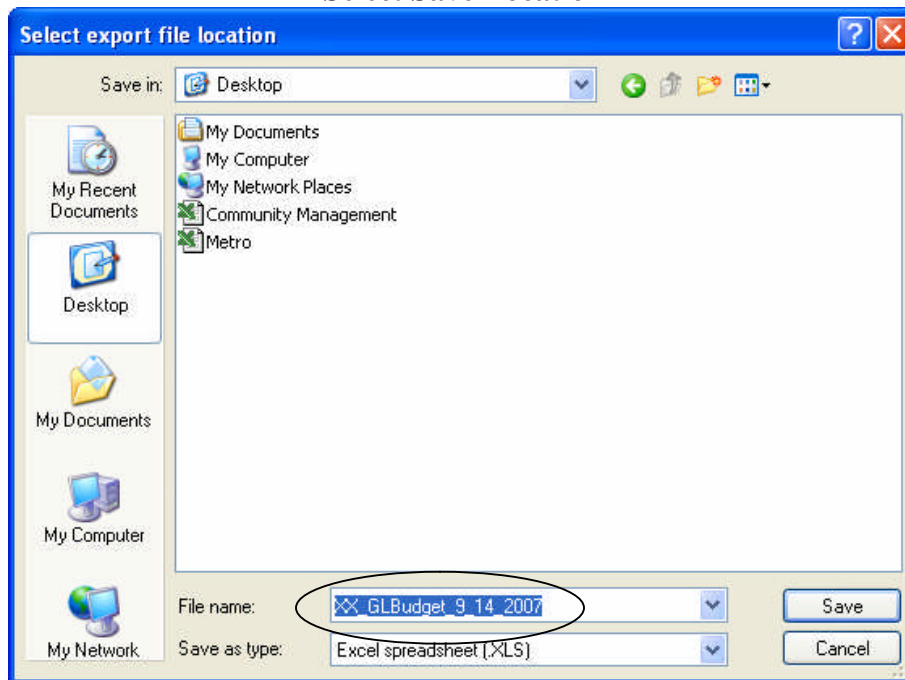
Notice the default file naming convention used. The default file name is made up of these 3 components:

> XX_ – Community ID
>
> GLBudget
>
> Date exported

You may overtype to change the file name to whatever you wish.
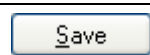
	Follow standard Windows procedures by clicking the Save button to save the file to the desired location. You can then open it with another application or attach it to an e mail.

Change Years

This lets you label the Previous, Current and Future Budget Years so you know what fiscal years the Budgets are associated with.
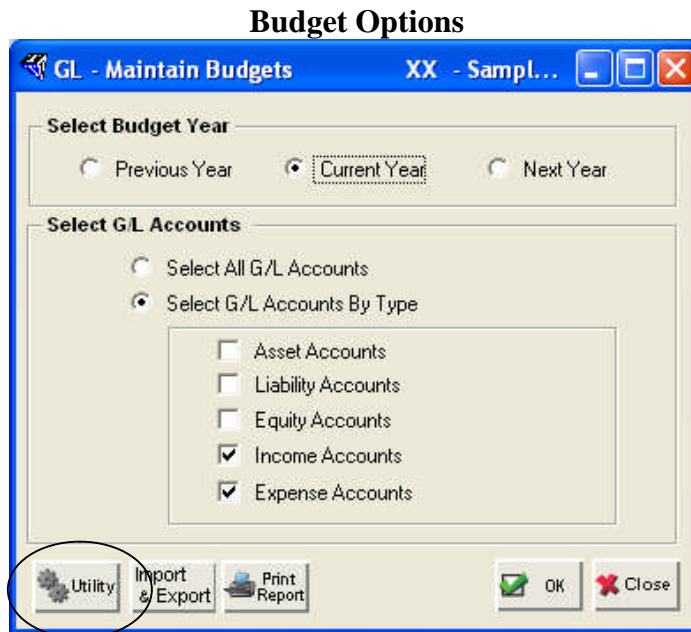
Start at the **Budget Options** window. **Budget Options** Notice the **Utility** button.	
	Click the **Utility** button.
You will see the Budget Utilities window: **Budget Utilities** Notice the **Change Year Description** button.	
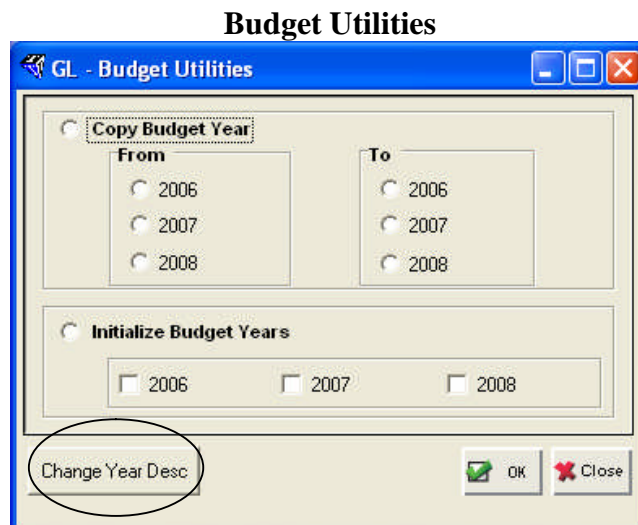
Change Year Desc	Click the **Change Year Description** button to display or change the 3 years that are available for budgeting, Previous Year, Current Year, Next Year.

When you click the **Change Year Description** button, you will see the 3 years with the year labels:

Budget Years

This simply gives you a way to label the Previous, Current and Future years with the correct year number so that it is clear when you are working with budgets. Make the changes as needed, then Click **OK**.

Import/Export Budgets

This allows you to export a budget work file out to another application, like Excel®, make changes to it, then import it back into TOPS Version Software.

A budget file can be imported from Excel® back into TOPS. However, if you wish to do this, you must *first* EXPORT the budget report from TOPS so the GL Account #'s are properly formatted. If you do not Export the budget report first, you will not be able to import the budget in a format that TOPS can understand.
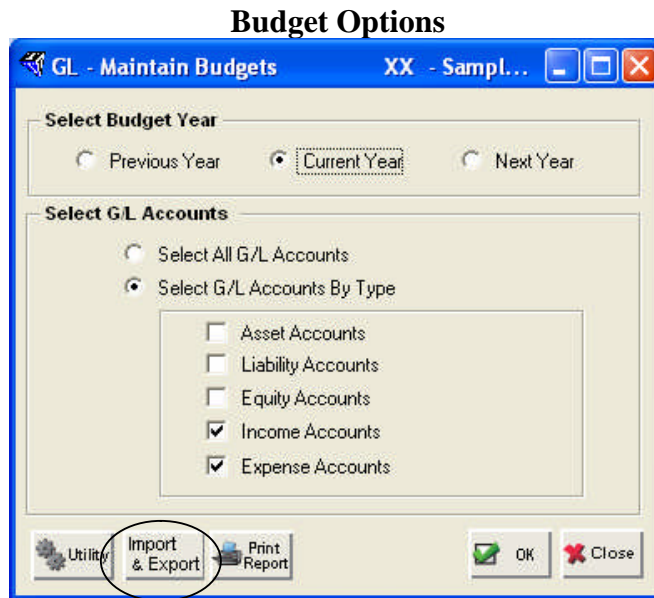
Start at the Budget Options window: **Budget Options**   Notice the **Import & Export** button.
Click this button to Import or Export a budget work file from/to another application, like Excel®
Once you click the **Import/Export** button, you will see this window: **Import/Export Budgets**   We'll discuss the Import and Export functions for the Budget.

Import Budgets

Use the Import *ONLY* after you have first exported a budget work file to another application. Budgets created in other applications, like Excel® cannot be imported into TOPS unless they were first exported to the other application. This is because the GL Account #'s have to be formatted correctly so TOPS will recognize the budgets attached to the GL Account #.

Import Budget	Click the Import button to bring in a budget work file from another application, like Excel®.
	Note: You should Export the budget work file FIRST to another application so it has correctly formatted GL Account #'s. If you don't do this, the file Import is not going to be recognized by TOPS.

You will see the Import window:
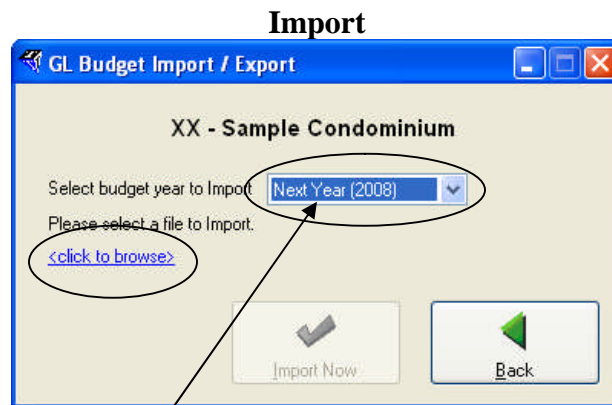
Import

First, select the budget year to import. You can import to the Previous, Current or Next Year budget. Only these 3 years are available for budgeting purposes.

Next, click the link named **"click to browse"** to locate the file you wish to Import.

Browse - Locate Import File
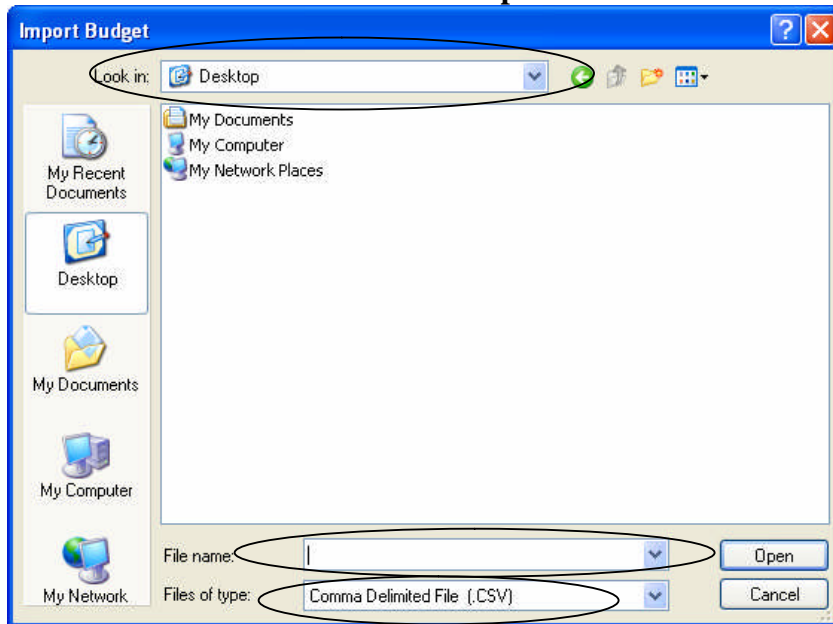
This is the standard Windows browse window. There are 3 options available on the browse window:

Look in: Select the location you wish to Import the budget file from.

File name: Enter a file name for this Community's budget file. You can name it whatever you wish.

Files of Type: You can select the File Type to look for. Only files of this type will be shown in the browse window.

Locate the file you wish to Import, click on it, then click the Open button.

You will see a confirmation window for the budget Import:

Confirm Import

Notice it shows the Budget Year and the file path for the import.

Import Now	Click the **Import Now** button to proceed. The file will be imported.

You will see the Import successful message: Click the **OK** button. The Budget file for the year selected will be saved to the file path you selected. You may then open it with another application, like Excel®.
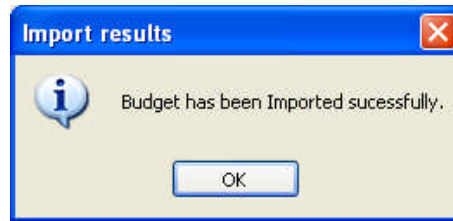
Export Budgets

Starting at the Import/Export window, follow these steps:
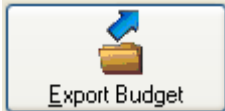
Export Budget	Click the **Export Budget** button to export a budget work file to another application, like Excel®.

You will see the Export window: **Export** First, select the budget year to export. You can export the Previous, Current or Next Year budget. Only these 3 years are available for budgeting purposes.
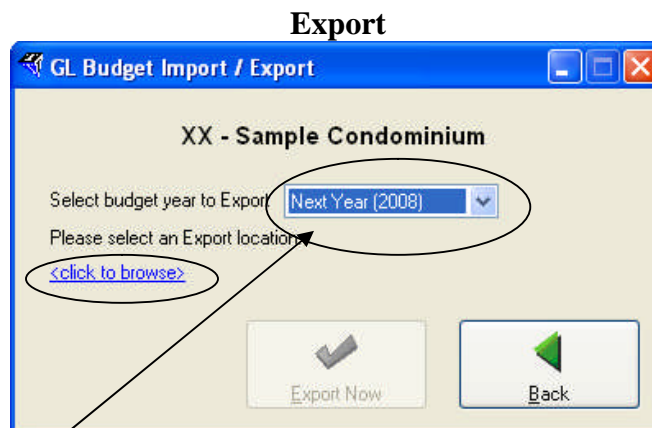
Next, click the link named **"click to browse"** to choose the file path for the budget file Export.

Browse – Select File Destination
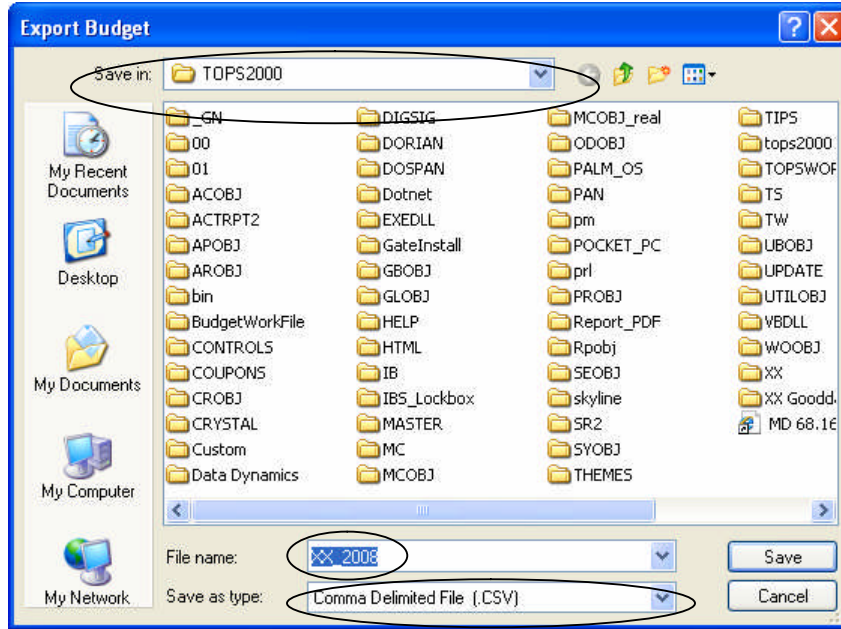
This is the standard Windows browse window. Browse to select the correct file path where you wish to save the budget file. These are the 3 options available on the browse window:

Save in: Select the folder location you wish to Export the budget file to.

File name: By default, the Budget file name is the Community ID combined with the Budget Year. You can change the name to whatever you wish.

Type: You can select the Save as file type too, but it automatically defaults to the Excel® file type.

Click the **Save** button when you have selected the correct folder path, File Name and File Type.

You will see a confirmation window for the budget Export:

Confirm Export

Notice it shows the Budget Year and the file path for the export.

	Click the **Export Now** button to proceed.

You will see the Export successful message:

Click the **OK** button. The Budget file for the year selected will be saved to the file path you selected. You may then open it with another application, like Excel®.

Print Reports

The budget reports are designed to show you the budgets in several formats to make it easier to proof and evaluate the budgets. The reports can be given to community officers so they can review and approve the pending budgets.

Follow these steps:
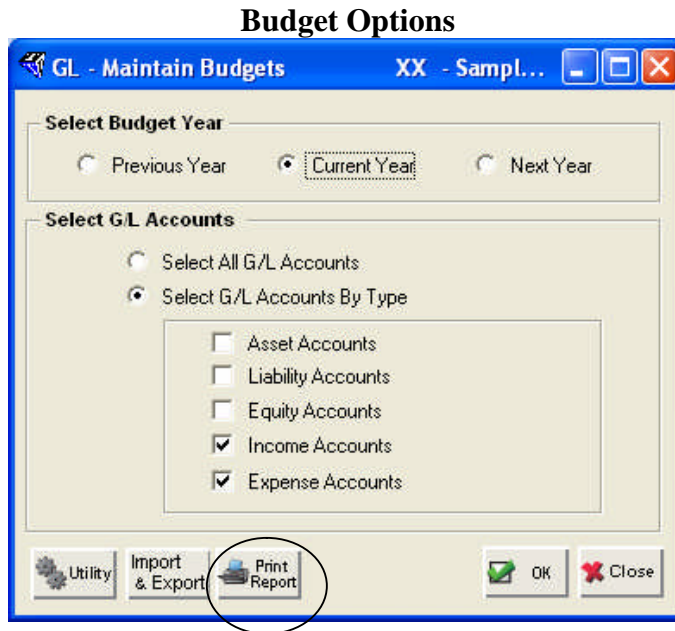
Start at the Budget Options window:
Budget Options
Notice the **Print Report** button.

	Click the **Print Report** button to print Budget Reports that use the GL financial statement layout for the budget report format.

When you click the **Print Report** button, you will see this reports window:
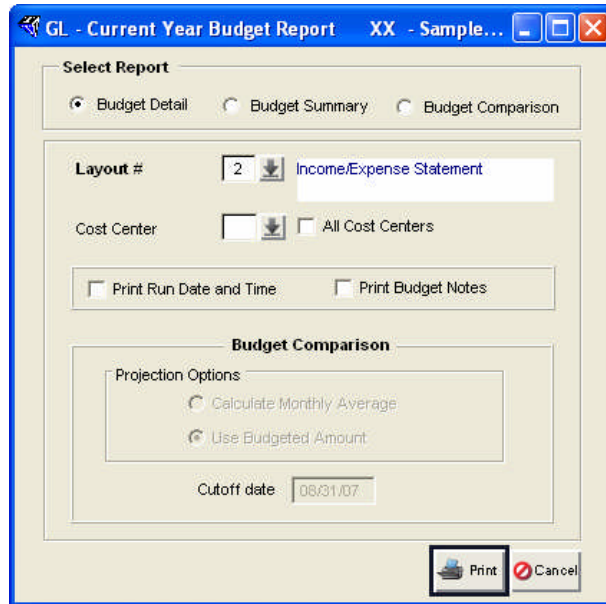
You can choose from 3 report formats, *Budget Detail*, *Budget Summary* or *Budget Comparison*. All of these budget reports will be printed using the financial statement layout format with the headings and account groupings from the selected layout.

Cost Centers – if turned on for a community, you can print a report for a selected Cost Center using the down browse arrow or check the box for All Cost Centers.

Print Run Date and Time – check this box to have this heading printed.

Print Budget Notes – check this box to include the Budget Notes on the report.

Click **Print** button after selecting the budget report.

Now select the output for your Budget Reports:

Select Output
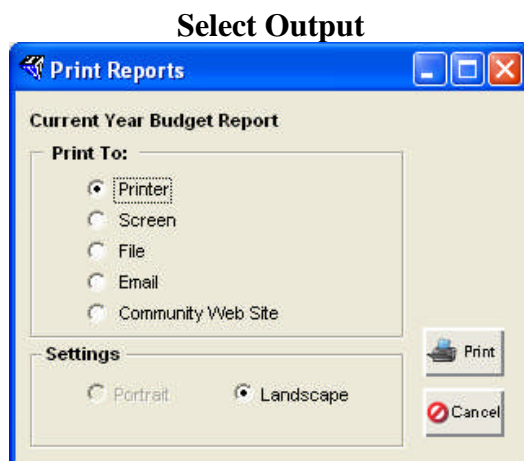
Click the **Print** button to proceed. All budget reports work in a similar fashion.

This completes the manual section on **Budgets**.

Prior Actuals

These are the ending balances in the General Ledger for the previous fiscal year. They are updated automatically when you do a Year End Closing in the General Ledger. Prior Actuals can be printed on the Financial Statements as a comparison with the current year's actuals.

Just like Budgets, you can change the Prior Actuals if needed.   Follow these steps to maintain the Prior Actuals.

Select Account #

First, you must select the Account # from the Chart of Accounts where you wish to maintain the Prior Actuals. Follow the procedure described above to select the Account #. Once selected, it will look like this:
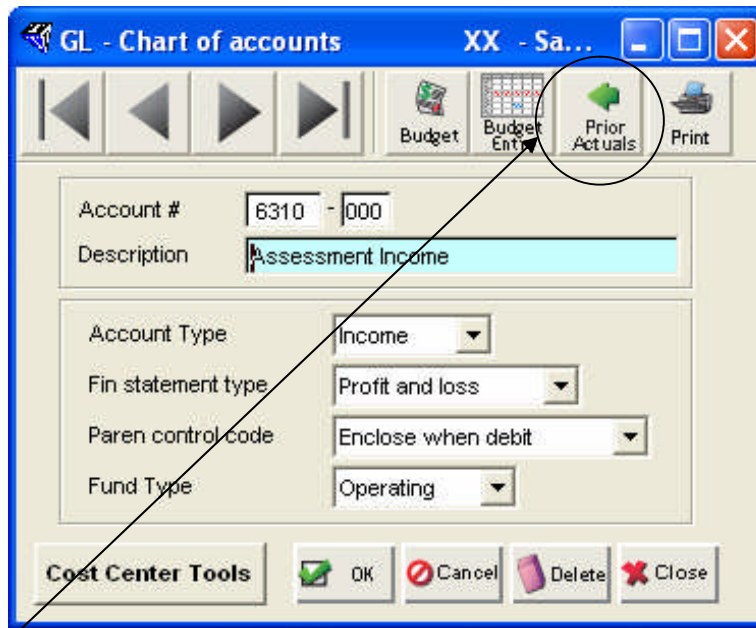
Notice the **Prior Actuals** button at the top of the window.

	Click the **Prior Actuals** button to access the budget entry method.

You will see the Prior Actuals entry window:

Prior Actuals

It will display the actual Year-To-Date ending account balances for each month in the previous fiscal year.

Prior Actual Rules

Keep these simple rules in mind when working with Prior Actuals:

- **Income** - Enter Prior Actuals with a minus (-) sign such as "-100"

- **Expenses** - Enter Prior Actuals as a positive number such as "100"

- **YTD Balances** – Enter the ENDING account balances for each accounting period, not just the net change from the previous period.

Prior Year Beginning Balance	This is the beginning account balance for the year *BEFORE* the Prior Year. Like the Prior Year Actual, the beginning account balance is recorded automatically when the Year End Close is performed in the General Ledger. You can change it the Prior Year Beginning Balance if you wish keeping the Prior Actual Rules above in mind.
Clear	Use the **Clear** button to erase the Prior Year Actual figures on the entry window so you can enter new figures for each period.
OK	Click the **OK** button to accept the Prior Year Actuals for this account the way it is displayed.
Cancel	Click the **Cancel** button to scratch any changes made to the Prior Year Actuals displayed in the window.

This completes the instructions for working with Prior Year Actuals.

Print Chart of Accounts

You may print a list of the Chart of Accounts including the Budgets and Prior Actuals. This report might be a handy reference for staff when coding bills for payment. You can print it for a range of accounts, such as, just the Expense accounts.

This report requires only regular 8 ½ X 11 paper.

Start at the Chart of Accounts window. You do not need to select an Account # before printing.
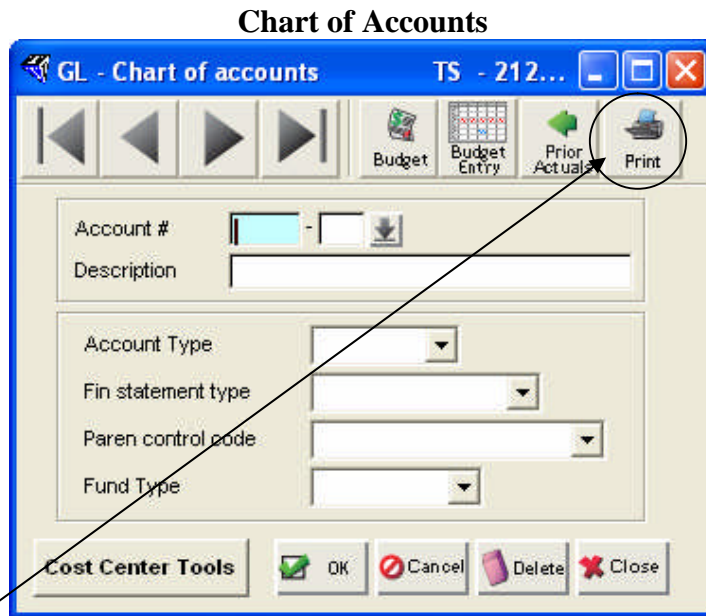
Chart of Accounts

Notice the **Print** button at the top of the window.

	Click the **Print** button to proceed with report printing.

You will see the print options for the Chart of Accounts:
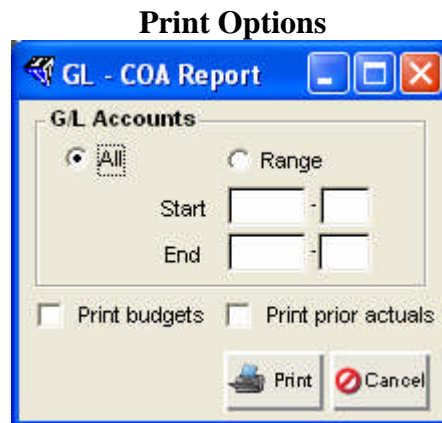
Print Options

You have these print options:

- **All** – prints all the accounts on file in the Chart of Accounts for this community.

- **Range** – you may enter a starting and ending Account # to print a partial Chart of Accounts report.

☐ Print budgets	Check this box to print the budgets on the Chart of Accounts report. This will make the report very long, so we recommend *AGAINST* checking this option. There are better budget reports that can be printed through the Budget Entry as described above.
☐ Print prior actuals	Check this box to print the Prior Actuals on the Chart of Accounts report. This will make the report very long, so we recommend *AGAINST* checking this option unless you really need to check the Prior Actual balances for each Account #.
🖨 Print	Click the **Print** button to proceed with the report.
⊘ Cancel	Click **Cancel** to exit from the print program.

When you click the Print button above, you can select the output for the report:

Report Output
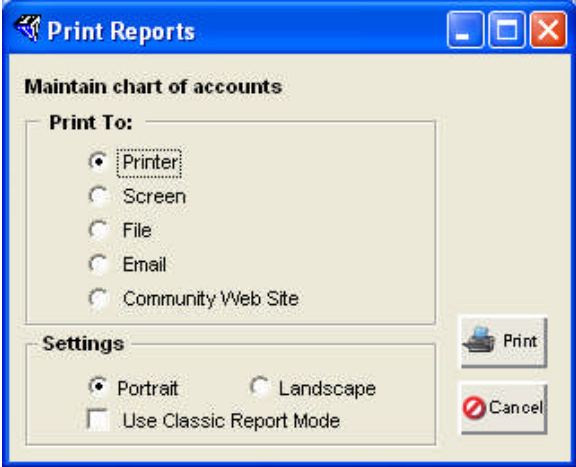
The default output is **Printer** and **Portrait** mode, but you can click on any of the other options you wish.

For a printed report, the final step would be the Windows® print manager where you can select your printer.

This concludes the manual section on Chart of Accounts.

Journal Entries

INTRODUCTION

"Journal Entries" means entries made directly to General Ledger accounts, not through the subsidiary ledgers like AR or AP. A "Journal Entry" is either a credit or debit amount entered against G/L accounts. They must be balanced before posting, meaning, the debits and credits must equal each other both overall *AND* within the *SAME* accounting period. You cannot date one part of a transaction in one accounting period and another in a different accounting period.

Through this function you can add, change, delete, and print an edit list of general journal transactions. Once you have verified them as correct, you can post them to the General Ledger file. Posting means permanently recording them in the General Ledger itself so they show as transactions. Once posted they disappear from the Journal Entry file because they are no longer pending, they have updated the General Ledger. Journal Entries cannot be deleted from the General Ledger, corrections must be made by another Journal Entry which offsets the original entry.

Batch Processing

Each "Journal Entry" is its own separate "batch". That means you can Post or Delete a batch without affecting any other batch still pending. Once posted, the batch disappears as the General Ledger is updated for the transactions. There can be up to 999 entries in each batch.

Beginning G/L Balances

Use General Journal Entries to enter the beginning G/L balances when you are starting to use TOPS Software. Be sure to date them the *LAST* day of the previous accounting period prior to starting to use TOPS Software. If you are loading beginning balances at the end of the fiscal year, you do not need to load Income/Expense balances. The offsetting entry to balance the "beginning balances" will always be the Retained Earnings account under the "Equity" section of your Chart of Accounts.

Making a Journal Entry
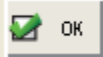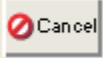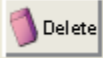
Journal Entries	From the G/L menu click on the **Journal Entries** tab.

You will see the Journal Entry batch entry window: **Batch Entry** **GL - General journal** XX - Sa... 0 Unposted JE Batches General Journal Batch #   Add Description Reference ID ☐ Reverse Next Period Entry Count: 0   Running Balance: 0.00 Delete   All fields in red are required   OK   Cancel We'll explain each field in this window.
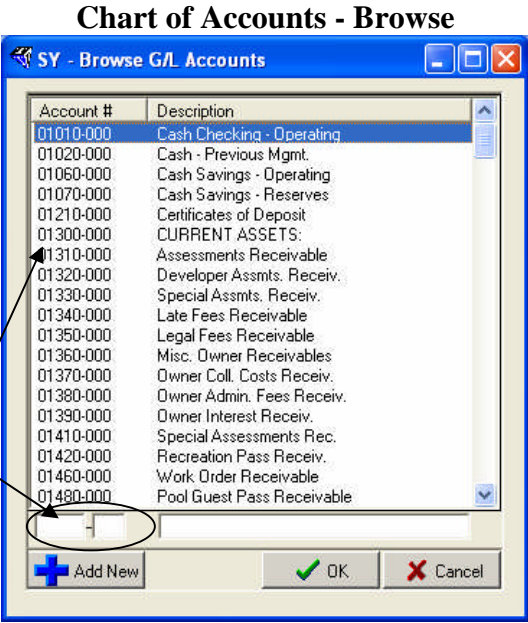
Add Transaction

✚ Add	Click the **Add** button to create a new Journal Entry.
↓	Click the **down browse** arrow to open up a browse window of pending Journal Entries which have not been posted yet.
Batch #	A number assigned by the software automatically when you click the **Add** button. It cannot be changed. It takes the next available number stored in the GL Control File.
Description	Enter a **Description** of the Journal Entry up to 25 characters. The Description becomes the default for each transaction in the Journal Entry, although you can overtype any line in the Journal Entry with a different Description. The Description shows in the General Ledger to explain the transaction.

Reference ID	Enter a brief 8 character **Reference ID** or code for the type of transaction you are creating. Examples are:
	
	   • Interest
	   • Depr
	   • Adjust
	
	You can use the Source Reprint function described later in the manual to find all instances of a similar Reference ID and reprint the matching transactions.

☐ Reverse Next Period	Check this box to have the Journal Entry automatically reverse itself the following accounting period. This can be handy when making accrual entries at the end of a period where the expenses will be paid the following period.

	Reversal Date [ ] ☑ Reverse Next Period If you checkmark the Reverse box, the system will prompt you to enter the **Reversal Date** as shown above. That will be the date you will see the reversal transaction in your General Ledger. You must enter a date here.
☑ OK	Click the **OK** button to proceed with making the Journal Entry.
⊘ Cancel	Click the **Cancel** button to exit from this Journal Entry.
🗑 Delete	Click the **Delete** button to erase the pending Journal Entry shown in the window.

If you click the **OK** button, you will then see the window for entering a Journal Entry:

Journal Entry

The cursor is automatically placed at the first line of the entry where you can enter the Account # from the Chart of Accounts. We'll explain each item in this window.

Account # ▼	Click the **down browse** arrow next to Account # to open a browse of the Chart of Accounts.
	Chart of Accounts - Browse
	Type the Account # or double click to select
	Either type the Account # in the box below or double click on the Account # to select it. It will insert the Account # into the Journal Entry.
GL Description	Displays name of the Account from the Chart of Accounts.
Reference	This displays on the 2nd line of the Journal Entry. It will default to the **Reference** entered on the Batch Entry window when you created the Journal Entry. You may change it for any transaction in the Journal Entry by simply overtyping with a new Reference.
Date	The **Date** this transaction will show in the General Ledger. Dates are very important to the accounting system, they determine the accounting period and effective date of the transaction.

Remember – a Journal Entry must balance (debits and credits equal each other) within the *SAME* accounting period. You can use different dates within the same accounting period for the transactions in one Journal Entry, but you cannot enter a date from a different accounting period or the Journal Entry will not post. |
| **Debit** | Enter the amount in this column if the transaction is a **Debit**. You should enter as dollars and cents like this:

<div align="center">Example - $315.25   enter as   315.25</div>

Keep these rules in mind:

Debits – *Increase:* Assets, Expenses.

Decrease: Liabilities, Equity, Income |

Credit	Enter the amount in this column if the transaction is a **Credit**. You should enter as dollars and cents like this: Example - $315.25 enter as 315.25 Keep these rules in mind: *Credits – Increase:* Liabilities, Equity, Income *Decrease:* Assets, Expenses
Reference ID	It will default to the **Reference ID** entered on the Batch Entry window when you created the Journal Entry. You may change it for any transaction in the Journal Entry by simply overtyping with a new Reference ID.

A completed "balanced" Journal Entry would look like this:

Balanced Journal Entry

Notice the **Running Balance** calculator shows .00. That means that the debt and credit transactions exactly offset each other meaning the Journal Entry is balanced and can be Posted. If the Running Balance calculator does NOT show .00, then Journal Entry will not Post to the General Ledger because the debits and credits do not equal each other.

OK	Click the **OK** button to approve the pending Journal Entry. It will save the pending transaction as an unposted Journal Entry and return you to the Batch Entry window. You can use the down browse arrow to go back to select a pending Journal Entry for Posting. **Note** – Clicking OK does *NOT* Post the Journal Entry. It merely saves it for later Posting.
Cancel	Click the **Cancel** button to delete the pending Journal Entry and exit from the Journal Entry.

Add icon	Click the **Add** button to add another line item to the Journal Entry. It will automatically position you at the first blank line in the Journal Entry.
Delete icon	Click the **Delete** button to erase the highlighted line item from the Journal Entry.
Print icon	Click the **Print** button to print an edit report showing the pending Journal Entry. This can be handy for proofing a longer entry.

Post Entry

Post icon	Click the **Post** button to update the General Ledger for this Journal Entry. This function is the one that actually writes the Journal Entry into the General Ledger as a permanent transaction.

As a final safeguard before Posting, you will see this confirming message:

Click **Yes** to proceed with Posting the Journal Entry.

Posting Register Report

The General Journal Transaction Register is printed *ONLY* if you have answered 'Yes' for "Print Audit Trail Reports" in the G/L Control File. The Transaction Register shows every transaction that is posted, exactly as it will appear in the permanent file. If you have answered 'N' for "Audit Trail" reports, no Register will be printed. You can use the "Source Reprint" from the "Reports" menu should you want a copy of the Register in the future.

You can change the print order so it either prints in Account # order from lowest Account # to highest, or by the order the transactions were entered into the Journal Entry.

Printer Selection
Again, you will see this window for selecting the report output ONLY if you have answered 'Yes' for "Print Audit Trail Reports" in the G/L Control File. Send the report to any of the printers:
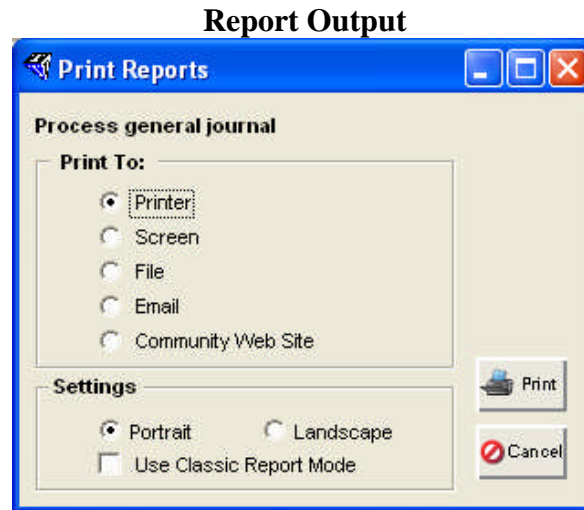
Report Output

Select the report output you wish. Click the **Print** button to proceed. If you clicked the Print button, you will then see the standard Windows® printer selection window.

Whether or not you had the printing turned on when Posting Journal Entries, you will see this final message:
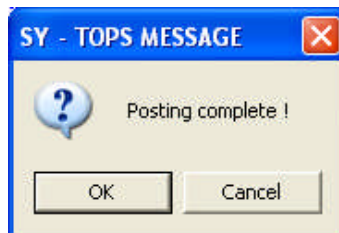
This is telling you that the Journal Entry has been successfully Posted and has been recorded in the General Ledger.

Recurring Journal Entries

INTRODUCTION

These are transactions which occur over and over again that you wish to update the General Ledger for each period so you do not have to manually enter the journal entry each period. For example, the depreciation or reserve contribution entries which you make each accounting period are recurring general journal transactions. You enter this kind of transaction once and it is stored. You then 'Post' it each period to record the transactions in the General Ledger.

<div align="center">

Examples -   Reserve Contributions

Depreciation

Prepaid Expenses

</div>

Use this function to add, change, inquire into, delete, and print an edit list of recurring general journal transactions. Once you have verified them as correct, you can post them to the General Ledger Transaction file. This is one of the ways to make entries to update G/L balances as you close the books for the period.

Batch Processing

Each "Recurring Journal Entry" is its own separate "batch". That means you can Post or Delete a batch without affecting any other batch. Once posted, the batch is retained so that it can be 'Posted' again next period. There can be up to 999 entries in each batch.

Working With Recurring Journal Entries

Recurring JE	From the G/L menu click on the **Recurring JE** tab.

You will see the window for selecting existing Journal Entries:

<div align="center">

Recurring Entry Browse

</div>

Notice the **Add** button.

[Add button]	Click the **Add** button to add a new Recurring Journal Entry.
[Edit button]	Click the **Edit** button to open the highlighted Recurring Entry. Alternatively, you can just double click the mouse on the Recurring Entry to open it for editing.
[OK button]	Click **OK** on the highlighted Recurring Entry to go directly into the main entry window bypassing the batch window.
[Close button]	Click **Close** to exit from Recurring Journal Entries.
Last Posted	Shows the date the Recurring Entry was last Posted to the General Ledger.

Add Recurring Transactions

If you click **Add**, you will see the Recurring Journal Entry batch entry window:

Batch Entry

We'll explain each field in this window.

Batch #	A number assigned by the software automatically when you click the **Add** button. It cannot be changed. It takes the next available number stored in the GL Control File.
Description	Enter a **Description** of the Journal Entry up to 25 characters. The Description becomes the default for each transaction in the Journal Entry, although you can overtype any line in the Journal Entry with a different Description. The Description shows in the General Ledger to explain the transaction.
Reference ID	Enter a brief 8 character **Reference ID** or code for the type of transaction you are creating. Examples are: • RESERVES • DEPR • PPDINSUR You can use the Source Reprint function described later in the manual to find all instances of a similar Reference ID and reprint the matching transactions.
[OK button]	Click the **OK** button to proceed with adding the Recurring Journal Entry.

Cancel	Click the **Cancel** button to exit from this Journal Entry.
Delete	Click the **Delete** button to erase the pending Journal Entry shown in the window.
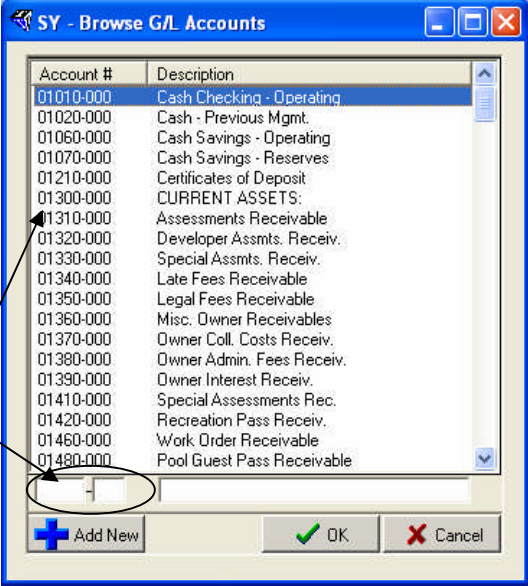
A completed Recurring JE batch entry window would look like this:

Batch Entry--Complete
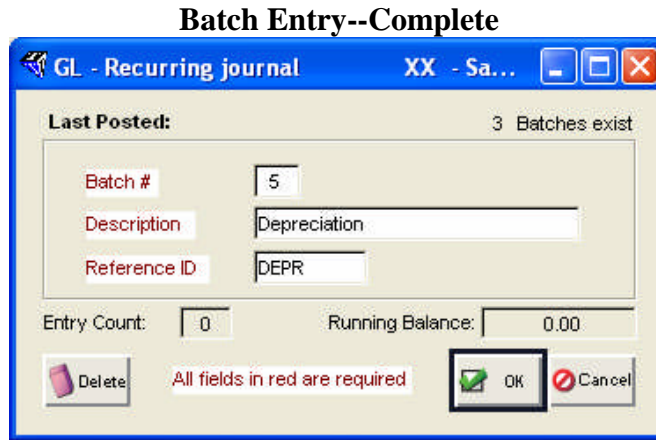
If you click the **OK** button, you will then see the window for entering a Recurring Journal Entry:

Recurring Journal Entry

The cursor is automatically placed at the first line of the entry where you can enter the Account # from the Chart of Accounts. We'll explain each item in this window.

Account # ▼	Click the **down browse** arrow next to Account # to open a browse of the Chart of Accounts.
	Chart of Accounts - Browse
	Type the Account # or double click to select
	Either type the Account # in the box below or double click on the Account # to select it. It will insert the Account # into the Journal Entry.
GL Description	Displays name of the Account from the Chart of Accounts.
Reference	This displays on the 2nd line of the Journal Entry. It will default to the **Reference** entered on the Batch Entry window when you created the Journal Entry. You may change it for any transaction in the Journal Entry by simply overtyping with a new Reference.
Type	You must define the **Type** of Recurring Journal Entry transaction each line is of the Journal Entry. There are only two choices:

F = Fixed - The amount doesn't change from period to period. Although you can easily change the amount of a Fixed entry, it is even easier to change one defined as Variable. Fixed entries will be displayed below the Variable ones. Variable entries always show at the top of the entry window.

V = Variable - The amount changes from period to period. An example of this would be Interest Income. All Variable transactions within a Recurring Journal Entry will be displayed at the top of the entry window for ease in making changes.

Mixed Entries – You can mix Fixed and Variable transactions within one Recurring Journal Entry. But just like regular Journal Entries, the transactions must balance (debits and credits equal each other) or the entry will not Post. |

Debit	Enter the amount in this column if the transaction is a **Debit**. You should enter as dollars and cents like this:
	Example - $315.25 enter as 315.25
	Keep these rules in mind:
	Debits – *Increase:* Assets, Expenses.
	Decrease: Liabilities, Equity, Income
Credit	Enter the amount in this column if the transaction is a **Credit**. You should enter as dollars and cents like this:
	Example - $315.25 enter as 315.25
	Keep these rules in mind:
	Credits – Increase: Liabilities, Equity, Income
	Decrease: Assets, Expenses
Reference ID	It will default to the **Reference ID** entered on the Batch Entry window when you created the Journal Entry. You may change it for any transaction in the Journal Entry by simply overtyping with a new Reference ID.

A completed "balanced" Recurring Journal Entry would look like this:

Balanced Journal Entry

Notice the **Running Balance** calculator shows .00. That means that the debt and credit transactions exactly offset each other meaning the Journal Entry is balanced and can be Posted. If the Running Balance calculator does NOT show .00, then Journal Entry will not Post to the General Ledger because the debits and credits do not equal each other.

OK	Click the **OK** button to approve the Recurring Journal Entry. It will save the Journal Entry and return you to the Batch Entry window. You can use the down browse arrow to go back to select a pending Journal Entry for Posting. **Note** – Clicking OK does *NOT* Post the Journal Entry. It merely saves it for later Posting.
Cancel	Click the **Cancel** button to delete the pending Journal Entry and exit from the Journal Entry.
Add	Click the **Add** button to add another line item to the Journal Entry. It will automatically position you at the first blank line in the Journal Entry.
Delete	Click the **Delete** button to erase the highlighted line item from the Journal Entry.
Print	Click the **Print** button to print an edit report showing the pending Journal Entry. This can be handy for proofing a longer entry.
Post	Click the **Post** button to update the General Ledger for this Recurring Journal Entry. This function is the one that actually writes the Journal Entry into the General Ledger as a permanent transaction. The following section explains more about Posting Recurring Journal Entries.

Posting Recurring Entries

You must select which Recurring Journal Entries to Post each accounting period. This gives you control over what is posted to the General Ledger.

To Post a Recurring Journal Entry, follow the steps below:

Recurring Entry Browse

This window shows all the Recurring Journal Entries for this community. Double click to select the Recurring Journal Entry you wish to Post.

You will see the selected Recurring Journal Entry in the window:

Recurring Journal Entry
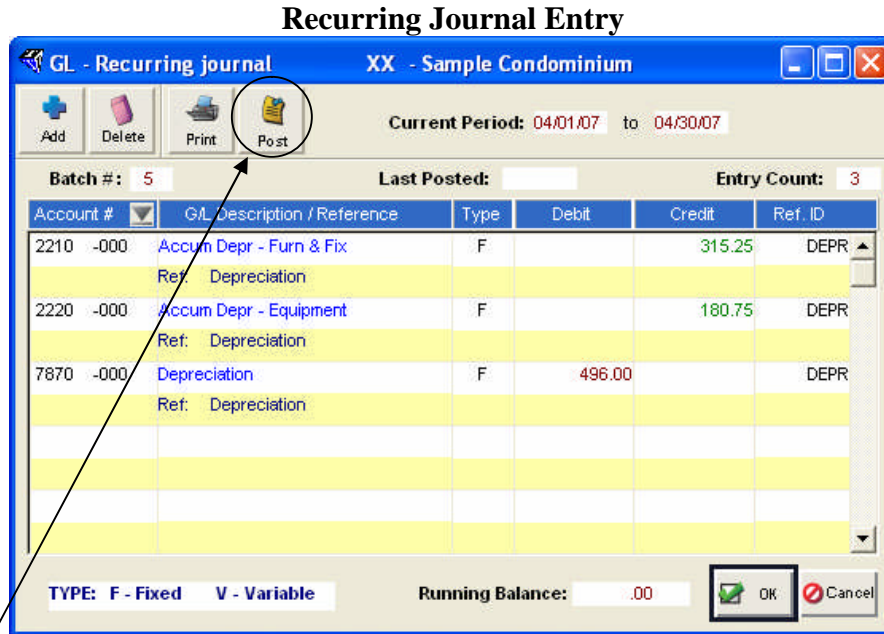
Notice the **Post** button at the top of the window.

	Click the **Post** button to update the General Ledger for this Recurring Journal Entry. This function is the one that actually writes the Journal Entry into the General Ledger as a permanent transaction. As a safeguard before Posting, you will see this confirming message: Click **Yes** to proceed with Posting the Recurring Journal Entry.

Posting Register Report

The General Journal Transaction Register is printed *ONLY* if you have answered 'Yes' for "Print Audit Trail Reports" in the G/L Control File. The Transaction Register shows every transaction that is posted, exactly as it will appear in the permanent file. If you have answered 'N' for "Audit Trail" reports, no Register will be printed. You can use the "Source Reprint" from the "Reports" menu should you want a copy of the Register in the future.

You can change the print order so it either prints in Account # order from lowest Account # to highest, or by the order the transactions were entered into the Journal Entry.

Post Date

This is the effective Date of the Recurring Journal Entry. It will be recorded in the General Ledger on this Date.

Post Date

Enter the date, without slashes (/) in the following format:

Example : March 31, 2007 = 033107

Posting Protection

There is protection against Posting the same Recurring Journal Entry twice in the same accounting period. If the **Last Posted** date for a Recurring Journal Entry is in the same accounting period as the Posting Date entered above, it will give a warning and will not Post.

Printer Selection

Again, you will see this window for selecting the report output ONLY if you have answered 'Yes' for "Print Audit Trail Reports" in the G/L Control File. Send the report to any of the printers:
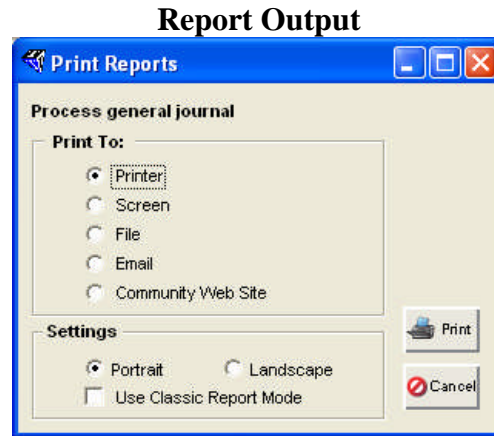
Report Output

Select the report output you wish. Click the **Print** button to proceed. If you clicked the Print button, you will then see the standard Windows® printer selection window.

Whether or not you had the printing turned on when Posting Journal Entries, you will see this final message:
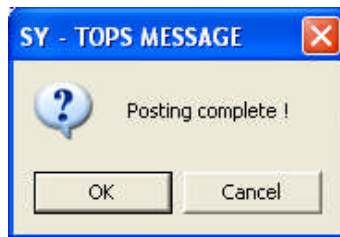
This is telling you that the Recurring Journal Entry has been successfully Posted and has been recorded in the General Ledger.
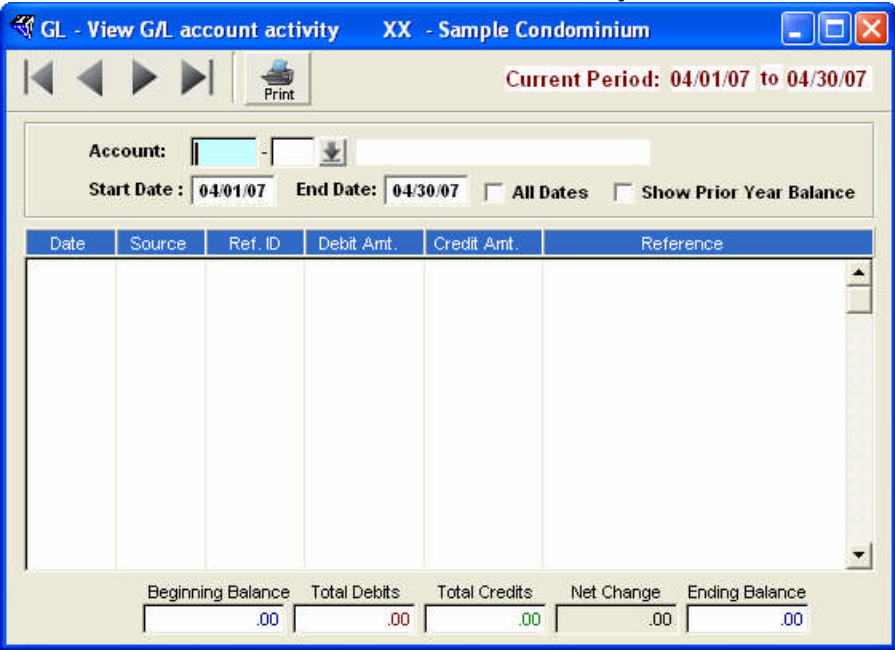
View G/L Accounts

INTRODUCTION

Use this function to view G/L account activity for a range of dates you specify. This can be handy when you wish to check certain entries in the G/L or just want to see the activity along with the beginning and ending balances in a GL Account. It can also be helpful prior to making an adjusting Journal Entry or when reconciling bank balances to the G/L account for cash.

In addition to displaying all the activity for a range of dates, you also have the option to print the activity for the account. Printing might make it easier to review the activity for an account.

Select GL Account #

View Accts.	From the GL menu, click on the **View Accounts** menu tab.

You will see this window for selecting the GL Account #:

View G/L Account Activity

You must select the GL Account # in order to view the account activity. There are several ways to do this, we'll explain each item in the window so you understand.

◄◄ ◄ ► ►►	Use the **arrow keys** to move from GL Account to GL Account showing the activity for the date range.
Account #	Type the GL **Account #** if you know it.
↓	Click the **down browse** arrow to open up a browse window so you can select the Account # from the Chart of Accounts. **Browse Chart of Accounts**

53
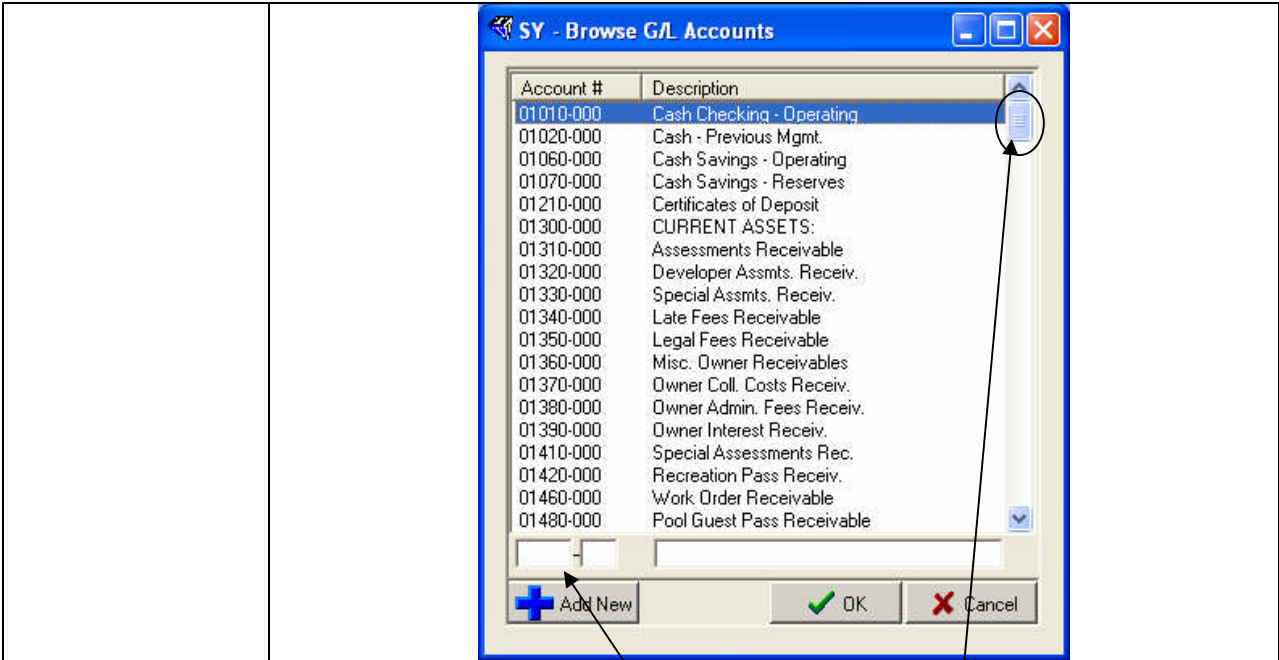
	Either browse down to the Account # using the **slider control** or begin typing the Account # in the **entry box** at the bottom of the window—as you begin typing the Account #, the search will narrow to matching Account #'s.
Start Date	It automatically defaults to the start date for the Current accounting period. But you may overtype it with any valid date in the current accounting year.
End Date	It automatically defaults to the end date for the Current accounting period. But you may overtype it with any valid date in the current accounting year. The End Date must be equal to or later than the Start Date.
☐ **All Dates**	Check mark this box to show all the GL transactions for this Account # for the entire *CURRENT* fiscal year.
☐ **Show Prior Year Balance**	Check mark this box to show all the GL transactions for this Account # for the *PRIOR* fiscal year.
View Account Activity	

Once you have selected a GL Account # and the options for viewing the account activity, the activity for this GL Account will be displayed in the window.

View GL Activity

GL - View G/L account activity   XX - Sample Condominium

Current Period: 04/01/07 to 04/30/07

Account: 1010 - 000 Cash Checking - Operating
Start Date: 04/01/07   End Date: 04/30/07   ☐ All Dates   ☐ Show Prior Year Balance

Date	Source	Ref. ID	Debit Amt.	Credit Amt.	Reference
04/03/07	AR0000	AR-010	1,510.00		Owner Cash Receipts
04/05/07	AP0000	1233		83.00	ABC MAINTENANCE
04/05/07	AP0000	1234		350.00	EZ TRASH & REFUSE
04/05/07	AP0000	1235		500.00	IMMEDIATE MANAGEMENT SERV
04/05/07	AP0000	1236		133.00	SAMPLE ELECTRIC UTILITY
04/08/07	AR0000	AR-011	690.00		Owner Cash Receipts
04/14/07	AR0000	AR-012	310.00		Owner Cash Receipts
04/17/07	AP0000	1237		450.00	INSURE IT
04/17/07	AP0000	1238		600.00	PRECISION CUT LAWNS
04/17/07	AP0000	1239		12.00	US POSTAL SERVICE
04/28/07	AP0000	1240		75.00	AAA PEST CONTROL
04/28/07	AR0000	AR-013	160.00		Owner Cash Receipts

Beginning Balance	Total Debits	Total Credits	Net Change	Ending Balance
12,706.74	2,670.00	2,628.00	42.00	12,748.74

Slider Control to move up/down

These columns are displayed:

Date – the date of the GL transaction

Source – the Source of the GL transaction. Sources are:

> **GJ** = Journal Entries (G/L)
>
> **RJ** = Recurring Journal Entries (G/L)
>
> **AR** = Accounts Receivable
>
> **AP** = Accounts Payable Invoices/Checks
>
> **PR** = Payroll
>
> **CR** = Bank Rec Adjustments or Transfers

The 4-digit number is the number of the specific report the transaction came from. A report number appears at the top right of most reports; it is assigned automatically. For example, the source code *AP0232* means the transaction came from the *Accounts Payable* numbered *0232*. You could use the "Source Reprint" report on the "G/L Reports" menu to reprint all parts of this entry to the G/L. If it shows all zeroes (0000) for the report #, it means the audit trail report printing is turned off so now report # was assigned.

Reference ID – For AR transactions, this is a batch #. For AP transactions it might be the Check # or Voucher (invoice) #.

Debit Amount – Only Debit transactions show in this column.

Credit Amount – Only Credit transactions show in this column.

Reference – A description for the transaction.

Beginning Balance	The **Beginning Balance** of the account "as of" the starting date of the date range.
Total Debits	The total of all the **Debit** transactions within the date range.
Total Credits	The total of all the **Credit** transactions within the date range.
Net Change	The Net Change is the difference between all the debit and credit amounts for the account within the date range. The Beginning Balance has been changed by this amount by the transactions within the date range.
Ending Balance	The account balance as of the ending date.
Print Activity	
	Click the **Print** button to get a printed copy of the GL Activity for the account displayed in the window. This can be handy when there is more than one window's worth of transactions.
If you clicked the **Print** button, you will see the Print Options window: **Print Options** You can send the report to a printer or use any of the other print options.	
	Click **Print** to proceed with the Print Options. If you selected to Print a report, you will then see the normal Windows® print manager where you can select a printer.
	Click **Cancel** to exit without proceeding with any Print Options.
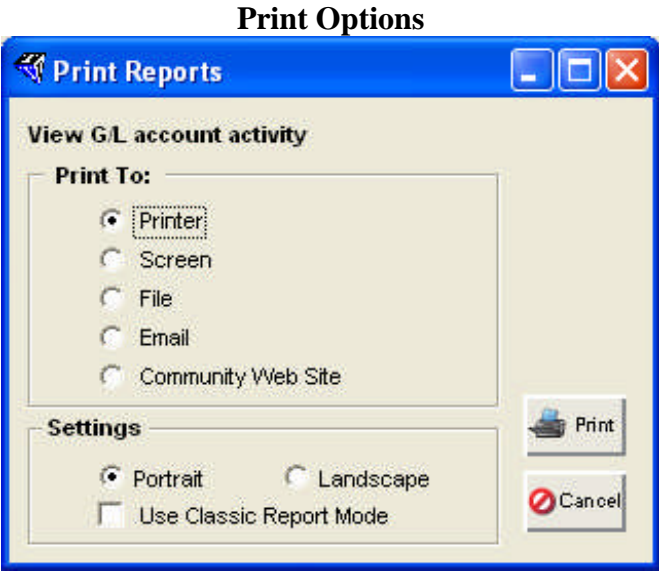
This completes the manual section on View GL Accounts.

Reports

INTRODUCTION

Use this function to generate professional looking General Ledger reports such as the Income/Expense (P&L) Statement, Balance Sheet, Cash Flow Statement, General Ledger and Spreadsheet Income/Expense. GL reports can be printed, saved as a file, exported to Excel® or a PDF version generated to attach to an e mail.

You can also maintain the Financial Statement Layouts here that control the appearance of your Balance Sheet and Income/Expense Statement. There is also a powerful "Source Reprint" function for finding all pieces to a certain General Ledger entry and printing a report showing the details. This is a good way to recreate the "Audit Trail" or track down a problem.
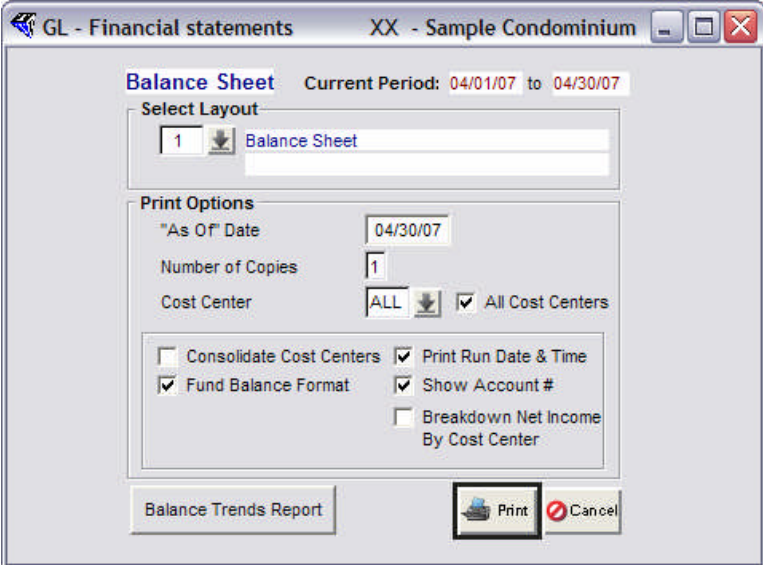
All the reports are "date sensitive", meaning, you print them "as of" a date and it will include all GL transactions up through that date. You can also print certain reports for previous fiscal years as long as you still have the General Ledger detail on file for that year.

Reports	From the GL Menu, click the **Reports** tab.
GL Reports G/L Reports Balance Sheet Cash Flow Income Statement Reserve Statement Yearly Spreadsheet General Ledger Source Reprint Maintain Layout	The following is a brief summary of each menu choice. **Balance Sheet** – A listing of the assets, liabilities and equity of the community in either a standard or fund balance format. **Cash Flow** – This is a variation of a Balance Sheet that shows how cash was spent for the current month as well as from the beginning of the fiscal year through the end of the reporting period. In order to print this report, the Asset Accounts in the Chart of Accounts need to be further defined. There is a setup wizard that makes it easy to do this. **Income Statement** – The income and expenses for the community which can be compared to either the budget or the prior year's actuals. **Reserve Statement** – Shows a statement of reserve activity and ending reserve fund balances. **Yearly Spreadsheet** – A 12 month spreadsheet showing the actual income and expenses or, as an alternative, a 12 month budget spreadsheet. **General Ledger** – A report showing the transactions in the general ledger for a range of dates. You also have the option to print a Trial Balance version of the general ledger to show a summary of the GL balances. **Source Reprint** – reprint all the transactions that have the same source or reference ID to help research entries you see in the General Ledger. **Maintain Layout** – a tool for designing certain GL reports, like the Balance Sheet and the Income/Expense Statement.
We'll cover each of these menu choice in detail.	

Balance Sheet

This report is a listing of the assets, liabilities and equity of the community in either a standard or fund balance format.

Only GL accounts in the Chart of Accounts defined as "Balance Sheet" accounts will be printed on this report. It will automatically suppress accounts that have a zero (0) account balance.

Balance Sheet	
	Click this button to generate a **Balance Sheet** report.

If you clicked the **Balance Sheet** button on the Report Type screen, you will see the Balance Sheet Options window:
Balance Sheet Options   This controls the options for generating the Balance Sheet. We'll explain each field.

Select Layout	The appearance of the Balance Sheet is controlled by a "Layout" which contains the report headings, account groupings and sub-totaling. You can have more than one Balance Sheet Layout if you wish to print the report different ways to achieve your desired results. We will explain more about Layouts in the last section of this GL Reports manual.
	If you wish to select a different Balance Sheet Layout, you may use the **down browse arrow** ⬇ to select a different Layout #.
"As Of Date"	Balance Sheets are always printed as of particular date, not a date range. They automatically show YTD GL account balances. The default is always the end of the current accounting period, but you may type any date you wish.
	Enter the date without slashes (/) like this:
	April 30, 2007 = 043007

Number of Copies	The default is "1" copy, but you can enter up to 9 copies if you wish.
Cost Center	If Cost Centers have been activated in the GL Control File for this community, you may specify a particular Cost Center which means, the Balance Sheet will be printed for just the GL accounts that use this Cost Center. The default is "ALL" Cost Centers, but you may click the **down browse arrow** ⬇ to browse and select a particular Cost Center.
☐ Consolidate Cost Centers	Check mark this box to consolidate Cost Centers by their main GL Account #. This will shorten the report since it will only list the main GL Account # on the report and not repeat the main GL Account # with each Cost Center where there is a balance.
☐ Fund Balance Format	Check mark this box to change the appearance of the Balance Sheet from the normal format to a "Fund Balance" format. That means the Balance Sheet will show 4 columns: Operating, Reserves, Other and Total. This is based on the Account Type as defined in the Chart of Accounts. A sample of a Fund Balance report is shown later in this manual section.
☑ Print Run Date & Time	Check mark this box to have the date and time included on the report. This can be handy for telling which Balance Sheet is the last printed. The default is to have this option checked.
☑ Show Account #	Check mark this box to have the GL Account # printed on the report in addition to the Account Name. This can be handy when using the report to reconcile balances with subsidiary ledgers, like AR.
☐ Breakdown Net Income By Cost Center	If Cost Centers are used, check mark this box to split out the Current Year Net Income (called BSNI in the Layout) by Cost Center. It will then take the Net Income for each Cost Center (Income minus Expenses) and print that Net Income by Cost Center so you can use this figure to "balance" each Cost Center.
Balance Trends Report	This is a variation on the Balance Sheet report. See the manual section immediately following this one for more detailed info on this report.
🖨 Print	Click the **Print** button to proceed with generating the Balance Sheet.
⊘ Cancel	Click **Cancel** to exit from the Balance Sheet report.

If you click the **Print** button, you will see the report output window:
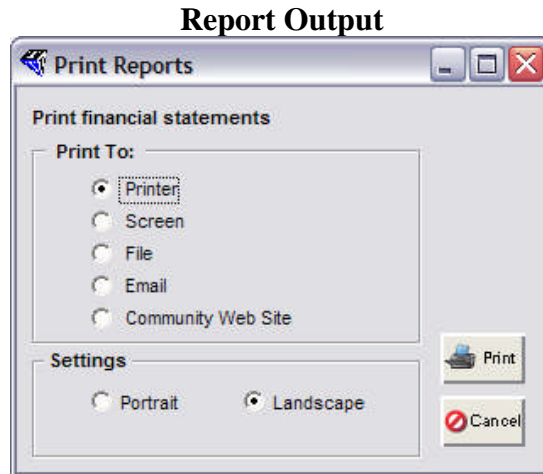
Report Output

Here you can select the report output for this report.

	Click the **Print** button to print the report or generate a PDF version.
	Click the **Cancel** button to exit from the report.

Sample Balance Sheet reports are shown below.

Balance Sheet – Standard

Sample Condominium
Balance Sheet
As of 04/30/07

ASSETS

CASH:

1010-000	Cash Checking - Operating	$	12,748.74
1070-000	Cash Savings - Reserves		7,889.00
	Subtotal Cash		$ 20,637.74

RECEIVABLES:

1310-000	Assessments Receivable	$	873.13
1340-000	Late Fees Receivable		60.00
1410-000	Special Assessments Rec.		100.00
	Subtotal Receivables	$	1,033.13
	TOTAL ASSETS		$ 21,670.87

LIABILITIES & EQUITY

CURRENT LIABILITIES:

Balance Sheet – Fund Balance

Sample Condominium
Balance Sheet
As of 04/30/07

Account	Description	Operating	Reserves	Other	Totals
		ASSETS			
CASH:					
1010-000	Cash Checking - Operating	12,748.74			12,748.74
1070-000	Cash Savings - Reserves		7,889.00		7,889.00
	Subtotal Cash	12,748.74	7,889.00	.00	20,637.74
RECEIVABLES:					
1310-000	Assessments Receivable	873.13			873.13
1340-000	Late Fees Receivable	60.00			60.00
1410-000	Special Assessments Rec.	100.00			100.00
	Subtotal Receivables	1,033.13	.00	.00	1,033.13
	TOTAL ASSETS	13,781.87	7,889.00	.00	21,670.87

LIABILITIES & EQUITY

CURRENT LIABILITIES:

Balance Trends Report

The **Balance Trends** button prints a variation of a balance sheet report. It shows the current period balances compared to the prior 2 period balances for each subtotal group in the balance sheet. This shows the trends of the balances over several accounting periods. You may enter notes to explain the trends before printing the report.

Balance Trends Report	Click the **Balance Trends Report** button.

If you clicked the **Balance Trends** button, you will see a window for generating and saving the report file.
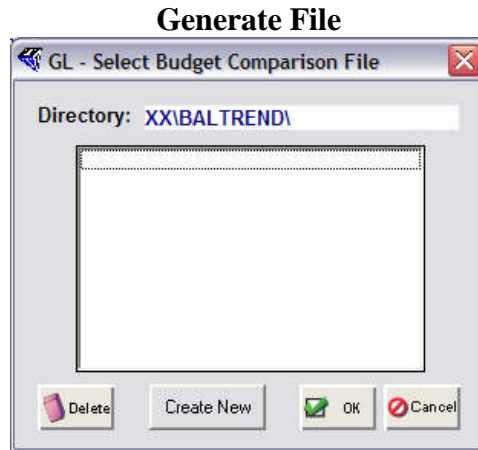
Generate File

To proceed with generating the report file, click the **Create New** button.
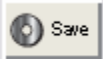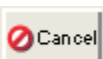
If you clicked the **Create New** button above, you will see the Balance Trends report generated to the window:

Balance Trends Report
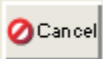
Notice that it shows the current period compared to the prior 2 periods so you can check the trends of the subtotal balances between the periods. Also notice that you may enter Notes to explain the trends.

Save	Click the **Save** button to save the report file.
Print	Click the **Print** button to print the report or generate a PDF version.
Cancel	Click the **Cancel** button to exit from the report.

You will see the report output window:

Report Output
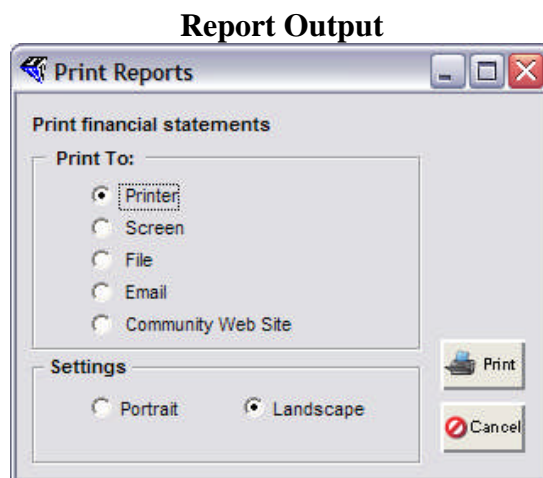
Here you can select the report output for this report.

Print	Click the **Print** button to proceed with the report output options selected.
Cancel	Click the **Cancel** button to exit without printing the report.

Cash Flow Report

This report will show all the changes that affected cash balances since the beginning of the fiscal year as well as for the current month. You cannot print this report until you define Asset Types in the Chart of Accounts. Each Asset Account must be coded as one of the following:

- Cash
- Current Asset
- Fixed Asset
- Accumulated Depreciation

There is a quick setup screen that will appear if you select this report and TOPS detects that there are Asset accounts that do not have an "Asset Type" defined.

Cash Flow Report
If the Asset Types are setup, when you click the **Cash Flow Report** button on the Report Type screen, you will go right to the Cash Flow Options window: **Cash Flow Options**   If the setup has already been done and all Asset accounts have been defined, then proceed with the Print Report instructions below. However, if the Asset Types are NOT Setup, then you will see the message below: **Asset Types Not Defined**   If you see this message it means TOPS has detected that some asset accounts in the Chart of Accounts do not have an "Asset Type" designated. In order to be able to correctly generate the Cash Flow Report, each asset account in the Chart of Accounts must have an "Asset Type" designated. **Yes** – Click YES to open a browse screen where you can quickly designate Asset Types. **No** – Click NO to exit without proceeding with the Cash Flow Report.
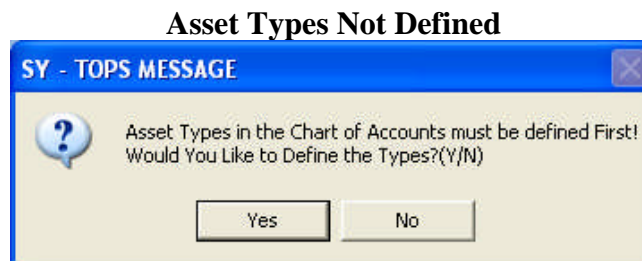
Complete Setup

If you clicked **YES** to the message above, the quick setup screen will appear:

Quick Asset Type Setup

Notice the 4 Asset Type choices across the top of the screen:

- Cash
- Current Asset
- Fixed Asset
- Accumulated Depreciation

Each asset account *MUST* have one of these Asset Types designated in order to print the Cash Flow Report. If any asset account does not have an Asset Type designated, you will NOT be able to print a Cash Flow Report.

Designate Asset Type

Select the account from the Chart of Accounts by clicking to highlight it, then click the radio button by the Asset Type that applies to this account. You will see the Asset Type filled in next to the account.

You can tag several accounts at once with an Asset Type. Simply click on the beginning account from the Chart of Accounts to highlight it, then follow these steps:

> **Shift Key** – Hold down the Shift key and continue holding until you have finished selecting the account range in the Chart of Accounts.

Down Arrow – Press the Down Arrow key until you get to the last account in the range you wish to define for this Asset Type. You will see each selected account added to the highlighted accounts.

Asset Type – Click the radio button next to the Asset Type you wish to designate all the selected accounts.
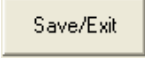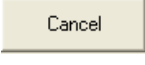
Update Selected Accounts Click this button at the bottom of the screen to designate the selected accounts with the Asset Type.

A completed Asset Type setup screen would look like this:

Asset Type – Completed
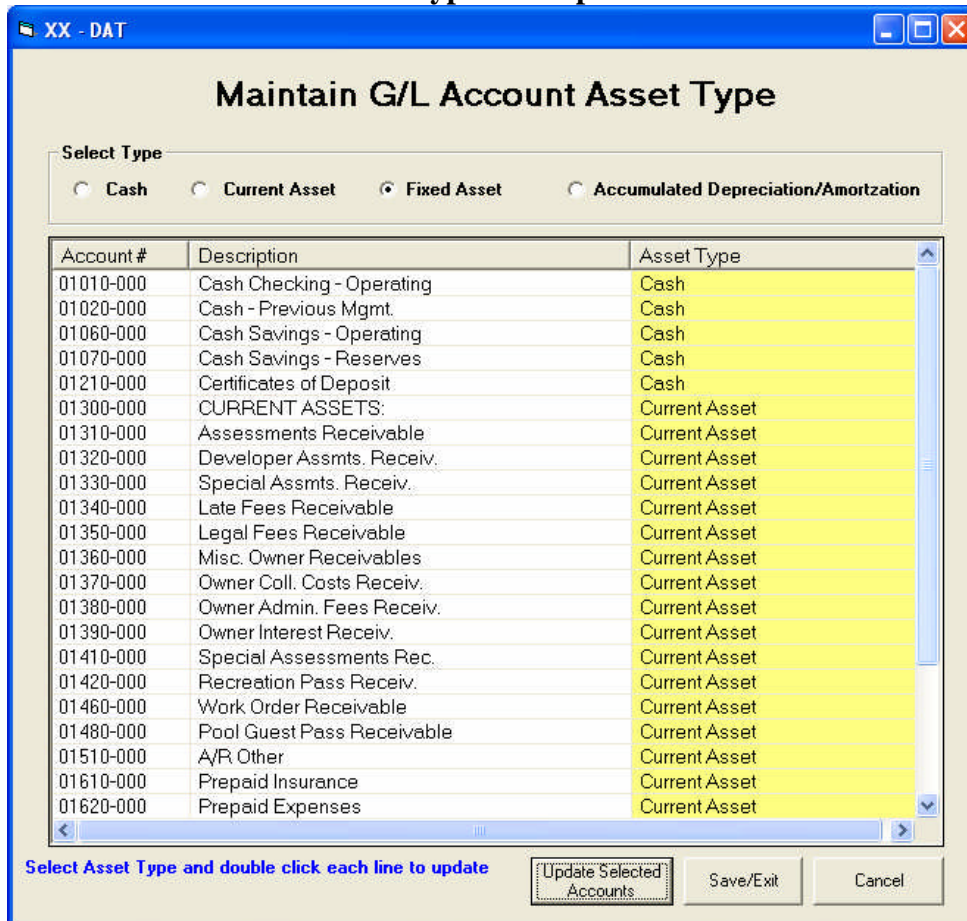
Be sure to click the Save/Exit button to save the Asset Types before you exit this screen.

Update Selected Accounts	Click **Update Selected Accounts** button to designate the Asset Type for any highlighted account(s) in the Chart of Accounts.
Save/Exit	Click the **Save/Exit** button to save any changes to the Asset Type.
Cancel	Click the **Cancel** button to exit this screen without saving any changes to the Asset Type.

Print Report	
If the Asset Types are setup, when you click the **Cash Flow Report** button on the Report Type screen, you will go right to the Cash Flow Options window:	

Cash Flow Options

This controls the options for generating the Cash Flow Report. We'll explain each field.

"As Of" Date	Enter the date you wish the report printed through. All GL transaction up through and including this date will be reflected on the report.
☐ Show Account #	Check this box to include the GL Account # along with the GL Account Name on this report.
Setup Asset Type	Click the **Setup Asset Type** button to open the quick asset browse screen where you can check that you have each asset account properly designated for the correct Asset Type.
🖨 Print	Click the **Print** button to proceed with generating the Cash Flow Report.
⊘ Cancel	Click **Cancel** to exit from the Cash Flow Report.

If you click the **Print** button, you will see the report output window:
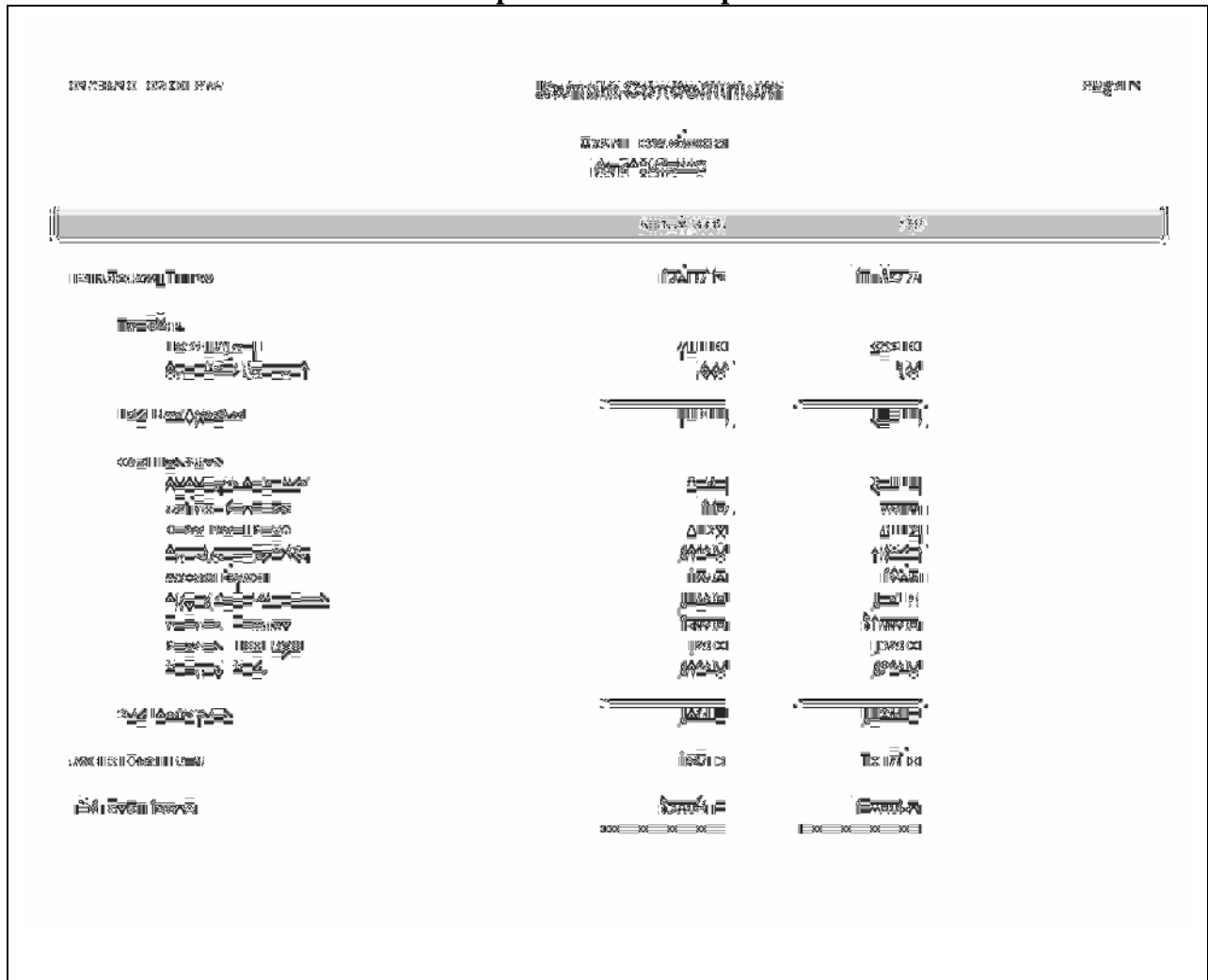
Report Output

	Here you can select the report output for this report.
Print	Click the **Print** button to print the report or generate a PDF version.
Cancel	Click the **Cancel** button to exit from the report.

A sample Cash Flow Report is shown below.

Sample Cash Flow Report

Income/Expense Statement

An **Income/Expense Statement** is a listing of the income less expenses to yield the net income of the community for an accounting period. The report shows the current month and YTD total, usually compared to the budget but you can also print the report compared to last years actual.

Only GL accounts in the Chart of Accounts defined as "Income or Expense" accounts will be printed on this report. It will automatically suppress accounts that have a zero (0) account balance.

Income/Expense Statements can be printed for any period in the current fiscal year or any period in the previous fiscal year as long as the general ledger detail still exists for the previous year.
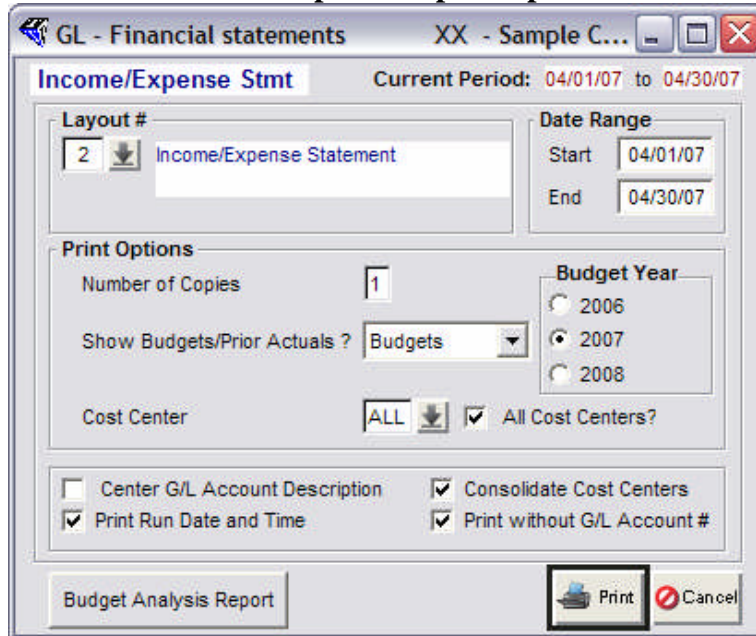
Income/Expense Statement	
![Income Statement button]	Click this button to generate an **Income/Expense Statement** report.

Once you click the **Income Statement** button on the GL Reports menu, you will see the report options window:

Income/Expense Report Options
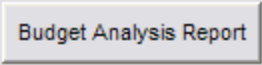
This window controls the options used to generate the Income/Expense Statement. We'll explain each field in this window.

| **Select Layout** | The appearance of the Income/Expense Statement is controlled by a "Layout" which contains the report headings, account groupings and sub-totaling. You can have more than one Layout for an Income/Expense Statement if you wish to print the report different ways to achieve your desired results. We will explain more about Layouts in the last section of this GL Reports manual.

If you wish to select a different Income/Expense Layout, you may |
|---|---|

	use the **down browse arrow** to select a different Layout #.
Start Date	Income/Expense Statements are always printed for an accounting period. It shows the activity for the period selected as well as the YTD GL account balances. The default is the current accounting period, but you may type any valid date here as long as there are GL transactions in the ledger on this date. Enter the date without slashes (/) like this: April 1, 2007 = 040107
End Date	The ending date of the accounting period. The default is the last day of the current accounting period. You may type any valid date here. This date MUST be later than the Start Date above. Enter the date without slashes (/) like this: April 30, 2007 = 043007
Number of Copies	The default is "1" copy, but you can enter up to 9 copies of the report if you wish.
Show Budgets or Prior Actuals	You can print either the **Budget** or **Prior Actuals** (last years actuals for the same period) as a point of comparison on the Income/Expense Statement. You also have the option to print "Neither".
Budget Year	If printing **Budgets** on the report, this lets you select which budget year to print. It always defaults to the current budget year, but you can select the previous or next budget year. This can be handy if you are printing the Income/Expense Statement for a period in the previous fiscal year.
Cost Center	If Cost Centers have been activated in the GL Control File for this community, you may specify a particular Cost Center which means, the Income/Expense Statement will be printed for just the selected Cost Center. The default is "ALL" Cost Centers, but you may click the **down browse arrow** to browse and select a particular Cost Center.
☐ Center G/L Account Description	The standard format is for the GL Account Descriptions to print on the left side of the report with columns for Current Period, YTD and Yearly Budget. Check marking this option changes this order so the Current Period prints on the left, the GL Account Description in the middle with the YTD and Yearly Budget to the right of the Description column. This can make the report easier to read across for some officers.
☑ Print Run Date and Time	Check mark this box to have the date and time included on the report. This can be handy for telling which report is the last printed. The default is to have this option checked.
☐ Consolidate Cost Centers	Check mark this box to consolidate Cost Centers by their main GL
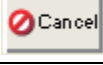
	Account #. This will shorten the report since it will only list the main GL Account # on the report and not repeat the main GL Account # with each Cost Center where there is a balance.
☑ Print without G/L Account #	Check mark this box to suppress printing the GL Account # along with the Account Description on the Income/Expense Statement.
Budget Analysis Report	This is a variation on the Income/Expense Statement. See the manual section immediately following this one for more detailed info on this report.
Print	Click the **Print** button to proceed with generating the Income/Expense Statement.
Cancel	Click **Cancel** to exit from the Income/Expense Statement report.

If you click the **Print** button, you will see the report output window:

Report Output
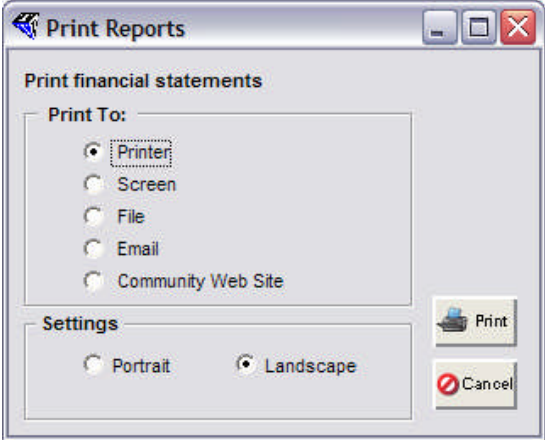
Here you can select the report output for this report.

Print	Click the **Print** button to print the report or generate a PDF version.
Cancel	Click the **Cancel** button to exit from the report.

Income Statement – Standard

Income Statement – Centered Description

Budget Analysis Report

The **Budget Analysis Report** button prints a variation of a Income/Expense Statement report. It shows the current period balances and YTD balances compared to the budget. You may enter notes to explain budget variances before printing the report.

Budget Analysis Report	Click the **Budget Analysis Report** button.

If you clicked the **Budget Analysis Report** button, you will see a window for generating and saving the report file.
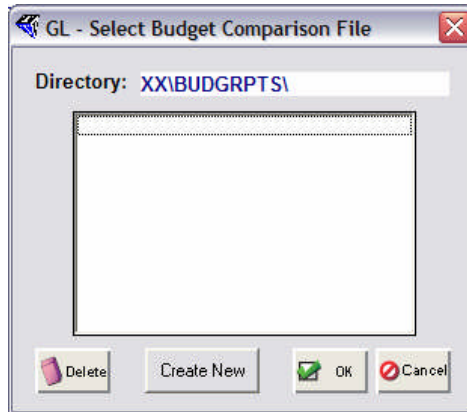
Generate File

To proceed with generating the report file, click the **Create New** button.

If you clicked the **Create New** button above, you will see the Budget Analysis report generated to the window:

Budget Analysis Report

Notice that it shows the current period and YTD compared to the budget. Also notice that you may enter Notes to explain the budget variances.

Save	Click the **Save** button to save the report file.
Print	Click the **Print** button to print the report or generate a PDF version.
Cancel	Click the **Cancel** button to exit from the report.

You will see the report output window:

Report Output

Here you can select the report output for this report.

Print	Click the **Print** button to proceed with the report output options selected.
Cancel	Click the **Cancel** button to exit without printing the report.
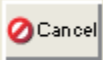
Reserve Fund Statement

This report shows the Reserve Funds which should be part of the "Equity" section of your Balance Sheet. These are NOT the cash accounts for the Reserves. The cash balances show on the regular Balance Sheet. These are "Fund Balances" which reflect what you are contributing to Reserves for the current year, expenditures from Reserves and the ending balance in each Reserve Fund. The report shows the reserve fund balances based on the Account Types from your Chart of Accounts.

See Appendix A "Reserve Treatment" for more discussion of Reserves.

Reserve Fund Statement	
	Click this button to generate a **Reserve Statement** report. A **Reserve Statement** shows the reserve fund balances and the activity in these accounts since the beginning of the current fiscal year.
	Only GL accounts in the Chart of Accounts defined as "Reserve" accounts will be printed on this report. It will automatically suppress accounts that have a zero (0) account balance.

Once you click the Reserve Statement button on the GL Reports menu, you will see the Reserve Statement Options window:

Reserve Statement Options

This window controls the options used to generate the Reserve Statement. We'll explain each field in this window.

| Select Layout | The appearance of the Reserve Statement is controlled by a "Layout" which contains the report headings, account groupings and sub-totaling. You can have more than one Layout for a Reserve Statement if you wish to print the report different ways to achieve your desired results. We will explain |

	more about Layouts in the last section of this GL Reports manual. If you wish to select a different Reserve Statement Layout, you may use the **down browse arrow** to select a different Layout #.
"As Of Date"	Reserve Statements are always printed as of one date, not a date range. They automatically show YTD GL account balances and the activity in the reserve accounts since the beginning of the current fiscal year. The default is always the last day of the current accounting period, but you may type any valid date here as long as there are GL transactions in the ledger on this date. Enter the date without slashes (/) like this: April 30, 2007 = 043007
Number of Copies	The default is "1" copy, but you can enter up to 9 copies of the report if you wish.
Cost Center	If Cost Centers have been activated in the GL Control File for this community, you may specify a particular Cost Center which means, the Reserve Statement will be printed for just the GL accounts that use this Cost Center. The default is "ALL" Cost Centers, but you may click the **down browse arrow** to browse and select a particular Cost Center.
☐ Consolidate Cost Centers	Check mark this box to consolidate Cost Centers by their main GL Account #. This will shorten the report since it will only list the main GL Account # on the report and not repeat the main GL Account # with each Cost Center where there is a balance.
☑ Print Run Date and Time	Check mark this box to have the date and time included on the report. This can be handy for telling which Reserve Statement is the last printed. The default is to have this option checked.
☑ Show Account #	Check mark this box to have the GL Account # printed on the report in addition to the Account Name. This can be handy when using the report to reconcile balances with subsidiary ledgers.
☐ Combine Current Year Activity into One Column	Check mark this box to have the contributions to reserves and the expenditures from reserves combined into one column rather than show them in separate columns. This could be desirable to hide corrections or adjustments to reserves that community officers might question.
🖨 Print	Click the **Print** button to proceed with generating the Reserve Statement report.

	Click **Cancel** to exit from the Reserve Statement report.

If you click the **Print** button, you will see the report output window:

Report Output
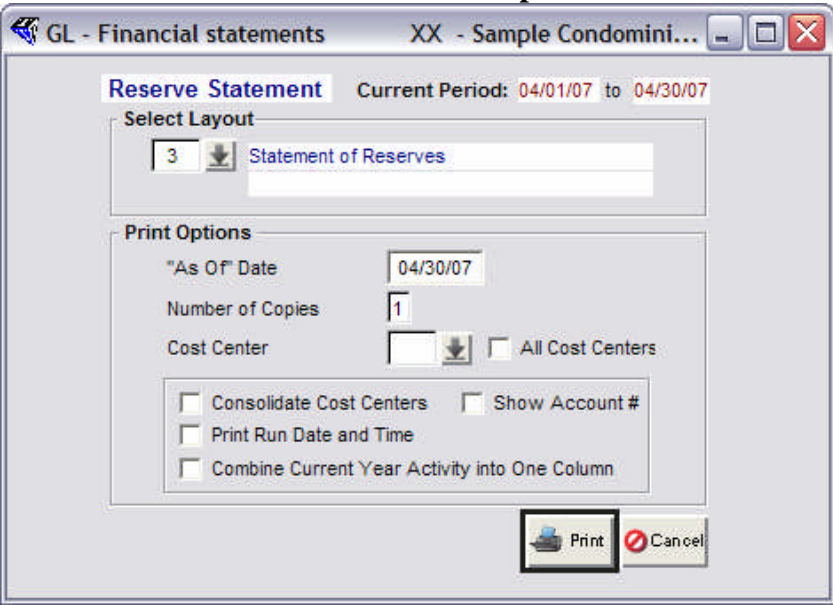

Here you can select the report output for this report.

|	
	Click the **Print** button to print the report or generate a PDF version.
	Click the **Cancel** button to exit from the report.

A sample Reserve Statement is shown on the next page.

Reserve Fund Statement

Sample Condominium
Reserve Statement

As of 04/30/07

	BEGINNING OF YEAR	YTD ALLOCATION	YTD EXPENDITURES	AVAILABLE BALANCE
RESERVES:				
Reserves - Pavement	28000.00	1,000.00	0.00	29,000.00
Reserves - Street Lights	3300.00	375.00	0.00	3,675.00
Reserves - Roofs	17000.00	750.00	0.00	17,750.00
Subtotal Reserves	48300.00	2,125.00	0.00	50,425.00
TOTAL RESERVES	48300.00	2,125.00	0.00	50,425.00

Yearly Spreadsheet

There are two different reports that can be printed in a spreadsheet format.

- **12 Month Spreadsheet** - This report prints the actual Income and Expenses for the current year in a month-by-month format for up to 12 months in a spreadsheet format. Alternatively, you can print the current year's Budget for the entire year in a 12 column spreadsheet format. This report is useful for tracking trends in the Income/Expenses or when preparing budgets for the following year.

  It is prepared using the regular Income/Expense Statement Layout.

- **Projected Income/Expense** – Takes the YTD actual for the Income/Expense through a selected cutoff date, then enter the estimated income and estimated expenses through the end of the fiscal year. This projected Income/Expense report can be very handy for anticipating cash flows as well as a tool for preparing budgets. This report compares the projected actual Income/Expense totals for each accounting period to the budget so you have a point of comparison.

Yearly Spreadsheet	
	Click this button to generate any of the **Yearly Spreadsheet** reports. Only GL accounts in the Chart of Accounts defined as "Income or Expense" accounts will be printed on this report. It will automatically suppress accounts that have a zero (0) account balance.

Once you click the **Yearly Spreadsheet** button on the GL Reports menu, you will see the report selection window:

<p align="center">Select Report</p>
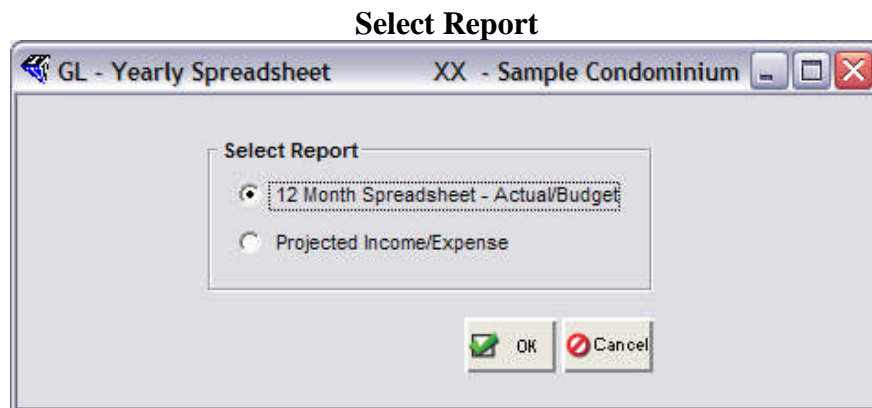
Click the radio buttons to change reports. The default is the 12 Month Spreadsheet.

12 Month Spreadsheet

Prints the actual Income and Expenses for the current year in a month-by-month format for up to 12 months in a spreadsheet format. If the "Actuals" are selected, it can only print the monthly totals up through the last month for which there is activity.

Alternatively, you can print the current year's Budget for the entire year in a 12 column spreadsheet format. It is prepared using an existing Income/Expense Statement Layout.

If the 12 Month Spreadsheet report is selected, you will see this window for the report options:

Yearly Spreadsheet Report Options

This window controls the options used to generate the 12 Month Spreadsheet report. We'll explain each field in this window.

Layout #	The appearance of the 12 Month Spreadsheet is controlled by a "Layout" which contains the report headings, account groupings and sub-totaling. In this case, the 12 Month Spreadsheet is based on an existing Income/Expense layout. You can have more than one Layout for an Income/Expense Statement if you wish to print the report different ways to achieve your desired results. We will explain more about Layouts in the last section of this GL Reports manual. If you wish to select a different Income/Expense Layout, you may use the **down browse arrow** to select a different Layout #.
Actual/Budget	The report can be printed for either the "Actual" Income/Expense monthly totals or for the Budget. You must select one or the other. The default is "Actual".
Print Account	Due to printing 12 monthly columns and a total column, space on the report is limited. Therefore, you can select if you wish to print the GL Account #, the GL Account Name or both on the report. If you elect to print the GL Acct # AND Name, it will truncate the
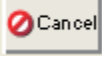
	account name to fit the space available.
Cost Center	If Cost Centers have been activated in the GL Control File for this community, you may specify a particular Cost Center which means, the 12 Month Spreadsheet will be printed for just the selected Cost Center. The default is "ALL" Cost Centers, but you may click the **down browse arrow** ⬇ to browse and select a particular Cost Center.
Cutoff Date	This should be the last accounting period during the year which has complete GL activity. The default is the last day of the current accounting period. You may type any valid date here. Enter the date without slashes (/) like this: April 30, 2007 = 043007
Budget Year	If printing **Budgets** on the report, this lets you select which budget year to print. It always defaults to the current budget year, but you can select the previous or next budget year.
☑ Print Run Date and Time	Check mark this box to have the date and time included on the report. This can be handy for telling which report is the last printed. The default is to have this option checked.
🖨 Print	Click the **Print** button to proceed with generating the 12 Month Spreadsheet report.
⊘ Cancel	Click **Cancel** to exit from the 12 Month Spreadsheet report.

If you click the **Print** button, you will see the report output window:

Report Output
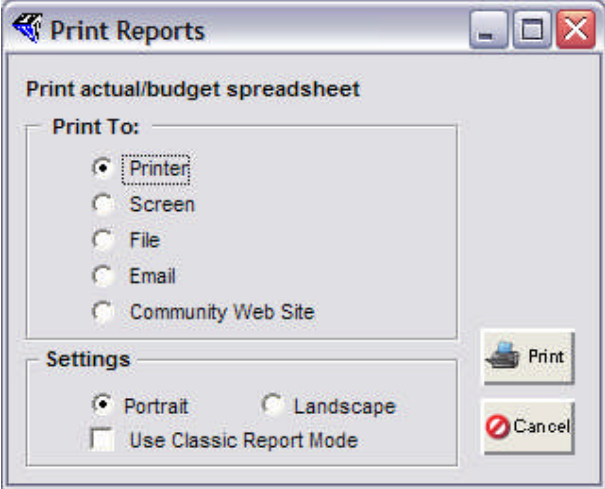
Here you can select the report output for this report.

|	
🖨 Print	Click the **Print** button to print the report or generate a PDF version.
⊘ Cancel	Click the **Cancel** button to exit from the report.

Projected Income/Expense

Using the YTD actual for the Income/Expense through a selected cutoff date, you may manually enter the estimated income and estimated expenses for each GL Account # through the end of the fiscal year or use the automated options to estimate the monthly totals. This projected Income/Expense report can be very handy for anticipating cash flows as well as a tool for preparing budgets.
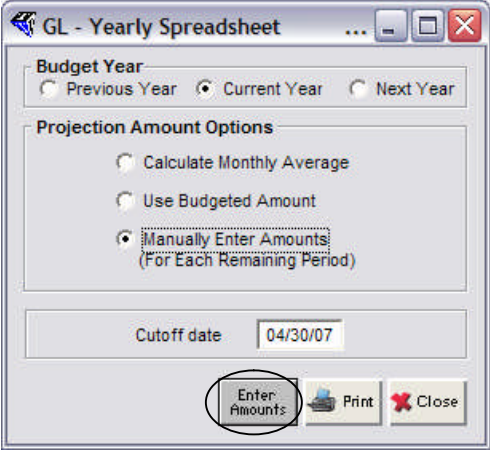
The report compares the projected actual Income/Expense totals for each accounting period to the budget so you have a point of comparison.

<table>
<tr>
<td colspan="2">If the Projected Income/Expense report is selected, you will see this window for the report options:

<div align="center">

Projected Income/Expense Report Options

</div>

There are several options for calculating the monthly totals through the end of the year. We'll explain each field in this window.</td>
</tr>
<tr>
<td>Budget Year</td>
<td>Budgets are printed to compare to the actual Income/Expense totals for each period. Having the Budgets on the report helps evaluate the projections as well as the actual performance of the community for the fiscal year.

Select the Budget Year from:

- Previous Year
- Current Year
- Next Year

The default is Current Year.</td>
</tr>
<tr>
<td colspan="2">Projection Amount Options

There are two automated ways to project future periods on the report and also a manual entry method. We'll explain how each works.</td>
</tr>
<tr>
<td>Calculate Monthly Average</td>
<td>This projects the remaining future months after the Cutoff Date using the average amount for each Income/Expense account. For</td>
</tr>
</table>

	example, for a calendar fiscal year where the Cutoff Date is September, the Monthly Average would be calculated by taking the YTD total in each Income/Expense account and dividing it by 9 (months) to calculate the Monthly Average, then it would plug the monthly average into the remaining 3 months in the fiscal year to project the total year.
Use Budgeted Amount	This projects the remaining future months after the Cutoff Date using the budgeted amount for each Income/Expense account. For example, for a calendar fiscal year where the Cutoff Date is September, the remaining 3 months in the fiscal year would be calculated using the budget for these months to project the total year.
Manually Enter Amounts	If you select this option, you will see the report options window change to give the manual entry option: Notice the **Enter Amounts** button appears.
	Click the Enter Amounts button to manually enter the projection for the fiscal year.

You must first select the Income or Expense account where you wish to enter a projection.

Select GL Account #

Notice the down browse arrow ⬇. Use this to open a browse of the Chart of Accounts.

Once you select an Income or Expense account, you are ready to enter the projection amounts:

Enter Projection Amounts

Enter the projections starting at the first accounting period after the Cutoff Date. If you enter projections for the entire year, it does not matter, the actuals will be used for the periods up through the Cutoff Date, then the projection amounts will be used in the spreadsheet for the future periods to calculate a projection for the total year.
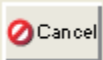
Use the ⬛ **Yearly Projected Amount** button to spread a total evenly across each period in the fiscal year.

Click the **OK** button to proceed with another GL Income or Expense account.
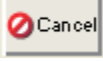
Cutoff Date	This should be the last accounting period during the year which has complete GL activity. The default is the last day of the current accounting period. You may type any valid date here.

	Enter the date without slashes (/) like this:
	April 30, 2007 = 043007
Print	Click the **Print** button to proceed with generating the Projected Income/Expense 12 Month Spreadsheet report.
Cancel	Click **Cancel** to exit from the Spreadsheet report.
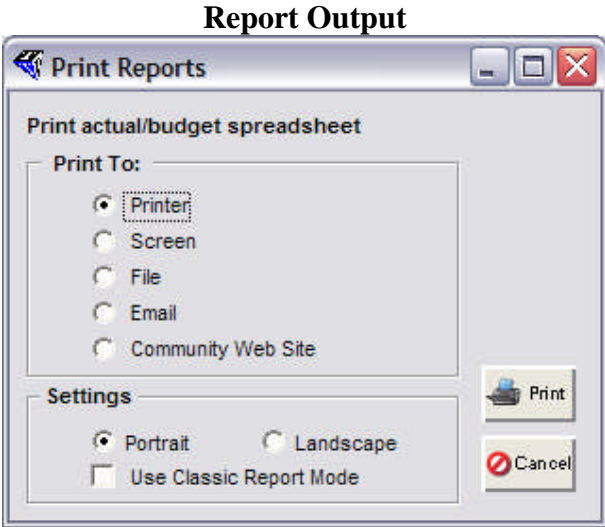
If you click the **Print** button, you will see the report output window:

Report Output

Here you can select the report output for this report.

Print	Click the **Print** button to print the report or generate a PDF version.
Cancel	Click the **Cancel** button to exit from the report.

This completes the instructions for the Yearly Spreadsheet reports.

General Ledger

Use this function to print a full detail General Ledger or summary Trial Balance Report for a range of account numbers and dates. This report shows the balance of each account. Two formats of the report are available:

> **Detail** - shows all transaction activity for each account (full detail General Ledger)

> **Summary** - shows totals for each account only (Trial Balance format)

You would normally print the General Ledger after all transactions have been entered and posted for the accounting period. However, you can run it at any time.
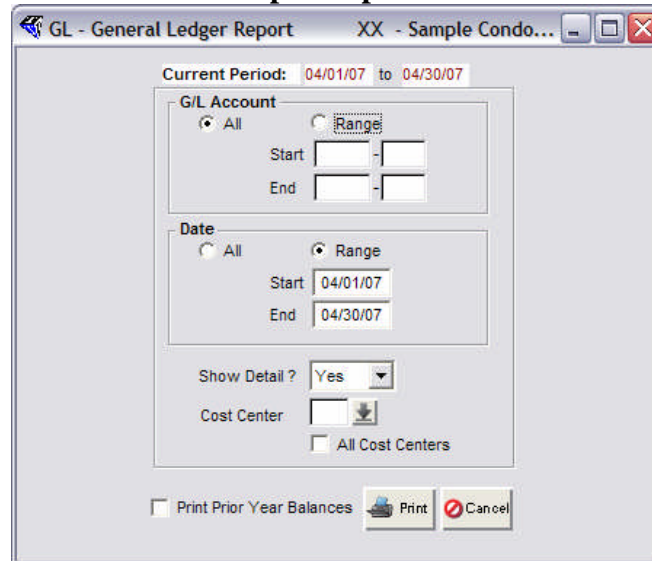
General Ledger	
![General Ledger icon]	Click this button to print the **General Ledger** report. By default it will print all GL Accounts that have balances or activity. It will automatically suppress accounts that have a zero (0) account balance.
Once you click the **General Ledger** button on the GL Reports menu, you will see the report options window: **Report Options** Click the radio buttons to select the options. We'll explain each option in this window.	

G/L Account	Use this option to elect whether to print the General Ledger for ALL accounts or a RANGE of accounts. The default is *ALL* accounts. If you select RANGE, then you may enter the Starting and Ending GL Account #'s like this: Use the **down browse arrows** to browse the Chart of Accounts to select the account range you wish.
Date	Use this option to select which period or date range to print the General Ledger report. The default is the RA NGE which is the *CURRENT* accounting period. If you click ALL, the General Ledger will include all activity back to the beginning of the fiscal year.
Show Detail?	You have the choice of YES or NO to this option. **Yes** will print all the GL transactions for the Accounts and Date Range selected. The report will look like a standard full detail General Ledger. **No** will print a Trial Balance formatted report for the Accounts and Data Range selected. The report will be much more abbreviated than a full detail General Ledger and will look like a standard Trial Balance.
Cost Centers	If Cost Centers have been activated in the GL Control File for this community, you may specify a particular Cost Center which means, the General Ledger report will be printed for just the selected Cost Center. Click the **down browse arrow** to browse and select a particular Cost Center. Check mark the **All Cost Centers** box to print a report showing all GL Accounts with the Cost Centers.
☐ Print Prior Year Balances	Check mark this option along with selecting a period in a previous fiscal year to see the GL account activity for a previous fiscal year. The General Ledger detail must still be on file for the previous fiscal year for you to see the account activity.

Print	Click the **Print** button to proceed to the report output window.
Cancel	Click the **Cancel** button to exit from the report.

If you click the **Print** button, you will see the Report Output window:

Report Output

Print Reports	‒ □ ✕
General Ledger Report	

Print To:
- ⦿ Printer
- ○ Screen
- ○ File
- ○ Email
- ○ Community Web Site

Settings
- ⦿ Portrait   ○ Landscape
- ☐ Use Classic Report Mode
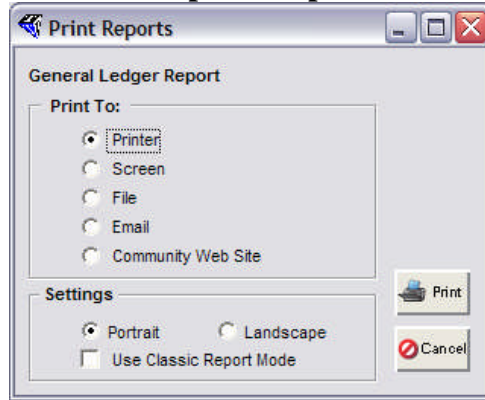
Print

Cancel

Select the report output you wish. The default is printer.

Print	Click the **Print** button to print the report or generate a PDF version.
Cancel	Click the **Cancel** button to exit from the report.

General Ledger – Full Detail

General Ledger – Trial Balance (No Detail)

Source Reprint

This is a powerful feature that will search the General Ledger and reprint all transactions that are part of an entry in the Ledger. It can sort on either the Source (A/R, A/P, P/R, etc.) or on the Reference ID (posting #, batch #, etc.) or on a combination of both. Wildcarding is supported (*) to let you search on a portion of the Source or Reference ID.

This lets you suppress the printing of the 'Posting' reports (Journal Entry, Recurring Entry) but still be able to keep a proper "Audit Trail" when requested. This report can only be used with the current year's transactions, not previous years.

GL Source Reprint	
	Click this button to print the **GL Source Reprint** report. The GL Source Reprint will find all pieces of a GL transaction using either the Source ID or Reference ID you see in the General Ledger.

Once you click the **GL Source** Reprint button on the GL Reports menu, you will see the search entry window:

GL Source Reprint – Search Entry

You can search based on either the Source ID or Reference ID, however, we recommend using one of the other, not both, to increase your chances of a match.

Wildcarding – You can type the first few letters or numbers of the Source ID or Reference ID, then use an asterisk (*) to find all matching entries beginning with the same ID.

Example – AP12*

This would find all GL transactions beginning with these letters and numbers.

Source ID	Enter module "Source" from the General Ledger such as:
	
	       AR Accounts Receivable
	       AP Accounts Payable
	       CR Check Rec.
	       PR Payroll
	       GJ Journal Entries
	       RJ Recurring Entries
	
	You can use the wildcard (*) or enter the ID # following the module abbreviation. You may 'skip' the Source ID if you would rather search on the Reference ID below.

Reference ID	Enter the Reference ID which shows in the General Ledger. For example, each Journal Entry has a "Batch #" which shows in the General Ledger under the Ref # field. Likewise, each A/P transaction (Invoices, Checks) has a posting report # (like a batch #) which shows in Ref # field. You MUST enter either a Source ID of Reference ID.

Starting Date	The choices are:
	      • All
	      • Range
	If you click the radio button for **ALL**, you will not need to enter a date range. The search will find all matching transactions regardless of the date.
	If you click **RANGE**, you can enter the starting date to print matching transactions from. It will default to the first day of the current accounting period.

Ending Date	You only need to enter an **Ending Date** if the RANGE option is checked above. It will default to the last day of the current accounting period.
Print	Click the **Print** button to proceed with the source search.
Cancel	Click the **Cancel** button to exit from the Source Reprint.

If you clicked the **Print** button, you will see the report output window:

Report Output
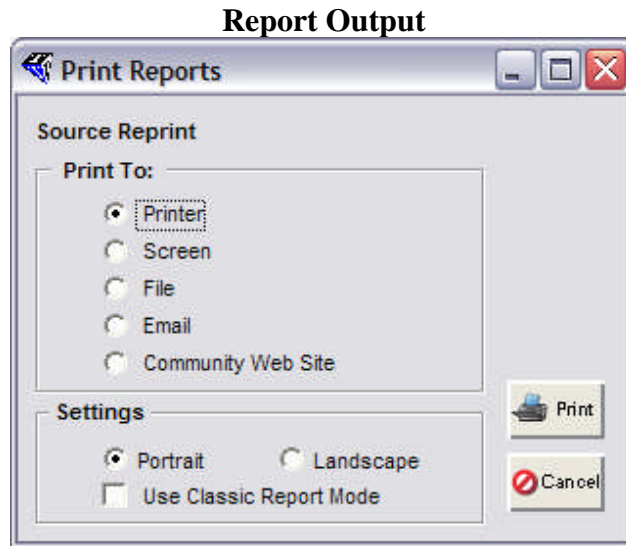
Click the radio button next to the choice you wish. **Printer** is the default choice.

Print	Click the **Print** button to proceed with the Source Reprint.
Cancel	Click the **Cancel** button to exit the Source Reprint without proceeding.

Note: If no match is found, you may need to check the General Ledger to get the correct Source ID or Reference ID. Also, make sure the date range is correct.

Maintain Layouts

Before you can print a financial statement, a *"layout"* must exist for that statement. A *"layout"* is a list of codes (called "layout function codes") that controls what information prints on a financial statement and how it looks when printed.

Layout function codes are described in detail at the end of this chapter. Use them to control such things as which G/L accounts are printed, how they are spaced, and how they are subtotaled and totaled. Layouts are stored with the community data so once you have defined them, you will use them over and over again each time you print financial statements.

A separate layout is required for each financial statement. If you are using the sample chart of accounts provided with TOPS Software, the three layouts necessary to print a P&L Statement, a Balance Sheet and a Reserve Fund Statement have already been defined for you and should have been copied into your community when you did the "Express Setup" under Community Setup. Likewise, if you defined the Chart of Accounts "Ranges" when you setup the Community, Layouts would have been created automatically for you at the end of the "Range" setup.

Typically, you would have these three Layouts:

1	Balance Sheet
2	Income/Expense Statement
3	Reserve Fund Statement
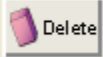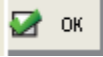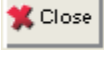
If you need to create or change Layouts start from the **GL Reports** menu. Follow the instructions below.

Maintain Layouts
	Click the **Maintain Layouts** button on the GL Reports menu.

You will see the **Layout Selection** window:

Layout Selection
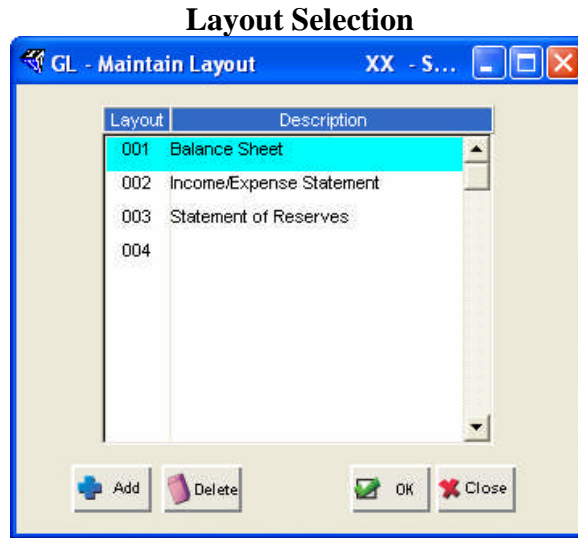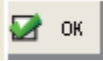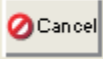
We'll explain each item in this window.

Layout	A number assigned by the system to keep track of each financial statement layout within a community.
Description	The name entered to identify the layout. This is not the name that is printed on the heading of the report, this description name is just for your ease in selecting a layout.
Add	Click the **Add** button to create a new layout.
Delete	Click the **Delete** button to permanently delete the highlighted layout.
OK	Click the **OK** button to proceed to the next window when editing a layout.
Close	Click the **Close** button to exit from the financial statement layouts.

If you clicked the **Add** layout button, you will see this window for setting up the layout:

Add Layout

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Layout #	The next available Layout # is automatically assigned as you add a new layout. We recommend standardizing your layouts as follows:
	1 Balance Sheet Layout
	2 Income/Expense Layout
	3 Reserve Fund Layout
	You don't have to follow this recommendation if you prefer a different order. You can print the financial statements in any order you wish no matter what Layout # is assigned to them.
Statement Type	You must select from one of the following Statement Types:
	• **Balance Sheet** – only allows including Balance Sheet account types.
	• **Profit & Loss Statement** – only allows including Income/Expense account types.
	• **Supporting Schedule (P & L format)** – allows you to include selected Balance Sheet accounts on an Income/Expense Statement, such as, the checking account balance.
	• **Reserve Statement (Balance Sheet Format)** – allows the inclusion of Balance Sheet accounts that have the Reserves account type. The cash portion of Reserves is reported on the regular Balance Sheet, the "fund balances", which are part of the Equity section of your General Ledger, are reported on this layout.
	• **Supporting Schedule (Balance Sheet format)** – allows you to include selected Income/Expense accounts on a Balance Sheet Statement, such as, YTD Insurance Expense.
Description	Two lines to enter the name of the report. This is not the report name that actually prints on the report itself, this is only for your ease of identifying the layouts so you can select the one you want.
OK	Click the **OK** button to proceed into the actual layout itself where you can add headings, select GL accounts to include in the layout, and define sub-total groups.
Cancel	Click **Cancel** to exit from the layouts.

Balance Sheet

A Balance Sheet is a report listing the following account types from the Chart of Accounts:

- Assets

- Liabilities

- Reserves (actually part of Equity)

- Equity

Note that the balance sheet format has no CURRENT PERIOD or YEAR-TO-DATE columns, but does have three columns for visually separating subtotals and totals. These three columns are referred to as "1" (left-most), "2" (middle), and "3" (right-most). You do not have to use all three columns, but they are available if you want them.

Fund Balance Format

When printing a Balance Sheet, there is also an option to print it in a "Fund Balance" format which separates the account balances into "Operating", "Reserves" and "Other". You do not need a separate layout for this format, it is generated automatically off the standard Balance Sheet layout.

The following explains how a Balance Sheet Layout is designed.
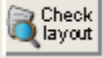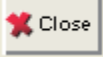
The window below shows an actual **Balance Sheet Layout**. It's easier to grasp how the layouts work to show an existing one then to cover how to Add a new one from scratch.

Balance Sheet Layout
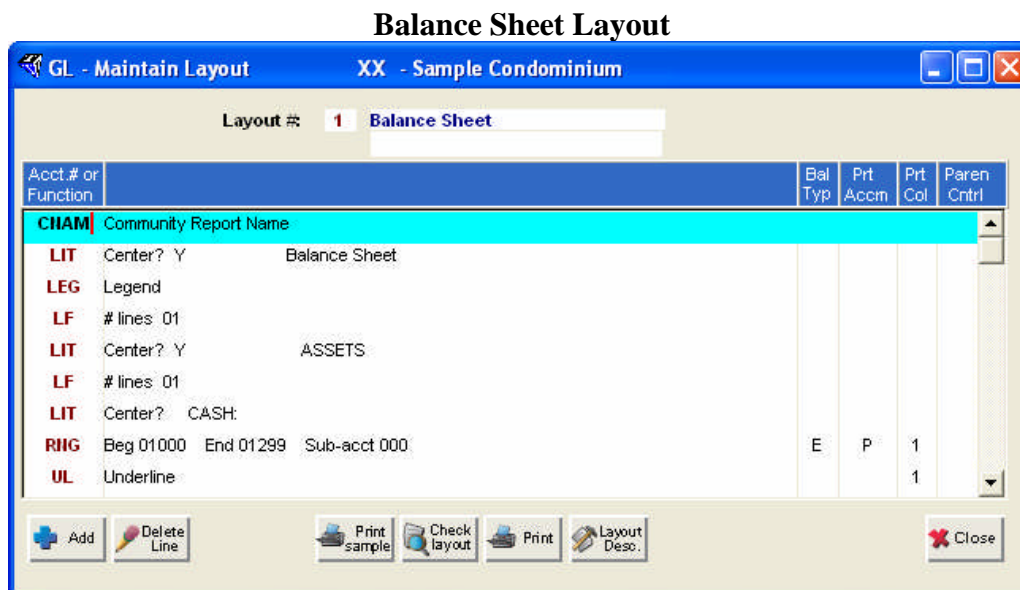
If you are editing or creating a new Balance Sheet layout, here are the things you need to know.

Acct # or Function	This column is where you enter a layout code (function), a GL Account # or a Range of Accounts. A list of the Functions and their descriptions is at the end of the Balance Sheet Layout section.
Description	This shows you a name for either the Function, the GL Account # or the GL Account Range for each line item in the layout.

Balance Type	This column is only active for lines with GL Account #'s or GL Account Ranges. For a Balance Sheet layout, the choices are: **E** = **Ending Account Balance** for the Reporting Period – this is the default for Balance Sheets. It shows the YTD account balance. **B** = **Balance at Beginning** of Reporting Period – select this Type to show the beginning account balances for the reporting period. **N = Net Change** for the accounting period. For lines with GL Account #'s or GL Account Ranges, you *MUST* select a Balance Type.
Print or Accumulate	For lines with GL Account #'s or GL Account Ranges, you have the option to print each balance individually, or accumulate the total into a one line sub-total farther down the layout. This lets you consolidate similar Balance Sheet accounts into a one line total. The Default is Print (P), but you may click the Accumulate box to use this consolidation feature. *Hint* – You must insert the Function Code "PAT" which means Print Accumulated Total somewhere underneath where you have "accumulated" some GL Account balances. More on this Function Code under the listing of Function Codes at the end of the Balance Sheet Layout instructions.
Print Column	For lines with GL Account #'s or GL Account Ranges, you have the option to designate which report column to print the balance in. The choices are: **1** Left Most Column **2** Middle Column **3** Right Most Column You also have the option of picking the columns for Underline and Sub-Total Function Codes.
Parenthesis Control	On the financial reports, parenthesis ( ) are used to enclose balances that are negative. Negative here means, not the normal account balance for this type of account. The choices are: • Enclose When Debit • Enclose When Credit In the Balance Sheet Layout, the Parenthesis Control column is only available for Sub-Total functions where you might want to reverse the presentation of the Sub-Total on the report to either show or not show the parenthesis ( ). For the most part, you would *ALWAYS* want to accept the default Parenthesis Control code for a Sub-Total line since it will be the correct way to present the Sub-Total on the report.
Add	Click the **Add** button to add a new line to the layout. To insert a new line between existing lines, simply click on the line

	ABOVE where you wish to insert the new line. Then click the **Add** button.
Delete Line	Highlight a line, then click the **Delete Line** button to remove the line from the layout.
Print sample	Click this button to **Print Sample** report showing the format of the layout.
Check layout	Click the **Check Layout** button to make sure you have included *ALL* the Balance Sheet accounts from the Chart of Accounts in the layout.
Print	Click the **Print** button to print the layout so you can proof or review it.
Layout Desc.	Click the **Layout Description** button to view or change the name and description you entered for this layout. It brings up the same window as you see when you are Adding a new layout.
Close	Click the **Close** button to exit from the layout saving any changes you made.

Important Note: Every Balance Sheet account in the Chart of Accounts, except those you may use as a label for a number range, <u>must</u> be included in the Layout. If not, you may find that the Balance Sheet may be "out of balance" because a G/L account with a balance is not included in the layout. You can use the **Check Layout** function to find any missing accounts.

Balance Sheet Function Codes

Function Codes give you better control and design over your financial statement layouts. The do things such as underline columns, Sub-Total groups of accounts, print report headings and other things.

The following is a list of Function Codes that can be used in a Balance Sheet Layout.

Function Codes

CNAM	The **Community Report Name** from the "Community Master File". As an alternative, you may enter the Name as a "LIT" which allows you to manually enter the community name.
LIT	A label or **heading** on the report. Example - the Community Name or the heading "Assets". A "Literal" can be "centered" automatically.
LEG	The report **"Legend"** prints the report date as well as sets up the correct column headings for the type of layout. You must have a LEG code line in the report before you start printing GL Account balances so the balance columns are formatted properly.
LF	Inserts a **Line Feed** at this point in the report. You would use a line feed to insert a blank line between a heading and a column of balances or between a Sub-Total and a Grand Total.
99999-999	A G/L Account # and Cost Center, if any, from the "Chart of Accounts"

	Wildcards
	If Cost Centers are active for this community, you may use the asterisk symbol (*****) for the Profit Center (Cost Center) to pick up ALL Profit Center for a particular main G/L Account #.
RNG	A "range" of G/L Account Numbers to be included in the "Layout". For example, you may want all your "Cash" accounts included on the Balance Sheet without having to enter each individual G/L Account Number. Using this Code, you can specify a "Beginning" and "Ending" Account #.
	Wildcards
	You may use the asterisk symbol (*****) for the Profit Center (Cost Center) to pick up ALL Profit Centers for a particular range of G/L Account #'s.
UL	Prints **underline** on reports in either column 1, 2 or 3.
DL	**Double underline** for significant totals on the Report in either column 1, 2, 3.
FF	**Form Feed** - ejects to top of next page. You would then want to put in the Report headings again.
PAT	**Print accumulated total** where you have been "accumulating" account balances for some G/L accounts rather than printing them on the Report individually.
BSNI	**Balance Sheet Net Income/Loss** figure for the current year. This is calculated automatically by the system and is needed to "balance" the report. It must be included in all Balance Sheet Layouts.
SUB1-9	A Subtotal level 1-9 to be printed on the report. Example - Subtotal 1 will total all G/L Acct balances from the *last* SUB1 forward. Subtotal 2 will total each of the Subtotal 1's in the Layout from the *last* Subtotal 2 to this one and so forth. You may type in the name of the Subtotal as you wish it to appear on the Report.

Here is an example of how the Sub-Totaling works in a financial statement:

Account #1000	$ 100.00
Account #2000	$ 200.00
SUB1 subtotal	$ 300.00 (totals the individual account balances)
Account #3000	$ 300.00
Account #4000	$ 400.00
SUB1 subtotal	$ 700.00 (totals the individual account balances)
SUB2 subtotal	$1,000.00 (totals the Sub1's into a Sub2 total)
Account #5000	$ 500.00
Account #6000	$ 600.00
SUB1 subtotal	$1,100.00 (totals the individual account balances)

	Account #7000 $ 700.00 Account #8000 <u>$ 800.00</u> **SUB1** subtotal $1,500.00 (totals the individual account balances) **SUB2** subtotal $2,600.00 (totals the Sub1's into a Sub2 total) **SUB3** subtotal $3,600.00 (totals the Sub2's into a Sub3 total)
	It might take a little playing with the Sub-Total function before you fully understand how it works, but the above shows the basics of the Sub-Totals.

Income/Expense Statement

Note that the P&L format includes both CURRENT PERIOD and YEAR-TO-DATE columns. Whenever you specify a P&L format, you always get these two columns. The BUDGET or PRIOR ACTUALS columns are optional; you specify whether you want them when you print the report.

The following explains how an Income/Expense Statement Layout is designed.

The window below shows an actual **Income/Expense Statement Layout**. It's easier to grasp how the layouts work to show an existing one then to cover how to Add a new one from scratch.

Income/Expense Layout
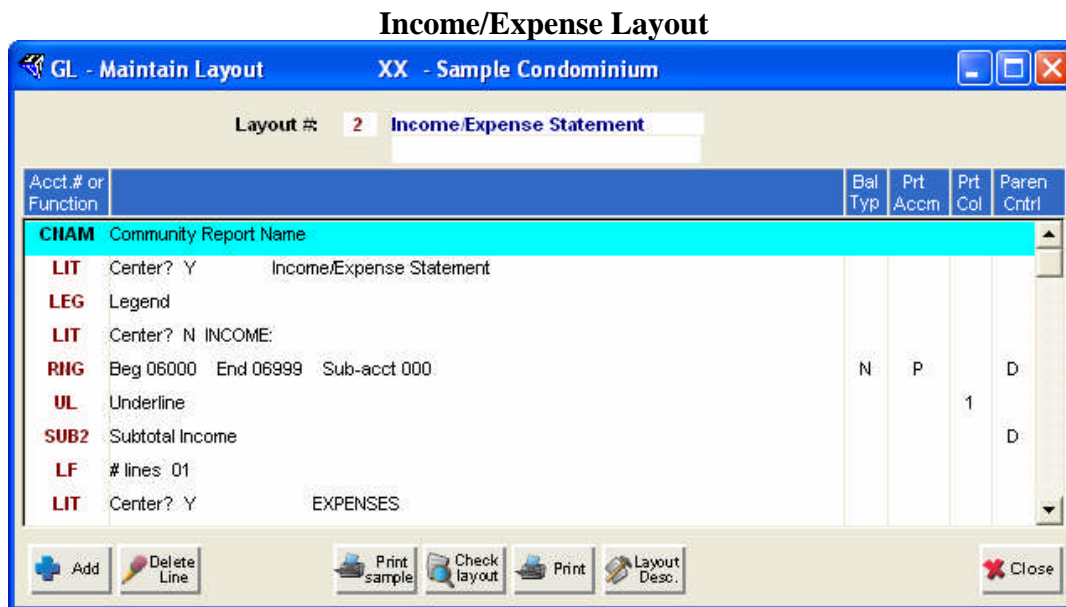
If you are editing or creating a new Income/Expense layout, here are the things you need to know.

Acct # or Function	This column is where you enter a layout code (function), a GL Account # or a Range of Accounts. A list of the Functions and their descriptions is at the end of the Income/Expense Layout section.
Description	This shows you a name for either the Function, the GL Account # or the GL Account Range for each line item in the layout.
Balance Type	This column is only active for lines with GL Account #'s or GL Account Ranges. For a Balance Sheet layout, the choices are: **N = Net Change** for the accounting period. This is the default for Income/Expense Statements. **B** = **Balance at Beginning** of Reporting Period – select this Type to show the beginning account balances for the reporting period. **E** = **Ending Account Balance** for the Reporting Period – it shows the YTD account balance, however, even when you pick Net Change above, by default, the Income/Expense Statement will

	always have a Year-To-Date column so you do not need to use this code to get that column on the report.
	For lines with GL Account #'s or GL Account Ranges, you *MUST* select a Balance Type.
Print or Accumulate	For lines with GL Account #'s or GL Account Ranges, you have the option to print each balance individually, or accumulate the total into a one line sub-total farther down the layout. This lets you consolidate similar Income or Expense accounts into a one line total. The Default is Print (P), but you may click the Accumulate box to use this consolidation feature.
	Hint – You must insert the Function Code "PAT" which means Print Accumulated Total somewhere underneath where you have "accumulated" some GL Account balances. More on this Function Code under the listing of Function Codes at the end of the Income/Expense Layout instructions.
Print Column	This is always fixed at 1. You do not need to change this setting, when the report is generated it will have the correct column format and position.
Parenthesis Control	On the financial reports, parenthesis ( ) are used to enclose balances that are negative. Negative here means, not the normal account balance for this type of account. The choices are:
	• Enclose When Debit
	• Enclose When Credit
	In the Income/Expense Layout, the Parenthesis Control column can be used for individual GL Account balances, Ranges of Accounts or Sub-Totals where you might want to reverse the presentation of the total on the report to either show or not show the parenthesis ( ). For the most part, you would *ALWAYS* want to accept the default Parenthesis Control code for a line since it will be the correct way to present the Sub-Total on the report.
	Reverse Sign – this is a similar option to the Parenthesis Control. Check mark this box to reverse the presentation of a GL Account balance, Range of Accounts or Sub-total to the *OPPOSITE* sign than the balance would normally be.
	Example – Income would be shown with parenthesis around the balances if this option was checked.
![Add button]	Click the **Add** button to add a new line to the layout.
	To insert a new line between existing lines, simply click on the line *ABOVE* where you wish to insert the new line. Then click the **Add** button.
![Delete Line button]	Highlight a line, then click the **Delete Line** button to remove the line from the layout.

Print sample		Click this button to **Print Sample** report showing the format of the layout.
Check layout		Click the **Check Layout** button to make sure you have included *ALL* the Income/Expense accounts from the Chart of Accounts in the layout.
Print		Click the **Print** button to print the layout so you can proof or review it.
Layout Desc.		Click the **Layout Description** button to view or change the name and description you entered for this layout. It brings up the same window as you see when you are Adding a new layout.
Close		Click the **Close** button to exit from the layout saving any changes you made.

Important Note: Every Income/Expense account in the Chart of Accounts, except those you may use as a label for a number range, <u>must</u> be included in the Layout. If not, you may find that the Income/Expense Statement may not "tie" to the BSNI (Balance Sheet Net Income) figure on the Balance Sheet because a G/L account with a balance is not included in the layout. You can use the **Check Layout** function to find any missing accounts.

Function Codes

CNAM	The **Community Report Name** from the "Community Master File". As an alternative, you may enter the Name as a "LIT" which allows you to manually enter the community name.
LIT	A label or **heading** on the report. Example - the Community Name or the heading "Income". A "Literal" can be "centered" automatically.
LEG	The report **"Legend"** prints the report date as well as sets up the correct column headings for the type of layout. You must have a LEG code line in the report before you start printing GL Account balances so the CURRENT PERIOD and YEAR-TO-DATE columns are formatted properly.
LF	Inserts a **Line Feed** at this point in the report. You would use a line feed to insert a blank line between a heading and a grouping of balances or between a Sub-Total and a Grand Total.
99999-999	A G/L Account # and Cost Center, if any, from the "Chart of Accounts" *Wildcards* If Cost Centers are active for this community, you may use the asterisk symbol (*****) for the Profit Center (Cost Center) to pick up ALL Profit Centers for a particular main G/L Account #.
RNG	A "range" of G/L Account Numbers to be included in the "Layout". For example, you would want all your "Income" accounts included on the Income/Expense Statement without having to enter each individual G/L Account Number. Using this Code, you can specify a "Beginning" and "Ending" Account #. *Wildcards*

	You may use the asterisk symbol (*****) for the Profit Center (Cost Center) to pick up ALL Profit Centers for a particular range of G/L Account #'s.
UL	Prints **underline** on reports under the preset report columns.
DL	**Double underline** for significant totals on the Report under the preset report columns.
FF	**Form Feed** - ejects to top of next page. You would then want to put in the Report headings again.
PAT	**Print accumulated total** where you have been "accumulating" account balances for some G/L accounts rather than printing them on the Report individually.
SUB1-9	A Subtotal level 1-9 to be printed on the report. Example - Subtotal 1 will total all G/L Acct balances from the *last* SUB1 forward. Subtotal 2 will total each of the Subtotal 1's in the Layout from the *last* Subtotal 2 to this one and so forth. You may type in the name of the Subtotal as you wish it to appear on the Report. Here is an example of how the Sub-Totaling works in a financial statement: Account #1000 $ 100.00 Account #2000 $ 200.00 **SUB1** subtotal $ 300.00 (totals the individual account balances) Account #3000 $ 300.00 Account #4000 $ 400.00 **SUB1** subtotal $ 700.00 (totals the individual account balances) **SUB2** subtotal $1,000.00 (totals the Sub1's into a Sub2 total) Account #5000 $ 500.00 Account #6000 $ 600.00 **SUB1** subtotal $1,100.00 (totals the individual account balances) Account #7000 $ 700.00 Account #8000 $ 800.00 **SUB1** subtotal $1,500.00 (totals the individual account balances) **SUB2** subtotal $2,600.00 (totals the Sub1's into a Sub2 total) **SUB3** subtotal $3,600.00 (totals the Sub2's into a Sub3 total) It might take a little playing with the Sub-Total function before you fully understand how it works, but the above shows the basics of the Sub-Totals.

This completes the manual section for Income/Expense Statement layouts.

Reserve Fund Statement

This report shows the Reserve "Fund" balances, not the Reserve cash balances. The Reserve "Fund" balances are a sub-section of the Equity section of your Chart of Accounts. This report has columns for "Fund" balances at the beginning of the current fiscal year, Contributions to Date, Expenditures to Date, and Ending Balance. '

Note that the Reserve Fund Statement has no CURRENT PERIOD or YEAR-TO-DATE columns, but does have three columns for visually separating subtotals and totals. These three columns are referred to as "1" (left-most), "2" (middle), and "3" (right-most). You do not have to use all three columns, but they are available if you want them.
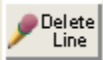
The following explains how a Reserve Fund Statement Layout is designed.

<table>
<tr><td colspan="2">The window below shows an actual Reserve Fund Statement Layout. It's easier to grasp how the layouts work to show an existing one then to cover how to Add a new one from scratch.

<p align="center">Reserve Fund Statement Layout</p>

If you are editing or creating a new Reserve Fund layout, here are the things you need to know.</td></tr>
<tr><td>Acct # or Function</td><td>This column is where you enter a layout code (function), a GL Account # or a Range of Accounts. A list of the Functions and their descriptions is at the end of the Reserve Fund Layout section.</td></tr>
<tr><td>Description</td><td>This shows you a name for either the Function, the GL Account # or the GL Account Range for each line item in the layout.</td></tr>
<tr><td>Balance Type</td><td>This column is only active for lines with GL Account #'s or GL Account Ranges. For a Balance Sheet layout, the choices are:

N = Net Change for the accounting period. This is the default for Reserve Fund Statements.

B = Balance at Beginning of Reporting Period – select this Type to show the beginning account balances for the reporting period.</td></tr>
</table>
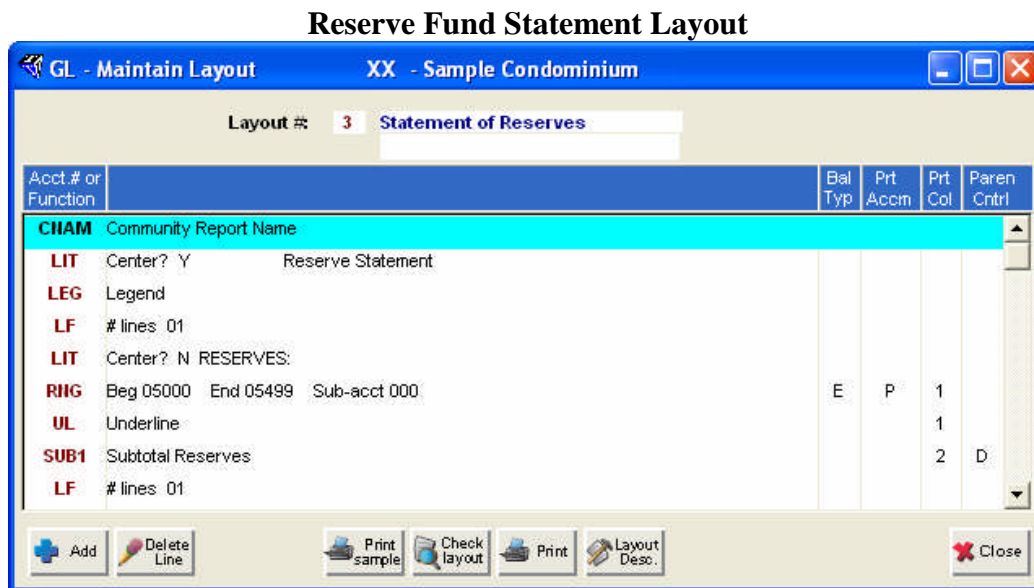
	E = **Ending Account Balance** for the Reporting Period. It shows the YTD account balance. For lines with GL Account #'s or GL Account Ranges, you *MUST* select a Balance Type.
Print or Accumulate	For lines with GL Account #'s or GL Account Ranges, you have the option to print each balance individually, or accumulate the total into a one line sub-total farther down the layout. This lets you consolidate similar Reserve Fund accounts into a one line total. The Default is Print (P), but you may click the Accumulate box to use this consolidation feature. *Hint* – You must insert the Function Code "PAT" which means Print Accumulated Total somewhere underneath where you have "accumulated" some GL Account balances. More on this Function Code under the listing of Function Codes at the end of the Reserve Fund Layout instructions.
Print Column	For lines with GL Account #'s or GL Account Ranges, you have the option to designate which report column to print the balance in. The choices are: **1** Left Most Column **2** Middle Column **3** Right Most Column You also have the option of picking the columns for Underline and Sub-Total Function Codes.
Parenthesis Control	On the financial reports, parenthesis ( ) are used to enclose balances that are negative. Negative here means, not the normal account balance for this type of account. The choices are: • Enclose When Debit • Enclose When Credit In the Reserve Fund Layout, the Parenthesis Control column is only available for Sub-Total functions where you might want to reverse the presentation of the Sub-Total on the report to either show or not show the parenthesis ( ). For the most part, you would *ALWAYS* want to accept the default Parenthesis Control code for a Sub-Total line since it will be the correct way to present the Sub-Total on the report.
➕ Add	Click the **Add** button to add a new line to the layout. To insert a new line between existing lines, simply click on the line *ABOVE* where you wish to insert the new line. Then click the **Add** button.
✎ Delete Line	Highlight a line, then click the **Delete Line** button to remove the line from the layout.

Print sample		Click this button to **Print Sample** report showing the format of the layout.
Check layout		Click the **Check Layout** button to make sure you have included *ALL* the Reserve Fund accounts from the Chart of Accounts in the layout.
Print		Click the **Print** button to print the layout so you can proof or review it.
Layout Desc.		Click the **Layout Description** button to view or change the name and description you entered for this layout. It brings up the same window as you see when you are Adding a new layout.
Close		Click the **Close** button to exit from the layout saving any changes you made.

Important Note: Every **Reserve Fund** account in the Chart of Accounts, except those you may use as a label for a number range, <u>must</u> be included in the Layout. If not, you may find that the Reserve Fund Statement will be missing accounts that are not included in the layout. You can use the **Check Layout** function to find any missing accounts.

Function Codes

CNAM	The **Community Report Name** from the "Community Master File". As an alternative, you may enter the Name as a "LIT" which allows you to manually enter the community name.
LIT	A label or **heading** on the report. Example - the Community Name or the heading "Reserves". A "Literal" can be "centered" automatically.
LEG	The report **"Legend"** prints the report date as well as sets up the correct column headings for the type of layout. You must have a LEG code line in the report before you start printing GL Account balances so the balance columns are formatted properly.
LF	Inserts a **Line Feed** at this point in the report. You would use a line feed to insert a blank line between a heading and a column of balances or between a Sub-Total and a Grand Total.
99999-999	A G/L Account # and Cost Center, if any, from the "Chart of Accounts" *Wildcards* If Cost Centers are active for this community, you may use the asterisk symbol (*****) for the Profit Center (Cost Center) to pick up ALL Profit Center for a particular main G/L Account #.
RNG	A "range" of G/L Account Numbers to be included in the "Layout". For example, you may want all your "Reserve - Buildings" accounts included on the Reserve Fund Statement without having to enter each individual G/L Account Number. Using this Code, you can specify a "Beginning" and "Ending" Account #. *Wildcards* You may use the asterisk symbol (*****) for the Profit Center (Cost Center) to

	pick up ALL Profit Centers for a particular range of G/L Account #'s.
UL	Prints **underline** on reports in either column 1, 2 or 3.
DL	**Double underline** for significant totals on the Report in either column 1, 2, 3.
FF	**Form Feed** - ejects to top of next page. You would then want to put in the Report headings again.
PAT	**Print accumulated total** where you have been "accumulating" account balances for some G/L accounts rather than printing them on the Report individually.
SUB1-9	A Subtotal level 1-9 to be printed on the report. Example - Subtotal 1 will total all G/L Acct balances from the *last* SUB1 forward. Subtotal 2 will total each of the Subtotal 1's in the Layout from the *last* Subtotal 2 to this one and so forth. You may type in the name of the Subtotal as you wish it to appear on the Report. Here is an example of how the Sub-Totaling works in a financial statement: Account #1000 $ 100.00 Account #2000 $ 200.00 **SUB1** subtotal $ 300.00 (totals the individual account balances) Account #3000 $ 300.00 Account #4000 $ 400.00 **SUB1** subtotal $ 700.00 (totals the individual account balances) **SUB2** subtotal $1,000.00 (totals the Sub1's into a Sub2 total) Account #5000 $ 500.00 Account #6000 $ 600.00 **SUB1** subtotal $1,100.00 (totals the individual account balances) Account #7000 $ 700.00 Account #8000 $ 800.00 **SUB1** subtotal $1,500.00 (totals the individual account balances) **SUB2** subtotal $2,600.00 (totals the Sub1's into a Sub2 total) **SUB3** subtotal $3,600.00 (totals the Sub2's into a Sub3 total) It might take a little playing with the Sub-Total function before you fully understand how it works, but the above shows the basics of the Sub-Totals.

Financial Statements with Cost Centers

In order to be able to print financial statements with Cost Centers, you must make sure the financial statement layouts are setup correctly. If the financial statement layouts are properly setup, then you can have financial statements print for just a selected Cost Center or print a combined financial statement which includes all Cost Centers.

Reports	From the GL Menu, click on the **Reports** menu tab.

You will see the GL Reports menu:

Click on the Maintain Layout button.

You will see the window to select the Financial Statement Layout to check:
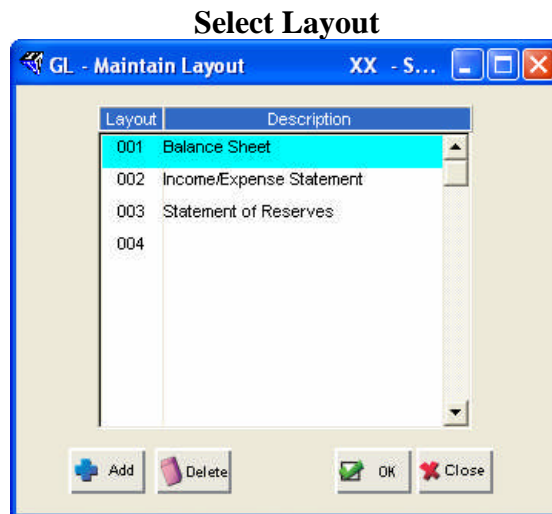
Select Layout

Let's use the Income/Expense Statement as an example for activating Cost Centers.

You will see the Income/Expense Statement layout:

Financial Statement Layout
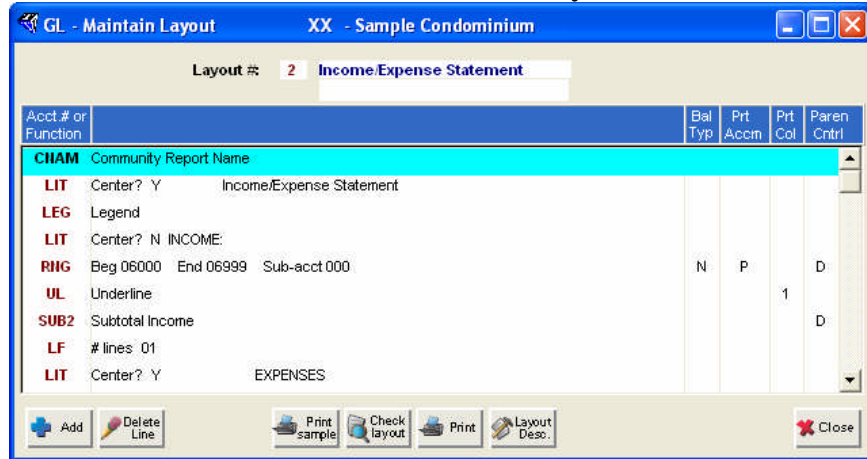
This shows the beginning of the layout. You want to scroll down till you see where the GL Account #'s are displayed.

When you see the first set of GL Acount #'s displayed, stop there:

Financial Statement Layout
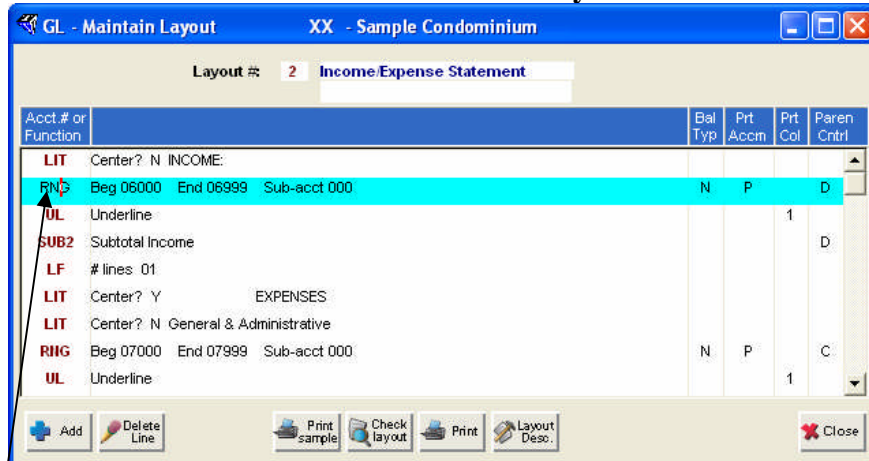
If you wish to activate the Cost Centers so they work with this GL Account (Acct) or range of accounts, (**RNG**) double click to open it.

When you open the Account # or range of Account #'s to edit, it will look like this:

Account Range

Notice the field named "Sub-Account". This is the same as Cost Center. If is displays "000" then it means it will NOT include any Cost Centers when this Account or range of Accounts is printed. It will print only for Cost Center "000".

To activate the Cost Centers so they print on financial statements, you must change the "000" to an asterisk (*) to represent a wildcard of "All" for the Cost Centers.

Activate Cost Center

Enter the asterisk (*) into the Sub-Account field, then click OK. This will activate the wildcard so that financial statements will print including ANY Cost Centers where balances exist for the GL Account # or range of Account #'s.

By using the asterisk (*) as a wildcard in the Financial Statement Layouts, you can also print Financial Statements for just a selected Cost Center rather than ALL Cost Centers. Using the asterisk (*) gives you maximum flexibility in your print options on financial statements.

Here's what an Income/Expense Statement Layout would look like after activating Cost Centers in the Layout:

Cost Centers Activated

The Cost Centers are activated for the GL Account ranges using the asterisk (*) as a wildcard.

You would want to follow this same procedure for the rest of the GL Accounts in each of your Financial Statement Layouts – Income/Expense, Balance Sheet and Reserve Fund Statement.

Once you are done with this step in the Financial Statement Layouts, you are ready to print financial statements with Cost Centers. Here's what the window would look like when printing an Income/Expense Statement:

Income/Expense Statement with Cost Centers

Notice the Cost Center options now available when Cost Centers are active. You can print a financial statement for just a select Cost Center or ALL Cost Centers. When using the option to print for ALL Cost Centers, select the Consolidate Cost Centers option to consolidate the Cost Centers into just one line item on the report for each main GL Account #.

The completes the section on the use of Cost Centers in financial statements.

Accounting Periods

INTRODUCTION

You can define any "Fiscal Year" you wish for a community, meaning, the year can be the same as a calendar year or a non-calendar fiscal year. The accounting periods can be months or they can be bi-months or quarters. Just as long as you can enter a date range for a period, the system will let you define any periods you wish.

The "Fiscal Year" can be up to thirteen "Accounting Periods" in the event you are change the fiscal year end for the community. It is used by the General Ledger for keeping track of financial transactions within the defined year and generating reports. Regardless of the year defined, you may continue into the next year while still working to close the previous year. TOPS Software is totally "date sensitive", meaning, it knows how to place General Ledger transactions into the correct accounting periods by the date of the transaction.

You also define the *"Current Period"* within the "Fiscal Year" which the system recognizes when making General Ledger entries and printing reports. As you begin to work to close each period in the General Ledger it is recommended that you change the "Current Period" to the one you wish to close so those dates are recognized as current by the system and used as the defaults when printing GL reports.

Closed Accounting Period Protection

If the Closed Period protection has been activated in the GL Control File, it will stop users from posting transactions dated in any closed periods. This is to protect against changing GL balances for closed periods where financial statements have already been distributed. This protection can be overridden by users who have the correct password setup by the accounting administrator in the GL Control File.

Maintain Accounting Periods

Acct. Periods	From the General Ledger menu, click the **Accounting Periods** menu tab.

You will then see the **Accounting Periods Summary** window:

Accounting Periods Summary
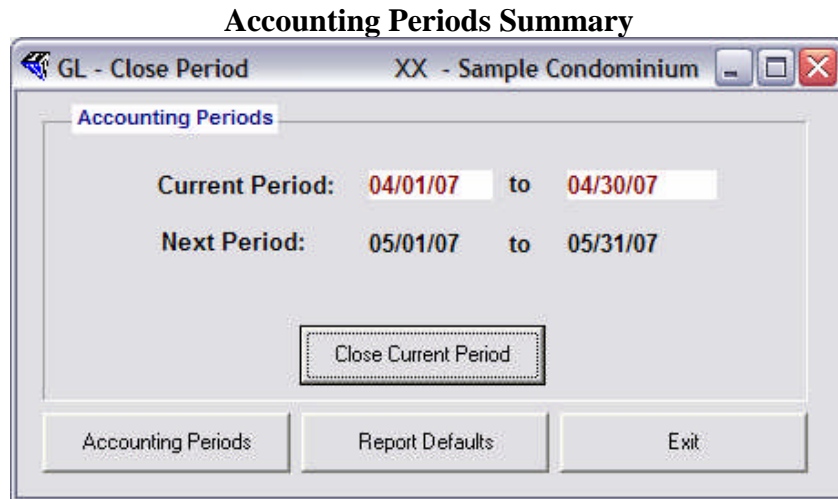
This window shows the Current Period date range as well as the Next Period date range. This is intended to help you when closing a month and moving from the Current Period to the Next Period.

From this window you can also perform some functions. We'll cover each of these functions on the following pages.

	Click the **Close Current Period** button to move the Next Period dates to the Current Period. The Current Period dates are used as defaults in several places throughout the software so by taking this action after closing the books for a period, it makes it more convenient for all users working on this community.

Once you click the Close Current Month button, you see this confirmation message:
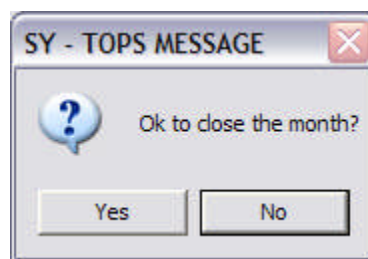
Click **YES** to proceed. Click **NO** to leave the Current Period unchanged.

Closed Period Protection

Clicking the Close Current Period button does nothing except advance to the Next Period. No entries are posted and no changes are made to the General Ledger. It is simply a date control for the convenience of the user.

However, if the Closed Period protection has been activated in the GL Control File, then advancing to the Next Month will stop other users from posting transactions dated in any closed periods. This protection works in all accounting modules throughout the software, not just the General Ledger module. This protects against changing GL balances for closed periods where financial statements have already been distributed. This protection can be overridden by users who have the correct password setup by the accounting administrator in the GL Control File.

Change Accounting Periods

Accounting Periods	To view or change the actual accounting periods, click the **Accounting Periods** button on the Accounting Periods Summary window.

This will show you the Current Fiscal Year. You will see the Accounting Periods as they are setup for this community:

Current Fiscal Year

Notice you can have up to 13 Accounting Periods. The extra accounting period might be needed if you change the fiscal year of the community.

We'll cover each item on the Accounting Period window.

Periods 1 – 13	The number of each Accounting Period. You define what each of these periods is called and the date range of the period as described below.

Description	This is the name you wish to call each accounting period. You can enter a name for each period, such as, "1st Quarter", "2nd Quarter", etc.

If the accounting periods are months, use the down browse arrow ▼ to open up the months selector.

Months Selector

If you use the months as the Description, once you give it the starting month, it will give the rest of the months to you in order from there. |
| **Start** | This is the **Start Date** for the accounting period. Enter is as:

030107 = March 1, 2007

Never enter the slashes (/) between the dates. |
| **End** | This is the **End Date** for the accounting period. Enter is as:

033107 = March 31, 2007

Never enter the slashes (/) between the dates. |
| **Closed** | If you activated the Closed Period Protection in the GL Control File, then this column will show checkmarks ☑ next to any period that is "closed", meaning, transactions cannot be dated in these period anywhere in the software, not just in the General Ledger, without knowing the override password. This is designed to prevent users from changing balances in closed periods where financial statements had already been released.

With Close Period Protection, the only 2 periods that are open for posting transactions are the Current Period and the Next Period. |
| **Current Period #** | This shows the Period # and the Date Range for the Current Accounting Period. To change the Current Accounting Period, simply type the Period # in the first entry box.

Rather than change it manually here each month, we recommend that you use the Close Month button described above which then takes care of moving the Next Month into the Current Month for you. |

Clear	Click the **Clear** button to erase the Accounting Periods so you can re-enter them with different Descriptions and Date Ranges.

Clear—Re-Enter Periods
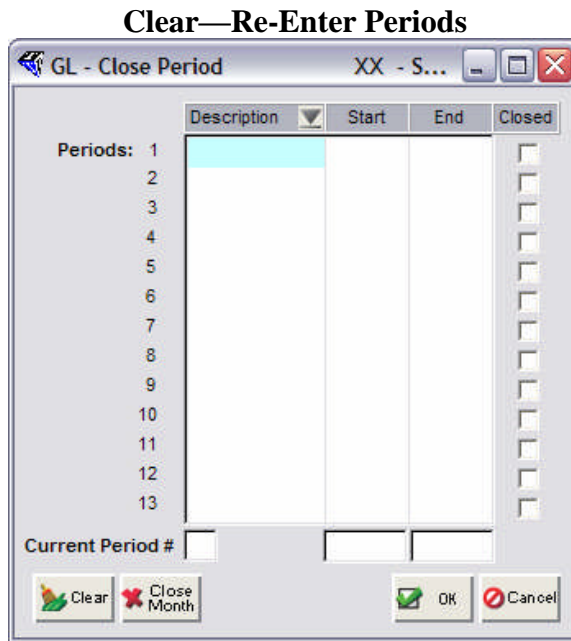
Enter the Descriptions, then the Start and End Dates for each period. Press the TAB key to move from column to column and from line to line.

Close Month	Click the **Close Current Period** button to move the Next Period dates to the Current Period.
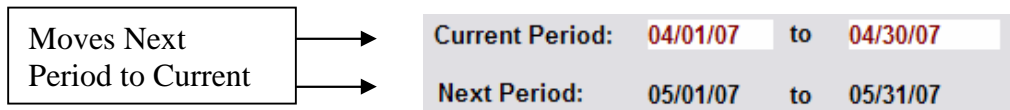
The Current Period dates are used as defaults in several places throughout the software so by taking this action after closing the books for a period, it makes it more convenient for all users working on this community.
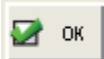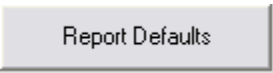
OK	Click **OK** button to accept the Accounting Periods as displayed.
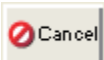
Cancel	Click the **Cancel** button to exit from the Accounting Periods without saving any changes.

Report Defaults

A Reports Defaults report package lets you setup a group of reports from different accounting modules so you may conveniently print the package, like a Board Reports package, with just a few clicks of the mouse rather than going to each module to print the reports individually.

Report Defaults	Click the **Report Defaults** button to print a reports package you have already defined for this community
	This button merely gives you another place to print a reports package, you must first setup the reports package under the "Automate" menu on the File toolbar, then select the "Set Report Defaults" menu choice.

When you click the **Reports Defaults** button, you will see the window for selecting a reports package.

Select Reports Package
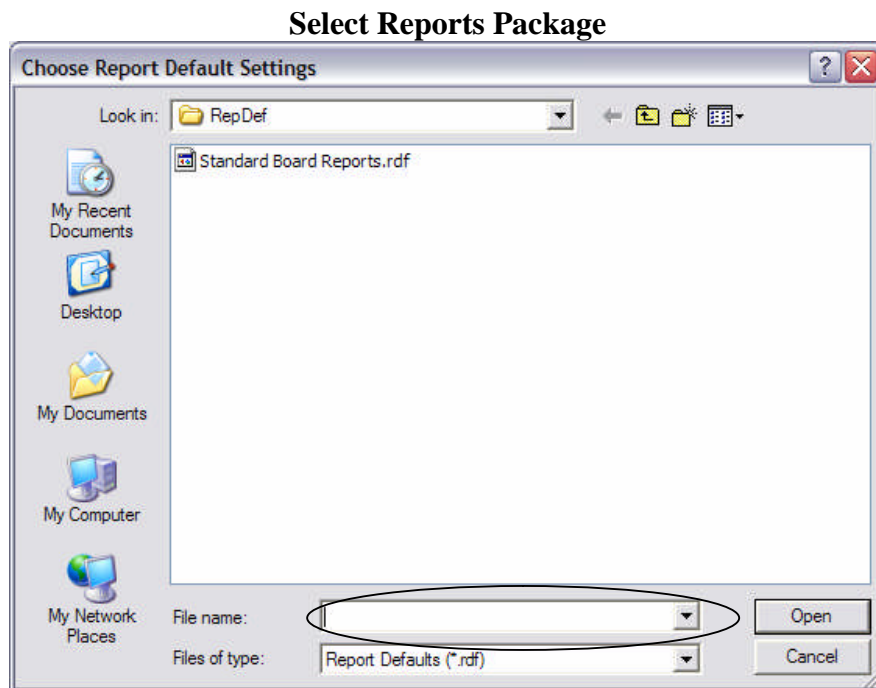
You will only see the report packages that have been defined for this community. To select a report package, either double click on the one you wish or use the down browse arrow ▼ next to the File Name entry box to see the available report packages.

If you clicked on the down browse arrow ▼ next to the File Name entry box to see the available report packages, you will see the choices listed:

File name: [   ] ▼
C:\TOPS2000\MASTER\RepDef\Standard Board
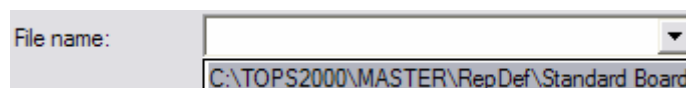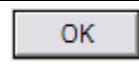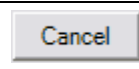
You will only see the report packages already defined under the "Automate" menu on the File toolbar, through the "Set Report Defaults" menu choice.

Once you select the Report Defaults report package, you will see the date entry window:

Date Entry
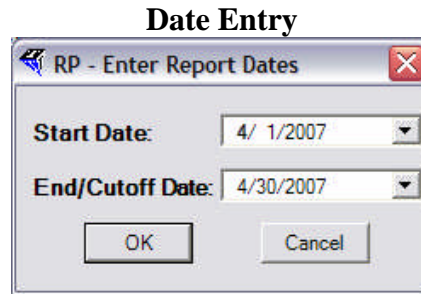
Enter the **Start Date** and the **End/Cutoff Date** for the reporting package. The reports package will be printed using these dates.

OK	Click the **OK** button to proceed with the report package printing.
Cancel	Click the **Cancel** button to exit without printing the report package.

If you click the **OK** button, you will see a number of processing messages like the one below as the report package is generated:

Processing Messages
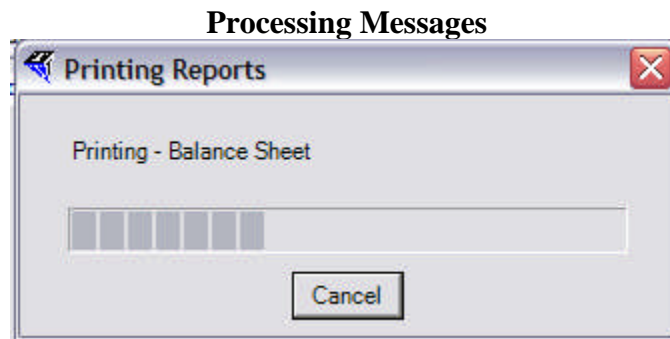
Depending on the report package selected, it may take a minute or more to generate the entire report package. After the Report Defaults report package is generated, it will either give you print options or generate a PDF package depending on the options set in the Report Defaults.

This completes the manual section on Accounting Periods.

Close Year

INTRODUCTION

Use this function to close your General Ledger at the end of your accounting year. You can, however, continue with all the accounting for your new year until you are ready to close the previous year. TOPS Software knows how to keep the previous years transactions separate from the new year.

When you "close" a year it does the following:

1. **G/L Detail**

    Gives you two options for handling the GL transaction detail:

    - Preserve Previous Year GL transaction detail – Taking this option will allow you to reprint any GL reports for the previous year. This is the default option.

    - Clears all transactions from the General Ledger for the year being closed. (Transactions already entered for the new year are left unchanged.) In this case, Balance Sheet Accounts have a balance forward while Income/Expense (P & L) Accounts are zeroed out.

2. **Reset Income/Expense Accounts**

    This does two things:

    - Sets all profit and loss accounts to zero for the next fiscal year regardless if you elect preserve the GL detail or not—although the Income/Expense transaction detail is kept for the previous year if that is the option selected above.

    - Makes an entry to the "Retained Earnings" account for the net income (or loss) for the year just ended.

3. **Update Fiscal Year Dates**

    Sets the accounting period dates for the next year by adding one year to all accounting period dates. Also updates the Current Period date to the first accounting period in the new fiscal year.

4. **Prior Actuals**

    Moves the current year actuals to the "Prior Actuals" (the past year's actual G/L balances for each period) stored in the Chart of Accounts file. The Prior Actuals can be printed on certain GL reports as a point of comparison with the current year.

5. **Budgets**

    Gives three options for dealing with the community's Budgets:

    - Leave Budgets "as is"

    - Clear Budget figures (set all to zero)

    - Move Next Year Budget to Current Year

Before performing the Year End Close for the General Ledger, we recommend that you make a permanent record and Backup of the activity for the fiscal year. We recommend you take the following actions *BEFORE* you do the closing:

1. Print a final Income/Expense (P & L) Statement for the year.
2. Print a final Balance Sheet for the year.
3. Print a cumulative, full detail General Ledger (make the date range be the entire fiscal year - Ex. 010107 - 123107).
4. Make a backup of all your data files. Do this on tape, CD, DVD or whatever media you use. You would want to keep this as a permanent backup of this community before you do the Year-End Close of the GL.
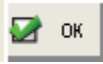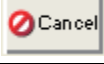
   You may also subscribe to the TOPS Internet Backup Service (IBS) where you can store a permanent year-end backup of each community. This has the advantage of always being available to you without the worry that you have with media backups that the media may be unreadable when you wish to restore your data.

   For more information on the TOPS Internet Backup service, contact TOPS Sales are 800-760-9966 or visit the web site www.topsbackup.com.

GL Year-End Close

Close Year	Click the **Close Year** button tab on the GL Menu to start the process of closing out the fiscal year.

When you click the **Close Year** menu tab, you will see this window:

GL Year-End Close

It is important to pause here and examine the year-end close window carefully since there is no automatic way to "undo" the year-end close once it is completed. That is the reason the STOP sign is shown in this window. It is very important that you stop and double-check before proceeding.

We'll explain each element in this window.

Closing Date	This should be the year-ending date for the fiscal year just ended. The date should ALWAYS be the last day of the fiscal year.

	12/31/07 *Warning* Make sure your "Accounting Periods" are still set to the old year being "closed". DO NOT UPDATE THE "ACCOUNTING PERIODS" FOR THE NEW YEAR. This will be done automatically for you as part of the closing. It is imperative that the 12th period in the "Accounting Period" file still be set at the last month of the PREVIOUS Fiscal Year. If you see another year-end date showing as the default, as shown above, there is a problem. You should *NOT* proceed with the year-end closing until you have reset the fiscal year back to the year-just ended.
GL Detail	You have two options for handling the GL transaction detail: • **Preserve G/L Detail** – This retains all the GL transaction detail for the previous year. Taking this option will allow you to reprint any GL reports for the previous year. This is the default option. • **Purge G/L Detail** - In this case, Balance Sheet Accounts have a balance forward while Income/Expense (P & L) Accounts are zeroed out. If you take this option, you will NOT be able to reprint GL reports for the previous year. You must choose one or the other option, we recommend you take the default which is to Preserve G/L Detail.
Current Budget	These are options for dealing with the Current Year's Budget that is already entered in TOPS Software. Current Budget - 2007 ⦿ Leave budgets as they are ○ Set budgets to zero ○ Move next year budgets This is the actions taken by each option: • **Leave budgets as they are** – does nothing to the Current Year's Budget. Generally, you would take this option if you have already entered Next Year's Budget into the Current Year. • **Set Budgets to Zero** – Clears the Current Year's Budget so that each budget is set to zero. • **Move Next Year Budgets** – If this option is checked, the Next Years Budget will be moved into the Current Budget during the Year-End Close of the GL. It also opens up other budget options as described below.
Next Year's Budget	If you selected the budget option of Move Next Year Budgets, you will see these further budget options become active so you can select which budget option you wish for handling Next Year's Budget • **Clear Next Year's Budget** – Moves Next Year's Budget to the

	Current Year, then sets the Next Year's Budget figures to zero.
	• **Leave Next Year's Budget "as is"** – Moves Next Year's Budget to the Current Year, then leaves the Next Year's Budget as it is so it can be used over again for developing the following year budget.
☑ OK	Click the **OK** button to proceed with the Year End Closing of the General Ledger.
⊘ Cancel	Click the **Cancel** button to exit without proceeding.
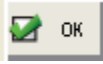
You will see this window for entering the Budget Labels for the 3 years available – Previous, Current and Future (Next) Fiscal Years.

Budget Year Labels

Each of the Budget Year Labels is used in the following fashion:

- **Previous Year Label** – This is the label for the year AFTER you have completed the General Ledger Year-End Closing.
- **Current Year Label** – This is the label for the Current year AFTER you have completed the General Ledger Year-End Closing.
- **Future Year Label** – This is the label for the Future (Next) year AFTER you have completed the General Ledger Year-End Closing.

If you are uncertain how to label the years, you can just leave this "as is". You can go back under the Chart of Accounts, Budget Entry, Budget Utility, Change Year Description to enter the Budget Years.

☑ OK	Click the **OK** button to proceed with the Budget Year Labels as displayed.
⊘ Cancel	Click the **Cancel** button to exit from the Year-End Closing.

You will see the Warning letting you know you are going to affect the General Ledger and that you should be sure you want to take this action before proceeding.

Warning
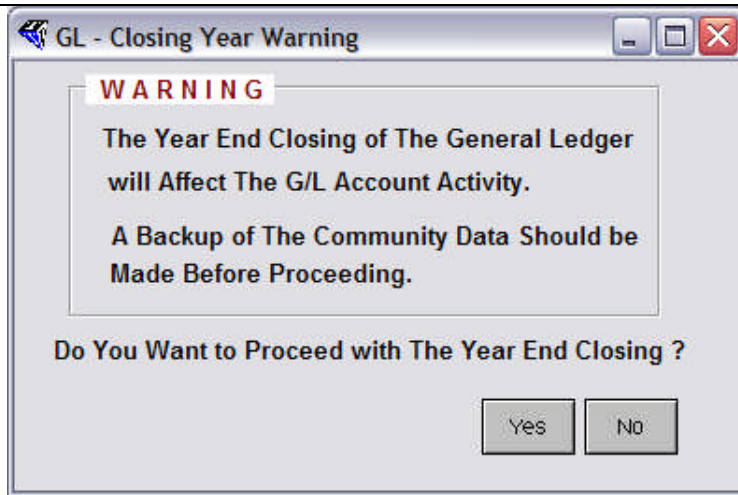
Make sure you want to Close the General Ledger for the Current Fiscal Year before proceeding.	
Yes	Click the **Yes** button to close the General Ledger for the Current Fiscal Year.
No	Click the **No** button to exit without proceeding with the Year-End Closing.

Reclose Previous Fiscal Year

This option lets you go back to Reclose the General Ledger for the Previous Fiscal Year. You would want to do this if you have backdated Income or Expense account balances for the Previous Fiscal Year that were NOT closed to Equity when the Year-End Close was performed originally.
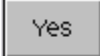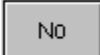
Having unclosed Income or Expense transactions for a Previous Year will put the Balance Sheet out of balance. It does this to force you to find and fix these backdated transactions. Backdated transactions to Balance Sheet accounts does not put the Balance Sheet out of balance—only Income and Expense account transactions.

Reclose Prev. Year	Click this button to Reclose the General Ledger for the PREVIOUS Fiscal Year.

You will see the Warning letting you know you are going to affect the General Ledger and that you should be sure you want to take this action before proceeding.

Warning
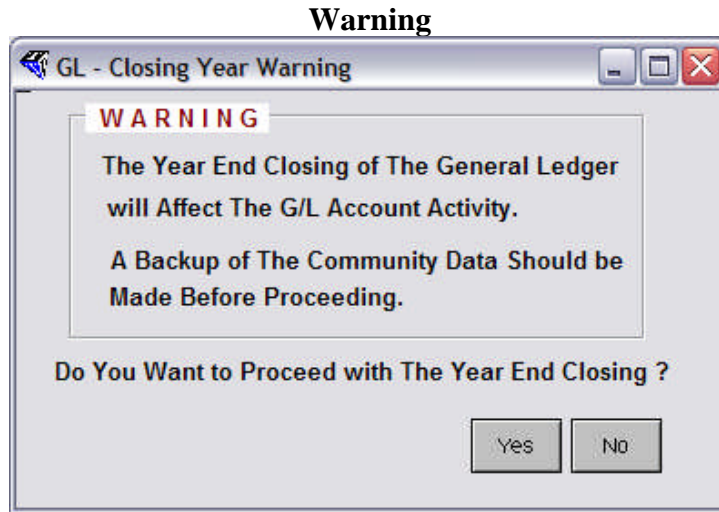
Make sure you want to Reclose the General Ledger for the Previous Fiscal Year before proceeding.

Yes	Click the **Yes** button to proceed with the Reclose of the Previous Year's General Ledger over again.
No	Click the **No** button to exit the Reclose Previous Year without proceeding.

This completes the manual section on General Ledger Year-End Closing.

Control Info

INTRODUCTION
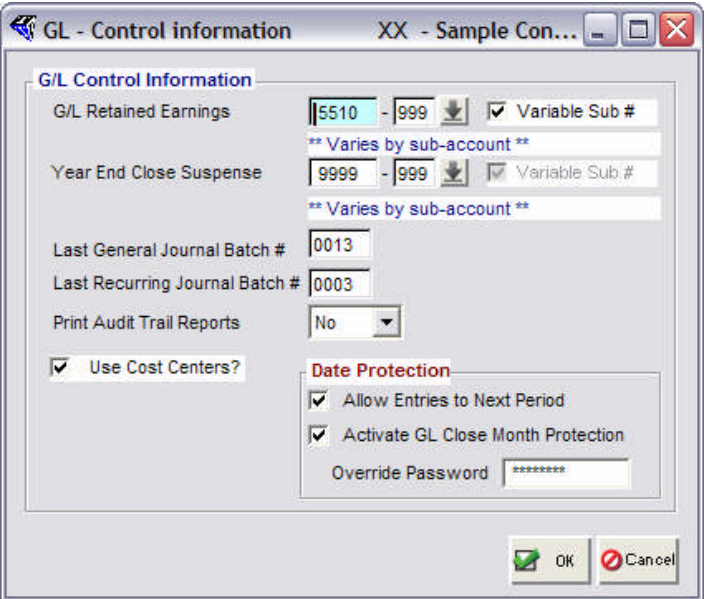
The *"G/L Control Info"* let's you configure the handling of certain General Ledger functions. For example, you can elect to "turn-off" printing Audit Trail reports, such as Journal Entry Posting Registers. Further, through the G/L Control Info you can specify the "Retained Earnings" Account # where the system will automatically close Income/Expense Balances at the end of the year. You can also activate or de-activate the use of Cost Centers.

This file is setup on the Community Setup Menu as part of the General Ledger setup. See that section for more details. We will just cover how to maintain the file once it has been setup initially.
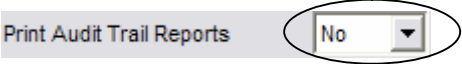
Close Period Protection

This is simply a date control which is activated in the GL Control Info to prevent posting entries to closed accounting periods. This protects against changing balances for closed periods where financial statements have already been distributed.   If activated, the control works throughout the software in all accounting modules, not just in the General Ledger module. This protection can be overridden by users who have the correct password setup by the accounting administrator in the GL Control File. If you wish to activate this control, you do it here in the GL Control Info as well as setup the "override" password that allows posting to closed periods.

Maintain Control Info

Control Info	From the G/L Menu click on **Control Info**.
You will see the **GL Control Info** window: **GL Control Info** We'll explain each element in this window.	

G/L Retained Earnings	The G/L Account # from your Chart of Accounts that you wish to have the year end Income/Expense balances close into when you perform the "Year End Close" function in the General Ledger. This account should be on the Balance Sheet and defined as an Equity account in the Chart of Accounts. Either enter the GL Account # directly or use the down browse arrow ⬇ to select the account from the Chart of Accounts.
	When you perform the GL Year-End Close, this is the account that will automatically be used to book the net income or net loss for the year being closed.
	If Cost Centers have been activated, the Retained Earnings account can have a Cost Center appended to it or you can use the Variable Cost Centers option described below. If Cost Centers have not be activated for the community, you can only enter a main GL Account # from the Chart of Accounts.
Variable Sub #	If Cost Centers have been activated for this community, you can checkmark this option to have the Retained Earnings entry from the GL Year-End Close use the Cost Centers for the Income/Expense closing so that Retained Earnings is broken down by Cost Center. Checkmarking this option will insert a "999" into the Cost Center field.
	If you do not have Cost Centers activated, you cannot checkmark this option.
Year End Close Suspense	This account # should be at the end of your Chart of Accounts after all your income and expense accounts. It is used when performing the GL Year-End Close to keep the General Ledger in balance when you are retaining the previous year's transaction history.
	We recommend using account "9999" or "99999" since this account is not likely to be used as an active account for any transactions. The balance in the Year End Suspense Account is ignored when printing financial statements for either the Current Year or Previous Year.
	An account # is required here if you wish to retain the previous year GL transaction history.
Last General Journal Batch #	This is where the system tracks the last Batch # used in making Journal Entries. Each time you start a new Journal Entry, the next Batch # is assigned.
	Although you can change the last # stored here, you should never need to change it under normal circumstances.

Last Recurring Journal Batch #	This is where the system tracks the last Batch # used in making Recurring Journal Entries. Each time you start a new Recurring Journal Entry, the next Batch # is assigned. Although you can change the last # stored here, you should never need to change it under normal circumstances.
Print Audit Trail Reports?	You can elect to suppress the printing of posting registers when making Journal Entries or Recurring Journal Entries. You could then use the "Source Reprint" report on the "Print Reports" menu to print a copy of all parts to a General Ledger entry. This option is designed to let you control your paper usage. Print Audit Trail Reports No ▼ This is a YES or NO answer. If answered NO, you will not see a printer selection when posting Journal Entries.
Use Cost Centers?	Cost Centers are 3 digit numbers that can be appended onto the main GL Account # to breakdown balances into more detail. For example, Cost Centers might be used for the following: • Departmental Expense Tracking • Building Accounting • Section Accounting • Master Association with Sub-Associations See GL Appendix titled Cost Centers for more information on the use of Cost Centers in TOPS Software. Checkmark Cost Centers if you wish to activate them for this community. If activated, then the following is an example of a main GL Account # with a Cost Center appended to it. Example – 7280-300 Insurance Expense – Ridge area If activated, you can print financial statements for a selected Cost Center to isoloate just those income or expense items or print a consolidated financial statement which includes ALL Cost Centers.

Date Protection	If activated here, the **Date Protection** prevents posting transactions to closed periods or future periods unless the user know the Override Password.
	This protects against changing balances for closed periods where financial statements have already been distributed. If activated, the control works throughout the software in all accounting modules, not just in the General Ledger module.
	You will see these options under the **Date Protection**:
	• **Allow Entries to Next Period** – If checked, it allows entries to be made to the future accounting period. Generally, we recommend allowing entries for the Next Period so that the accounting staff may continue on with AR and AP transactions in the Next Period while still working to close the Current Period.
	• **Activate GL Close Month Protection** – If checked, it will prevent transaction entries from being posted to any "Closed" accounting periods. You can see what accounting periods are closed by looking at the Accounting Period file on the GL Menu. A checkmark will show in the "Closed" column next to all Closed accounting periods.
	Override Password – If you have activated the Close Month Protection, you can setup an Override Password here. If a user knows the Override Password, they will be permitted to post transactions to "Closed" accounting periods.
	For security reasons, the Override Password is not displayed except at the time of entry. Instead, you will see asterisks (*****) marking the characters in the password.
	If you activate Closed Period Protection, you should check the Users & Passwords under Adminstration to make sure you do not give unauthorized users access to the GL Control File where they could change the Override Password.
☑ OK	Click the **OK** button to accept any changes made to the GL Control Info.
⊘ Cancel	Click the **Cancel** button to exit the GL Control Info without saving any changes made.

This completes the manual section on GL Control Info.

Appendix A – Balance Sheet Out of Balance

Occasionally, you might print a Balance Sheet and find that it is "out-of-balance"—meaning, the Assets total does not equal the Liabilities and Equity total. This situation does not necessarily mean the General Ledger is out-of-balance, that seldom happens since there is protection to make sure debits and credits equal each other. Rather, an out-of-balance Balance Sheet is trying to let you know you have a problem which you need to correct which is affecting the Balance Sheet.

There are several causes for the Balance Sheet to be out-of-balance. We'll explain each cause and the remedy to correct the problem.

Backdated Income/Expense Transactions

By far the most common cause of an out-of-balance Balance Sheet is a transaction to an Income/Expense account that is dated back into the previous fiscal year. This can occur through the Accounts Payable when paying an old bill or voiding a check (Cash Accounting only) dated in the previous fiscal year. It can also occur through the Accounts Receivable module when making an owner adjustment entry or recording an NSF owner payment.

No matter how it happened or where the transaction comes from, the problem is that the transaction is posted to the previous fiscal year *AFTER* the General Ledger year-end closing has been done for the community. That means the General Ledger has an "unclosed" balance in an Income/Expense account which has not been recorded in the Retained Earnings account with the rest of the Income/Expense balances for the previous year. The Balance Sheet will be out-of-balance until you reverse the transactions or reclose the previous fiscal year.

Diagnosis:
Follow these steps:

1. From the toolbar, select **Utilities**, then **Check/Repair GL**. You will see this window:

Check/Repair GL Utility
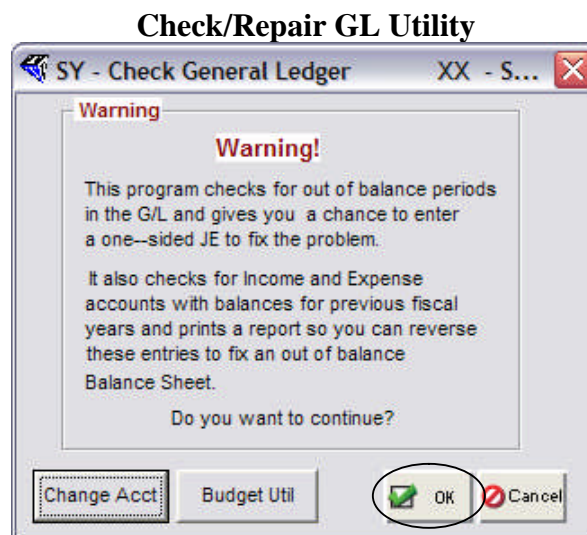
2. Click the **OK** button. This will start a scan of the General Ledger looking for problems.
3. If there is a backdated Income/Expense transaction in the previous fiscal year, you will

see a printer selection. It will print a report showing any "backdated" transactions that need to be fixed.

Solution:

If a report printed when you ran the Check/Repair GL utility, you have backdated Income/Expense transactions in the General Ledger. There are three ways to solve this problem:

1. **Manually Close** – Make a Journal Entry with the SAME DATE as the backdated transaction(s) to the same GL account #. The offsetting entry should be to the Retained Earnings account (found in the GL Control Info). Post the entry, then run the Check/Repair GL utility again to make sure there are no other backdated transaction and that you made the journal entry correctly.

2. **Reverse Entry(s)** – Make a Journal Entry that reverses the entry. If you are uncertain about the other sides of the original transaction in the General Ledger, use the Source Reprint on the GL Reports menu to find all sides of a backdated entry so you can reverse it. Once reversed, run the Check/Repair GL utility to make sure there are no other backdated transactions and that you made the journal entry correctly.

3. **Reclose Previous Year** – This will automatically find any "unclosed" transactions and make the appropriate entries to close the Income/Expense accounts for the previous fiscal year. But this is a riskier method for fixing the out-of-balance Balance Sheet because of the possibility of entering the wrong year-end closing date or mistakenly taking a budget option.

   From the GL menu, go to Close Year. You will see this window:

   Click the **Reclose Prev Year** button. Be sure the Budget Option is set to – *Leave budgets as they are*.

   Click the **OK** button to proceed.

   Once the Reclose Previous Year is complete, we recommend that you run the

Check/Repair GL utility again to make sure there are no other problems with the General Ledger.

Account Missing from Layout

Every account in the Chart of Accounts needs to be in either the Income/Expense Statement or Balance Sheet layout. If you add a new account to the Chart of Accounts, you need to make sure it will be included in either the Income/Expense or Balance Sheet financial statement layouts. Using the "Range" function in the financial statement layouts is a good way to prevent this problem from occurring.

There is a utility within the financial statement layouts to check the layouts against the Chart of Accounts, then print a report showing any accounts in the Chart of Accounts that are missing from the layouts.

Diagnosis:

Follow these steps:

1. From the **GL Menu**, select **Reports**, then **Maintain Layouts**. Select the Balance Sheet Layout first. Then you will see this window:

Balance Sheet Layout
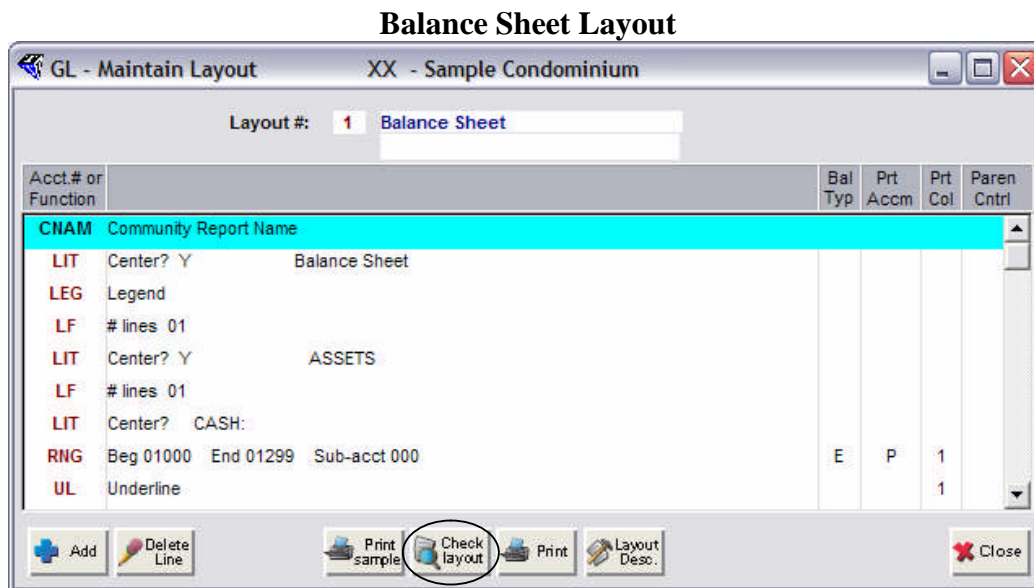
2. Click on the Check Layout button. It will compare the layout to the Chart of Accounts. If it finds missing account #'s, it will print a report.

Solution:

If there are missing Balance Sheet account #'s, you must change the layout so they are included. Using "Ranges" so there are no gaps between account #'s is the best way to prevent this problem from occurring.

Improperly Defined Account

In the Chart of Accounts you can define if an account is a Balance Sheet or Income/Expense account. The software does not prevent you from defining an account as one or the other. Sometimes an account is accidentally defined as either an Income/Expense account when it should be a Balance Sheet account or vice-versa. If the account should be a Balance Sheet type but is defined as "Profit & Loss", it will NOT print on the Balance Sheet even though the layout should include it. This may cause an out-of-balance Balance Sheet.

Remember these guidelines for the Chart of Accounts:

Assets	Balance Sheet
Liabilities	Balance Sheet
Reserves	Balance Sheet
Members Equity	Balance Sheet
Income	Profit & Loss
Expenses	Profit & Loss

Diagnosis:

Follow these steps:

1. From the **GL Menu**, select **Reports**, then **Maintain Layouts**. Select the Balance Sheet Layout first. Then you will see this window:

Balance Sheet Layout
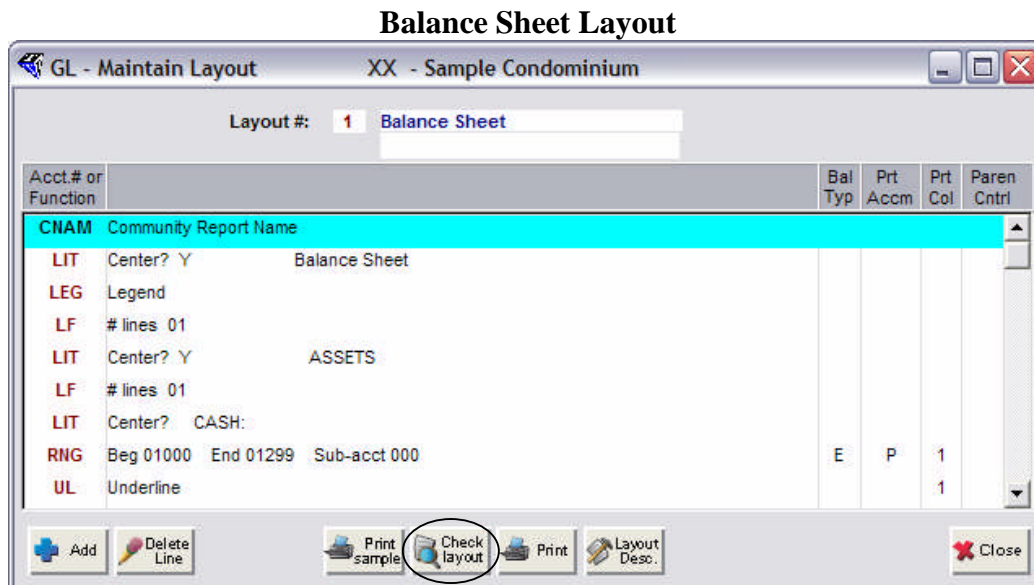
2. Click on the Check Layout button. It will compare the layout to the Chart of Accounts. If it finds missing account #'s, it will print a report.

Solution:

If there are improperly defined accounts, they will be missing from either the Balance Sheet or Income/Expense Statement layouts. You must change the way the account # is defined in the Chart of Accounts to correct the problem.

Check the Financial Statement Type field in the Chart of Accounts:

Chart of Accounts
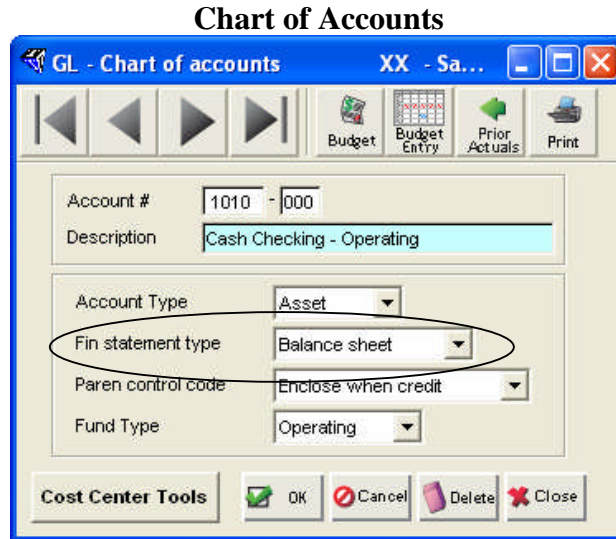
Make sure the **Financial Statement Type** is correct for the account #. If it is, then you need to add this account # to the financial statement layout.

There can be other reasons for the Balance Sheet to be out of balance, such as a damaged General Ledger data file, but the 3 causes above are the most common by far.

This completes Appendix A – Balance Sheet Out-of-Balance.

Appendix B - Reserve Treatment

Reserve Funds are money dedicated to the overhaul, repair and replacement of the major components of the Community such as parking lot pavement, sidewalks, pool, roofs, etc. The Reserve Contributions are part of the total maintenance fees paid by Owners. Since Reserves are a direct contribution to Capital they must be removed from the Income/Expense Statement so they do not inflate the Net Income of the Community.

Likewise, when Reserve Funds are spent you do not want to run the expense back through the Income/Expense Statement since this would also affect the actual Net Income for the year. Instead, Reserve expenses should be charged directly against the Reserve Fund balance in the Equity section of your Balance Sheet.

Reserves can be confusing because there is more than one approach to handling them. Here we will review our recommended handling for Reserves. This How To will cover the following major areas of Reserve Fund handling:

- Dedicating Reserve Contributions
- Funding Reserves
- Spending Reserve Funds

Dedicating Reserve Contributions

This means taking the Budgeted or planned Reserve Contribution out of the Income/Expense section of your General Ledger and recording it in the Reserve Fund balances which are in the Equity section of your General Ledger. Since your gross maintenance fee income normally includes a contribution to Reserves, this portion of the income is not available to pay your operating expenses like Electricity, Insurance, etc. Therefore, you must take it out of your Income/Expense section of your General Ledger so it does not affect the Operating Income or Expenses for the current year. This is normally done by Journal Entry.

Make this entry in the following manner:

Debit   Income/Expense account to offset the portion of maintenance fee income that is the Reserve Contribution.

Credit   Reserve Fund accounts in the Equity section of the General Ledger.

This entry can be made use a "Recurring" Journal Entry in TOPS Software since the amount is usually the same each period. That way, you simply post the entry each period.

Funding Reserves

This means actually moving money from the checking account where the total maintenance fee income is deposited over to a separate bank account where the Reserve Funds are kept on deposit. One of the things you must do for proper handling of Reserves is to keep these funds

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separate from the operating funds of the Community.

Normally, a check is issued from the Checking Account for the amount of the Reserve Contribution for each month as authorized by the Board of Directors when they approve the yearly Budget.

The typical entry made when an AP check is issued to "fund" the Reserves is:

      Debit   The G/L account which represents the Reserve Savings Account.

      Credit   The G/L account which represents the Checking Account.

Remember, DEBITS *increase* a cash account while CREDITS *decrease* a cash account.

There are several ways to record the reserve money transfer. If by check, then setup a Recurring A/P Bill which can be used each period. If done by money transfer, either record a Journal Entry (a Recurring Entry may be setup here as well) or use the Money Transfer option in the Check Reconciliation (Bank Rec.) module.

Spending Reserve Funds

Whenever Reserve Funds are actually spent, for such things as repaving streets or replacing roofs, there are normally two steps to handle this situation. We'll cover each part in turn.

1.   **Move Money to Checking**

    Once the Board of Directors has approved an expenditure from Reserves you must move the money to pay for the cost of the work from the Reserve Savings, or other bank account, back to the Checking Account so the bill can be paid. This is normally handled as a Money Transfer using EITHER the "Misc. Cash Receipts" (A/R module), "Money Transfers" (Check Reconciliation module) or a General Journal Entry (G/L module). The entry would be made as follows:

        Debit   The G/L account representing the Checking Account.

        Credit   The G/L account representing the Reserve Savings Account.

    Remember, DEBITS *increase* a cash account while CREDITS *decrease* a cash account.

2.   **Charge Check Against Reserve Fund Balance**

    The check you write to pay for the reserve expense should be charged against the **<u>Equity</u>** account for the Reserve Fund where the money was spent. For example:

            5020   Reserves Pavement

    Do not charge the check against the Reserve Savings Account since you have already moved the money out of there when you did step #1 above.

Also, do *not* expense this amount against an Income/Expense account in your General Ledger. It should have no affect on your Income/Expense Statement at all since you are simply spending a portion of the Community's Equity (contributed capital).

This entry is normally handled by an Accounts Payable check which affects the following accounts on the General Ledger:

Debit   Reserve Fund account in the Equity section of the General Ledger.

Credit   The G/L account representing the Checking Account.

Remember, DEBITS *decrease* Equity account balances while CREDITS *decrease* a cash account. In this case, you want to decrease both when you spend reserve funds.

Appendix C - PERIOD CLOSING

Although most of TOPS Software is automated, meaning, the subsidiary modules of A/R, Account Payable, Check Reconciliation and Payroll update the General Ledger in real time as transactions are posted, you must still perform certain steps and procedures to close" the books for an accounting period. This involves a little accounting knowledge which we will try to teach you here.

Date Sensitive

Remember, TOPS Software is date sensitive. That means you can proceed with processing A/R & Owner Collections, Accounts Payable and General Ledger transactions for the next accounting period or even the next fiscal year, without having closed the previous period. Payroll is a little different at year-end, if you use the Payroll module, Payroll is always "closed" on a calendar year basis regardless of the fiscal year of the Community.

Cash vs. Accrual

Because there are differences between the closing routines for "Cash" vs. "Accrual" accounting, we will tell you how to handle each situation where it makes a difference. The "Cash" vs. "Accrual" differences primarily affect the General Ledger closing, not the subsidiary modules of A/R & Owner Collections, Accounts Payable or Payroll.

Reconciliations

It is very important that certain reconciliations and comparisons be made to key control accounts in the General Ledger to make sure the subsidiary modules (A/R, A/P, P/R) stay in sequence with the General Ledger. In the case of "Accrual" accounting, the receivable accounts and payable accounts need to be reconciled as well as the cash accounts. For "Cash" accounting, the cash balances on the General Ledger must agree to the reconciled bank statement. These reconciliations and comparisons will also be covered in more detail later in this appendix.

Report Package

The reports to be given to the Community Officers vary depending on the TOPS Software modules you purchased and also the accounting methods you employ. The following is a suggested report package that seems to be fairly typical provided that you have all modules:

Report	Module
Owner Balances Report	A/R & Owner Collections
Prepaid Report	A/R & Owner Collections
Check Register	Accounts Payable
Balance Sheet	General Ledger
Income/Expense Statement	General Ledger

Many more reports are possible. You can even design your own General Ledger reports using the Financial Layout program. See the General Ledger Manual section on "Financial Statement Layouts" for more information on designing additional General Ledger statements.

Before printing these report, you must follow the steps for "closing" the books as outlined below.

Accounts Payable

If you have kept up to date entering invoices and payments through the Accounts Payable Module for the Accounting Period being closed and all Accounts Payable transactions have been posted, then you only need to print the Check Register.

No G/L Entries Needed

Note: No manual entries need to be made to the General Ledger to record A/P transactions. Entries are created for you automatically in the General Ledger as you work in the A/P Module.

Print Reports

You probably will want to print a "Check Register" report showing all checks issued for the period you are closing. To do this, click on:

<center>**AP Module > Reports > Check Register**</center>

You will see the Check Register report screen like below:

<center>**AP Check Register**</center>

Select the Check Register report options you wish. Then click **OK** to proceed with the report printing.

Report Defaults

Rather than print each report individually by selecting the module, then the report, there is the built-in ability to setup your entire reporting package under the Report Defaults on the file toolbar. If you setup your report package here, you can print all the reports at one time by simply entering the date range of the period, then clicking Print.

A/R & Owner Collections Module

If you have kept up to date entering charges and payments through the Accounts Receivable Module for the Accounting Period being closed, then the next step is to print Owner Balance reports showing what each owner owes "as of" the end of the period.

If the community books are being kept on an "Accrual Accounting" basis, you will need an Owner Balance report to use for reconciling the detail of the owner balances to the General Ledger "Receivable" accounts.

The best report for reconciling purposes is:

Owners Balance Summary

This report shows a breakdown of the owner balances due and the owner prepaid (credit) balances so you can reconcile them to the General Ledger control accounts. Since Owner reports use "Cut-off Dates" entered by the user to prepare the report "as of", you can print and reprint this report (or any others) as many times as you like.

No G/L Entries Needed

Note: No manual entries are needed to the General Ledger to record A/R transactions. Entries are created for you automatically in the General Ledger as you work in the A/R Module.

Print Report(s)

You will want to print one of the owner balance due reports in the AR module. For reconciliation purposes, we recommend the "Owner Balance Summary". To print this report, click on:

AR Module > Reports > Owners Balance Summary

You will see the AR Reports screen like below:

AR Reports

Select the Owner Balance Summary or any other report that shows owner balances due. Make sure to enter the last day of the accounting period being closed as the "Cutoff Date" for the report. Then click **Print** to proceed with the report printing.

Report Defaults

Rather than print each report individually by selecting the module, then the report, there is the built-in ability to setup your entire reporting package under the Report Defaults on the file toolbar. If you setup your report package here, you can print all the reports at one time by simply entering the date range of the period, then clicking Print.

Reconcile Owner Balances

If you use "Accrual Accounting" then use this report to reconcile the total of the Owner balances to each of the "Receivable" accounts and the "Prepaid" account on the General Ledger. If you are doing "Cash Accounting", then you do not need to do this step. For "Cash Accounting" you only need to reconcile bank account balances in the GL to the bank statement.

Reconcile Owner Delinquent Balances to G/L Accounts

This is an important control measure which is part of an Accrual Accounting system. An "Owner Balance Summary" report should be printed as of the last day of the Accounting Period. The totals at the end of the Report must equal the corresponding G/L Accounts for homeowner receivables. If they do not, you must find the differences and correct the errors that caused the differences.

Since TOPS Software® takes care of booking its own General Ledger entries as transactions are posted in the AR module, human error usually is the cause of a difference. The typical causes for errors are:

- Manual Journal Entries in the G/L Owner Receivable Accounts
- Deposit or Payment Adjustment transaction dated after the end of the
  Accounting Period causing a "Deposit in Transit" situation where the Receipt Date of a payment is in one accounting period but the Deposit Date (which is used to record the cash receipt in the GL) is dated in the following accounting period.
- Incorrectly dating A/R transactions

Reconcile Owner Prepaid Balance to G/L Accounts

Just like the Balances Due reconciliation, this is an important control measure which must be reconciled if you use an Accrual Accounting system. The *"Owner Account Summary"* report should be printed as of the last day of the Accounting Period. The totals at the end of the Report must equal the corresponding G/L Accounts for Owner prepaid assessments. If they do not, you must find the differences and correct the errors.

The typical causes for errors are the same as listed above:

- Manual Journal Entries in the GL Owner Prepaid Account
- Deposit or Payment adjustment transaction dated after the end of the Accounting Period
- Incorrectly dating A/R transactions

These are most of the typical closing entries and procedures to be followed. Consult your Accountant for specific instructions on Period Closing Procedures.

Owner Database Module

No action required except if Owner Reports are to be printed to update previously printed Owner Reports, then distributed with the financial statement report package. To print Owner Reports, follow this step:

<p align="center">**Owner Database Module > Reports**</p>

You will see this screen:

<p align="center">**Owner Reports**</p>

Select the Owner Report you wish from the menu, then enter the Report Date. Click **Print** to proceed.

Payroll

The Payroll Module is an optional module. If you have Payroll expenses for this Community continue with this section.

Each payroll check written during the accounting period being closed, including the payment of Federal State and Local Taxes, must be entered either through the Payroll Module, by AP check or manually by way of a General Journal Entry directly into the General Ledger. If you did not purchase the Payroll Module, see the section titled "No P/R Module" below for instructions on making these General Ledger entries.

Payroll Module

If you have the "Payroll Module" you will not have to make any manual entries to record the "Payroll Transactions" in the General Ledger, the General Ledger entries are created automatically by the Payroll system and will be picked up as part of "Closing the General Ledger" routine discussed later in this section.

Payroll Reports

There are several reports that can be printed that summarize the Payroll for the period, however, we suggest the *"Payroll History"* report. You can print this report showing the payroll for a specified period and for a specified range of Employees.

To print this report, follow below:

Payroll Module > Reports > PR History

You will see the PR History options screen like below:

PR History Report

Print this report by Check Date and for the range of dates representing the accounting period selecting the other report options you wish. Click the **Print** button to proceed.

Unless you wish to print other reports too, nothing further needs to be done within the **Payroll Module** to close the books for the period.

If you do not have the Payroll Module as part of TOPS Software, then you must enter the payroll expenses for the accounting period using the **"Journal Entry"** function in the **General Ledger Module**. You are actually making direct entries into the General Ledger for payroll debiting the G/L Account # to be charged for each employee's paycheck. In addition, you must record each Tax payment made to Federal, State and Local tax authorities, unless you paid it by AP check.

To summarize the steps:

- Enter Payroll Expenses as G/L Transactions
- Post Transactions

Starting at the *"General Ledger Menu"* follow these steps:

Making the Payroll Entry

To make the Payroll Journal Entry, follow these steps:

<center>**GL Module > Journal Entry**</center>

You will then see the "Journal Entry" batch screen:

<center>**Journal Entry Batch**</center>

Click the **Add** button, then enter the following **Description** the **Reference ID**:

<center>**Description** - Payroll Expense</center>

<center>**Reference ID** - PR</center>

Click **OK** to proceed to the Journal Entry screen.

You will see the Journal Entry screen:
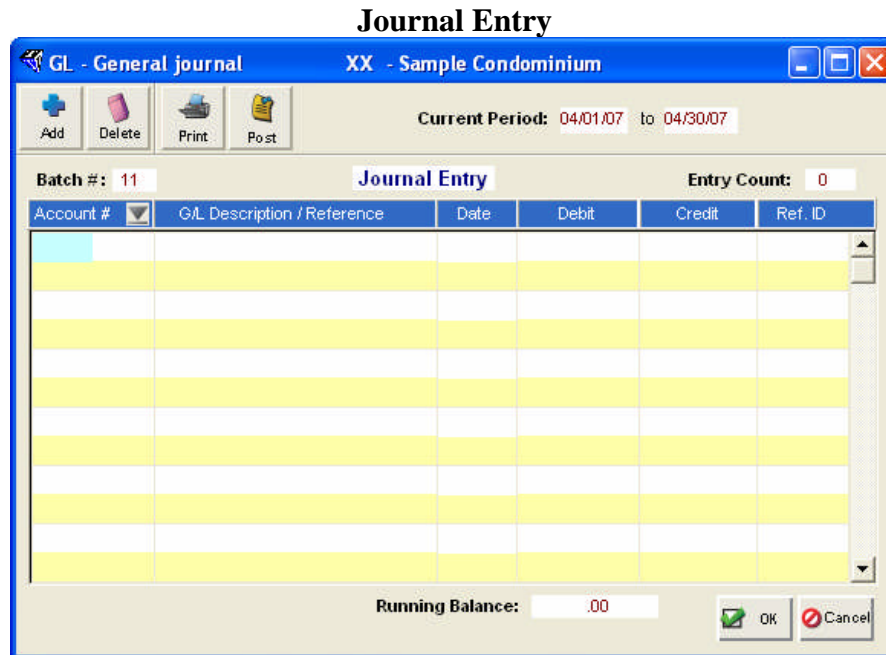
Journal Entry

Click the **Add** button to start entering the Payroll Journal Entry.

If entering each Payroll check written outside TOPS Software, use the following fields on the screen for each check entered:

Account #	General Ledger payroll expense account charged for check
Trans date	The date of the check
Document	The check number
Amount	The amount of the check charged to this particular account
Reference	The employee's name or an ID # if you do not want the Name to show in the G/L

You must record the Gross to Net expenses (like tax withholding and employee benefit deductions) in order to completely record Payroll expenses.

ANY EMPLOYEE PAYROLL DEDUCTIONS SHOULD BE CHARGED TO THE SAME G/L ACCOUNT NUMBER AS THE EMPLOYEE'S CHECK SINCE THEY ARE PART OF THE "GROSS" CHECK TOTAL.

You must enter each P/R check paid during the period for it to appear in the General Ledger. We recommend that you enter them as individual transactions rather than one overall entry so you can mark them "cleared" in the Check Rec module.

Enter P/R Checks for the Period

You must enter each P/R check paid during the period you are closing in order for it to appear in the General Ledger. You may either do them as the checks are written or altogether at the end of the accounting period for all P/R checks written during the period.

Use the General Ledger "Journal Entry" to enter the amounts of any Payroll checks as in the above example.

Post Journal Entries

Once the Journal Entries have been entered, you must 'Post' them before they show in the General Ledger.

This completes the steps on recording Payroll expenses in the General Ledger.

Closing The General Ledger

Before printing period closing reports, like the Balance Sheet and Income/Expense Statement, there are closing entries and procedures which must be performed every accounting period in order to update the General Ledger and prepare accurate financial statements. Regardless whether you use "Accrual" or "Cash" accounting methods, the following routines must be performed:

- Post Recurring Journal Entries
- Make Manual Adjusting Entries
- Reconcile all Cash Accounts in G/L
- Print Financial Statements
- Change Accounting Period Date

In order to close the General Ledger you must work within the "General Ledger" itself. All the functions you need to perform to close the GL are located on the General Ledger menu.

Post Recurring Journal Entries

"Recurring Entries" are Journal Entries which need to be made each period. Instead of having to create a new Journal Entry each period to record the entry, they can be setup as a Recurring Entry through the GL Menu tab of the same name. That way, you can quickly update transaction amounts if needed, then post them to the current accounting period you are working to close.

Examples of Recurring Entries include:
- Depreciation Expense
- Reserve Contributions
- Interest Earned (although this can be entered through the Bank Rec module also)
- Bank Service Charges (although this can be entered through the Bank Rec module also)

If you have Recurring Journal Entries setup, you must post them for the current period you are working to close.

Manual Adjusting Entries

"Manual Adjusting Entries" are a way of recording dollar transactions in the General Ledger that have not been entered through one of the subsidiary modules like A/R, Accounts Payable or Payroll.

"Manual Adjusting Entries" are entered directly into the General Ledger using the **"Journal Entry"** routine. Typical examples of these entries needed in order to "close the books" for an Accounting Period are listed below in this section.

Examples of Manual Adjusting Entries include:
- **Correct G/L Balance** - If you find transactions that need correction when you are reconciling GL balances to subsidiary module reports, like the Owner Balance Report, use a Journal Entry to make the correction.
- **Money Transfers** - Movements of cash between bank accounts such as transfers from savings to checking. This can also be done through the Bank Rec module.

These are the typical entries and procedures for either "Cash" or "Accrual" accounting methods. There may be a need for other adjusting entries from time to time.

Accrual Accounting Adjusting Entries

Prepaid Expenses

These are expenses that are paid in advance of when they are earned by the Vendor. Your goal is to record only the portion of the expense earned for this Accounting Period.

- Prepaid Insurance Premiums.
- Prepaid Contract Payments.
- Prepaid Rent.

> **Debit** - G/L Expense Accounts
>
> **Credit** - G/L Prepaid Expense Account (Asset)

Record Accrued Payables

These are expenses that are incurred during this Accounting Period (work completed, material received) but the invoice has either not been received yet or the invoice has not been entered into the AP module yet. Use the *"Journal Entry"* (in General Ledger) to record these entries.

"Accrual" entries should always be reversed in the following Accounting Period. The reversal of the Accrual will then be offset by the actual payment of the expense resulting in a "wash out" of the activity in the affected G/L account. Always use the "Reverse Next Period" option when making these types of adjusting entries.

> **Debit** - G/L Expense Accounts
>
> **Credit** - G/L Accounts Payable (Liability)

Accounts Payable Module - The Accounts Payable system automatically books the Accrual

Entry if an invoice is entered and "Posted" with an "Effective Date" within the Accounting Period. Only Expenses that have not been entered into the Accounts Payable module need to be Accrued by *"Journal Entry"*.

Record Accrued Payroll

This is the exact same principle as the Accrued Expenses above only it records earned but unpaid Salary and Wages as of the end of the Accounting Period.

Use the Journal Entry (in General Ledger) in the same way as above. Typically, a separate Liability Account is used for Accrued Payroll rather than lump it in with Accounts Payable.

> **Debit** - G/L Salary Expense Account
>
> **Debit** - G/L Employer Taxes Expense Account(s)
>
> **Credit** - Accrued Salary (Liability)

Payroll Module - The Payroll system automatically books a G/L Entry for any Payroll Checks dated within the Accounting Period. If you wish to record the portion of the Payroll expenses through the end of the Accounting Period being closed, you must do it by **"Journal Entry"**.

Bank & Cash Reconciliations

Each Bank Account should have its own separate G/L Account # in the Chart of Accounts. All cash transactions shown on Bank Statements must be reflected in the corresponding General Ledger Account. If you are missing transactions shown on the Bank Statements, you must make entries now using "Journal Entries" (in General Ledger) or "Adjustments" (in Check Reconciliation) to record them.

The bank statement for each checking account must be reconciled two ways.

- **BANK RECONCILIATION** - Bank Statement to Check/Savings Register

- **CASH RECONCILIATION** - Check/Savings Register to corresponding General Ledger account.

This assures that the cash balances in the General Ledger accounts stay in sync with the bank statements giving you a true reflection of cash available.

Check Rec Module

If you use this module, you do NOT have to do manual Bank or Cash Reconciliations. The reconciliation is done on the computer and reports can then be printed.

Bank Reconciliation

Balancing the cash accounts is such an important part of closing the General Ledger

for an Accounting Period that we show you what a typical completed Bank Reconciliation

looks like for Showcase Condominium using the Check Rec module so you will know how to complete one.

To do a Bank Reconciliation you must consider this information:

- **Outstanding Checks** - written during the Accounting Period being closed but which have not been cleared (deducted) from the bank statement because the checks were not presented to the bank as of the end of the Accounting Period.

- **Deposits in Transit** - deposits which you have recorded in the check register during the Accounting Period which are not shown in the bank statement because they were received after the end of the Accounting Period.

- **Bank Charges** - make sure you deduct bank service charges, check printing charges and bank debits on the bank statement from your check register.

- **Bank Credits** - make sure you add bank credit memos, interest income, etc. to your check register.

A separate Bank Reconciliation should be done for each checking account.

Use the Check Rec module which makes the reconciliation quick and easy. To do this, follow these instructions:

Check Rec > Reconcile Bank Account

You will see the screen for selecting the bank ID for the bank account you wish to reconcile:

Select Bank ID

Use the down browse arrow to select the Bank account you wish to reconcile. Then enter the Bank Statement date under Current Statement and the bank balance from the Bank Statement. We also recommend using the options Earliest Date and Uncleared Items Only.

Click the OK button to proceed to the reconciliation screen.

Reconciliation screen

If you selected the options we recommended above, you will see all *UNCLEARED* transactions for this bank account.

Here are the major items to understand on this screen:

Cleared Balance Forward – The total of the cleared bank transactions from the previous bank statement.

Uncleared Checks, Credits – The total of uncleared checks before you begin working to reconcile the bank statement for this month.

Uncleared Deposits, Debits – The total of any deposits dated in this accounting period but not deposited in the bank in time to make the cutoff date of the Bank Statement.

Reconciling Balance – This is the GL account balance that represents this bank account "as of" the Bank Statement Date entered on the previous screen.

Bank Statement Balance – The ending balance entered from the Bank Statement on the previous screen.

Difference – The net total of all "uncleared" transactions for this bank account. It will rarely be zero unless there are NO outstanding and "uncleared" transactions as of the Bank Statement Date.

You want to "clear" all transactions showing on the Bank Statement. To do this, highlight it using the arrow keys to move up and down through the transactions, then press the SPACE BAR. It will insert the Bank Statement Date next to this transaction.

Here is an example of "clearing" transactions that show on the Bank Statement while working to reconcile a bank account.

Cleared Transactions

Notice that the totals under **Bank Rec Summary** keep changing as you "clear" transactions. This is normal while you are working to reconcile the bank account.

When you are done "clearing" transactions that are shown on the bank statement, you will normally have other transactions that have occurred during the period that have not cleared the bank as of the Bank Statement cutoff date. These are "outstanding" items and they should total the "Difference" between the Reconciling Balance (GL Account Balance) and the Bank Statement Balance.

Adjustments

Use the Adjustments button on the Check Rec screen to enter transactions that show on the Bank Statement but that have not been recorded in the General Ledger for this community yet. Examples of these transactions might be:

- Bank Service Charges
- Interest
- NSF Fees
- Bank Debit Memos
- Bank Credit Memos

Remember these rules when making Adjustments:

- **Debits** – INCREASE Bank Balances
- **Credits** – DECREASE Bank Balances

This is exactly opposite of the bank's terminology where a debit would decrease a bank account balance. This is because the community's money represents a Liability to the bank—it is not their money so therefore, they owe it back to the community. Whereas, from the community's point of view, cash in the bank is an Asset, not a Liability.

Money Transfers

Use the Adjustments button on the Check Rec screen to enter transfers from one bank account to another that have not already been recorded in the General Ledger for this community yet.

Remember these rules when making Money Transfers

- **Debits** – INCREASE Bank Balances
- **Credits** – DECREASE Bank Balances

Be sure to Debit the bank account receiving the money transfer and Credit the bank account the money was transferred out of.

Balance the Cash Accounts

The "Ending Balance" in each cash account in the General Ledger must match the Bank Reconciliation and the reconciled checkbook register balance for the end of the Accounting Period. If not, you must determine how to adjust the General Ledger cash accounts to balance. Generally, this is done through the Check Reconciliation module or by a "General Journal Entry" like other Adjusting Entries to the General Ledger

Correcting Out of Balance Conditions

Sometimes, the solution to an "out of balance condition" is not always just a simple "General Journal Entry". You must compare each General Ledger transaction displayed on the Check Rec screen to the bank statement to determine where the error occurred. Once you know where the difference came about, you must decide the right way to correct it.

Remember, when making **"General Journal Entry"** to adjust cash balance in the General Ledger, make the entries with the following in mind:

> **Debits - Increase Cash Balances** on the General Ledger

> **Credits - Decrease Cash Balances** on the General Ledger

The following are typical "out of balance conditions" and their solutions:

General Ledger Problem	Solution
Deposit Missing in G/L	- Go to A/R. Check if there are still open Cash Receipt Batches in the "A/R Module". Complete deposit.
	- or -
	- Go to A/R. Enter missing Cash Receipt Batch, then Deposit it with the correct date in the period you are reconciling.
Duplicate Cash Receipt	- Go to A/R. Make "Payment Adjustment" to backout misposted checks from Owner's History using a date in the period you are reconciling.
Owner Check Returned by Bank as NSF	- Go to A/R. Make "Payment Adjustment" to backout "NSF" check from Owner's Account using a date in the period you are reconciling.
Missing A/P Check	- Go to A/P. Try "Posting" A/P Trx. Review printed report for missing check.
	- or -
	- Go to A/P. Enter missing check as a manual check using a date in the period you are reconciling, then "Post" it..

This completes the section on Reconciling Bank Accounts.

Reserve Contributions

There are several ways Reserves can be handled within the existing Accounting Guidelines published by the "AICPA". This is our recommended method for recording the Reserve Contribution. There are two parts to the regular Reserve Contribution which must be recorded in the General Ledger. They are:

- Money Transfer
- Reserve Expense

Money Transfer

The movement of funds from the checking account to a bank account set-up exclusively for Reserve funds.

Usually, this part of the Reserve Contribution is handled through the Accounts Payable system since you are writing a check out of the checking account to a separate bank account for Reserves. Generally, the yearly Reserve Contribution has been set by the community's Board of Directors as part of the yearly budget and a certain amount is deposited in a separate bank account each Accounting Period. Typically, the amount of the Reserve Contribution is fixed every period, it does not vary in amount.

To summarize the money transfer into a General Ledger transaction it would be:

Debit - The G/L Account corresponding to the Reserve Bank account receiving the money.

Credit - The G/L Account corresponding to the checking account where the Reserve Contribution was withdrawn from.

Normally, you would setup and use a Recurring AP Transaction to record this each month. Alternatively, you could use a Recurring Journal Entry if you do not write a check for the reserve contribution when you move the money to the reserve account(s).

Reserve Expense

You must reduce the Net Income of the community by recording an expense in the amount of the Reserve Contribution to a G/L account that falls into the Income/Expense range of accounts.

The amount of the Reserve Contribution paid by each Owner is included in the total amount of their Maintenance Fee payments. That means that a portion of the amount collected should actually go to Reserves and, in theory, is not really available to pay for the yearly Operating Expenses (grounds maintenance, trash removal, etc.) of the community.

The Reserve Contribution is really a direct contribution to the Capital or Equity of the community. It is a "Paid in Capital" account. As such, it must come out of the Income/Expense section of the General Ledger (in the Balance Sheet range of accounts) so it does not inflate the Net Income.

Thus, there must be a "books only" entry to record this event. It will affect the following accounts:

Debit - The Income/Expense account for recording the regular Reserve Contribution

Credit - The Capital or Equity account(s) in the Balance Sheet to fully distribute the amount of the regular Reserve Contribution

Typically, a Recurring Journal Entry is used to record the Reserve Expense.

Sample Reserve Entry

Perhaps it might be helpful to give an example of a typical Reserve Contribution entry.

We'll use Showcase Condominiums "Chart of Accounts" for the General Ledger Account Numbers to be charged.

This particular example books an "expense" (#9910) which falls into the Expense range of accounts in the G/L Chart of Accounts. It could just have easily been an Income account. Neither way is right or wrong. The most important thing is to get the Reserve Contribution out of the Net Income of the community by recording a debit.

The sample entry could be summarized as follows:

G/L Acct#	G/L Account Name	Debit	Credit
9910	Reserve Unallocated	$ 175.00	
5210	Reserves - Roofs		100.00
5020	Reserves - Pavement		50.00
5030	Reserves - Concrete		25.00

Recurring Journal Entry

Since the Reserve Contribution usually is the same fixed dollar amount every period, it may make sense to set-up a "Recurring" entry that you can merely "Post" each Accounting Period to update the General Ledger for the Reserve Expense entry that reduces Net Income (see above). That way, you do not have to re-enter the Journal Entry for the Reserve Expense each Period.

This completes the section on Reserves when Closing an accounting period. See **Appendix A – Reserve Treatment** for a further discussion of Reserves.

Printing Financial Statements

If you followed the instructions in the General Ledger manual on setting-up Financial Statement Layouts then there should be at least 3 Layouts.
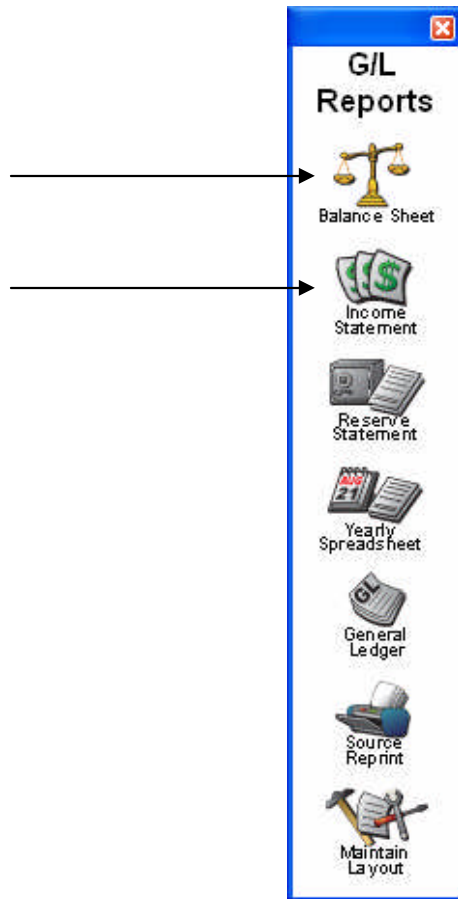
Layout #	Layout Name
1	Balance Sheet
2	Income/Expense Statement
3	Reserve Fund Statement

See the **"General Ledger"** manual section above for instructions in setting-up Layouts.

YOU CANNOT PRINT FINANCIAL STATEMENTS UNTIL LAYOUTS ARE SET-UP.

Print Financial Statements

From the "*General Ledger MENU*", click on *"Reports"*

Although there are other GL reports you could print, at a minimum you would print these reports for the period you are closing:

- **Balance sheet**
- **Income Statement**

You will need to "balance" these reports to each other before you can distribute the reports to the community officers. We'll show you how to make sure they are in balance.

Balancing Financial Statements

After printing the "Financial Statements", you must check that they balance. You want to be sure that the Balance Sheet "Total "Assets" match the "Total Liabilities & Equity".

Additionally, you want to check that the Income/Expense Statement "Net Income" or "Loss" figure (usually the "bottom line" figure on the Statement) agrees with the same "Current Year Net Income/(Loss)" amount on the Balance Sheet.

Checking the Balance Sheet - Make sure that the "Total Assets" are the same amount as the "Total Liabilities & Equity". This confirms the basic rule of double entry bookkeeping - "For every debit there must be an offsetting credit".

Balance Sheet

Sample Condominium
Balance Sheet
As of 04/30/07

ASSETS

CASH:
1010-000	Cash Checking - Operating	$	12,748.74		
1070-000	Cash Savings - Reserves		7,889.00		
	Subtotal Cash			$	20,637.74

RECEIVABLES:
1310-000	Assessments Receivable	$	873.13		
1340-000	Late Fees Receivable		60.00		
1410-000	Special Assessments Rec.		100.00		
	Subtotal Receivables	$	1,033.13		
	TOTAL ASSETS			$	21,670.87

LIABILITIES & EQUITY

CURRENT LIABILITIES:
3010-000	Accounts Payable	$	60.00		
3310-000	Prepaid Owner Assessments		821.11		
	Subtotal Current Liab.			$	881.11

RESERVES:
5020-000	Reserves - Pavement	$	1,000.00		
5050-000	Reserves - Street Lights		375.00		
5210-000	Reserves - Roofs		750.00		
	Subtotal Reserves			$	2,125.00

EQUITY:
5510-000	Prior Year Net Inc./Loss	$	18,797.76		
	Current Year Net Income/(Loss)		(133.00)		
	Subtotal Equity			$	18,664.76
	TOTAL LIABILITIES & EQUITY			$	21,670.87

These 2 totals must agree exactly to the penny. If they do not, something is wrong.

If they do not agree, then one of the following problems is generally the cause and must be corrected:

Problems:

1. G/L account missing from the Balance Sheet Layout.

2. A G/L entry was made with a date outside the "Fiscal Year" with one side of the entry to an "Income" or "Expense" account.

Checking the Income/Expense Statement - The Year-to-Date (YTD) "bottom line" total on the Income/Expense Statement should match the "Current Year Net Income/(Loss)" (the "BSNI" code in the Balance Sheet Layout) amount which is separately calculated by the Balance Sheet to serve as a check figure.

Income Expense Statement – page 2

Sample Condominium
Income/Expense Statement
Period: 04/01/07 to 04/30/07

Description	Current Period			Year-To-Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Reserves - Pavement	200.00	200.00	.00	1,000.00	800.00	(200.00)	2,400.00
Reserves - Street Lights	75.00	75.00	.00	375.00	300.00	(75.00)	900.00
Reserves - Roofs	150.00	150.00	.00	750.00	600.00	(150.00)	1,800.00
Reserve Contributions	425.00	425.00	.00	2,125.00	1,700.00	(425.00)	5,100.00
TOTAL EXPENSES	2,678.00	2,685.00	7.00	12,972.00	13,390.00	418.00	33,725.00
Current Year Net Income/(loss	(25.00)	985.00	(1,010.00)	(133.00)	3,390.00	(3,523.00)	12,415.00

The Year-To-Date Net Income must agree with the Current Year Net Income on the Balance Sheet.

Bottom Portion of Balance Sheet

EQUITY:			
5510-000	Prior Year Net Inc./Loss	$	18,797.76
	Current Year Net Income/(Loss)		(133.00)
	Subtotal Equity	$	18,664.76
	TOTAL LIABILITIES & EQUITY	$	21,670.87

If they do not agree, then one of the following problems is generally the cause and must be corrected:

Problems:

1. G/L account missing from the Income/Expense Statement Layout.

2. A General Ledger entry was made with a date outside the "Current Fiscal Year" as defined in the "Accounting Period Maintenance" file. Unlike the Balance Sheet accounts, only G/L transactions falling within the "Current Fiscal Year" are included in the computation of the Income/Expense Statement.

If the reports do not balance, you will need to reprint the Financial Statements after you correct the problem. The balanced reports are the ones to distribute to community officers.

Print General Ledger

Once all the above steps have been completed including the needed reconciliations and all entries have been recorded in the General Ledger, you are ready to print a detailed "General Ledger" report which shows all the transactions for the period being closed. It will be needed if the Community is audited.

To print this report, follow these steps:

General Ledger Menu > Reports > General Ledger

You will then see the "General Ledger" print options which looks as follows:

General Ledger Print Options

Here are the options we recommend:

G/L Account – Select **"ALL"**

Date – Select a "**Range**" which is the Starting Date to Ending Date of the accounting period.

Show Detail? – Select **"YES"** to get a full detail General Ledger

This completes the section on Financial Statements for Closing an Accounting Period.

Update Accounting Period Dates

The last step when closing the General Ledger for an accounting period is to change the **"Current Period"** in the **"Accounting Period"** file from the period just closed to the next period. To do this, follow these instructions:

General Ledger Module > Accounting Periods

You will see the first screen of the Accounting Periods:

Current Accounting Period

Click the **Close Current Period** button to move the Next Period to Current Period
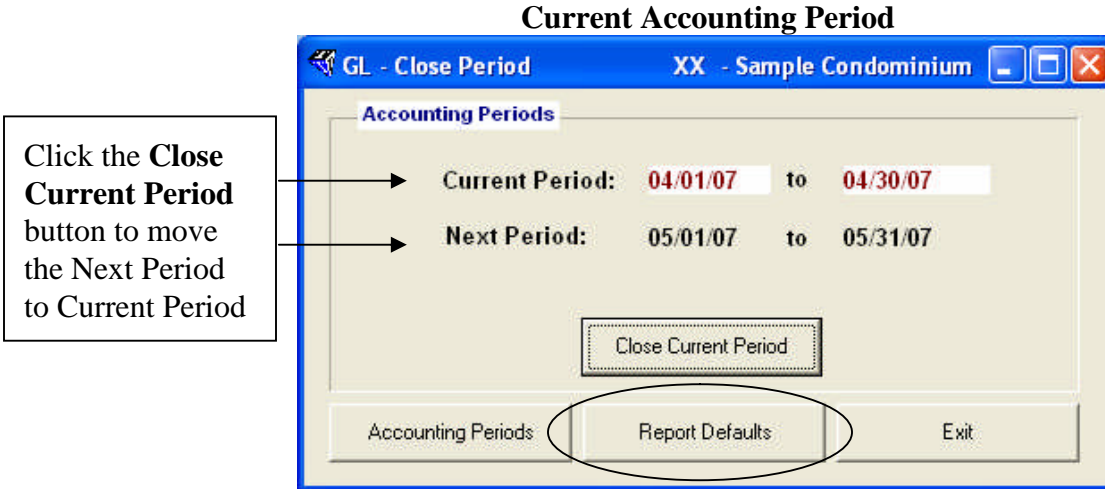
Simply click on the **Close Current Period** button. This does nothing more than move the Current Period to the Previous Period, then move the Next Period to the Current Period. It does not affect any GL balances.

Updated Current Period
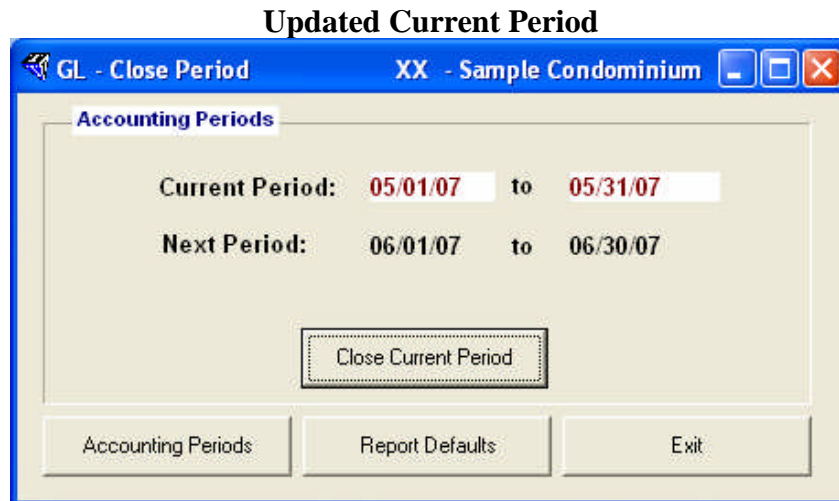
The Current Period has now been updated for the Next Period in the Accounting Year.

YOU ARE DONE CLOSING THE BOOKS FOR THIS ACCOUNTING PERIOD! BE SURE TO SAVE ALL PRINTED REPORTS WITH "ACCOUNTING SUMMARY" PAGES (FROM THE "OWNER A/R MODULE" AND "REGISTER" REPORTS (FROM A/P, PR AND G/L MODULES) AS PART OF THE PERMANENT FILES FOR THE COMMUNITY.

Appendix D – Cost Centers

Cost Centers are a way of breaking down the General Ledger and Owner A/R systems to give visibility as to different groupings of Income or Expenses. You might want to do this for a Master Association with Sub-Associations where the Owners pay one check for both types of charges. Using Cost Centers, there is still complete visibility of the Income and Expenses for both the Master and Sub-Association. You can enter the Cost Center in the Property Record for each home so the system can use it to break out the Income from that home that goes to a particular Cost Center.

Another use might be where there are different areas of a Community each paying a different Assessment level to cover the services they receive. In this case, Cost Centers would be used to track the Income and Expenses for each section, or each building, as a way to justify the Assessment levels paid in each area.

Finally, you can use Cost Centers to track the expenses for each department within a community. You would assign a Cost Center to each department, then use an expense account with the departmental Cost Center to breakdown expenses. You can then print financial statements showing the expenses for each department.

Cost Center Size

Cost Centers may only be 3 digits in size. You cannot activate Cost Centers that are a larger or smaller than this size. But this should be more than adequate because it allows you to define up to 999 Cost Centers per community.

To use Cost Centers you must activate them in several areas:

- **GL Control Info** - Turn on Cost Centers

- **Chart of Accounts** - Define Cost Centers, Set-up Income/Expense Accounts w/Cost Centers

- **Financial Statements** - Design Layouts to be sure they will pick-up the Cost Centers.

- **Accounts Payable** - Use Cost Centers when entering the expense distribution for A/P Invoices.

Sub-Association or Section Accounting Only

- **Charge Tables** - Define which recurring Charges use Cost Centers

- **Misc. Charges** - Define which Misc. Charges use Cost Centers

The rest of this Appendix describes how to setup Cost Centers and use them for the situations described above.

GL Control Info

The General Ledger Control file is where Cost Centers can be turned on or off. It is simply a matter of clicking a checkbox.

From the General Ledger menu:

General Ledger menu > Control Info

You will see the General Ledger Control Info:

GL Control Info
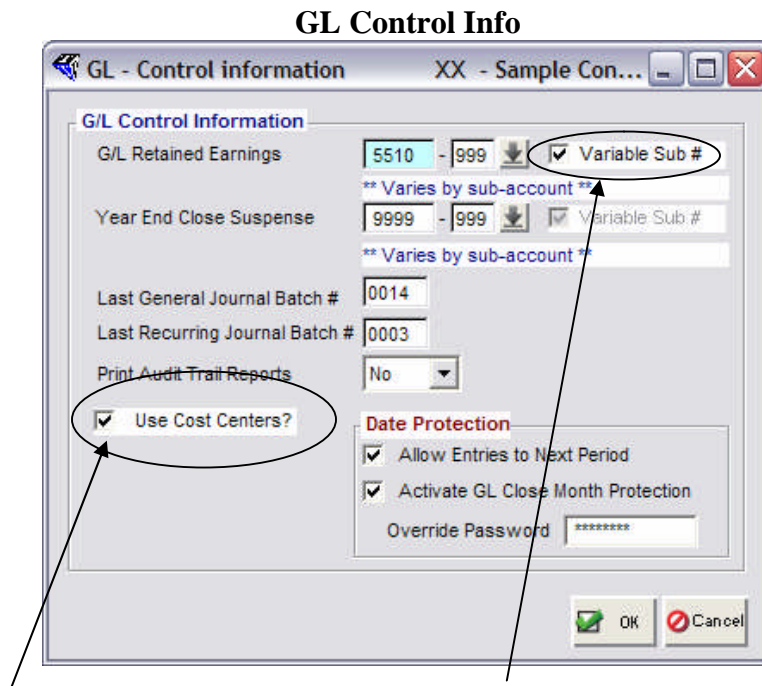
Click this checkbox to activate Cost Centers. Uncheck the box to de-activate Cost Centers.

Variable Cost Centers

There is an option when Cost Centers are active that might help you achieve the results you wish. You can make the Cost Centers variable in certain GL functions, like when you close the Income/Expense accounts at year-end. If you use the variable cost center option in GL, when it closes the Income/Expense accounts to equity it will book an entry to the Retained Earnings account for each Cost Center used in the Income/Expense range of accounts breaking it out by each Cost Center.

Here is what a year–end closing entry would look like with Variable Cost Centers:

5510-100	$3677.52
5510-200	$2338.10
5510-300	$4215.88
5510-400	$1278.34

This completes the section on GL Control Info.

Chart of Accounts

Cost Centers are setup through the Chart of Accounts. You need to define the Cost Center, then append the Cost Center to each account # where you wish to use it. There are time-saving utilities in the Chart of

Accounts to make it easy to setup Cost Centers and append them to account #'s. From the GL Menu, start at the Chart of Accounts menu tab.

Chart of Acct.	**Click the** Chart of Accounts **tab.**
You will see the Chart of Accounts entry screen: **Chart of Accounts** Follow these instructions to add Cost Centers.	
Account #	On the Account # field, press the **TAB** key to move to the 3 digit Cost Center field.
Account # [ ] - 100	In the 3 digit Cost Center field, enter your first Cost Center.
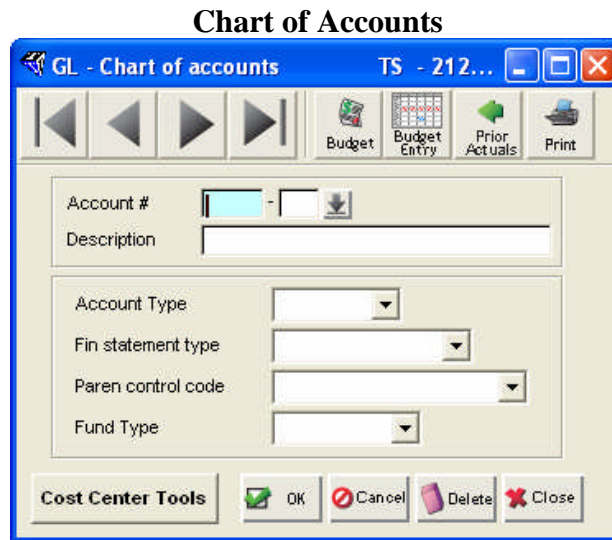
Then enter a Description of the Cost Center like this:
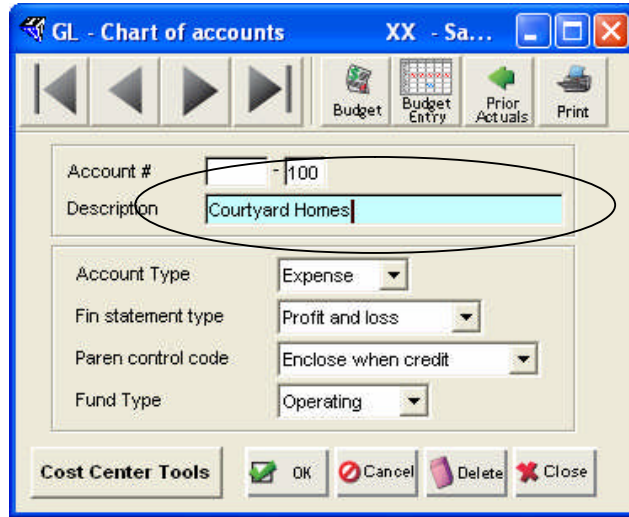
Click the **OK** button to save the Cost Center.

Now proceed to define all the Cost Centers you need for this community entering the 3 digit Cost Center, then the Description/Name of the Cost Center.

When you are done adding all the 3 digit Cost Centers, the next step is to append them to the main Account #'s in the Chart of Accounts.

Cost Center Tools	Click the Cost Center Tools button at the bottom of the Chart of Account screen.

You will see all the Cost Centers you defined displayed on the screen:

Cost Centers Defined

Notice the buttons at the bottom of this screen.

Utility	Click the Utility button on the screen.

You will see these options for appending Cost Centers to main GL Account #'s:

Cost Center Options
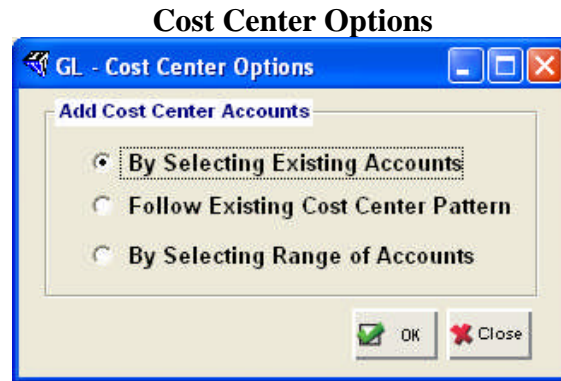
These give you options for appending Cost Centers to main GL Account #'s easily and automatically without having to do each Account # manually.

By Selecting Existing Accounts – lets you browse the Chart of Accounts and "tag" which Cost Centers to append to the main Account #'s.

Follow Existing Cost Center Pattern – if you already have Cost Centers appended to main Chart of Account #'s, you can use an existing Cost Center as the pattern for appending a new Cost Center to the same main GL Account #'s.

By Selecting Range of Accounts – Select a Cost Center, then a Beginning and Ending Chart of Accounts number range to have it append the Cost Center to each main Account # within the range.

By Selecting Existing Accounts

Lets you browse the Chart of Accounts and "tag" which main GL Account #'s to append each Cost Center to which then adds these accounts to the Chart of Accounts. This is the most popular way to setup Cost Centers in an existing Chart of Accounts.

When you click this option, then click the OK button, you will see this screen:

Select Cost Center
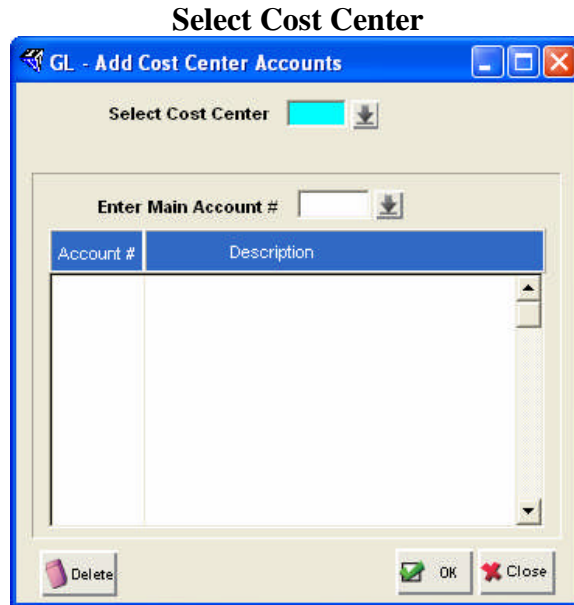
Use the down browse arrow ![arrow] to select the Cost Center you wish to append to a main GL Account # in the Chart of Accounts.

It will look like this:

Browse Cost Centers
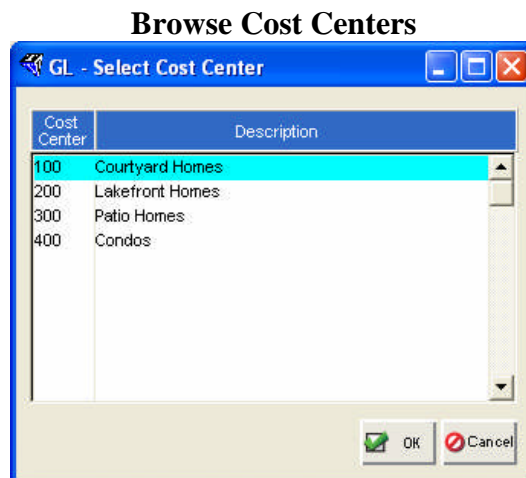
Double click to select a Cost Center or single click to highlight it, then click the **OK** button.

You will see the selected Cost Center displayed.

Cost Center Selected
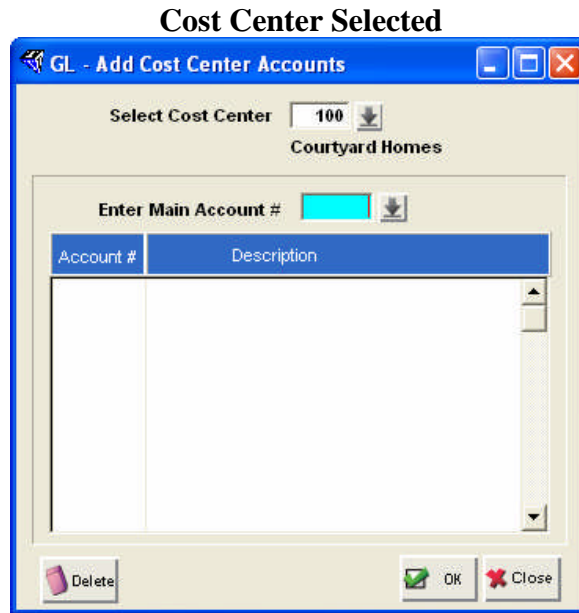
Now select the main GL Account # to append the Cost Center to by entering it directly or use the down browse arrow ⬇ to open up the Chart of Accounts browser.

Browse Chart of Accounts
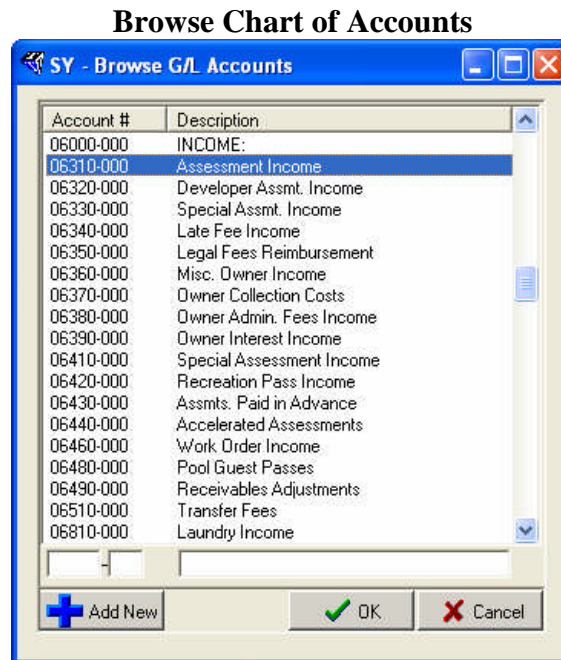
Double click on the Account # or single click, then click the **OK** button. This will add the main Account # to the group you are "tagging" to have the Cost Center appended to them.

Continue to select the main Account #'s to append to this Cost Center. When you are done, you will see all the main GL Account #'s you selected displayed with the Cost Center you are about to append to them:

Main Account # Group
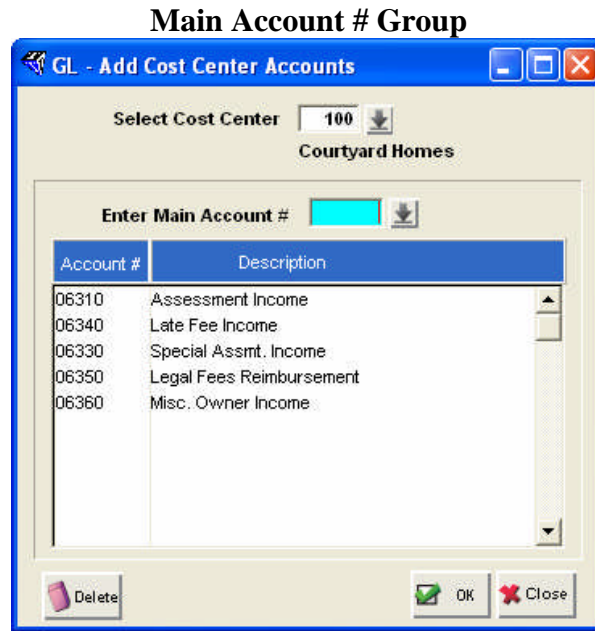
The Cost Center will be appended to these main GL Account #'s as soon as you click the **OK** button. Up until that point, the Cost Center has not been appended to these main GL Account #'s.
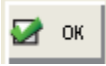
	If the pending list of main GL Account #'s looks correct, click the **OK** button to have these accounts with the Cost Center added to the Chart of Accounts.

Continue using this utility tool until you have added Cost Centers to all main GL Accounts #'s where needed.

Follow Existing Cost Center Pattern

Another option for appending Cost Centers to main GL Account #'s is to use an existing Cost Center pattern and have the system follow that pattern to activate a new Cost Center. Using this option, you select an existing Cost Center which is already setup with main GL Account #'s throughout the Chart of Accounts, then a new Cost Center. All main GL Account #'s that use the existing Cost Center will have the new Cost Center appended to them automatically.

Copy Cost Center
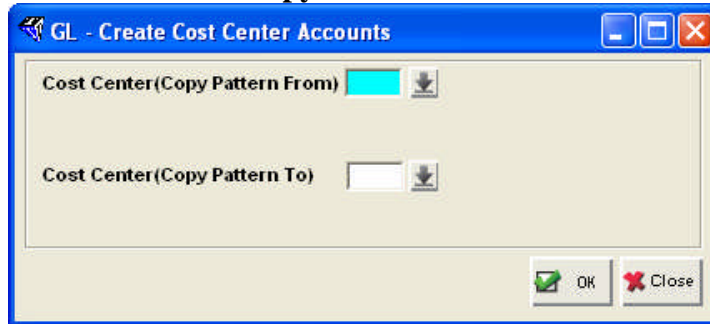
Either directly enter the existing Cost Center to copy the pattern from or use the down browse arrow ![arrow] to open a browse of the existing Cost Centers.

If you browsed to select the Cost Center to copy the pattern from, it will look like this:

Select Cost Center
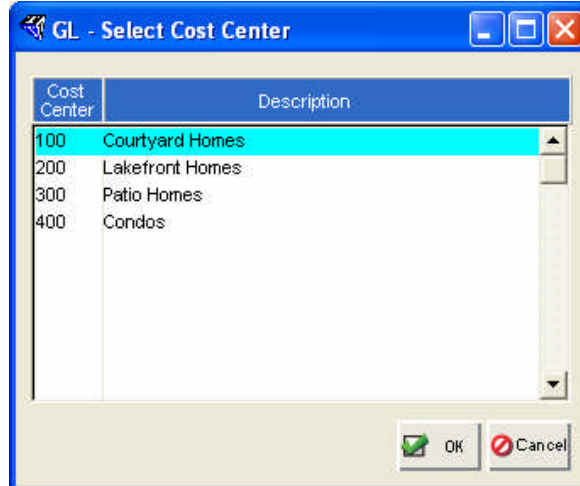
Either double click on the Cost Center to select it, or single click, then click the **OK** button.

Now select the Cost Center to copy the pattern to:
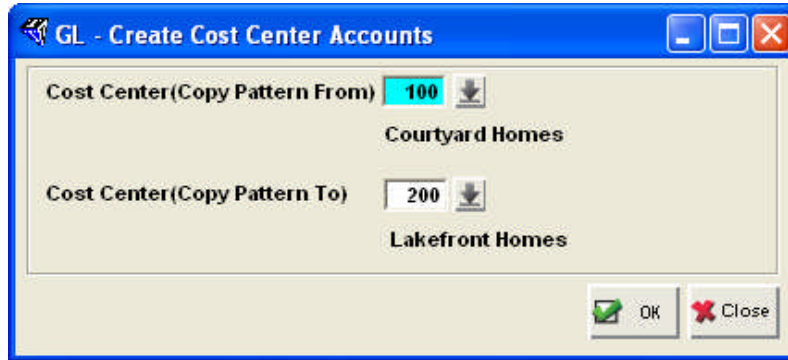
You can enter the Cost Center directly or use the down browse arrow to select the Cost Center from a browser screen as above.
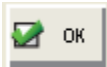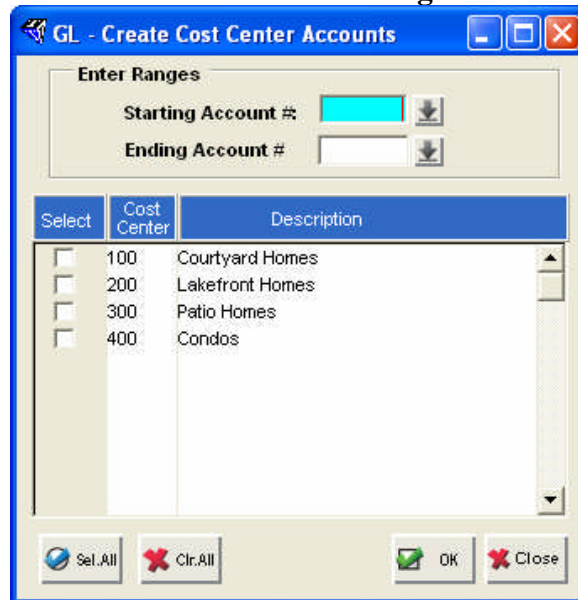
|	
	Click the **OK** button to have the main GL Account #'s added to the Chart of Account with the new Cost Center following the pattern of the "Copy From" Cost Center.

Continue using this utility tool until you have added Cost Centers to all main GL Accounts #'s where needed.

By Selecting Range of Accounts

Select a Cost Center, then a Beginning and Ending Chart of Accounts number range to have it append the Cost Center to each main Account # within the range. All main GL Account #'s within the account range will have the selected Cost Center appended to them automatically.

Enter Account Range

Enter the beginning GL Account range or click the down browse arrow to open up the Chart of Account browse screen.

If you clicked the down browse arrow, you will see the Chart of Accounts so you can select the beginning GL Account # range:

Browse Chart of Accounts
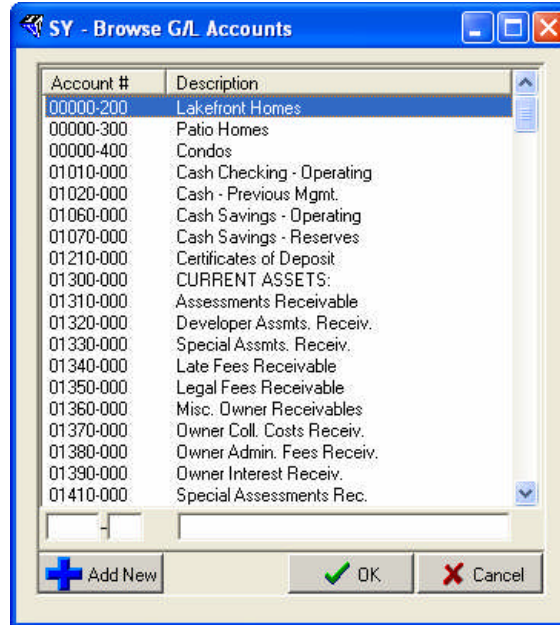
Double click on the beginning GL Account # range as the starting point for appending on the Cost Centers, then click the OK button.

Then follow the same procedure to select the ending GL Account # range.

Once you select the beginning and ending account # range, it will look like this:

Range Selected
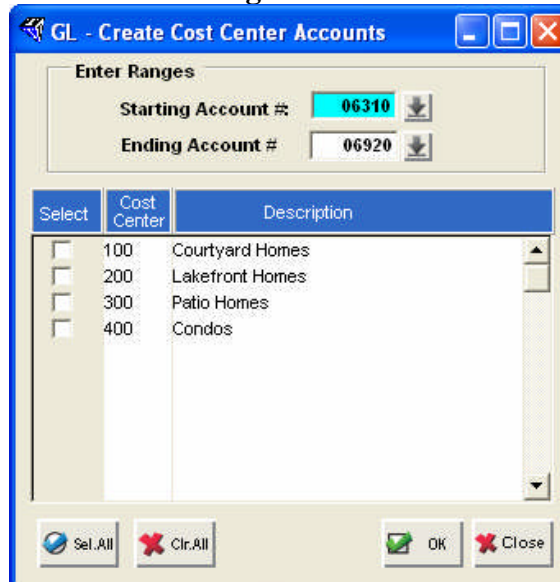
Now you are ready to "tag" the Cost Centers to have appended to all the GL Account #'s within this range. You can do all the Cost Centers or just selected Cost Centers.

Go ahead and click to checkmark the Cost Centers you wish to have appended to each GL Account # within the range displayed at the top of the screen. It will look like this:
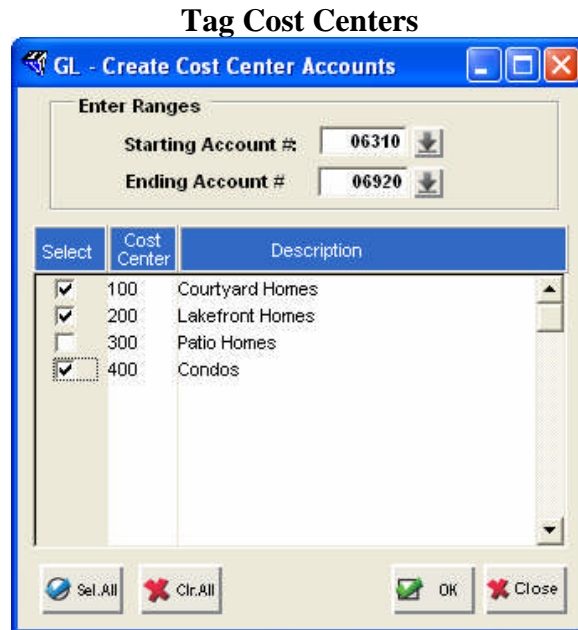
Tag Cost Centers

Once you have checkmarked the Cost Centers, then click the **OK** button to proceed to have all the GL Account #'s in the range setup with the selected Cost Centers appended to them.
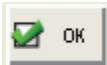
☑ OK	When you click the **OK** button, it will create the GL Account #'s in the Chart of Accounts within the selected range with the Cost Centers you checkmarked.

Continue using this utility tool until you have added Cost Centers to all main GL Accounts #'s where needed.

Financial Statements

In order to be able to print financial statements with Cost Centers, you must make sure the financial statement layouts are setup correctly. If the financial statement layouts are property setup, then you can have financial statements print for just a selected Cost Center or print a combined financial statement which includes all Cost Centers.

	From the GL Menu, click on the **Reports** menu tab.

You will see the GL Reports menu:

Click on the Maintain Layout button.

You will see the screen to select the Financial Statement Layout to check:
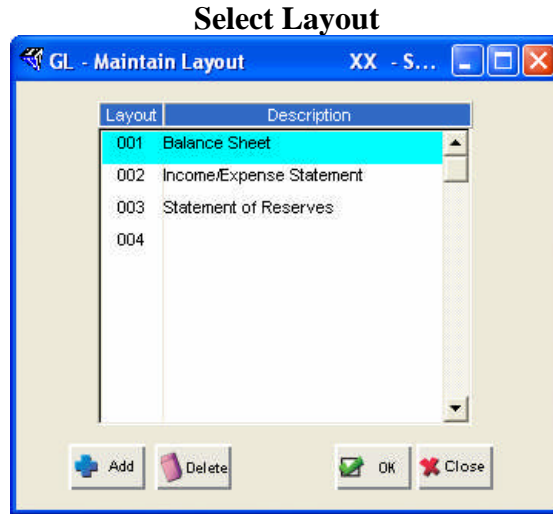
Select Layout

Let's use the Income/Expense Statement as an example for activating Cost Centers.

You will see the Income/Expense Statement layout:

Financial Statement Layout

This shows the beginning of the layout. You want to scroll down till you see where the GL Account #'s are displayed.

When you see the first set of GL Acount #'s displayed, stop there:

Financial Statement Layout
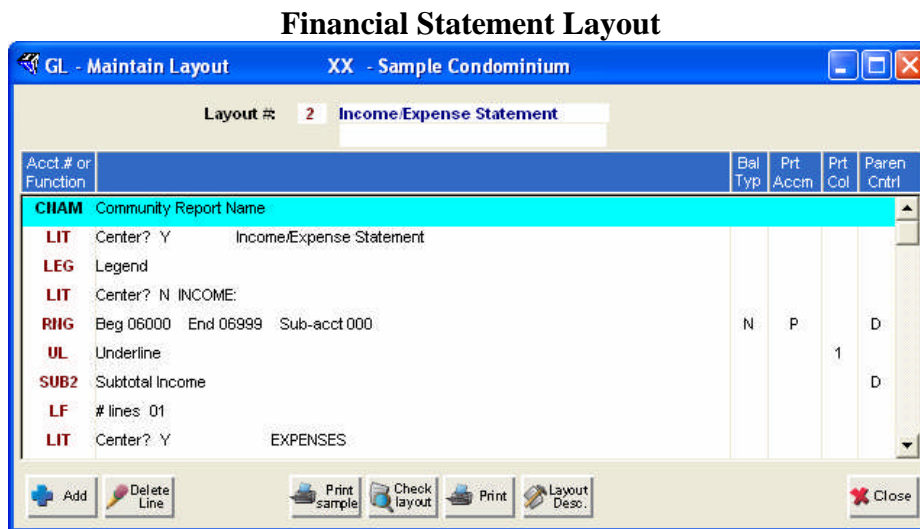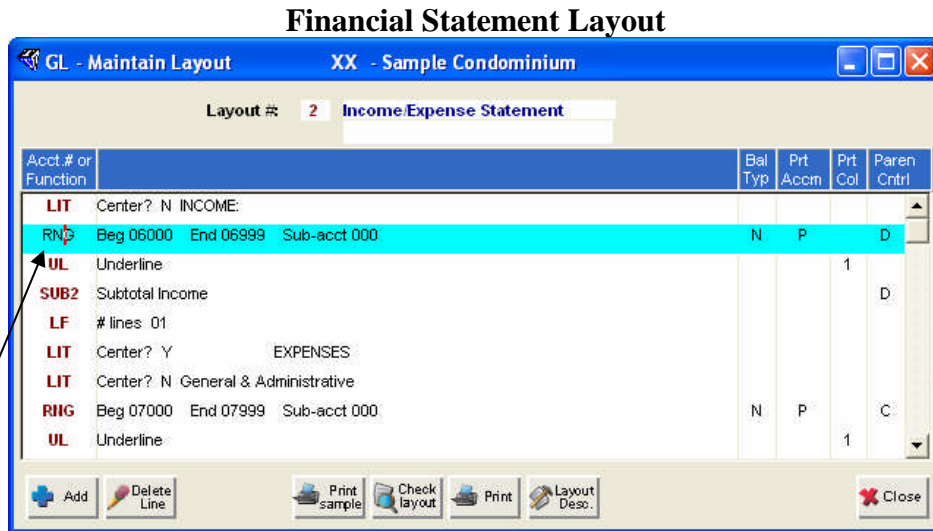
If you wish to activate the Cost Centers so they work with this GL Account or range of accounts, double click to open it.

When you open the Account # or range of Account #'s to edit it, it would look like this:
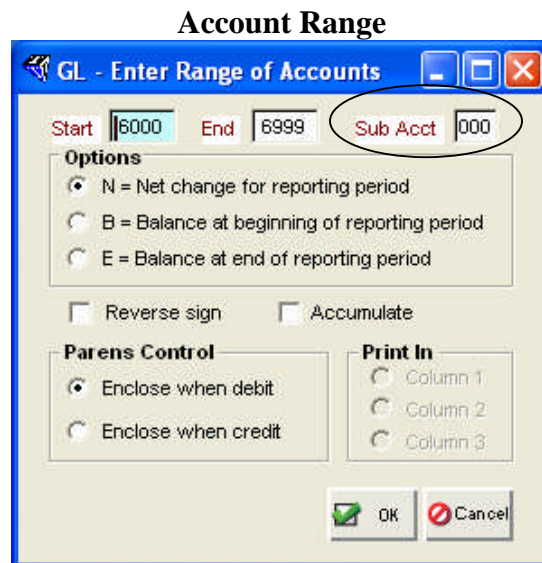
Account Range

Notice the field named "Sub-Account". This is the same as Cost Center. If is displays "000" then it means it will NOT include any Cost Centers when this Account or range of Accounts is printed.

To activate the Cost Centers so they print on financial statements, you must change the "000" to an asterisk (*) to represent a wildcard of "All" for the Cost Centers.

Activate Cost Center
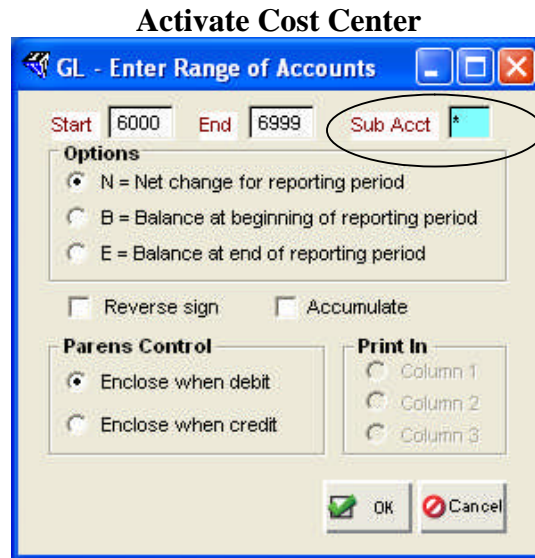
Enter the asterisk (*) into the Sub-Account field, then click OK. This will activate the wildcarding so that financial statements will print including ANY Cost Centers where balances exist for the GL Account # or range of Account #'s.

By using the asterisk (*) as a wildcard in the Financial Statement Layouts, you can also print Financial Statements for just a selected Cost Center rather than ALL Cost Centers. So using the asterisk (*) gives you maximum flexibility in your print options on financial statements.

Here's what an Income/Expense Statement Layout would look like after activating Cost Centers in the Layout:

Cost Centers Activated

The Cost Centers are activated for the GL Account ranges using the asterisk (*) as a wildcard.

You would want to follow this same procedure for the rest of the GL Accounts in each of your Financial Statement Layouts – Income/Expense, Balance Sheet and Reserve Fund Statement.

Once you are done with this step in the Financial Statement Layouts, you are ready to print financial statements with Cost Centers. Here's what the screen would look like when printing an Income/Expense Statements:
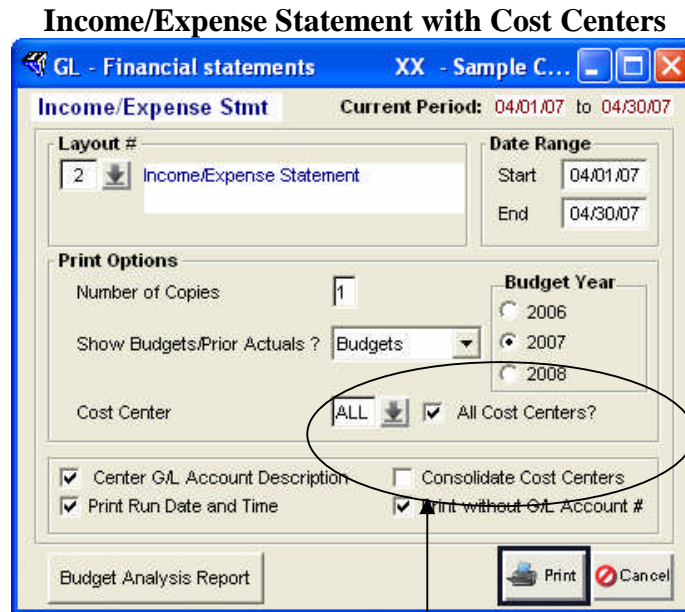
Income/Expense Statement with Cost Centers

Notice the Cost Center options now available when Cost Centers are active. You can print a financial statement for just a selected Cost Center or ALL Cost Centers. You have the further option to print for ALL Cost Centers, but Consolidate the Cost Centers into just one line item on the report for each main GL Account #.

This completes the section on the use of Cost Centers in the General Ledger.

Sub-Association or Section Accounting

Using Cost Centers, you have the ability in the Accounts Receivable module to handle Master/Sub-Associations, Section Accounting or Multiple Building Accounting where there is a need to track the actual income and expenses for each entity. A separate Cost Center would be setup for each Sub-Association, Section or Building so that it can keep the income and expenses separate and distinct for each entity.

Each home can have a Cost Center encoded in the Property Info so that the Income generated by each home can be further broken out by the Cost Center. Then each recurring Charge Table and every Misc. Expense will use the Cost Centers found in the Property Info when making GL entries when charges are applied, adjustments made or cash receipts are entered.

Here's an example of a Sub-Association GL Account setup with Cost Centers to break-down the income and expenses:

Main Acct #	Cost Center	Description
6310	000	Master Association Income
6410	100	Sub-Association 1 Income
6410	200	Sub-Association 2 Income
6410	300	Sub-Association 3 Income
6410	400	Sub-Association 4 Income
6410	500	Sub-Association 5 Income

Master Association

In this example, account # 6310 is used exclusively for the Master Association income. Although the income account is unique, you still need to use the same Cost Center for all Master Association income and expenses. We recommend using Cost Center "000" for the Master to GL balances separate from the Sub-Associations.

Sub-Association

In this example, the Sub-Association income uses GL Account # 6410 no matter what the Sub-Association. Each section of the community has it's own unique 3 digit Cost Center to keep the income and expenses for each section separate from the Master and the other Sub-Associations. By setting up a Master and Sub-Association this way, financial statements, like and Income/Expense Statement, can be printed for each Sub-Association as well as the Master with the further option of a combined statement for all.

Once you grasp the idea behind Cost Centers, the same principles also apply to Section or Building accounting.

Owner Database

To activate a Cost Center to do Sub-Association, Section or Building accounting, you must first enter a Cost Center for each home. To do this, go to the Owner Database menu as follows:

Owner Database > Maintain > Select Home

You will be at the Owner Maintain screen for the first home you selected:

Owner Maintain

Click on the **Property** button. You will see the Property Info for this home:

Property Info

Notice the **Cost Center** field. This is where you enter the Cost Center for the Sub-Association, Section or Building this home belongs with.

Type in the Cost Center that applies to this home. It must be one of the Cost Centers defined in the Chart of Accounts covered earlier in this Appendix.

Adding Cost Center
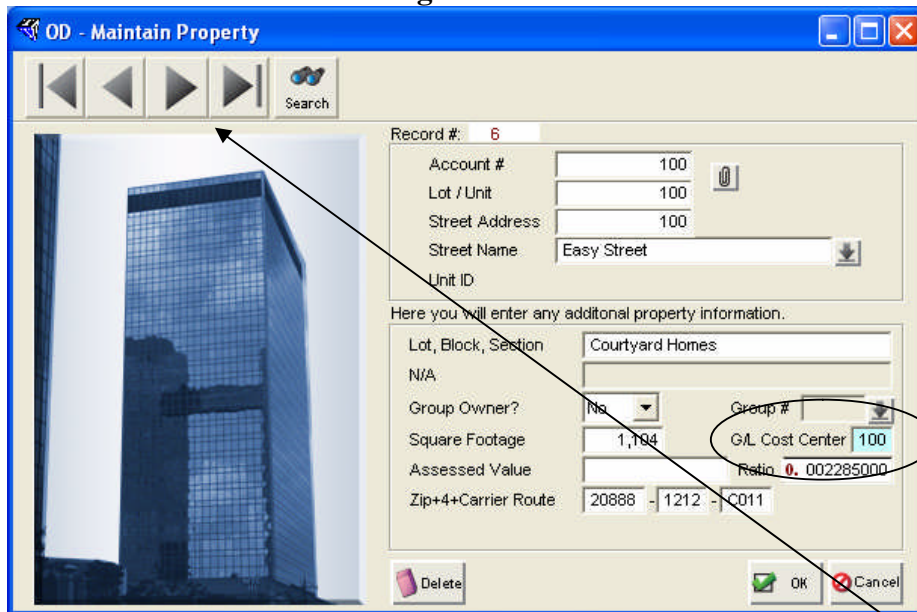
Click the **OK** button to accept the Cost Center entered in the Property Record for this home.

Continue to enter Cost Centers in all the homes to complete defining the Sub-Association, Section or Building that each home belongs to. You can use the browse arrow keys at the top of the Property screen to move from home-to-home.
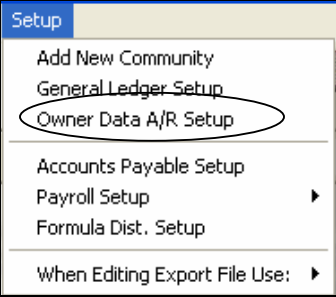
AR Module

Once you have defined the Cost Center for each home, you must setup the Accounts Receivable module so it knows to use the Cost Centers to do the Sub-Association, Section or Building accounting. There are 3 areas where Cost Center accounting needs to be activated:

- **Accounting Control File**
- **Charge Tables**
- **Misc. Charge Codes**

We'll cover each one of these areas in turn.

It's easiest to use the Community Setup menu to activate the Cost Center accounting in the AR Module, so we'll start there.

Setup Add New Community General Ledger Setup Owner Data A/R Setup Accounts Payable Setup Payroll Setup ▶ Formula Dist. Setup When Editing Export File Use: ▶	From the File menu, click on **Setup**. You will see the menu for Community Setup. Click on **Owner Data and A/R Setup**.

Accounting Control File

You will see the **Accounting Control File** for the community. This file controls several things about how the AR Module operates.

Accounting Control File

Notice the **Default Prepaid Acct** and **Default Accelerated Acct** fields. They show the main GL Account #'s used to pass owner transactions to the General Ledger. But when you are doing Sub-Association, Section or Building accounting, you always want the Cost Center that goes with each home so the General Ledger transactions are broken out with these Cost Centers.

Cost Center Wildcard

There is a "wildcard" which you can enter into the Cost Center field to tell the system to pick up the variable Cost Centers that are defined in the Property Info for each home and append them to the General Ledger transactions. By doing this, it breaks out owner transactions with the correct Cost Centers when it passes the transaction to the General Ledger. In this case, the "wildcard" is the Cost Center "**999**" which is entered into the Cost Center field in place of the zeros.

Accounting Control File

To activate the "wildcard", enter "**999**" into the Cost Center field for both the Default Prepaid Acct # and the Default Accelerated Acct #.

Because you will use this "wildcard" in other places in the AR & Owner Data setup so it picks up the variable Cost Center for each home, remember that it is:

Cost Center "Wildcard" = 999

Next ▶	Click the **Next** button to proceed.

Charge Tables

You will then see the **Charge Table** screen for the community:

Charge Tables

Select the first Charge Table either using the down browse arrow ![down arrow] or the large browse arrows ![browse arrows] to move from Charge Table to Charge Table.

Now you are ready to activate the Cost Centers in this Charge Table

Charge Table

Notice the **G/L Income Account** and **G/L Receivable Account** fields. Depending on how you want to use the Cost Centers, you can do one of the following:

- Enter a fixed Cost Center for this charge table

- Enter a variable Cost Center for this charge table

Fixed Cost Center:

You would enter a Cost Center after the main GL Account #. Then, every time this charge is applied to owners, the total of the charges would generate a transaction to the General Ledger with the Cost Center appended to the main GL Account #.

Example – 6310-010

Cost Center "010" would be a fixed Cost Center for this Charge Table.

If you had two Charge Tables, the setup for Fixed Centers would look like this:

Main Acct #	Cost Center	Description
6310	010	Association Income
6410	010	Special Assessment

Note: - You can only have 1 Cost Center for each Account # in the Table.

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Variable Cost Center:

There is a "wildcard" which you can enter into the Cost Center field to tell the system to pick up the variable Cost Centers that are defined in the Property Info for each home and append them to the General Ledger transactions. By doing this, it breaks out owner transactions with the correct Cost Centers when it passes the transaction to the General Ledger. The "wildcard" is Cost Center "**999**" which is entered into the Cost Center field in place of the zeros.

<div align="center">

Cost Center "Wildcard" = 999

</div>

This is normally what you would want to use for each Charge Table where you wanted to break out the owner charges by Sub-Association, Building or Section #.

An example of a Variable Cost Center for a Charge Table would look like this:

<div align="center">

Variable Cost Center Setup

</div>

This Charge Table will now look at the Cost Center found in the Property Info for each home and make entries to the General Ledger for the owner charges broken out with the different Cost Centers. This works very well for Sub-Association, Section or Building accounting where you need to keep track of income and expenses for each section.

You would want to do this for all the active Charge Tables in the community.

Next ▶	Click the **Next** button to proceed.

Misc. Owner Charges

You will see the beginning of **Misc. Owner Charges** for the community:

Misc. Owner Charges

Every Misc. Owner Charge has both an Income and a Receivable G/L Account #. This is how the software knows which G/L accounts to use when generating entries to the General Ledger as owner charges are applied.

Depending on how you want to use the Cost Centers, you can do one of the following:

- Enter a fixed Cost Center for a Misc. Owner Charge
- Enter a variable Cost Center for a Misc. Owner Charge

Fixed Cost Center:

Enter a Cost Center after the main GL Account # for a Misc. Charge. Then, every time this charge is applied to owners, the total of the charges would generate a transaction to the General Ledger with the Cost Center appended to the main GL Account #.

Example – Late Fees   6340-200

Cost Center "200" would be a fixed Cost Center for Late Fees.

Variable Cost Center:

Use the "wildcard" in the Cost Center field to tell the system to pick up the variable Cost Centers that are defined in the Property Info for each home and append them to the General Ledger transactions. By doing this, it breaks out owner transactions with the correct Cost Centers when it passes the transaction to the General Ledger. The "wildcard" is Cost Center "**999**" which is entered into the Cost Center field in place of the zeros.

Cost Center "Wildcard" = 999

This is normally what you would want to use for each Misc. Owner Charge where you wanted to break out the owner charges by Sub-Association, Building or Section #.

Here's what the Misc. Owner Charges would look like with Variable Cost Centers:

Variable Cost Centers

Be sure to scroll down using the scroll bar at the right side of the screen so you see all the Misc. Owner Charges to change the Cost Centers.

	Click the **Next** button to proceed.

You will see the Cash Application Table:

Cash Application Table

Because this table uses the Charge Codes from Charge Tables and Misc. Owner Charges, *no changes* need to be made here to activate Cost Centers.

	Click the **Cancel** button to exit from the Community Setup Wizard. All the Cost Center changes you made will be saved as long as you are on this screen when you click Cancel.

This completes the setup of the AR & Owner Collections module for Cost Centers.

Accounts Payable

When Vendor invoices are coded to an expense account, you must give some consideration to the use of Cost Centers too. If you wish to breakdown the community expenses by Cost Center, then you must expense each invoice to a main GL Account # + the 3 digit Cost Center. That way, you can generate an Income/Expense Statement that shows both the Income and the Expenses broken down by Cost Center. This is especially handy when doing departmental expenses, Master/Sub-Association, Section or Building accounting.

You can manually distribute Accounts Payable Bills to expense accounts or you can use Formulas to handle it for you. Using Formulas makes it quick and easy to distribute recurring AP Bills across main GL Account #'s with Cost Centers.

Activate Formulas

Because many Vendors invoices get the same expense distribution, we offer the ability to activate "formulas" for use in the Accounts Payable module. Formulas let you setup multiple expense distribution with Cost Centers, then save them for future use. That makes the coding of AP Bills very quick and easy because you do not have to enter each line of the expense distribution.
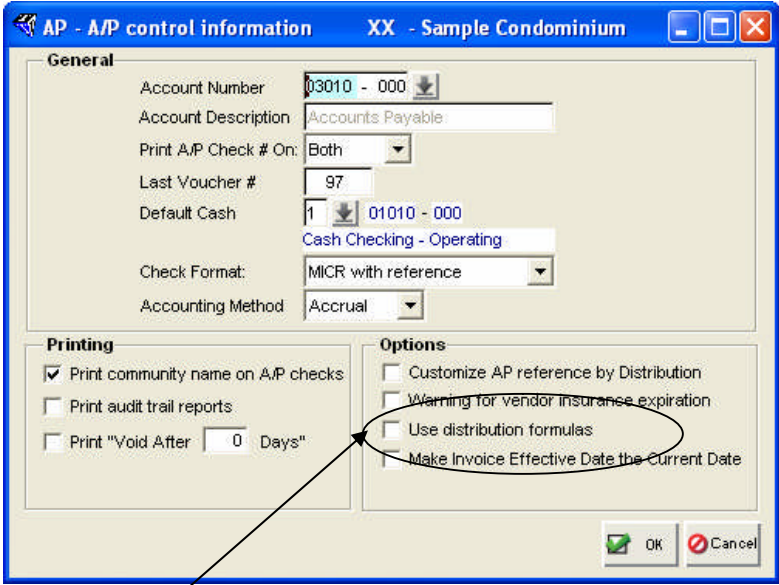
To activate and use Formulas, follow these steps below:

From the AP Menu click:

AP Menu > Setup

You will see the AP Control File:

AP Control File

Notice the "**Use distribution formulas**" option.

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Click to checkmark the "**Use distribution formulas**" option so it looks as follows:

AP Control File

This activates the "Formulas" so you can use them in the Accounts Payable module.
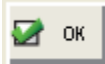
	Click the **OK** button to save this change and exit. You have now activated the use of Formulas in the Accounts Payable module.

Setup Formulas

You can setup multiple Formulas for each expense distribution that involves Cost Centers. You would want to setup a different Formula for each expense that is distributed differently against the Cost Centers. For example, because the expenses might be distributed to Cost Centers in a different way for certain expense types, you might have a different Formula for:

General Expenses

Electric Expense

Water Expense

However, *you do **NOT** need a separate Formula when the main GL Expense Account # is different for different types of expenses, only when the **COST CENTER** distribution is different*. You can enter the main GL Account # for an invoice, then call up the Formula to distribute the expense to each Cost Center. You'll get a better understanding of how Formulas work when you show you an example in the next manual section.

On the File Toolbar, click:

Setup > Formula Dist. Setup

Setup
Add New Community
General Ledger Setup
Owner Data A/R Setup
Accounts Payable Setup
Payroll Setup ▶
Formula Dist. Setup
When Editing Export File Use: ▶
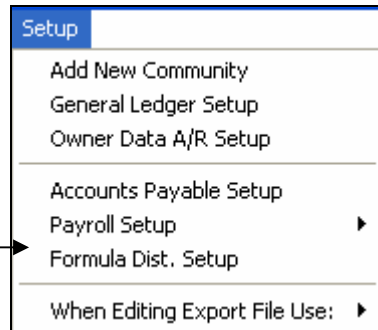
Click on the menu choice "**Formula Dist. Setup**".

You will see a blank Formula screen:
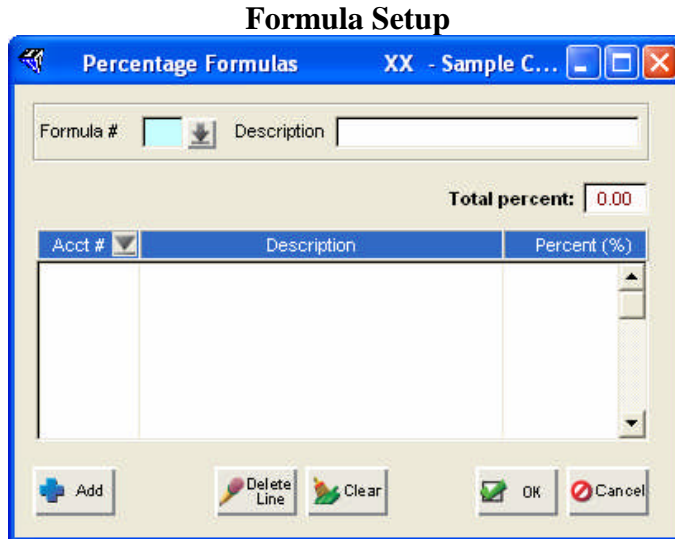
Formula Setup

From here you can either **Add** a new Formula or click the down browse arrow ⬇ to view/change existing Formulas.

	Click the **Add** button to setup a new Formula.

You will see this screen to setup the Formula:

Formula Setup
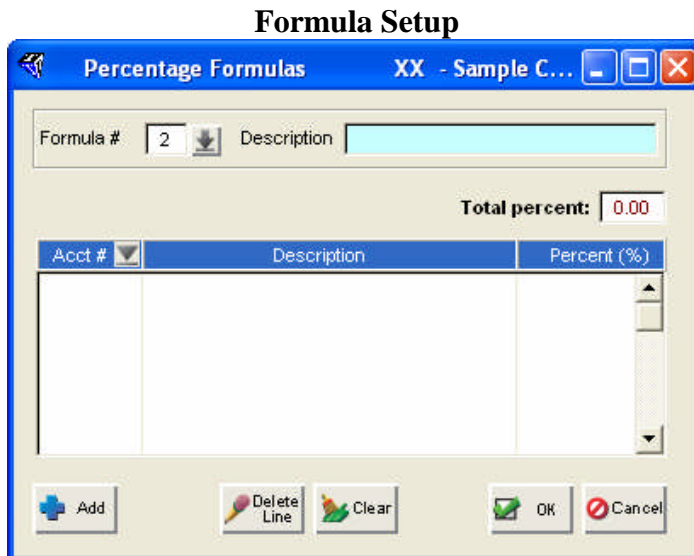
Complete these fields:

Description – The name you want to call this Formula. It should be something which indicates the expense distribution, like "Electricity"

Account # - this can be all Cost Centers with no main account # or it can be a mix of both Main expense accounts and Cost Centers line items.

Here's what a complete Formula might look like:

Completed Sample Formula

The Formula distribution *MUST* total 100% or you cannot exit the setup screen.
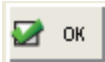
	Click the **OK** button to save the Formula. Go ahead and add other Formula if needed.

Using Formulas

Once Formulas are activated in the Accounts Payable module, then Formulas are setup, you can begin to use them to quickly and easily distribute expenses to various Cost Centers. You would use them when you are entering AP Bills to be paid.

The following is an example of how to enter AP Bills using Formulas.

AP Bill Entry

Proceed to select the Vendor and complete the screen like you would for a normal AP Bill to be paid.

When you get to the Formula # line item, follow this procedure:

AP Bill Entry

Notice the down browse arrow ⬇ next to the Formula # field. Click the down browse arrow to select an existing formula.

You will see all existing Formulas that have been setup for this community:

Select Formula

You can Add a new Formula if needed, or simply click on one of the existing Formulas to select it for use.
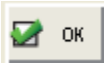
✅ OK	Click the **OK** button after you have selected a Formula.

Next, you can either browse the Chart of Accounts to select the main GL Account # to use with the Cost Center distribution, or, if there is a Default GL Account # on file for this Vendor, you will see it displayed:

Select Main GL Account #

Once you have selected the main GL Account # to use with this Formula distribution, you are ready to proceed.
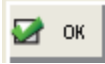
☑ OK	Click the **OK** button after you have selecting the main GL Account #.

After selecting the main GL Account # to use with the Formula, it will automatically distribute the total invoice expense using the Formula percentages like this:

Expense Distribution

You do not have to manually distribute the expenses when you use Formulas, the distribution is done automatically once you select the Formula, then confirm the main GL Account # to use with the Cost Centers.

Like all AP Bills, you can change any of the information shown on the Bill Entry screen including the expense distribution if needed.
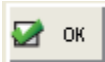
☑ OK	Click the **OK** button to accept the Bill and expense distribution as shown on the screen.

This completes the section on using Formulas to distribute AP expenses across multiple Cost Centers.

Appendix E - Switch from Cash to Accrual Accounting

Here are the steps by module:

GL Module

1. <u>Chart of Accounts</u>. The first step is to setup accrual accounts in the Chart of Accounts. At a minimum, you will need the following accrual accounts:

<u>Account</u>	<u>Type</u>	<u>Used By</u>
Assessments Receivable*	Current Asset	AR
Late Fee Receivable**	Current Asset	AR
Prepaid Assessments	Current Liability	AR
Accelerated Assessment	Current Liability	AR
Accounts Payable	Current Liability	AP

* You need to setup a GL Account # which is a Receivable (Current Asset) for each active Charge Code in the AR module

A/R Module

1. <u>Accounting Control File</u>. From the Setup menu, click "Owner Data &AR Setup". You will be in the Accounting Control File. Click on down browse arrow next to the "Accrual Or Cash Accounting" to change from Cash to Accrual. While on this screen, enter the LIABILITY accounts from Chart of Accounts above for "Default Prepaid Acct #" and "Default Accelerated Acct #". Click Next.

2. <u>Charge Tables</u>. You must select each Charge Table that is active and enter the new GL Receivable account on the empty line that now displays in each Charge Table. The Income account displays just above the Receivable line and should not need to be changed. Click Next when done with the Charge Tables.

3. <u>Misc. Charges</u>. The GL Receivable account input fields should be showing as blank for each Misc. Charge Code right under the Income account. You need to enter a GL Receivable account # for each Misc. Charge Code that has a Description showing and an Income account # already entered.

4. Click Next after entering the Receivable account #'s. Click Next through the Cash Application Table. Click Finish.

5. Now print an AR report to see the current owner balances to be able to make adjusting entries to the General Ledger later on.

   Go to the AR menu. Select Reports. The "Owners Balance Summary" is the best report since it shows both the balances due and prepaid (credit) balances for each owner. The report should be printed as of today's date so that it finds the current account balances and breaks them down by the new Receivable accounts.

If you wish to go back to the previous month to make this change effective, you will have to print the report twice--once for the previous month end date and again for the current day to make sure all the transactions hitting the GL up through the current day are included on the adjusting JE 's that will need to be made.

6. You want the last page of the report where it has the Accounting Summary since this will show the new receivable totals for balances due. Again, this will be used in a later step to make Journal Entries in the GL.

You are done converting the AR module to accrual at this point.

GL Module

1. <u>Journal Entries</u>. An entry needs to be made for the owner receivables balances and the prepaid owner balances to record them under the new Receivable and Liability GL Account #'s in the General Ledger. Using the Owner Balance Summary report, go to the Accounting Summary on the last page. Using the GL Account Breakdown on the Summary Page, enter a Journal Entry for each amount showing. For each amount showing, there needs to be a DEBIT and a CREDIT entry. Generally, the entry should be made as follows:

> DEBIT - Receivable (Asset)   CREDIT - Income account
>
> *Example - to setup the Assessments Receivable (A1) balance of $2350.00 the entry would be:*
>
> *DEBIT - 1310 $2350.00   CREDIT - 6310 $2350.00*
>
> **Prepaids**:
>
> DEBIT - Income account   CREDIT - Prepaid (liability)

That's all for converting the AR balances to accrual including the GL adjustments to setup the balances.

AP Module

Click on the AP button on the main TOPS menu. There are 3 steps to perform from here:

1. <u>Cancel all Open Invoices</u> - You MUST cancel all open Bills FIRST since they were entered under the "Cash" accounting method and cannot be converted to accrual method while open. From the AP Menu, click on "Adjustments", select each open Bill, then click the "Cancel Voucher" radio button. Click OK on each one to clear the screen, then select the next one until all open Bills have been selected. After all open Bills have been selected to Cancel, click on the "Post" button at the top of the screen. Post these adjustments.

2. Manual or handwritten checks do not need to be adjusted in any way.

3. <u>AP Control File</u> - Click on the AP button on the main TOPS menu. Go to the last tab - "Setup". Click the "Control Info" button on the Setup menu. First, look at the Account #

at the top of the screen. It is the GL account for AP Clearing which should be a Liability account. Make sure it is the correct GL account #.

Second, Look for the field named "Accounting Method". Use the down arrow to change from Cash to Accrual. Click OK to save the changes.

4. Now you must enter all the Bills that were canceled using Adjustments back into TOPS again but this time they will be handled under Accrual accounting. From the AP Menu, click on "Enter AP" tab. Then enter each Bill again with the correct expense account. "Post" the invoices when done entering. This time when posted, a debit entry will be made to the GL expense account and a credit to AP Clearing--which is the way Accrual accounting handles AP.

This completes converting the AR, GL and AP modules from Cash to Accrual accounting.

Appendix F - Switch from Accrual to Cash Accounting

Here are the steps by module:

GL Module

1. <u>Chart of Accounts</u>. You may need to go to the Chart of Accounts first in GL to setup these INCOME accounts:

<div style="margin-left:4em">

Account:	Type:
Prepaid Assessments	Income
Accelerated Assessments	Income

</div>

You will need these GL account #'s for making Journal Entries and in the AR Setup.

2. Print the General Ledger through the current month end date. This will show the Receivable and Prepaid balances that need to be zeroed out to convert the GL back to a Cash basis.

3. An entry needs to be made to clear the owner receivables balances and the prepaid owner balances from the General Ledger. Enter a Journal Entry for each Receivable balance showing under the ASSET section of the GL. You want to zero (0) out any Receivable or Prepaid balance showing on the General Ledger report. The other side of the entry is ALWAYS the Income account that was paired with the Receivable account under Accrual accounting.

4. For each amount showing, there needs to be a DEBIT and a CREDIT entry. Generally, the entry should be made as follows:

CREDIT - Receivable (Asset)   DEBIT - Income account

Prepaids:

CREDIT - Prepaid Income acct   DEBIT - Prepaid (liability)

Example - to clear the Assessments Receivable (A1) balance of $2350.00 the entry would be:

CREDIT - 1310 $2350.00   DEBIT - 6310 $2350.00

That's all for converting the AR balances in the General Ledger module from Accrual back to Cash.

A/R Module

1. <u>Accounting Control File</u>. From the Setup menu, click "Owner Data & AR Setup". You will be in the Accounting Control File. Click on down browse arrow next to the "Accrual Or Cash Accounting" to change from Accrual to Cash. While on this screen, enter the INCOME accounts for Prepaid Assessments and Accelerated Assessments. Click Next.

2. <u>Charge Tables</u>. No action needed. By changing the Accounting method in the Accounting Control File above, it blanks out the Receivable account automatically leaving just the

INCOME account active for each Charge Table. Click Next.

3. <u>Misc. Charges</u>. No action needed. By changing the Accounting method in the Accounting Control File above, it blanks out the Receivable account automatically leaving just the INCOME account active for each Misc. Charge. Click Next.

4. Click Next through the Cash Application Table. Click Finish.

You are done converting the AR module to accrual at this point.

AP Module

Click on the AP module button on the main TOPS menu. There are a few steps to perform from here:

1.   Cancel all Open Invoices - you MUST cancel all open Bills since they were entered under the "Accrual" accounting method and cannot be converted to Cash while open. From the AP Menu, click on "Adjustments", select each open Bill, and then click the "Cancel Voucher" radio button. Click OK on each one to clear the screen, and then select the next one until all open Bills have been selected. After all open Bills have been selected to Cancel, click on the "Post" button at the top of the screen. Post these adjustments. This will reverse the Accrual entries from the GL that were made when these Bills were originally posted.

2.   Manual or handwritten checks do not need to be adjusted in any way.

3.   AP Control File - Click on the last AP tab – "Setup". From the "Setup" menu, click "Control Info". Look for the field named "Accounting Method". Use the down arrow to change from Accrual to Cash. Click OK to save the change. No need to change the AP Clearing Account # at the top of the screen, it is ignored under Cash accounting.

4.   Now you must enter all the Bills that were canceled using Adjustments back into TOPS again but this time they will be handled under Cash accounting. From the AP Menu, click on "Enter AP" tab. Then enter each Bill again with the correct expense account. "Post" the invoices when done entering. This time when posted, no entries will be made to the GL expense accounts. The expenses will show on the General Ledger expense accounts when the AP Checks are posted using the check date. This is the way Cash accounting handles AP. This completes converting the AR, GL and AP modules from Accrual to Cash accounting.