Reckon

Personal Range

User guide

Personal Plus, Home & Business

Reckon Software

Locked bag 7522

McMahons Point NSW 2060

Trademarks

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INTRODUCTION TO Reckon Accounts

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Welcome to Reckon Accounts. This chapter provides a guide to getting started with Reckon Accounts, and explains how you can get the most from the documentation and support resources available.

Installing Reckon Accounts

Begin with the Reckon Accounts Installation and Upgrade Guide

Before you begin to work with Reckon Accounts, you'll want to install your software or upgrade from an earlier version.

The Reckon Accounts Installation and Upgrade Guide provides important information that you need to know **BEFORE** you install or upgrade your software. You'll save time, find answers to your questions, and avoid potential problems if you follow this step-by-step guide.

The Reckon Accounts Installation and Upgrade Guide is included with every purchase of Reckon Accounts. You can find your download link, Installation Key Code and User Guide links by logging into Reckon Member's site https:// members.reckon.com with your Customer ID and pin number.

About Reckon Accounts

Reckon Accounts is a software program that helps you manage your personal finances. It enables you to track many areas of your day-to-day finances, including pay slips, bills and general spending. You can categorise income and spending, and then generate reports that show where your money goes.

Reckon Accounts Personal Plus includes features for tracking tax and investments, and for developing long term financial plans.

Reckon Accounts Home & Business includes additional features designed to support a small cash-basis business. These features include recording customer payments, issuing funds and credits, recording mileage and more.

Features in Reckon Accounts are organised into centres, as shown in the table below. This table identifies which centres are included in each level of Reckon Accounts.

Centre	Personal Plus	Home & Business
Cash Flow	✔	✔
Property & Debt	✔	✔
Investing	✔	✔
Planning	✔	✔

Centre	Personal Plus	Home & Business
Tax	✔	✔
Business		✔
Financial Overview	✔	✔

Each level helps you to sharpen the way you handle your finances, so that you can be sure your money is being saved or spent productively.

Learning about Reckon Accounts

The best place to start learning about Reckon Accounts is the user guide you are now reading. It is designed to give you an overview of how Reckon Accounts works and how you can make it work best for you.

Detailed information about individual features is available in the in-product help.

How this guide applies to Personal Plus and Home & Business

This user guide applies to Reckon Accounts Personal Plus, and Reckon Accounts Home & Business.

As a way of explaining features and concepts, we will use screenshots taken from Personal Plus or Home & Business. This means you may see screenshots of windows that are similar to those in your version, but with a different feature set. This won't change the point of instruction, unless mentioned in the text.

Conventions used in this guide

This guide follows the conventions shown in the table below.

To indicate...	We use...
Reckon Accounts Personal Plus and Reckon Accounts Home & Business	Reckon Accounts
Reckon Accounts Personal Plus	Personal Plus or Reckon Accounts Personal Plus
Reckon Accounts Home & Business	Home & Business or Reckon Accounts Home & Business
A menu selection	"Go to the **Help** menu and click **Product Help**." Note that we've added the word "menu" to indicate the main menu name, followed by one or more sub-menu items. The menu and sub-menu item names are in bold type.
A button that you click	The button name in bold type. For example, "click **Activate** after entering..."
A key that you press on your computer keyboard to activate a function	The key name in bold type. For example, "press **F1** to access Reckon Accounts Help."
The name of a window	The window name in bold type. For example, "The **Preferences** window opens.

To indicate...	We use...
The name of a drop-down list	The drop-down list name in bold type. For example, "Select Tasmania from the **State** drop-down list."
Important information you should note	**!**
A hint, tip or technique you might find useful	

Three steps to more Reckon Accounts help

If the answer you're after is not in this guide, take the three-step approach to getting help with your Reckon Accounts software.

Step 1 - Check the Reckon Accounts in-product Help

Your Reckon Accounts software comes with comprehensive in-product Help, extending the introductory material you'll find in this user guide.

Use Reckon Accounts Help for in-depth overviews and procedures. To get task-specific help right where you're working:

• Click the question mark or light bulb icons, or

• Press the **F1** key

If available, Reckon Accounts displays specific help for the window you're working in.

Light bulb icon   Question mark icon
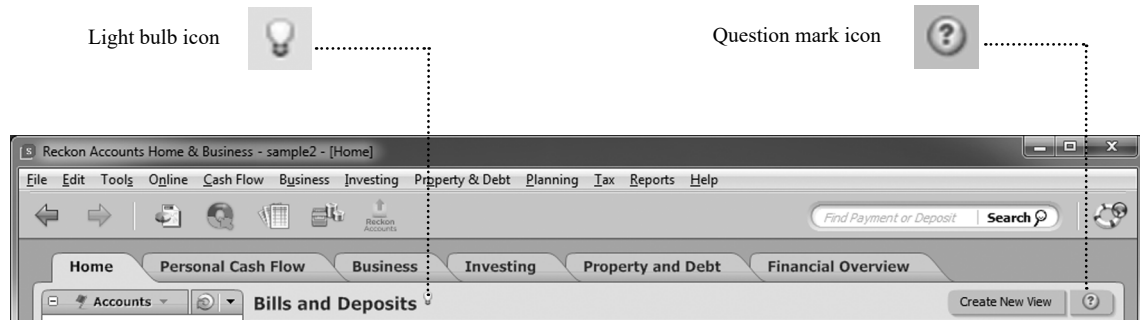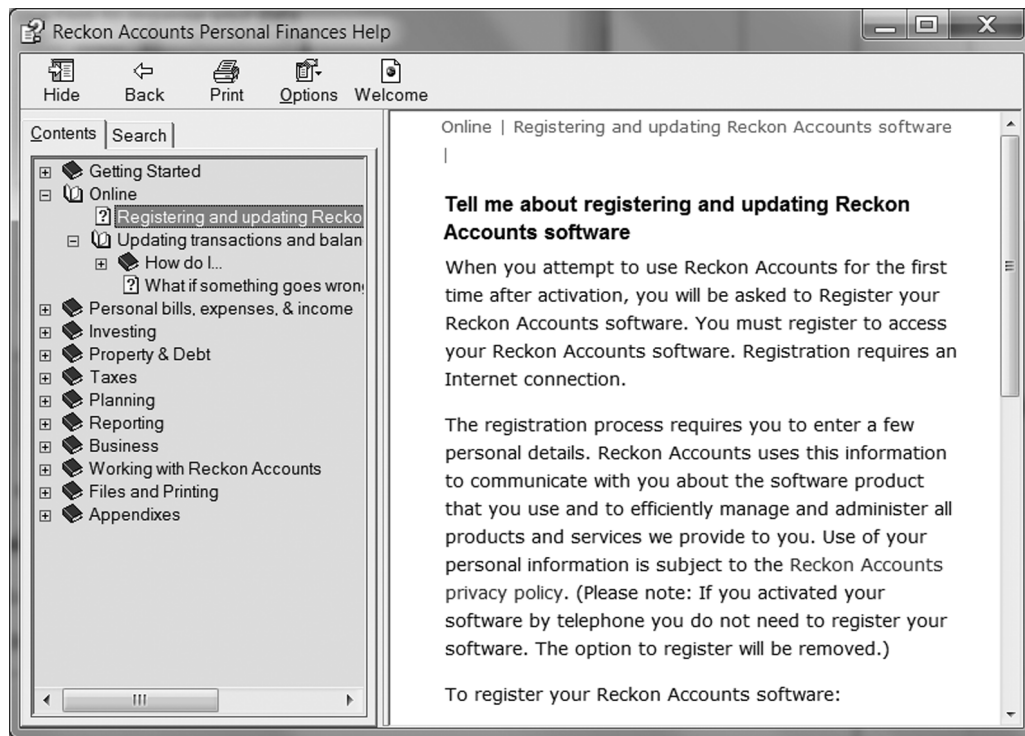
If the first topic you reach isn't what you want, click one of the tabs at the top left of the Help Topics window:

- Click the **Contents** tab, double-click one of the Help books on the left, then click a topic.

- When you click the **Contents** tab, you see the current topic highlighted in the Help Table of Contents.

- The top level *book* icons link to Overview topics for feature areas. Top level *books* in Help usually correspond to Reckon Accounts menus (for example, features that you can access from Reckon Accounts's **Investing** menu are discussed in the Investing section of Help).

- Second level *books* correspond to primary feature or task groups (for example, *Using a cash flow register* or *Reconciling cash flow accounts*).

- Expand the *How do I...* book to view step-by-step procedures within each feature area.

- Click the **Search** tab, enter a phrase, and then click **Ask**.

  To get the most accurate search results, type a 3- to 10-word question.

  For example, instead of typing "category", type "How do I create a category?" in the search field. Make your questions as specific as possible. They should be short and contain only one major topic. For example, "How do I add a chequing account?" will return better results than "How do I add a chequing and savings account?"

  The **Search** field on the Reckon Accounts toolbar only searches Reckon Accounts transactions. It doesn't search Reckon Accounts Help.

Working with the Help window
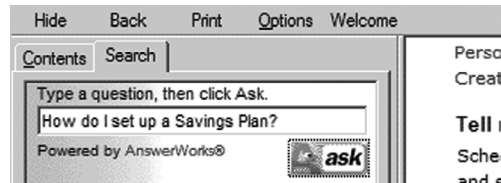
- Within a topic, ⊞ and ⊟ shows and hides additional help content.

- Hide or show the **Contents** panel on the left by clicking the **Hide** (or **Show**) button at the top left corner of the window.

- Make the **Contents** panel bigger or smaller by clicking and dragging the divider bar.

- Make the **Help** window bigger or smaller by clicking and dragging its bottom left or right corner.

- Print a topic by selecting it and clicking **Print this topic** (at the bottom of the topic window). To print all the topics in a book, select the book in the Help Table of Contents and then click **Print**.

Step 2 - Check the Knowledge Browser

The Knowledge Browser in the Support area of the Reckon web site is an online technical support database that is available to all Reckon customers 24 hours a day, 7 days a week. Search for support articles which contain step-by-step instructions to get you through any known Reckon Accounts product issues.

Alternatively, simply view the frequently asked questions on the Reckon support page. In many cases, you will find the solutions to your problem there.

Step 3 - Contact Reckon Technical Support

If you require technical support and prefer to speak to a Reckon representative, the Reckon Technical Support team is just a phone call away. Reckon's trained technical support staff are available to help you during business hours, Monday through Friday.

For more information about technical support, including hours of operation and charges for your country, see "Contacting Reckon" on page 202 .

GETTING THE MOST FROM Reckon Accounts

2

Each Reckon Accounts user has different financial goals, sources of income, and money management priorities. The beauty of Reckon Accounts is that it is powerful and flexible enough to help most people manage their finances better.
Use this chapter to learn how Reckon Accounts works and to decide how much detail you want from Reckon Accounts.

Deciding how much detail you want to track

Like others using this program, you will have unique requirements for the financial areas you wish to track. On a personal level, you may only want to record general cash flow (income and expenses) but not investments. Or perhaps you only need to track investment information, without the cash flow. If running Home & Business you may wish to track personal and business finances, but not investments. Your personal needs will determine the Reckon Accounts features that you will use.

You then need to decide how much detail to track within each feature you decide to use. Do you wish to record each time you spent cash in a month or just the total of cash spent within certain categories for a month? It's something you need to decide up front before regularly using the program. It's important to be consistent with the level of detail you record in the program, as this information will affect reports and planning.

Remember, the more detail you track, the better picture Reckon Accounts can give you of your financial situation.

Let's take a quick look at some of the financial areas you can track:

- **Cash flow.** This covers basic banking where you receive money (mostly through a pay slip or investment dividend) and you spend money. It allows you to set up accounts that match your real-life accounts and record detailed transactions. You can even download bank statements to make sure your records are current. The Cash flow area also allows you to record bills and schedule repeating transactions like rent, gym membership, recurring insurance and utility payments.

- **Investing.** This covers all your investments - individual shares, managed funds and retirement funds. It allows you to set up an account for the shares you own and download the latest share prices. It also allows you to set up accounts to keep an eye on your managed funds or retirement funds.

- **Property and debt.** This enables you to record information about the property you own. Set up asset accounts to cover the cost of a house, car or business equipment. Set up liability accounts to track the state of your loans. Take advantage of the brand new Reckon Home Inventory Manager to keep an organised record of all your

household items, receipts, and photos to help insurance claims go smoothly. It simplifies estate planning by recording items, and noting the beneficiary associated with each item.

- **Business.** This covers all areas of the cash-basis accounting system you use for your business. It includes accounts to record your income and expenses, and the tools to set up customer and supplier records. As a bonus, Home & Business allows you to create an estimate or invoice even though the program has been developed as a cash-basis accounting system. (Available in Home & Business only.)

The way you track these details affects the following Reckon Accounts features:

- **Planning.** Reckon Accounts can use current data in your system to make future projections about your financial situation for home, business or both (depending on the level you are running). The more detail Reckon Accounts has to work from, the better forecast it can provide. This area includes a Debt Reduction Calculator. You can also use additional financial calculators to create scenarios for superannuation, loans, savings, refinancing or University savings for your kids.

- **Reports.** You can get reports on your day-to-day spending, investment transactions, business profit and loss and much more. Again, the more information you track on a day-to-day basis, the better the detail in your reports and subsequently the better picture you'll get of your finances.

- **Tax records.** The Tax Planner can tell you how much tax you owe for general income tax or you can get Home & Business to generate the actual figures to include in your next BAS. Home & Business generates this information from the data you enter into the program each day. (The BAS report is available in Home & Business only.)

The following table shows you where to find specific information about details you may wish to track.

If you want to...	Refer to...
Work out how much detail to track, open the program, learn about the basic elements of Reckon Accounts, and learn to back up your Reckon Accounts file.	Chapter 2
Decide whether to include personal and business information in the same Reckon Accounts file, set up personal accounts and categories, set up business accounts, categories, tags, invoice items, customers and suppliers.	Chapter 3
Carry out regular record keeping for your personal finances such as updating accounts, reconciling accounts with your online accounts, and assigning categories to transactions.	Chapter 4
Set up accounts to track your investments, update your investment accounts, buy shares as an enterprise and track you portfolio's performance.	Chapter 5
Set up Reckon Accounts to track your work income and tax deductible income so you're ready at tax time to maximise your tax benefits quickly.	Chapter 6
Track ABN withholding amounts, track GST received and paid, create estimates and invoices with GST amounts.	Chapter 7
Create estimates or invoices, record payments from customers or issue refunds, pay suppliers or receive refunds and track mileage.	Chapter 8
Determine the health of your personal and business finances, including tracking home value and the associated loan, vehicle value and the associated loan, analysing personal net worth, understanding business cash flow and your BAS liabilities	Chapter 9
Use existing data and different scenarios to plan your personal and business finances into the future.	Chapter 10

Opening Reckon Accounts for the first time

To use the features in Reckon Accounts you need to have a Reckon Accounts file open. This is a file that stores information about the features you use and the day-to-day data you will later record (see "Reckon Accounts data file" on page 17 for more information). If you don't already have a personalised Reckon Accounts data file (whether it is compatible with Reckon Accounts or ready to upgrade), you will have several options the first time you open Reckon Accounts.

One option is to open the sample data file, which you can use to see how a typical user might set up the program. Another option is to use the Reckon Accounts Express Setup to help you set up your own data file.

When you go to the **File** menu and click **New**, the Reckon Accounts Express Setup wizard opens. The Express Setup wizard will ask you a series of questions about yourself so that Reckon Accounts can create a data file that adequately supports your situation. You can exit this wizard at any time during setup, or make changes later to the details you enter now. The purpose of the wizard is to make setting up your data file fast and easy for you.

You'll find the Reckon Accounts Express Setup an easy process. There is plenty of in-product Help to guide you comfortably through the setup process.

You can follow your progress through the Express Setup from the menu here.

Express Setup

① Set Up Chequing Account   ② Add Paycheques/Income   ③ Add Credit Cards and Bills   ④ Summary

Welcome to ReckonAccounts.

What to expect here
This one-time setup takes approximately five minutes. You will be guided through the process. Simply follow the on-screen instructions to add an account and tell ReckonAccounts about your regularly scheduled bills and deposits.

What you'll need
Before you start, get the following:

1 **Your most recent bank**
track your real-world chequ

2 **A list of your monthly b**
paper cheque register. You
Web site. You don't need e

ⓘ **Don't have all of t**
No problem - you can

Skip Setup

Express Setup

① Set Up Chequing Account   ② Add Paycheques/Income   ③ Add Credit Cards and Bills   ④ Summary

Add my deposits and other income

Add each paycheque and other regular source of income that you want to track. If the amount varies from month to month, just enter a monthly average. You can specify the actual amount each time you enter the paycheque in ReckonAccounts.

➡ Why should I track this?

* Required fields

My Deposits/Paycheques/Income

Company Name*	Category	Take-Home Pay	How Often?	Next Pay Date	Enter into this Account?
Reckon	Salary	0.00	Every two weeks	30/08/2012	SAM

Add Row

ⓘ **Want to track details such as paycheque deductions?**
You can add more paycheque information later.

ⓘ **Not ready to add this information?**
No problem—just click **Next Step**. You can enter this later.

? **Exit Setup**　　　　　　　　　　　　　　**Next Step >**

These are two sample pages you'll see as part of the Reckon Accounts Express Setup.

Learning Reckon Accounts essentials

Take a few minutes right now to familiarise yourself with some essential Reckon Accounts terms and concepts. You'll see these terms throughout this guide and while you're using Reckon Accounts.

Reckon Accounts data file

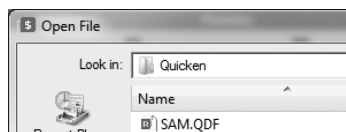Reckon Accounts saves your financial information in a data file on your computer. As with other types of files, such as word-processing or spreadsheet files, you store this file in a folder on your hard disk. Unlike most other programs, however, Reckon Accounts immediately saves your information as you work; you don't need to save the file manually. As with all important data, you should still back up your Reckon Accounts file frequently. You'll learn how to back up your file later in this chapter.

Accounts

Within a single Reckon Accounts file, you can add many accounts to organise your financial information. You can add several accounts (such as chequing, savings, brokerage, and so on), or you can start with a single account (such as a chequing account). You can also add Accounts to track other aspects of your financial life, such as a home mortgage or a vehicle loan. You can even set up an account to track superannuation, a brokerage investment account or a managed fund.

You should set up all your Accounts within a single Reckon Accounts file. That way, you can use Reckon Accounts to create reports that reflect your complete financial picture.

Initially, you may want to add only a chequing or investment account. Later, you can add additional accounts to track more of your financial activities. The types of accounts you can add are shown in the following illustration (from Home & Business).

Each account contains a register or *Transaction List* to store account details.

Centres

When you add a new account, Reckon Accounts groups it with all other accounts of the same type in a relevant account centre. You can view your data with pertinent tools and reports from these account centres. One of these account centres, the Financial Overview Centre, displays every group of accounts together.

Let's take a look at the account centres for cash flow, investing, property and debt, planning, tax and financial overview.

Cash Flow Centre

You'll find accounts for chequing, savings, credits cards, and cash in the Cash Flow Centre. Use these accounts to better understand your day-to-day income and expenses. These accounts are discussed in more detail in Chapter 4, "Performing everyday personal tasks".

Investing Centre

You'll find accounts for investments in the Investing Centre. Use these accounts to track the ongoing performance of your stocks and bonds, retirement funds, and other types of investments. These accounts are discussed in more detail in Chapter 5, "Managing your investments".

Property & Debt Centre

You'll find accounts for assets (what you own) and liabilities (what you owe) in the Property & Debt Centre. Use these accounts to track financial activities that affect your net worth. For example, using a House account lets you track the equity you're building and the loan you're paying down as you make your mortgage payments. These accounts are discussed in more detail in Chapter 9, "Determining your net worth".

Planning Centre

Use the Planning Centre to make realistic financial plans and see how they are progressing. From this centre, you'll see overviews of your plans for savings, expenses and budgeting. You'll also have access to budget tools and the financial calculators. The Planning Centre is discussed in more detail in Chapter 9, "Determining your net worth".

Tax Centre

You'll find information about projected tax and important tax dates in the Tax Centre. You'll also get access to features like the Tax Planner, Capital Gains Estimator and Paycheque Setup wizard. You can also set up your own tax alerts from this centre. The Tax Centre is discussed in more detail in Chapter 7, "Planning for business tax time".

Business Centre (Home & Business only)

You'll find all your business accounts displayed on the **My Data** tab. This includes any accounts you have set up from the **Business** menu. You'll also see the *Tax Control* Account, which Home & Business created to track your tax liability automatically as soon as you use GST in the transaction of an account. You can use this to monitor the key accounts that show how your business is going. The Business Centre is discussed in more detail in Chapter 8, "Performing everyday business tasks".

Financial Overview Centre

You'll find all your accounts displayed together on the Net Worth page of the Financial Overview Centre. Use this page to monitor the change in value of your finances over time, and to see the current allocation of your finances by account type. Net worth is discussed in more detail in Chapter 9, "Determine your net worth".

Registers and the Transaction List

Reckon Accounts displays transactions in the way that makes the most sense for each type of account.

Registers

Each non-investment account in Reckon Accounts has a *register*. The register looks like a paper cheque book register, where you record cheques you've written and deposits you've made. The Reckon Accounts register even calculates your current balance for you.

Transaction List

Each investment account in Reckon Accounts has a *Transaction List*. The *Transaction List* resembles a brokerage statement and is specifically designed to manage both the investing transactions and cash transactions for an account in the same place.

Transactions

You enter individual transactions within the register of each Account that corresponds to your real-world income and expenses. For example, you could enter cheque number *313* for *$39.96* to McCarthy Fruit & Veg as a *payment transaction* in your chequing account. Similarly, you would enter your pay slip as a *deposit transaction* in the same account.

Date ▲	Num	Payee			Payment	Clr Deposit	Balance
		Category	Tag	Memo	Exp		
6/06/2009	Sched	Commercial Vehicle Loans			197 96		15,485 16
		--Split--	--Split--	Car Repayments			
10/01/2010	DEP	Jimmy's Paycheque				1,545 00	17,030 16
10/02/2010	313	McCarthy Produce			39 96		16,990 20
		Groceries					
10/03/2010	EFT	AnyTown Gas & Electric			50 00		16,940 20
		Utilities:Gas & Electri					
29/07/2010	Num	Payee			Payment	Deposit	
		Category	Tag	Memo	Exp		

Enter   Edit   Split   Attach

Categories

To get the most out of Reckon Accounts, you should assign one or more *categories* to each transaction. Categories track the source of a deposit (such as salary), the reason for an expenditure (such as a utilities payment), or the name of the account to which you're transferring funds (such as savings).

| 10/03/2010 | EFT | AnyTown Gas & Electric | 50 00 | Deposit | 16,940 20 |

& Electricity [▼][▯] Tag   Memo   Exp   📎 Attach

Income	Rental Expense:Repairs	Expense
Expenses	Subscriptions	Expense
Transfers	Super contribution	Expense
All Categories	Tax	Expense
	Telephone	Expense
	Telephone:Fixed Line	Expense
	Telephone:Mobile	Expense
	Utilities	Expense
	Utilities:Gas & Electricity	Expense
	Utilities:Water	Expense
	Work expenses	Expense

☐ Show hidden categories

[Show Full List]   [Split] [Add Category]

If you're interested in managing your money in any detail (and getting the most from Reckon Accounts reports), you should use categories. You'll learn more in Chapter 3.

Tags

Tags make it possible for you to track a group of similar items with a single category, which makes it unnecessary to clutter up your Category List with a lot of additional categories. For example, say you want to track how much you spend each year for vehicle repairs. If you have a car and a truck, you can add a tag named "car" and another one named "truck" and use them both with the Auto:Service category. This keeps your Category List a lot more manageable than it would be if you added a service category for the truck and another one for the car.

Enter tags in the Tag field.

Click the arrow to the right of the Tag field to display the list of existing tags.

For more information about tags, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter *using tags*, and then click **Ask**.

Backing up your Reckon Accounts data file

Reckon Accounts saves your data file on your hard disk each time you enter a new transaction. However, you should back up your Reckon Accounts data regularly so you always have a copy in case of a hardware failure or computer virus.

When you manually back up your Reckon Accounts data file with the following procedure, if you have attached

images such as receipts or statements to your Reckon Accounts transactions or accounts, Reckon Accounts backs up these attachments with your data file only if there is enough room for all of them. If there isn't enough room for all of your attachments, none of them are included in the backup.

You can back up your Reckon Accounts data file to removable drives, CDs, DVDs, USB memory stick, Flash Drive and External Hard Drive.

Another way to safeguard your valuable Reckon Accounts data is to back it up every day to a remote location with the Reckon Backup service (service fees apply; service subject to change).

Setting Backup Preferences

Before backing up your Reckon Accounts data file, make sure you have set your Backup preferences.

To set backup preferences:

1. Go to the **Edit** menu, click **Preferences**, and then click **Program**.

   The **Reckon Accounts Preferences** window opens.

2. In the **Select preference type** area on the left side of the window, click **Backup**.

   The **Backup preferences** dialog is displayed.
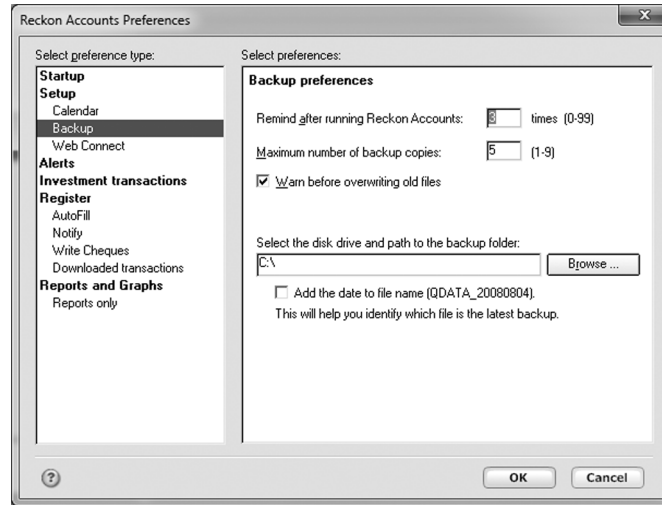
Backup preferences you can set include:

- **Remind after running Reckon Accounts (0 - 99) times**

  In other words, instruct Reckon Accounts to pop up a message reminding you to back up your Reckon Accounts data file after running Reckon Accounts the number of times you indicate.

  The default number of times is 3. If you do not wish to be reminded to back up your file, enter "0".

- **Maximum number of backup copies: 1 - 9**

  In other words, after creating and storing this number of copies (1 - 9) , do not create and store an additional file; instead, overwrite the oldest existing backup file. Setting this preference to a lower number can be particularly

useful if you need to conserve disk space and your Reckon Accounts data file is very large.

The default maximum number of backup copies is 5.

- **Warn before overwriting old files.**

In other words, instruct Reckon Accounts to pop up a message warning that an old backup copy will be overwritten.

This preference is selected by default. If you do not wish to see this warning, click to deselect.

- **Select the disk drive and path to the backup folder**

Enter or browse to select a default location where you prefer your backup files to be stored.

The default location is C:\.

- **Add the date to the file name (e.g., QDATA_20160804).**

This will help you identify which file is the latest backup.

Adding the date to the file name is good practice, as it can help you avoid overwriting valuable files and allows you to quickly identify when backup files were created. If you use a different file naming scheme, you may wish to click to deselect this preference. However, Reckon recommends maintaining the default setting.

This preference is selected by default.

When you have set your backup preferences as you want them, click **OK**.

To back up your Reckon Accounts data file:

1. If it isn't already open, open the Reckon Accounts data file you want to back up.

2. Go to the **File** menu and click **Backup**

    The **Backup** window opens.

3. Select the appropriate option:

    ▪ (By default) Check **Backup data to compressed archive (.rkn) file** if you want to create a compressed backup file.

    ▪ Click **Local Backup** to back up to an external source (such as a removable drive, CD, DVD, and so on). Enter or browse to the backup location if necessary, and then click **OK**.

    Reckon Accounts backs up the file, then displays a message telling you that the backup was successful.

    ▪ If you have already subscribed to Reckon Backup and installed the Reckon Backup desktop application, click **Reckon Backup**, and then click **OK**. After you log in with your user name and password, Reckon Backup encrypts your data and sends it to be safely stored.

    If you haven't yet subscribed to Reckon Backup, visit the Reckon website for more information and to subscribe (http://www.reckon.com).

To restore your Reckon Accounts data file:

1. Go to the **File** menu and select **Restore Backup File** then click **Restore Backup...**

   The **Restore** window opens.

2. Select the appropriate option:

   ▪ Click **Local Backup** to restore from an external source (such as a removable drive, CD, DVD, and so on). Enter or browse to the backup location if necessary, and then click **OK**.

   Select the backup file (.RKN or.QDF) to restore, and then click **OK**.

   Select the path where you want to restore the file to, if different to the default location, and then click **OK**.

   Reckon Accounts restores the file, then displays a message telling you that the restoration was successful.

   ▪ If you have already subscribed to Reckon Backup and installed the Reckon Backup desktop application, click **Reckon Backup**, and then click **OK**. After you log in with your user name and password, Reckon Backup encrypts your data and sends it to be safely restored.

   If you haven't yet subscribed to Reckon Backup, visit the Reckon website for more information and to subscribe (http://www.reckon.com).

3. To open the restored file, click the **File** menu then click **Open**. The window file explorer will open, open the file that you just restored or navigate to where the file has been restored to.

Getting the most from this book

As you read this book, use your own financial data to learn basic but powerful Reckon Accounts features. After you complete the tasks in a chapter, you'll be able to use Reckon Accounts immediately to help achieve your personal financial goals.

Each chapter builds on the chapters that come before. Before you begin working through a chapter, make sure you've performed all the tasks and gathered all the recommended materials listed in "Before you start" and "What you'll need" at the beginning of the chapter.

GETTING STARTED WITH Reckon Accounts

3

Each Reckon Accounts user has different financial goals, sources of income, and money management priorities. The beauty of Reckon Accounts is that it is powerful and flexible enough to help most people manage their finances better.

In this chapter, we'll look at setting up a way for you to track your finances. The scope of this, for you, will depend on the level of Reckon Accounts you are using: Personal Plus or Home & Business.

This chapter begins with information that applies to your personal finances, then covers your business finances if you are running Home & Business.

Before you start

Think about the accounts you want to track in Reckon Accounts. This chapter begins with a discussion of chequing and savings accounts, as well as cash and credit cards. Then, the focus turns to business accounts and other business features for the Home & Business user.

What you'll need

In order to set up your accounts, you'll need your most recent statements for the chequing, savings, and credit card accounts you plan to track with Reckon Accounts.

Getting started with the personal side of Reckon Accounts

The first area in Reckon Accounts to get familiar with is how to track personal finances.

Learning how categories help manage your finances

Before you begin managing your income and expenses in Reckon Accounts, you should understand how Reckon Accounts tracks financial information. As described in "Opening Reckon Accounts for the first time" on page 15, the key to money management in Reckon Accounts is categories.

Categories are labels that track how much you're spending on particular types of items, such as rent, groceries, or dining. For example, you might use the "Clothing" category with the following transactions:

• a cheque for $229.13 for a new jacket

- a credit card purchase of $100.00 for some mail-order boots

- a few cash purchases for new school clothes for the kids, totalling $210.00

Because these transactions use the same category, it's easy to produce a mini-report for the Clothing category like the one shown below. And if you want to see how much you've spent on clothing in greater detail, just click the **Show Report** button at the bottom of the mini-report.

Click the mini-report button next to the Category field to run this report

Click the arrow to display the transactions for another time period

When you assign categories to your transactions, this report can show where your money goes.

Click **Show Report** at the bottom of the mini-report to display an expanded report for the category.

Make it a habit to use categories with all your transactions. The first time you enter a transaction and payee, you may need to change or assign a category. But after you do, Reckon Accounts remembers this information and automatically fills it in for you the next time you enter a transaction for that payee. And if you want to change the category for some reason, it's easy to do. For more information, refer to Chapter 4, "Performing everyday personal tasks".

Deciding which accounts to track

If you want to track your overall income, spending, and saving habits, you need to add more than one Account. Use the following guidelines to help you decide which cash flow accounts to add. (Remember, you should add all these accounts in a single Reckon Accounts data file.)

- Chequing

  This is the most commonly used account. Start with the account that you deposit your pay cheque into and from which you pay most of your bills and make tax-related expenditures (such as charitable donations and mortgage interest).

- Savings

  Use this account type for standard savings accounts, such as those available at most banks or credit unions.

- Credit card

  Many people track one or more credit cards in Reckon Accounts. Start with the one you use most often.

Adding accounts to Reckon Accounts to track your credit cards enables you to download and categorise your transactions, which can give you great insight into how you're spending your money.

If you aren't interested in tracking this level of detail and simply want to track how much you pay toward your credit cards each month, you can track your credit cards as bills instead.

How you'll review the information for each option is discussed in more detail in "Reviewing your cash flow activity" on page 37. For more information about deciding how to track credit cards in Reckon Accounts, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter *decide about credit cards*, and then click **Ask**.

- Cash

    If you want to know where all your money goes, including the cash you carry with you, you can add a separate account to track cash.

    A simpler way is just to create a category called "Cash," and then assign it to ATM transactions and other cash withdrawals in your chequing account register. If you do set up a separate account for cash transactions, save yourself some time and track only to the nearest dollar.
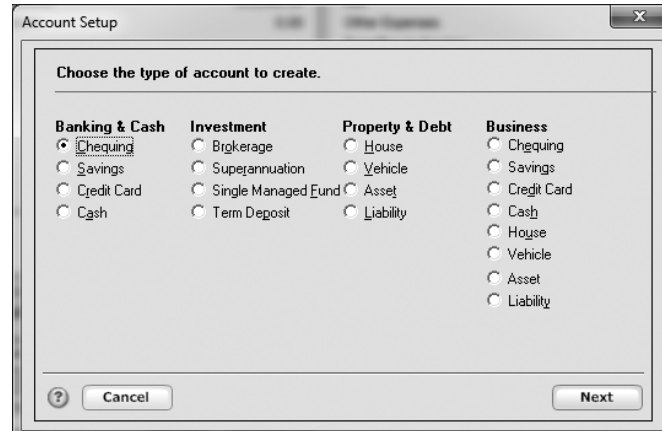
Adding your cash flow accounts

To add a Cash Flow account:

1. Go to the **Cash Flow** menu and click **Go to Cash Flow Centre**.

2. In the upper right corner, click the **My Data** tab.

3. In the Spending & Savings Accounts snapshot, click **Add Account**.

   The **Account Setup** window opens.

4. In the **Choose the type of banking account to create** area, select **Chequing**, then click **Next**.

5. In the **What is the financial institution for this account?** area, type the name of your financial institution.

   If your financial institution is in the list that Reckon Accounts displays, select it.

   If you entered a name for a financial institution not on the list, Reckon Accounts will display an additional dialog box when you click **Next**. It indicates that your name does not match any of the names in the list. In this case, click the **None of these. Use the following name:** radio button. Then make sure that your chosen name populates the associated field.
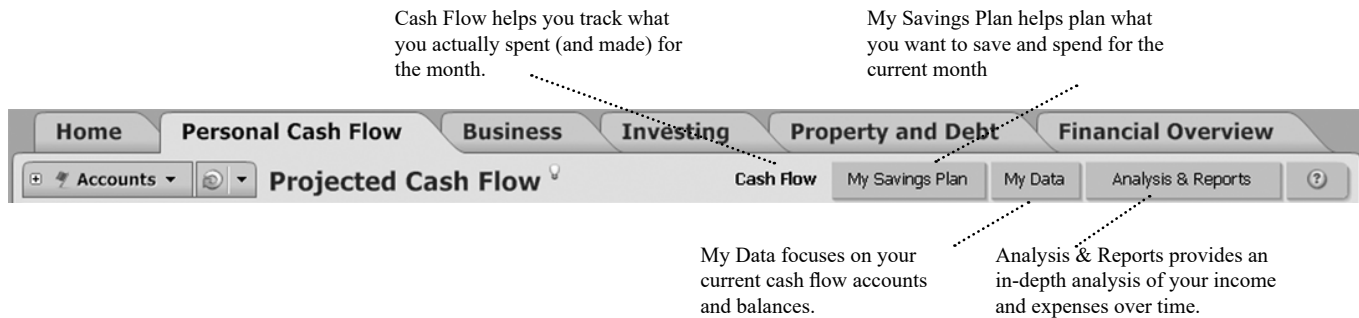
6. Click **Next**.

7. In the **Name this account** field, type the name by which you want to refer to this account in Reckon Accounts. Then click **Next**.

8. If you are using Home & Business, select whether you want to track tax in this account. Then click **Next**.

    If you choose to track tax in this account, the account will use your home currency by default.

9. If you did not choose to track tax in this account during the previous step, choose the currency you wish to use for this account from the **Currency** drop-down list. Then click **Next**.

10. Enter the ending date from your bank statement in the **Statement Date** field.

11. Enter the balance from your bank statement in the **Ending Balance** field.

12. Click **Done**.

    Reckon Accounts displays the register for the account so you can enter your transactions. See "Updating your cash flow accounts" on page 62 to learn how.

Reviewing your cash flow activity

Reckon Accounts makes it easy to track the activity of your cash flow in a way that emphasises what's important to you. The Cash Flow Centre provides a number of ways to view your income and expenses along with many useful tools to help you analyse and manage them.

You'll find a different focus on each page of the Cash Flow Centre. Go to the **Cash Flow** menu click **Go to Cash Flow Centre**, and then click the button that has the information you want.

Cash Flow helps you track what you actually spent (and made) for the month.

My Savings Plan helps plan what you want to save and spend for the current month

| Home | Personal Cash Flow | Business | Investing | Property and Debt | Financial Overview |

⊞ 🐷 Accounts ▾ | 🔄 ▾ | **Projected Cash Flow** ♀ | Cash Flow | My Savings Plan | My Data | Analysis & Reports | ⑦

My Data focuses on your current cash flow accounts and balances.

Analysis & Reports provides an in-depth analysis of your income and expenses over time.

Tracking your monthly income and expenses

The Cash Flow page includes the In/Out/What's Left snapshot as well as reports that provide insight into the data consolidated in the snapshot.

The In/Out/What's Left snapshot displays your income and expenses for the current month, but you can see projections of future months or information for past months by clicking the arrows on either side of the month above the snapshot. You can also forecast your cash flow balances in the future months by clicking the **Cash Flow Forecast** button or the **Quarterly Cash flow** tab.

Click the arrows to see information for another month.

Click the button/tab to forecast your cash flow balances in the future.

Click the Add Transaction button to add more income sources or expenses.

The values and estimates in the In/Out/What's Left snapshot consist of the bills, deposits, and transfers you schedule and record each month. **Scheduled bills and deposits** are reminders of expected income and expenses that you have told Reckon Accounts about. For example, if you used Express Setup to set up your current Reckon Accounts data file, then the In area of the snapshot displays the pay cheques and other deposits that you told Reckon Accounts about, while the Out area of the snapshot displays the bills and credit card payments that you told Reckon Accounts about. When you enter a transaction into Reckon Accounts, it becomes a recorded bill or deposit.

Keeping your monthly income and expense data current

The more complete your income and expense information is in Reckon Accounts, the more accurate and helpful the In/Out/What's Left snapshot will be in helping you to project your cash flow from month to month.

Adding a new income transaction

When you have a new source of income to track in Reckon Accounts, it's simple to add a new scheduled transaction to track the deposit.

In this section, you'll learn how to enter a scheduled transaction for a basic deposit. You'll learn the specifics for adding scheduled transactions for pay cheques in Chapter 6, "Planning for personal tax time".

1. Go to the **Cash Flow** menu and click **Go to Cash Flow Centre**.

2. In the upper-right corner, click **Cash Flow**.

3. In the In/Out/What's Left snapshot, in the In area, click **Add Transaction**.

   The **Add Transaction** window opens.

4. Select **Yes I would like to schedule this transaction**.

5. In the **Payee Information** section, click the **Payee** drop-down arrow to select the payee from whom you receive the payment. If the payee you want is not listed, enter the payee name in the **Payee** field.

6. Click the **Category** drop-down arrow to select a category for this transaction.

7. In the **Tag** field, enter the appropriate tag. (Optional)

8. In the **Memo** field, enter a memo. (Optional)

9. In the **Payment Information** section, click the **Account to use** drop-down arrow and select the account into which this payment will be deposited.

10. Click the **Method** drop-down arrow and select **Deposit**.

11. In the **Amount** field, enter the amount of the deposit.

12. In the Scheduling area, enter the first day this deposit should occur, whether you want to be reminded to enter the deposit into Reckon Accounts yourself or have Reckon Accounts enter it for you automatically (without prompting), the frequency of the deposit, and if and when the scheduled deposit should end. Click the **Help** icon for more information.

13. Click **OK**.

Reckon Accounts adds the deposit amount to the Expected Income section of the In area of the In/Out/What's Left snapshot. Click **Expected Income** to see all the income Reckon Accounts is tracking for a particular month.

Adding a new payment transaction

When you have a new bill to track in Reckon Accounts, such as the payment amount for a new credit card, it's just as easy to add a new scheduled transaction to track the payment.

In this section, you'll learn how to enter a scheduled transaction for a basic payment.

1. Go to the **Cash Flow** menu and click **Go to Cash Flow Centre**.

2. In the upper-right corner, click **Cash Flow**.

3. In the In/Out/What's Left snapshot, in the Out area, click **Add Transaction**.

4. Click **Yes. I would like to schedule this transaction**.

5. In the **Payee** list, enter who you make the payment to.

6. In the **Category** field, select **Credit Card Payment**.

If you added a credit card payment to Reckon Accounts during Express Setup, Reckon Accounts will have added the Credit Card Payment category for you. If this category isn't already in the Category List, Reckon Accounts will prompt you to add it at the end of this procedure.

7. In the **Tag** list, enter the appropriate tag. (Optional)

8. In the **Account to use** field, select the account that this payment will be made from.

9. In the **Method** field, select **Payment**.

10. In the **Amount** field, enter the amount you expect to pay toward this credit card each month. You can change this amount when you enter the transaction in Reckon Accounts, so just enter an estimate if you're not sure.

11. In the Scheduling area of the dialog, enter the day this payment should start, whether you want to be reminded to enter the payment into Reckon Accounts yourself or have Reckon Accounts enter it for you without prompting, the frequency of the payment, and if and when the payment should end.

12. Click **OK**.

    Reckon Accounts adds the deposit amount to the Bills section of the Out area of the In/Out/What's Left snapshot. Click **Bills and Other Expenses** to see all the expenses Reckon Accounts is tracking for the month in question.

13. If Reckon Accounts prompts you to add a Credit Card Payment category, click **Yes**, select **Expense** in the Type area, and then click **OK**.

That's it! You've added new scheduled transactions for both income and expenses.

Planning your monthly spending

The Savings Plan helps you set, track, and control your personal spending so you'll have more money available to save. This differs from the In/Out/What's Left snapshot, which helps you track your actual spending (and inflow) for the current month.

You can use the Savings Plan to manage regular monthly expenses, such as your mortgage and groceries, as well as expenses that occur less frequently, such as car insurance and property taxes.

Reckon Accounts uses your existing data (such as your pay cheque, scheduled bills, and categorised transactions) to prefill the graph and worksheet with default values. However, you can customise the Savings Plan to track the things that are most important to you.

1. Go to the **Cash Flow** menu and click **Go to Cash Flow Centre**.

2. In the upper-right corner, click **My Savings Plan**.

   Reckon Accounts displays the Savings Plan page, which contains the status graph at the top and the worksheet beneath it.

Reckon Accounts uses your existing data to prefill the graph and worksheet.

You can customise the Savings Plan to track the things that are most important to you.

3. To adjust your expected income for the month, click **Edit**, enter the new amount, and then click **OK**.

   Reckon Accounts starts with the value of your regular pay cheque, but you should adjust this amount to account for bonuses, transfers from savings, months where you expect to place a lot of expenses on credit cards, and

other fluctuations in the total monthly resources available to the plan.

4. Use the Savings Plan worksheet (below the horizontal bar status graph) to set up your plan. As you enter or change amounts, click **Apply** (to the right of the field you're editing) to save your changes. For more information about each of the sections in the worksheet, click the **Help** icon to the right of the section title.

Getting answers with Reckon Accounts reports and graphs

Reckon Accounts reports and graphs can show you how you're spending your money for a wide number of time periods. When you assign categories to your transactions, Reckon Accounts can show your spending based on what you spend your money on. When you assign payees to your transactions, Reckon Accounts can show your spending based on where you spend your money.

On page 33, you learned how to create a mini-report for a single category from the register . You can also create mini-reports for single payees from the register. However, when you want to look at data for several categories or payees at one time, use the Reports & Graphs Centre.

1. Go to the **Reports** menu and click **Reports & Graphs Centre**.

    The **Reports & Graphs** window opens.

2. In the Reckon Accounts Standard Reports list on the left, click **Spending**.

    Reckon Accounts displays the list of available spending reports and, when applicable, corresponding graphs.

Click Spending to display a list of available spending reports and graphs, and then click the one you want.

When you're ready to run the report, click Show Report or Show Graph
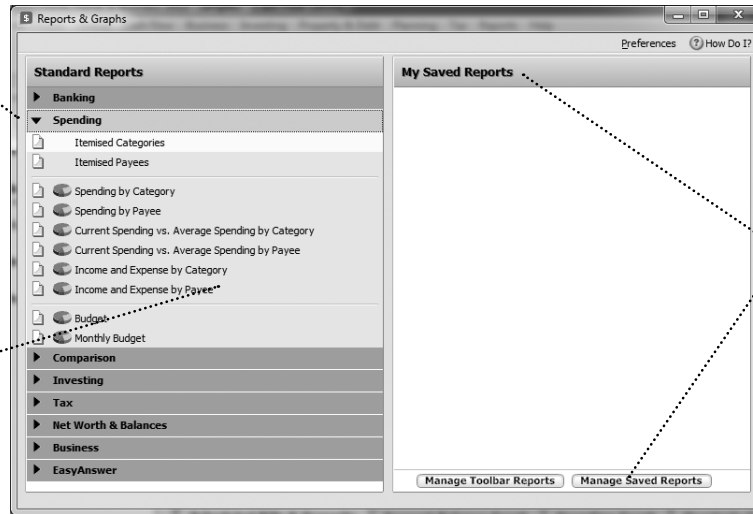
Reckon Accounts stores the reports you save in the My Saved Reports list.

You can create folders to organise your saved reports. Click Manage Saved Reports to get started.

3. Click **Spending by Category** to see what you're spending your money on, or click **Spending by Payee** to see where you're spending your money.

4. Select the date or dates you want the report or graph to include. (Optional)

5. Click **Show Report** or **Show Graph**.

   Reckon Accounts displays a report or graph that reflects your expenses, based on the categories or payees you assigned when you entered transactions.

Click the PLUS (+) or MINUS sign (-) to the left of a category to display or hide the corresponding subcategories.

Some reports include a trend graph icon to the left of the category. Click the icon to display your average monthly spending for an expense category or payee over the past year.
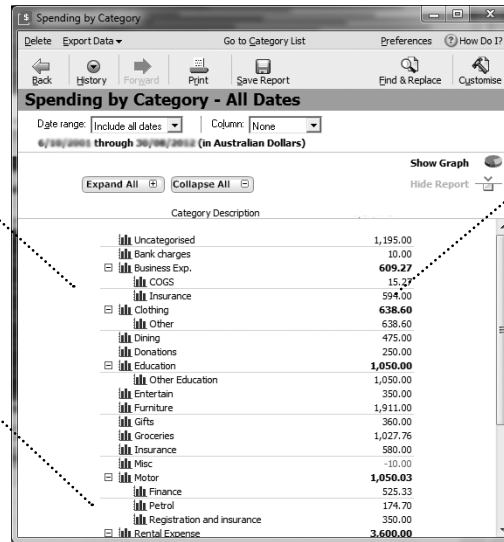
If you move your pointer over report totals with details available, the pointer turns into a magnifying glass. Double-click to zoom in on the details.

Spending by Category - All Dates

Category Description	
Uncategorised	1,195.00
Bank charges	10.00
Business Exp.	**609.27**
COGS	15.27
Insurance	594.00
Clothing	**638.60**
Other	638.60
Dining	475.00
Donations	250.00
Education	**1,050.00**
Other Education	1,050.00
Entertain	350.00
Furniture	1,911.00
Gifts	360.00
Groceries	1,027.76
Insurance	580.00
Misc	-10.00
Motor	**1,050.03**
Finance	525.33
Petrol	174.70
Registration and insurance	350.00
Rental Expense	**3,600.00**

6. To print the report to paper or to a PDF, click the Print icon. To export the report to another program, such as Excel or to the Clipboard, click **Export Data**. Click the **Help** icon if you need more information. (Optional)

7. Click **Save Report**, type a unique name for the report, select or create the folder or area where you want to save the report, and click **OK**. (Optional)

   The next time you want to open the saved report, you can do so from the **My Saved Reports** list on the right side of the **Reports & Graphs** window. To add a link for the report to the Reckon Accounts toolbar so that you

can access the report again with a single click, right-click the **Customise** toolbar.

Spend some time experimenting with reports to get an idea of the different kinds of financial information that Reckon Accounts can provide. Try customising a report to change how it is laid out or the scope of information it includes (saved reports retain their customised settings). Notice that when you run another report, the original report is minimised in the taskbar at the bottom of the screen so you can easily return to it at any time during your Reckon Accounts session.

Setting up to support your business finance tracking

Business features are available in Home & Business only.

This section does not apply to Personal Plus.

Setting up business accounts

Accounts and categories in Reckon Accounts are equivalent to the traditional chart of accounts used for tracking income, expenses, assets, and liabilities. You should set up a account for each real-world account that your business uses, such as a business chequing or business credit card account.

You can create the following type of business accounts from the Business Centre:

- **Business spending and savings accounts.** This includes chequing, savings, credit card and cash accounts. You should create accounts in Reckon Accounts to mirror your real world business accounts. Generally you need to choose one of these to act as the account for which you receive money from your customers for goods and services along with goods and services you purchase from suppliers. If tracking GST, it's important to enable the

account for tax tracking as part of the setup.

- **Business Property & Debt Accounts.** This includes house or vehicle accounts (with or without a loan), asset (for business items) or liability accounts (for business loans).

- ***Tax Control*.** This covers your tax liability but is an account you don't set up. Home & Business does this automatically when you enable an account for tax tracking. This account shows increases and decreases to your tax liability. Every time you record a deposit with tax in a spending or savings account enabled for tax, your tax liability will increase. Each time you record payment, your tax liability will decrease by the amount set by the tax code applying to the transaction.

Deciding whether to include business and personal accounts in one Reckon Accounts file

Should you include business and personal accounts in the same Reckon Accounts file?

It's prudent to clearly separate business from personal finances so that you can better report your tax when it comes to tax time. Clearer records will make it easier if there's a time when the tax office wishes to audit you.

There are three ways that you can keep business and personal records separate in Reckon Accounts:

- Add personal and business accounts in one Reckon Accounts file and track them both in the same file. Be sure that your business chequing, credit card and other accounts are used solely for your business. This lets you track all your finances in one place and do tax planning for both employment and self employment income. Use the preset business categories to track business-related transactions.

- Set up separate Reckon Accounts files for your home and for your business. The drawback is that you can't see a combined picture of your home and business finances. Only a picture of your home finances and a separate picture of your business finances.

- Mix business with personal data in the same chequing account. Use both categories and classes to distinguish

between personal and business transactions. (This is not recommended, for tax reasons.)

Working with business categories

Earlier we covered how to use categories in the section "Learning how categories help manage your finances" on page 32. The examples fitted a personal finance context, but the same principles apply to business.

For example, you might wish to track business expenses like bad debts, cost of goods sold or insurance payments. When entering transactions for any of these, you can apply the appropriate category so that you can see a better picture of where your expenses are going through reports when reviewing what you spend.

You can set up unique business categories to suit your own requirements in the same way that you would create a normal category.

Setting up business tags

A business tag is a specialised tag that Reckon Accounts uses to group the transactions for a business.

After you add the business tag and apply the business tag to the appropriate transactions, Reckon Accounts displays the data for your business in a number of ways.

Adding a business tag to Reckon Accounts

When you add a business to Reckon Accounts, you tell Reckon Accounts the name of your business and the tag you want to use for the transactions for that business.

Using a business tag with a transaction

When you enter a transaction in Reckon Accounts, you have the option to include a tag. When one of the tags you

include is a business tag, Reckon Accounts can associate the transaction with the appropriate business.

- When you have only one business, you don't need to include a business tag with every transaction.

  When you add a business to Reckon Accounts, you have the option to select a check box called **Business transactions without a tag belong to this business**. When you do, any business transaction without a tag or with a tag that doesn't belong to a business will automatically belong to the business that you've selected this check box for.

- When you have a transaction that applies to more than one business, you should split the transaction and assign the correct business tag in the Split Transaction dialog.

  If you have more than one business, there are times when you might make a single purchase that you want the businesses to share, such as a box of copy paper. In this case, you should enter the transaction with the same payee and category, but you should split the transaction to ensure that Reckon Accounts tracks the correct amount for each business. As you split the transaction, assign the correct tag to the appropriate amount in the Split Transaction dialogue.

- Avoid adding more than one business tag to a transaction.

  When a transaction includes more than one business tag, Reckon Accounts can't tell how much of the transaction belongs to each business. For this reason, Reckon Accounts doesn't display the transaction for any of the businesses you can select in the Show column above the Profit & Loss snapshot, but instead displays the transaction as an Unknown Business.

- Business tags can be added to transactions that are not in a business account.

  One of the advantages of business tags is that they let Reckon Accounts know that the transactions that include them belong to a business, even if the transaction is recorded in a personal account instead of a business account.

Reviewing your business data

After you add the business tag and apply the business tag to the appropriate transactions, Reckon Accounts displays the data for your business in a number of ways.

- **Reckon Accounts business reports** display information about your business in a clear, easy-to-read format. Available reports include tax reports, profit and loss statements, balance sheets, and reports that track expenses and income by project.

- The **Business Cash Flow page** helps you track and manage the short-term income and expenses for your business.

- The **Profit/Loss page** shows your income, expenses, and net profit or loss for each business you track in Reckon Accounts.

- Reckon Accounts includes the balances of your business accounts along with the balances of your personal accounts to determine your net worth, which you can review in the **Financial Overview Centre** or as a **report**.

Setting up items to include on invoices

About invoices in Home & Business

Home & Business is a cash-basis accounting system only . It does not support an accrual basis accounting system. (Consider using Reckon Accounts Plus for your business if you need to support an accrual-based system.)

However, some businesses may still need to create estimates and invoices for clients, despite operating their business on a cash basis. For example, a professional musician will often need to provide a tax invoice to their client before payment, despite operating their business on a cash basis.

Home & Business allows you to create estimates and invoices, although you will have to enter payments as you

receive them into the relevant account manually.

Setting up items to include on invoices

To make working with invoices easy, you can set up invoice items to include on an invoice you create for a client. This reduces data entry when creating an estimate or invoice. You can create a invoice item for:

- Products you sell
- Hourly rate for services you provide (set up an item for each service, such as consulting, writing or research)
- Discount rates and special charges, such as surcharges
- Subtotals

To set up a new item:

Go to the **Business** menu, click **Invoices and Estimates**, then click **Invoice Items**.

Home & Business displays the following window.

Invoice items can include products or services

You can also set up discount items that are used to calculate discounts on invoice items
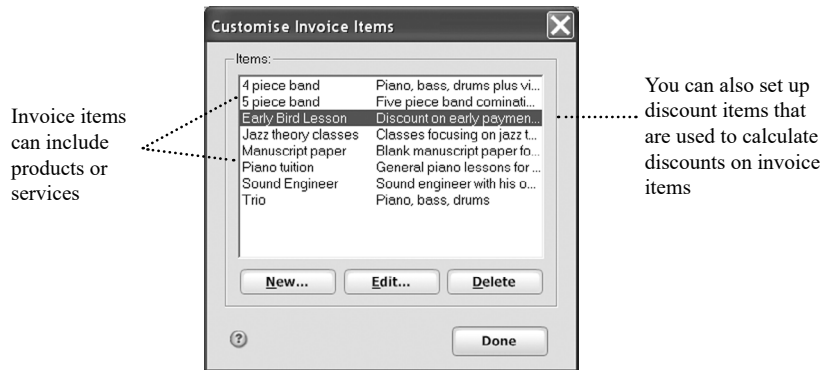
An invoice represents any product you sell. You can use invoice items for tangible goods or services that you sell at a per item or hourly rate. You can also use invoice items for one time charges. For example, a consultant might have a Consulting Fee item for his/her hourly billing rate, plus a Marketing Manual item for a product he/she sells. An auto body shop might have a Labour item for its hourly billing rate, plus several items for auto parts or other products it sells.

When you set up a new item, enter a name, description, and the amount you charge. For services, enter your hourly billing rate as a Per Item Rate. (For example, if the item is an hour of Design Consulting, you could enter a Per Item Rate of $45.00) And, if the item is taxable, select the **Taxable** check box.
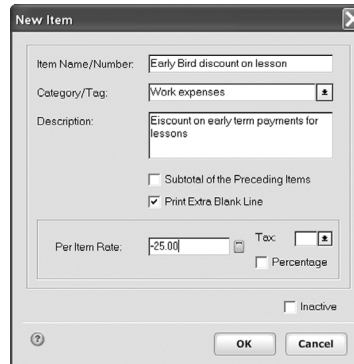
When you're ready to create an estimate or invoice, much of the work is already done. Just choose items from your item list and enter the quantity – Home & Business calculates the totals for you.

If you sell dozens of products or parts, just set up a few major items types, and then edit the item price when you enter it on the invoice. (If you need to track an extensive inventory, consider using Reckon Accounts Plus.)

Discounts, special charges and subtotals

A discount or special charge is an invoice item that adds a positive or negative percentage to the item that immediately precedes it on the invoice.

You can create a discount item from the **New Item** dialog as you would a normal invoice item. However, you need to specify a percentage to apply against the discounted item. The value of the item then becomes the value of the previous item multiplied by the percentage you just specified. A negative percentage makes it a negative value (discount) and a positive percentage makes it a positive value (special/additional charge).

Applying a discount to one item

To apply a discount on an invoice, enter the item for discount as usual in the Invoice form, then add the Discount item in the line that immediately follows the item for discount. Home & Business calculates the discount.

Entering a negative percentage makes the item a discount item. Entering a positive percentage makes the item an additional charge item.

Applying a discount to several items
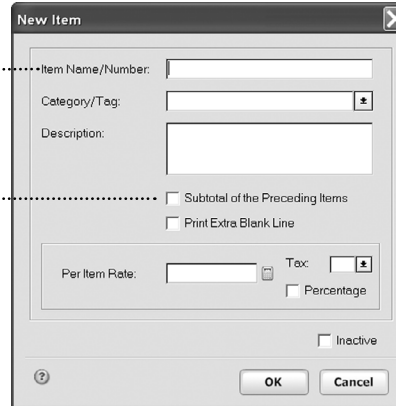
We've just learned that a discount or special charge item applies its percentage to the value of the previous item on the invoice list. What if you wish it to apply to a series of items?

You will need to use a subtotal item, which is an item that takes on the value of all items that precede it on the invoice list. Add the discount or additional charge item after the subtotal so that it works with the subtotal of all items.

You can create a subtotal item from the New Item dialog as you would a normal invoice. However, call it subtotal and select the Subtotal of the Preceding Items check box.

Name the item
subtotal.   ···········

Select the **Subtotal
of the Preceding
Items** check box.   ···········

To apply a discount or special charge to several items, enter the subtotal item after the items you wish to subtotal, and then add your discount or special charge on the invoice.

To learn more about creating new items or the Item List, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter "invoice item", and select items on an invoice.

Setting up customers

You can record information about customers so that Home & Business can populate relevant information in the Bill To and Ship To fields of an estimate or invoice. Apart from making your data entry faster, this feature also enables you to store additional information about a customer that might help you improve your service.

Customer information is stored in your address book, which is also where you can store information about suppliers, family, friends and other contacts.

To add a new customer to your records:

1. Go to the **Business** menu, click **Customers** and then click **Add Customer**.

    The **Edit Address Book Record** window opens.

This is where you enter information about your customer.

This check box will be selected when you open this window. It enables Home & Business to categorise information you enter as relating to a customer.

2. Enter information in the fields as you consider relevant to your situation.

Take time to explore the type of information you can enter for the customer. It depends on your business needs as to whether you wish to record contact, secondary, personal or miscellaneous information. Although some of this information may not be relevant to completing an invoice, it could be used for business promotions or increased service.

3. Click **OK**.

When you enter the name of a customer in an estimate or invoice, it will automatically enter details stored for that customer in the Address book.

Setting up suppliers

You can record information about suppliers so that Home & Business can populate fields in an estimate or invoice with relevant supplier information. Apart from making your data entry faster, it also enables you to store additional information about a supplier that might help you in your dealings with that supplier.

Supplier information is stored in your address book, which is also where you can store information about customers, family, friends and other contacts.

1. Go to the **Business** menu, click **Bills and Suppliers** and then click **Add Supplier**.

   The **Edit Address Book Record** window opens.

This is where you enter information about your supplier

Edit Address Book Record

Payee | Contact | Secondary | Personal | Miscellaneous

Payee:

Street:

City:

State:

Postal Code:

Country:

Attn Line:

E-mail:

Group...

Format...

Include this Payee in
- ☐ QuickFill List
- ☐ Customer List
- ☑ Supplier List

Groups: <Suppliers>

OK   Cancel

This check box will be selected when you open this window. It enables Home & Business to categorise information you enter as relating to a supplier.

2. Enter information in the fields as you consider relevant to your situation.

Take time to explore the type of information you can enter for the supplier. It depends on your business needs as to whether you wish to record contact, secondary, personal or miscellaneous information. Although some of this information may not be relevant to completing an estimate or invoice, it could be used for business promotions or increased service.

3. Click **OK**.

When you enter the name of a supplier in an estimate or invoice, it will automatically enter details stored for that supplier in the Address book.

PERFORMING EVERYDAY PERSONAL TASKS

4

It's important to keep good records of your personal accounts so that you can improve your finances and identify areas that need strengthening.

This chapter looks at how to record your everyday personal financial transactions. It includes how to record financial activities in your cash flow accounts, use categories, reconcile transactions, and more.

Everyday personal tasks in Reckon Accounts

Managing your personal finances is an everyday task; it never stops. Money is always exchanging hands - from receiving your pay cheque and paying off your loans to purchasing new home appliances, weekly tickets for public transport or buying a coffee before work. Where does it come from? Where does it go?

You might not be in a position to record your money movements each day in Reckon Accounts, but it's a good idea to track your everyday money movement regularly in the program so that you can see how effective your financial management is.

This chapter looks at the basics of recording those everyday financial activities in Reckon Accounts. We'll look at how you can enter transactions and categories to help you understand what you spend your money on.

Updating your cash flow accounts

You should manually enter all new transactions as they occur. That is, each time you write a cheque, make a deposit, or transfer funds, enter that information in Reckon Accounts. Use the following guidelines to help you decide which transactions to enter when you first begin using Reckon Accounts.

If you reconciled your last bank statement (that is, if you balanced your cheque book), then enter all your outstanding transactions. This should include those that weren't cleared on the statement and those that have taken place since you reconciled.

If you didn't reconcile your last bank statement, enter only transactions that took place after the statement date that you used when you added the account. (If you enter any transactions that took place before you added the account, some of them might be accounted for twice—once in the amount you entered for the Opening Balance when you added the account, and once when you enter them again.)

Open the register

1. Go to the **Cash Flow** menu and click **Go to Cash Flow Centre** if your register isn't displayed.

2. In the upper-right corner, click **My Data**.

3. In the **Spending & Savings Accounts** snapshot, click the account you want to open.

Open the accounts you add from the snapshot in the centre or the Account Bar list

Click the MINUS sign (-) to minimise the Account Bar list and the PLUS sign (+) to expand it.

You can also click to expand and minimise the list of accounts.

Reckon Accounts opens the register and selects an empty transaction.

Click this field to begin entering a transaction

Click this field to assign a category to the transaction

Click this button to save the transaction

Enter a payment transaction

1. Select an empty transaction at the bottom of the register.

2. Enter a date, a cheque number, a payee such as "Any Town Water", and a payment amount. (You can use the mouse or the **TAB** key to move from one field of the transaction to the next.)

3. In the **Category** field, select a category.

4. In the **Tag** field, select a tag. (Optional)

5. In the **Memo** field, type a memo or note. (Optional)

6. Click **Enter** to save the transaction.

That's it! You've entered a payment transaction. Keep going to learn about entering other kinds of transactions.

Transfer funds to another account

After you have set up multiple accounts within the same data file, you can transfer funds between them. For example, if an annual bonus is deposited into your chequing account, you can transfer some percentage of the bonus to your savings account.

If you haven't set up multiple accounts in Reckon Accounts, skip to the next section, "Enter a deposit."

1. Open the register for the account that you want to transfer money from.

2. On the toolbar, click **Transfer**.

3. Reckon Accounts displays the **Record a Transfer between Accounts** dialog with the current account selected in the **Transfer Money From** field.

4. In the **To Account** field, select the account you're transferring money to.

5. In the **Memo** field, type a memo or description. (Optional)

6. In the **Date** field, enter the date of the transfer.

7. In the **Amount** field, enter the payment amount.

8. Click **OK**.

   Reckon Accounts enters the transfer transaction in the register. The account you have made the transfer to appears in the **Category** field in [square brackets].

Enter a deposit

1. In the **Date** field, enter a date.

2. In the **Num** list, select **Deposit**.

3. In the **Paid by** field, enter from whom the money came (for example, Income Tax Refund).

4. In the **Deposit** field, enter the deposit amount.

5. In the **Category** field, select a category, or click **Split** to split the deposit among multiple categories.

6. In the **Tag** field, select a tag. (Optional)

7. In the **Memo** field, type a memo or note. (Optional)

8. Click **Enter** to save the transaction.

On an ongoing basis

Continue to enter all new transactions as they occur. Also, reconcile your account each time you receive a new bank statement (see the next section, "Reconcile your cash flow accounts"). Reconciling ensures that your account

accurately reflects all your banking activities. Reconciling is a great way to catch transactions that you forgot to enter or entered twice.

Assigning transactions to categories

Make sure all your transactions are assigned to the correct category. For more information about categories, see "Learning how categories help manage your finances" on page 32. You can assign a transaction to one or more categories.

Assign a transaction to a single category

1. In most cases, you'll want to assign the full amount of a transaction to a single category.

2. Select the transaction you want to assign a to a category, or change a category for.

In the **Category** field, select a category, such as **Utilities:Water** or, if Reckon Accounts has assigned a category for you, confirm that the category is appropriate for the transaction. (If you don't see the **Category** list, click the **Category** arrow.)
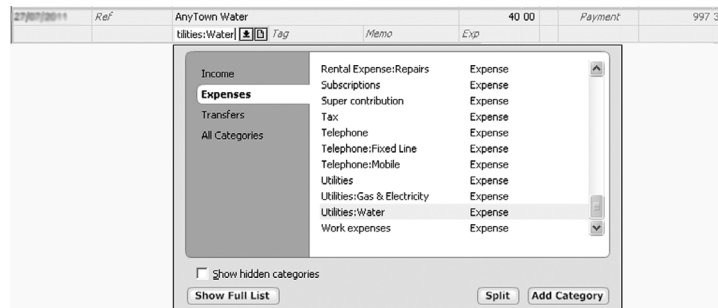
If you don't see a category that reflects the purpose of the transaction, you can create one. At the bottom of the category list, click **Add Category**, and enter the information that Reckon Accounts requests. You can use the category for any transactions you add from now on.

3. Click **Enter** to save the transaction.

   When you click **Enter** to save a transaction, Reckon Accounts updates your data file on your computer's hard disk. That means that you don't have to save the file yourself. However, it's a good idea to back up the file to another location on a regular basis; for more information, see "Back up your data file" on page 24.

Assign a transaction to multiple categories

Sometimes you need to assign a transaction to two or more categories. This is called a split transaction.

1. Select the transaction you want to assign to two or more categories.

2. In the lower-right corner of the transaction, click **Split**.

   The **Split Transaction** window opens.

22/06/2011		MobileExpress			25 00		907 34
		Telephone:Mobile			Enter Edit Split 🖉 Attach		
27/07/2011	Ref	Fitness Gym			50 00	Payment	
			⊞📋 Tag	Memo	Exp		

		Income				
		Expenses	Education:Self-education	Expense		
			Entertain	Expense		
			Film investment	Expense		
		Transfers	Furniture	Expense		
		All Categories	Gifts	Expense		
			Groceries	Expense		
			Insurance	Expense		
			Interest Paid	Expense		
			Misc	Expense		
			Motor	Expense		
			Motor:Finance	Expense		

☐ Show hidden categories

Show Full List   Split   Add Category

Click the Split button to assign a
transaction to multiple categories

$ Split Transaction   X

Enter multiple categories to itemize this transaction; use the Memo field to record more details.

	Category	Tag	Memo	Exp Amount	T	Tax
1.	Health		HCF	25 00		0 00
2.	Household			25 00		0 00
3.			Next	Edit ▼		
4.						

This transaction is assigned to three categories. The
[Petty Cash] line is a transfer to your cash account.

3. On each line, select a category, enter a tag (optional), enter a memo (optional), and enter the amount to be assigned to the category. Repeat until you have split the transaction among all the appropriate categories and the sum of their amounts equals the transaction total.

4. Click **OK** to save the split information.

5. Click **Enter** to save the transaction

> Split transactions are useful for breaking single transactions into several categories (for example, when you purchase both food and medicine at the supermarket). However, split transactions aren't the ideal way to enter all the monthly transactions for a credit card. The best way to track credit card purchases is to create an account for the credit card and then enter each purchase as a separate transaction.

That's it! Now you're ready to review your accounts.

Reconciling your cash flow accounts

When you finish updating and accepting transactions into a account, or you receive a statement for an account that you're tracking in Reckon Accounts, reconcile your Reckon Accounts data.

Reconciling ensures that your Reckon Accounts data is correct and can also help you discover any errors. You can reconcile almost any type of cash flow account, including chequing, savings, and credit cards.

Reconciling an account to a statement

When you receive a statement for an account that you're tracking in Reckon Accounts, you should reconcile the

statement with your Reckon Accounts data. If you're updating transactions for the account, you must take care to account for transactions that occur after the ending statement date.

1. Open the account register.

2. On the toolbar, click **Reconcile**.

   The **Statement Summary** dialog opens.

3. Use your bank statement to enter the requested information (i.e., Ending Balance).

   Reckon Accounts calculates the opening balance for you. Click the **Help** icon if you need more information. When you're finished reconciling, you can have Reckon Accounts make any needed adjustments in your register.

4. Click **OK**.

   Reckon Accounts displays the **Statement Summary** window without any transactions selected. Select each transaction that appears on your statement to mark it as cleared in Reckon Accounts.

   It's a good idea to tick off each transaction on the paper statement as you go along, too. When you finish reconciling, cleared transactions will have an "**R**" in the Reckon Accounts register's **Clr** column.

5. (Optional) Add transactions that are on your statement but which aren't listed in the **Statement Summary** window.

   ▪ Click **New** on the toolbar to add transactions to the register.

   ▪ Click **Return to Reconcile** in the register to return to the **Statement Summary** window.

6. Click **Finished** when the difference shown in the lower-right corner of the **Statement Summary** window is 0.00.

   If the difference shown in the lower-right corner of the window is not 0.00, decide how you want to resolve the discrepancy. You may have forgotten to enter a transaction, or accidentally entered one twice.

For example, perhaps your financial institution has recorded a service charge or dividend that you haven't entered into Reckon Accounts yet. Go to the **Help** menu and click on **Product Help**. Click the **Search** tab, then enter "reconciling" to get information about resolving reconciliation discrepancies.

If the difference still is not 0.00, your best bet is to click **Finished** and let Reckon Accounts add an Adjust Balance transaction for you.

7. (Optional) Click **Yes** to print a reconciliation report.

MANAGING YOUR INVESTMENTS

5

Reckon Accounts helps you to track your personal investments. This chapter explores how you can track different types of investments, such as shares, managed funds, superannuation and investment properties.

> **Before you start**
>
> Think about the types of investment accounts you want to track in Reckon Accounts, including brokerage accounts, superannuation, and so on.
>
> **What you'll need**
>
> You'll need the last statement you received for each investment and retirement account that you plan to track in Reckon Accounts.
>
> When you're ready to capture cost basis and capital gains information for an account, you'll need all past and current statements for the account.

Deciding which accounts to track

In this chapter you'll learn how to set up brokerage and superannuation accounts in Reckon Accounts.

For information about adding other types of investment accounts, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter "add investment accounts", and then click **Ask**.

The following table can help you decide which account types best suit your financial situation.

To track this real-world account	Add this Account type
Investments such as stocks, including stock options and employee stock purchase shares, bonds, and funds. (If you write cheques or use a debit card against this type of investment account, you can also track those transactions.	Brokerage
Superannuation accounts	Superannuation
Managed or trust funds that meet the following requirements: • you purchase them directly from the managed or trust fund provider; • they are tracked in accounts by themselves; and • the managed or trust fund company reinvests earnings and dividends in the same security so the account does not carry a cash balance.	Single Managed Fund
Term Deposit You invest a lump sum of money where the interest rate is guaranteed not to change for the nominated term. Normally the money can only be withdrawn after the term has ended.	Term Deposit
(New Zealand version only) KiwiSaver You build up your savings through regular contributions from your pay. Your KiwiSaver savings are made up of contributions to your account, plus or minus investment returns, minus any withdrawals, fees and taxes.	KiwiSaver (New Zealand version only)

Adding your investment accounts

1. Go to the **Investing** menu and click **Go to Investing Centre**.

2. In the upper-right corner, click **Today's Data**.

3. In the **Investment & Retirement Accounts** snapshot, click **Add Account**.

   The **Account Setup** dialog opens.
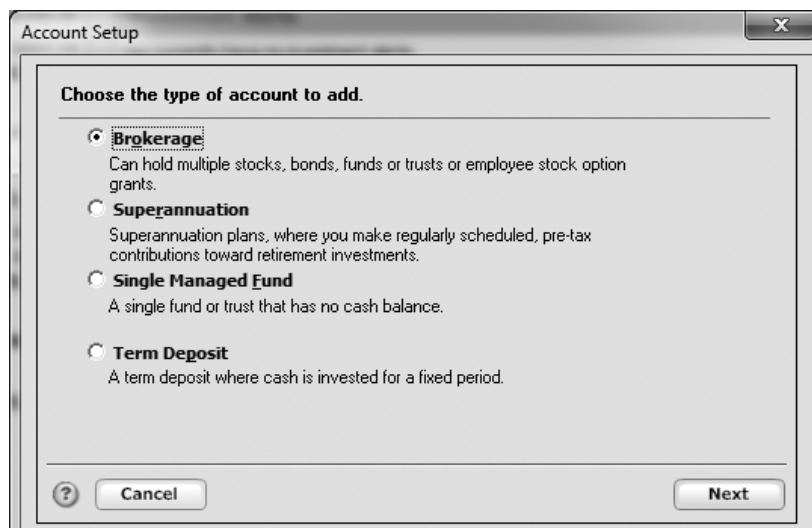
4. Select **Brokerage**, then click **Next**.

5. In the **This account is held at the following institution** field, enter the name of the financial institution that holds this investment account, then click **Next**.

    If your financial institution is in the list that Reckon Accounts displays, select it. If it's not in the list, type its name. Be sure to correctly identify your financial institution. Reckon Accounts needs the official company name—not an abbreviation—to determine which services are offered by that institution.

6. In the **Name this account** field, type the name by which you want to refer to this account in Reckon Accounts, then click **Next**.

7. Choose the currency for this account from the **Currency** drop-down list, then click **Next**.

8. If this is a tax-deferred account, choose **Yes**, otherwise choose **No**, then click **Next**.

9. In the **Statement Date** field, enter the date you're using to set up holdings in this account, then click **Next**.

    ▪ If you're entering this information from a brokerage statement, use the statement ending date.

    ▪ If you're entering this information from your brokerage's Web site, use the date that your information was posted (probably the date you accessed the site or the day before).

10. In the **Cash Balance** field, enter the cash balance for the account in the way your financial institution displays it, then click **Next**. You may need to use both fields, or just one or the other.

11. Identify the securities in the account, then click **Next**.

    ▪ If you don't have Internet access, in the **Security Name** field, type the name of each security you want to add to the account.

    ▪ If you have Internet access, you can search for your security's ticker symbol by clicking **Stock Symbol Lookup**.

    ▪ Click **Next** to enter information about your holdings.

12. Type the total number of shares, and identify the security type for each security.

13. Click **Next** to see a summary of the information you have entered for your accounts.
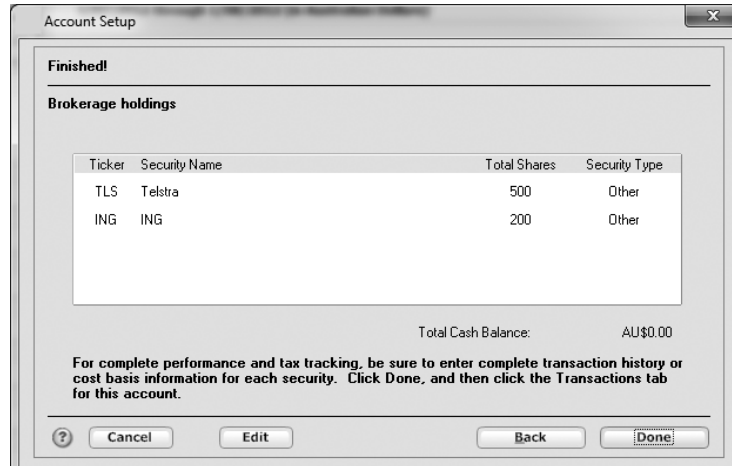
14. Click **Done**.

If you used a currency other than your default currency, Reckon Accounts asks you to enter the exchange rate in terms of your default currency per the currency chosen for this account. Enter the exchange rate, then click OK.

Now you're ready to add your holdings to the account. For information about how to add your holdings, see "Keeping your investment data current" on page 92. Then you'll be ready to see how your investments are performing as described in the next section, "Tracking your portfolio's performance."

Tracking your portfolio's performance

Reckon Accounts makes it easy to track the performance of your investments in a way that emphasises what's important to you. The Investing Centre provides a number of ways to view your investing and retirement accounts along with many useful tools to help you analyse and manage them.

You'll find a different focus on each page of the Investing Centre. Go to the **Investing** menu, click **Go to Investing Centre**, and then click the button that has the information you want.

Today's Data focuses on information that changes frequently and helps you see how market changes affect the securities you own or watch.

Performance provides an in-depth review of your investments over time, so you can measure the performance of your investments against key benchmarks.

Analysis focuses on how your current investments are divided among asset classes and how your mutual funds are doing compared to others.

Portfolio focuses on an in-depth review of your portfolio as a whole.

In this section, you'll learn how to use some of the performance and analysis tools in the Reckon Accounts Investing Centre. For example, you'll learn how to:

- Set up a watch list to track the securities you want to follow.

- Keep track of the average annual return for your investments.

- Determine the right asset allocation for you.

- Use the Portfolio to answer your top investment questions.

- Create reports that summarise your investment-related data.

Track the securities you want to follow

1. Go to the **Investing** menu and click **Go to Investing Centre**.

2. In the upper-right corner, click **Today's Data**.

3. In the **Watch List** snapshot, click **Add a security**.

Click Download Quotes to keep the
information in your Watch List current.

4. Follow the on-screen instructions; click **Next** to move through the pages. Click the **Help** icon if you need more information.

> To track market indexes in the **Watch List**, click **Edit Watch List**, and select the **Watch** check box for each market index you want to display. If the market index you want to follow isn't in the **Security List**, click **Choose Market Indexes** at the top of the **Security List** to add it.

Track your average annual return

Your average annual return, often called the internal rate of return (IRR), is the cumulative total return on your accounts expressed as an annualised figure. It includes dividends, interest, and other payments you receive, plus increases and decreases in the market value of your securities. Generally, if the average annual return on an investment is 10 percent, that investment is performing as well as a bank account that pays 10 percent interest in the same time period.

For information about how Reckon Accounts calculates this and other investment performance measures, go to the **Help** menu and click **Product Help**, then click the **Search** tab, enter "average annual return", and click **Ask**.

You can view the average annual return for an individual account, all accounts, only investment accounts, or only superannuation accounts.

1. Go to the **Investing** menu and click **Go to Investing Centre**.

2. In the upper-right corner, click **Performance**.

3. On the Performance toolbar, select whether you want to view the average annual return for all accounts, investment accounts only, superannuation accounts only, or for a customised group of accounts.

4. In the **Average Annual Return** snapshot, view the average annual return for your accounts.

   Reckon Accounts displays annualised figures for 1 year, 3 years, and 5 years.

In the **Average Annual Return** window:

- Click **Show security performance** to see how each security is contributing to the total return for an account.

- Click **Show security performance comparison** to see how the total return for each security compares with the change in the stock's industry over the same period.

Set a target asset allocation

Your current *asset allocation* shows how your current investments are divided among asset classes. You can view the

asset allocation for an individual account, all accounts, only investment accounts, or only superannuation accounts.

In this section, you'll learn how Reckon Accounts can help you set up a target asset allocation. After you do, Reckon Accounts can help you determine if your current asset allocation is where it should be, and show you how to change it. For more information about asset allocation, go to the **Help** menu and click **Product Help**, then click the **Search** tab, enter "asset allocation", and click **Ask**.

1. Go to the **Investing** menu and click **Go to Investing Centre**.

2. In the upper-right corner, click **Analysis**.

3. On the **Analysis** toolbar, select whether you want to view asset allocation for all accounts, investment account only, superannuation accounts only, or for a customised group of accounts.

4. In the **Asset Allocation** snapshot, click **Show Allocation Guide**.

| Asset Allocation | | | Options ▼ |
| Actual | | Target | |

Total: 142,952.03   Set Target

	Actual	Target	Difference
Large Cap Stocks	82.915%	0%	82.915%
Small Cap Stocks	5.450%	0%	5.450%
Other Asset Class	0.641%	0%	0.641%
No Asset Class	10.994%	100%	
Expected Return	8%	Unknown	
Expected Risk	High (15%)	Unknown	

Download Asset Classes

[Show Full Graph] [Show Allocation Guide] [Rebalance Portfolio]
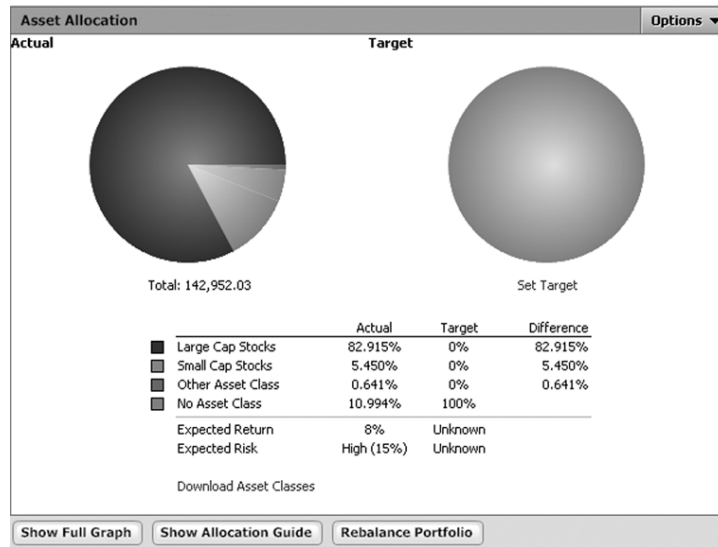
Use the Allocation Guide to set your asset allocation
target and learn about rebalancing your portfolio.

5. Read the onscreen instructions.

6. Click **How should I allocate my investments?** on the right side of the **Analysis** window for detailed information on asset allocation.

Use the Portfolio

The Portfolio provides multiple views that answer your top investment questions. You can analyse the holdings,

performance, and price information for every security you own, across multiple investment accounts.

In this section, you'll learn how to select a portfolio view. For more information about the Portfolio, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter "monitor portfolio performance", and click **Ask**.

1. Go to the **Investing** menu and click **Go to Investing Centre**.

2. In the upper-right corner, click **Portfolio**.

   The **Portfolio** window opens, displaying a list of portfolio views from which to select.

Select a default view, or click **Customise View** on the toolbar to create one of your own.
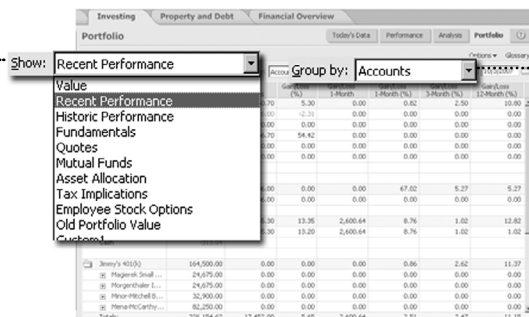
Reckon Accounts can group your investments for display by account, security, asset class, and so on.

In the **Show** list, select the view you want Reckon Accounts to display. For example, for an in-depth look at the short-term performance of your securities, select **Recent Performance**. For an in-depth look at the long-term performance of your securities, select **Historic Performance**.

Reckon Accounts displays information pertinent to the view you selected. (Move your pointer over a column heading for an explanation.) If you want to see account information that isn't displayed in the default views, click **Customise View** to modify an existing view.

You can see some of the information in the portfolio views broken into smaller, graphical pieces in the Investing Centre. (Go to the **Investing** menu, click **Go to Investing Centre**, and then click **Performance**). For example, the **Average Annual Return** snapshot on the **Performance** tab and the **Historic Performance** view in the **Portfolio** both include information about average annual return.

3. In the **Group by** list, select how you want your investments grouped. (Optional)

4. In the **As of** field, enter another date. (Optional)

If the Portfolio displays asterisks indicating that data is missing, and you want to correct the issue, see "Improving the accuracy of your investment data" on page 88. For more information about missing data, go to the **Help** menu and click **Product Help**. Click the **Search Reckon Accounts Help** tab, enter "placeholders", and click **Ask**.

Run investment-related reports and graphs

1. Go to the **Reports** menu and click **Reports & Graphs Centre**.

   The **Reports & Graphs** window opens.

2. In the Reckon Accounts Standard Reports list on the left, click **Investing**.

3. Select the report you want to run.

4. In the **Date range** field, change the date or date range for the report. (Optional)

5. Click **Show Report**. If the report has a corresponding graph, you can click **Show Graph** instead.

   If the report displays asterisks indicating that data is missing, the bottom of the report includes a blue link called Placeholder Entries, followed by a blue link called Show me. Click **Placeholder Entries** to learn how to resolve placeholder entries. Click **Show me** to go to the place in Reckon Accounts where you can correct the issue. For information about when and why missing data is important, see "Improving the accuracy of your investment data" in the next section.

6. Click **Customise** to change the way the report is laid out or the scope of information it includes. Click the **Help** icon if you need more information. (Optional)

7. You can either close the report or choose one of the following options:

   ▪ Click the **Print** icon to print the report to paper or to a PDF.

   ▪ Click **Save Report** to save the report.

   ▪ Click **Export Data** to export the report to another program or to the Clipboard.
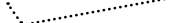
Click the **Help** icon if you need more information.

Updating your investment accounts

Now that you've seen the valuable performance and analysis tools in Reckon Accounts, you might be asking yourself what you can do to make your investment data more accurate and how can you can keep it current.

Improving the accuracy of your investment data

As you used some of the performance tools in Reckon Accounts, you may have noticed that some of the performance measures that you want to track include asterisks or/and other notations such as **N/A** indicating that placeholder entries for missing transactions are used in the calculations.

Average Annual Return			Options ▼
Account	1 Year	3 Year	5 Year
Chris's Brokerage	2.54%	2.19%	-2.05%
Jimmy's Brokerage	*%	*%	*%

An asterisk indicates that Reckon Accounts does not have enough information to correctly calculate a particular value.

You can use placeholder entries to track holdings-only information in Reckon Accounts. They include the number of shares (along with the security name) that must be added to or subtracted from your Account to make it agree with the number of shares and the account balance at your brokerage.

If the current value of your holdings is all you want to track in Reckon Accounts, you can leave the placeholder entries as they are and skip the rest of this section. However, if you want to take advantage of the detailed performance analysis and tax tools in Reckon Accounts, such as those described in "Tracking your portfolio's performance" on page 79, continue reading.

The way to resolve all placeholder entries is to enter the date you bought the shares and cost basis information, which is the total amount you invest in a security you purchase. Cost basis includes commissions, fees, mutual fund

loads, and all purchases (even reinvestments of dividends and capital gains distributions), minus the cost of any shares you have sold or given away.

For each security that is missing transactions, Reckon Accounts adds an

- **Enter Cost** link to the **Transactions** tab

- **Enter** link to the **Overview** tab of the account where you hold that security.

You can click either link to get started.

As you enter the missing transactions that Reckon Accounts needs to calculate your cost basis, Reckon Accounts subtracts shares from the placeholder entry until it equals zero. Until you finish entering the complete transaction history, Reckon Accounts will identify those calculations and performance measures in the Portfolio, reports, and snapshots that are based on incomplete transaction information.
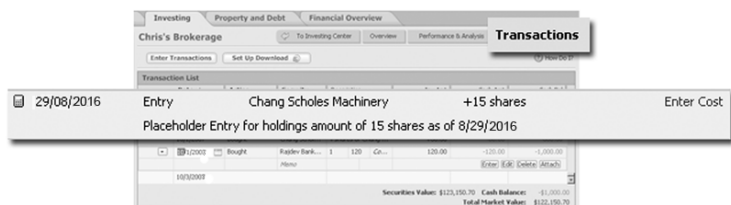
To enter cost basis information, click the **Enter Cost** link in the
Transaction tab or the **Enter** link in the **Summary** tab.
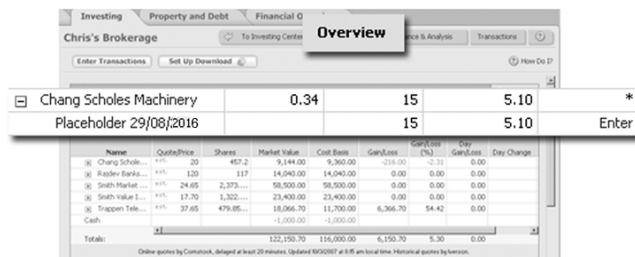
Reckon Accounts gives you two options for entering missing transactions, each with its own requirements.

1. **Enter Missing Transactions** lets you add all the missing transactions needed to compare the historical performance of your securities over time, prepare accurate tax reports for both past and current holdings, and make informed tax decisions about your investments.

   (For example, you're in the ability to track *lots*, or securities grouped by common purchase prices and dates,

which are important for calculating the tax rate that applies to your capital gains; tracking this information can save you a lot of time and effort when you file your taxes.)

This option is the only way to take full advantage of the tax and investment tools in Reckon Accounts. You'll need the date you first purchased each security, the price you paid for it, and all transactions that have occurred since the purchase date.

2. **Estimate Average Cost** lets you improve the performance data for your current holdings.

   If you have held the account for many years or have a lot of transactions, this is a fast and easy way to get started until you can enter all your historical transactions. For each security, you'll need the total cost of the entire holding or the average price you paid per share.

To enter missing information:

1. Go to the **Investing** menu and click **Go to Investing Centre**.

2. In the upper-right corner, click **Today's Data**.

3. In the **Investment & Retirement Accounts** snapshot, click your investment account.

4. In the upper-right corner, click **Transactions**.

5. In the **Transactions** list, select the placeholder entry you want to resolve.

6. In the **Inv Amt** field, click **Enter Cost**.

   The **Enter Missing Transactions** dialog opens.

7. Identify the amount of information you want to enter:

   ▪ Click **Enter Missing Transaction** to enter historical transactions.

      Use the **Enter Transaction** field to select each transaction you want to enter, and then enter the information

that Reckon Accounts requests.

- ▪ Click **Estimate Average Cost** to estimate the average price per share.
- ▪ Enter your estimate in the **Cost** or **Price/Share** field.

Keeping your investment data current

Reckon Accounts includes forms to help you enter each type of investment transaction, and the forms are a good way to quickly become familiar with the kind of information each type of investment transaction requires. After you're familiar with this information, you can enter investment transactions directly in the transaction list instead.

Regardless of how you enter investment transactions into Reckon Accounts, Reckon Accounts assigns the appropriate investment categories to the transactions and tracks the tax consequences for you. For this reason, you don't want to change the investment categories in the **Category List** (go to the **Tools** menu and click **Category List**) that begin with an underscore (for example, _DivInc).

To enter investment transactions with investment forms:

1. Go to the **Investing** menu and click **Go to Investing Centre**.
2. In the upper-right corner, click **Today's Data**.
3. In the **Investment & Retirement Accounts** snapshot, click your investment account.
4. In the upper-right corner, click **Transactions**.
5. In the upper-left corner, click **Enter Transactions**.
6. In the **Enter transaction** list, select the action you want to perform.

   Investment transactions are at the top of the list, and cash transactions are at the bottom of the list.

7. Enter the information Reckon Accounts requests.

    If you're adding a bond, include the maturity date in the security name. This will help you distinguish it from other bonds in your portfolio and make it easy to match the information you download with the information in Reckon Accounts.

8. Click **Enter/New** to record additional transactions, and repeat steps 5 through 7. (Optional)

9. Click **Enter/Done**.

Adding a superannuation account

If you want the most comprehensive picture of your net worth, or if you want help planning for your retirement, be sure to track your superannuation accounts. In this section, you'll learn how to add a superannuation account.

1. Get the superannuation statements that you want to enter into Reckon Accounts.

If you're not concerned with historical information, you could start with your most recent statement and enter just your current holdings during setup.

If you want to include historical information for net worth purposes, choose the appropriate option:

- If your financial institution *does not* provide share balance information and transaction history, then you must decide on a starting date before you add the account. (Typically, you would get all your statements and enter holdings information in chronological order, starting with the oldest statement.) After you've added the account, you can't enter statement information that occurred before the date of the earliest statement you use to set up the account.

- If your financial institution *does* provide share balance information and transaction history, then you can set up the account with just your most recent statement and enter your historical information at a later point, as described in "Improve the accuracy of your investment data" on page 88.

2. Go to the **Investing** menu and click **Go to Investing Centre**.

3. In the upper-right corner, click **Today's Data**.

4. In the **Investment & Retirement Accounts** snapshot, click **Add Account**.

5. Choose the **Superannuation** radio button and then click **Next**.

6. In the **This account is held at the following institution** field, enter the name of the financial institution that holds this investment account, then click **Next**.

   If your financial institution is in the list that Reckon Accounts displays, select it. If it's not in the list, type its name. Be sure to correctly identify your financial institution.

7. Follow the on-screen instructions; click **Next** to move through the pages. Click the **Help** icon if you need more information. When you finish adding the account, Reckon Accounts displays the **Overview** page for the account.

8. Click the **Transactions** tab to add cost basis information, as described in "Improving the accuracy of your investment data" on page 88. (Optional)

For more information about resolving placeholder transactions for superannuation accounts, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter "placeholders", and click **Ask**.

Tracking your investment properties (optional)

Reckon Accounts makes it easy for you to track your investment properties by introducing a special edition of Reckon Rental program. The Reckon Rental is an excellent analytical tool performing gearing analysis on your property purchases.

Reckon Accounts allows you to perform "what-if" scenarios on your currently existing property data. You'll know immediately if the investment makes financial sense and whether there is significant tax benefits available and hence identify various ways of improving the financial viability of a property investment. In this section, you'll learn how to track your investment properties.

1. Go to the **Tools** menu and select **Reckon Rental**.

   The **Property and Debt - Reckon Rental** window opens.
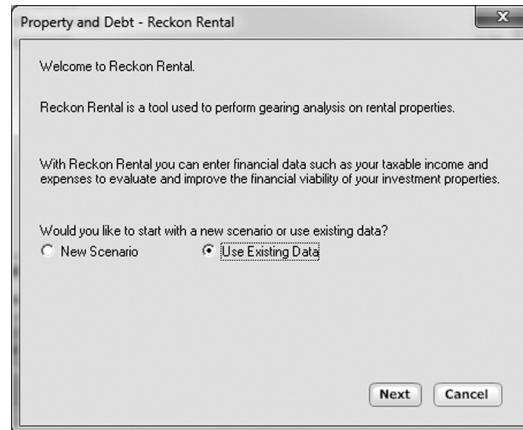
2. In this window, select **Use Existing Data** and click **Next**.

    Note that you may only be able to select the **New Scenario** option if you have purchased the full version of the Reckon Rental Professional. This option will create a blank scenario using new data in the Reckon Rental Professional product.

3. In the **Accounts** window, click the drop-down lists to select the accounts associated with the property you wish to analyse. These selections determine data transfer between Reckon Accounts and Reckon Rental.

    If you select "None" to the Liability or Asset account, it means the data for those accounts will not be included in the transaction history search.

Property and Debt - Reckon Rental: Accounts

You must indicate the accounts that you wish to perform an analysis on. These are the accounts associated with the property you wish to analyse.

Liability Account   Investment Home Five Dock Loan

Asset Account   Investment Home Five Dock

Please specify the Class or Tag (if any) that you use to identify the property.

Class/Tag   Investment

Please select the financial year you wish to use as a basis for the analysis.

Financial Year   2016/17

Back   Next   Cancel

4. In the **Categories** window, click the drop-down lists to select the categories you used to track investment property.

The amount which will be transferred from Reckon Accounts to the Reckon Rental is the last amount entered against that category in the accounts that your selected in the **Accounts** window.

5. Continue on to assign categories in the following **Categories** window then click **Next**.

6. In the final window, review the on-screen information and click **Finish**.
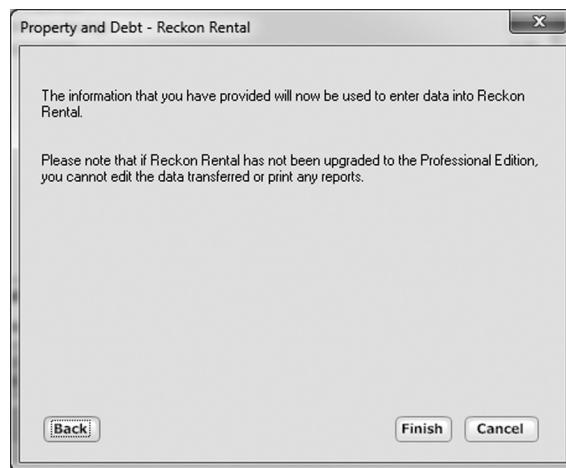
Click **Back** to move through the pages if you need to modify the information that you perviously entered.

7. The Reckon Rental program launches.

   For more information about how to use Reckon Rental for your investment properties, click the **Help** button in the Reckon Rental program.

   ! You will not be able to edit the data which is transferred from Reckon Accounts or print any reports in the Reckon Rental if it has not been upgraded into the Professional edition. In order to use the full Reckon Rental Professional product you will need to purchase a licence. Call Reckon customer service on 1300 784 253 for more information.

PLANNING FOR PERSONAL TAX TIME

6

Tax time can be a good time of the year for the possible tax refunds you might get from your local tax office. It can also be a headache if you haven't kept you records properly. Reckon Accounts makes record keeping easy so you can comfortably enter tax time prepared for the best result. In this chapter, we'll see how to track your paycheque and tax-deductible expenses, and how to use the Tax Planner.

Before you start

As a minimum, you should complete Chapter 3, being sure to add the account into which you deposit your paycheque.

What you'll need

You will need a recent payslip.

Learning how Reckon Accounts helps you plan for tax time

Reckon Accounts includes several tools to help you track your tax-related income and expenses. The Tax Centre provides the most commonly used tools along with a summary of your tax-related data and reminders about upcoming tax-related dates.

Tracking tax-related information in Reckon Accounts can be useful throughout the year, long before the start of the new financial year. For example, Reckon Accounts can use your data to help you determine if you're having too much or too little deducted from your paycheque. You can also review your deductible expenses on an ongoing basis.

The more tax-related information you track in Reckon Accounts, the easier your life can be when tax time does roll around. You can also use Reckon Accounts to print reports that consolidate a year's worth of information into a few pages; copy the figures onto your tax forms, and your work is practically complete.

In this chapter, you'll learn how to use some of the tax tools in the Reckon Accounts Tax Centre. In particular, you'll learn how to:

- Add a paycheque transaction that tracks your gross income and all the deductions taken out of each paycheque.

- Keep track of tax-deductible expenses.

- Use the Tax Planner to estimate your tax liability and investigate difference "What if" scenarios.

- Create reports that summarise your tax-related data.

Tracking your paycheque

While you could choose to enter the net amount of your paycheque as a deposit in your register, if you do so you lose all the details about the paycheque, such as amounts added to your superannuation or deducted for your income tax. Therefore, Reckon Accounts provides a special paycheque feature that tracks gross amounts, deductions, and net amounts for each paycheque. This simplifies a great deal of your tax planning in Reckon Accounts.

Even if you initially added only the net amount of your paycheque in Reckon Accounts (as would be the case for any paycheques added during Express Setup), you can still use the paycheque feature to add deduction information now.

The paycheque feature also works if your paycheque varies from one pay period to the next. Just adjust the details as necessary when you enter the paycheque transaction.

Adding a paycheque

When you use a recent payslip to add the financial details from your paycheque, Reckon Accounts remembers these details each time you enter a paycheque into the register.

You receive the maximum benefit from the tax tools in Reckon Accounts (such as the Tax Planner) by setting up your paycheque at the beginning of the tax year. If you're not setting up your paycheque at the beginning of the tax year,

Reckon Accounts helps you to adjust your year-to-date (YTD) totals.

Use this procedure to add a new paycheque to Reckon Accounts. If you simply want to add deduction information to a paycheque added to Reckon Accounts (for example, during Express Setup), then skip to the next section, "Adjusting a paycheque."

1. Go to the **Tax** menu and click **Go to Tax Centre**.

2. In the **Taxable Income YTD** snapshot, click **Add Paycheque**.

! ■

In Reckon Accounts New Zealand, go to the **Cash Flow menu** and click **Set Up Paycheque**.

Reckon Accounts displays the **Paycheque Setup** wizard. (If Reckon Accounts displays the **Manage Paycheques** dialog instead, click **New** to open the **Paycheque Setup** wizard.)

3. In the **Paycheque Setup** wizard, click **Next**.

4. Follow the on-screen instructions; click **Next** to move through the pages. Click the **Help** icon if you need more information.

You will enter most of the information on the following page.

Set Up Paycheque

Company name: Reckon	Account: Business Chequing
Memo (optional):	

Scheduling

Start on: 30/08/2016 Remind Me 3 days in advance

Frequency: Every two weeks

Repeat every two weeks on Thursday

<< Track Net Only Select this option if you only want to track net deposits from this paycheque.

Earnings

Name	Category	Amount		
Salary	Employment:Salary & Wages	0.00	Edit	Delete

Add Earning ▼

Pre-Tax Deductions and Superannuation

What are your pre-tax deductions?
Click the Add Pre-Tax Deduction button below to enter your pre-tax deductions.

Add Pre-Tax Deduction ▼

Taxes

Name	Category	Amount		
Income Tax Deducted		0.00	Edit	Delete

Add Tax Item ▼

After-Tax Deductions

What are your after-tax deductions?
Click the Add After-Tax Deduction button below to enter your after-tax deductions.

Add After-Tax Deduction ▼

Deposit Accounts

Account	Memo	Amount
Business Chequing	Primary Account	0.00

Add Deposit Account

Net Pay	**0.00**

Gross Employment Income	**0.00**

Done
Cancel
Help

Use the following guidelines as you add the information about your paycheque:

- Select the account into which you want to deposit the paycheque.

- Enter the date of the first deposit, when Reckon Accounts should remind you to enter your paycheques into the account register, and how often you're paid. Click the double arrows **(>>)** to the left of **Scheduling** to display the required fields if necessary.

- Click **Edit** on the right side of the appropriate area to enter the figures for gross pay and deductions from your recent payslip in the **Setup Paycheque** dialog, or to change the name, category, or amount of a paycheque item.

You can edit the amount of a paycheque item directly, or you can click the **Edit** button to change the name, category, and amount of a paycheque item all at one time.

Earnings			
Name	Category	Amount	
Salary Income	**Salary**	1545.00	Edit Delete
Add Earning ▼			

- Click the **Add** button in the lower-left corner of the appropriate area to add a paycheque item to the **Setup Paycheque** dialog. For example, to add items for bonuses, profit sharing, or vacation, holiday, or sick pay, click **Add Earning**; to add items for superannuation plans, or flexible spending accounts, click **Add Pre-Tax Deduction**; to add items for employee stock purchase plan deductions or loan repayments, click **Add After-Tax Deduction**.

- To adjust the year-to-date (YTD) totals so you can use the tax tools in Reckon Accounts, specify that you want to enter this information in the **Enter Year-to-Date Information** dialog that Reckon Accounts displays after you click the **Done** button in the **Setup Paycheque** dialog. (This is the only chance you'll have to enter this information in the **Paycheque Setup** wizard.) Otherwise, tell Reckon Accounts to skip this step, and then

enter this information in the Tax Planner as you go along. For more information about entering year-to-date information, go to the **Help** menu and click **Product Help**. Click the **Search** tab, enter "paycheques year-to-date information", then click **Ask**.

5. In the **Manage Paycheques** dialog, click **Done** when you have finished adding your paycheque and YTD totals.

Adjusting a paycheque transaction

If you get a raise or change jobs, or if other activities permanently affect your paycheque, future paycheques should reflect this new information.

If you used Express Setup to add your paycheque to Reckon Accounts, you can also use this procedure to add deduction information.

1. Go to the **Tax** menu and click **Go to Tax Centre**.

2. In the **Taxable Income YTD** snapshot, click **Edit Paycheque**.

3. In the **Manage Paycheques** dialog, select your paycheque.

4. Click **Edit**, make any necessary changes, and click **Done**.

   ▪ If you want to change when Reckon Accounts reminds you to enter your paycheque into the account register or how often you're paid, click the double arrows **(>>)** to the left of **Scheduling**.

   ▪ If this paycheque was added to Reckon Accounts as a net deposit (as would be the case if you added the paycheque during Express Setup), you may need to click **Track Deductions** to display the fields where you enter your deductions.

   Click the **Help** icon if you need more information.

5. In the **Manage Paycheques** dialog, click **Done** when you have finished adjusting your paycheque.

Entering or editing a scheduled paycheque transaction

If you told Reckon Accounts to remind you to enter your paycheque into the register when it's due, Reckon Accounts places a reminder about the paycheque on the **Scheduled Bills & Deposits** tab at the bottom of the appropriate register. It is then up to you to enter the transaction in Reckon Accounts based on the reminder.

Reckon Accounts also places a reminder for all scheduled transactions on the **Cash Flow** page in the **Cash Flow Centre,** and on the Reckon Accounts **Home** page. Here you can see any scheduled transaction you have set up as a reminder ready to enter into the relevant Reckon Accounts register.

Let's use the reminders in the **Cash Flow Centre** to first edit your paycheque, and then enter it as a transaction into Reckon Accounts.

1. Get your most recent payslip.

2. Go to the **Cash Flow** menu and click **Go to Cash Flow Centre**.

3. Locate the paycheque transaction in the **Deposits and Other Scheduled Transactions** in the **Scheduled Bills & Deposits** area

There is a paycheque transaction in this example.

See if you can find the paycheque you just set up in your list.

4. (Optional) Click **Edit** against the paycheque transaction in the Deposits and Other Scheduled Transactions

snapshot to edit any individual elements of the paycheque for future reference.

The **Edit Future Paycheques** window opens.

5. Do any of the following:

   ▪ Change the company name if you're now in a new job

   ▪ Change the account to deposit funds if you wish to track them in another Account

   ▪ Change the amount if your amount has changed, perhaps due to a pay rise

   ▪ Add a memo if necessary to all future paycheques

   ▪ Re-organise the schedule by clicking the "**<<**" (**Scheduling**) button

6. Once you have finished, click **Done**.

7. Click **Enter** at the right side of the window under **Action**.

   The **Enter Paycheque into Register** window opens.

This is where you enter your paycheque amount into the register. The amount defaults to what you set up in the Paycheque wizard. However, you can change the amount if your pay changes.

8. Click **Help** for more information.

9. Click **Enter** to add the paycheque transaction to your register.

> You can also add scheduled transactions to Reckon Accounts for other transactions that occur at regular intervals, such as bill payments, deposits and account transfers.

Tracking your tax-deductible expenses

Reckon Accounts can link categories to specific lines on a tax form. (Categories are discussed in detail in "Assigning transactions to categories" on page 67.) Linking categories to tax forms automates the process of tracking income and tax-related expenses.

Using standard tax-related categories

Reckon Accounts links the most common tax-deductible categories and subcategories to tax forms. If you added a paycheque to Reckon Accounts in the previous section, you may have noticed that your income was assigned to the Salary category and that deductions were assigned to categories and subcategories.

To see a full list of standard tax-related categories in Reckon Accounts, open the **Category List**:

1. Go to the **Tax** menu and click **Go to the Tax Centre**.

2. In the **Tax-Related Expenses YTD** snapshot, click **Assign Tax Categories**.

The **Tax Line Item** column indicates the tax form and line item associated with the category. If a category doesn't have the appropriate tax form line item associated with it, you can edit the category. Click the **Help** icon for more information.

Click the Show drop-down arrow to select only tax-related categories

Click the tab for the type of category you want to see

Change the tax line item for a category in the **Edit Category** dialog. To open it, select the category you want to change and click the Edit button.

Reviewing tax-related categories

If you have added your own tax-related categories or changed a standard category's tax line item, Reckon Accounts can help you make sure that you have assigned the correct tax line item.

1. Go to the **Tax** menu and click **Tax Category Audit**.

    Reckon Accounts checks all your categories and lists the categories that meet the following criteria:

    ▪   **Standard Categories** aren't linked to their original tax line items, or are linked to incorrect tax line items.

    ▪   **User-defined Categories** may need to be linked to different tax line items.

2. Select the appropriate action for each category Reckon Accounts displays.

    ▪   Click **Change** to edit a category, make the necessary changes, and click **OK**. Click the **Help** icon for more information.

    ▪   Click **Ignore** to leave the category unchanged.

Using the Tax Planner

> This feature applies to the Australian version only.

Use the Tax Planner to prepare for the inevitable. After you add a paycheque to Reckon Accounts and assign tax categories to a few tax-related expenses, you already have a wealth of tax-related data at your fingertips. The Tax Planner can use your Reckon Accounts data to help you anticipate the current year's tax liability. You can then adjust your payroll withholding if necessary. You can also evaluate the tax implications of various tax-related financial

actions, such as buying a home or selling stock.

> To work effectively, the Tax Planner needs year-to-date information for your gross pay and deductions. If you did not add your paycheque at the beginning of the tax year and did not add year-to-date information when you added your paycheque to Reckon Accounts, add this information as you go along.
>
> If you need assistance, click the question mark in the upper-right corner of the **Tax Planner** window. You can also go to the **Help** menu and click **Product Help**, then click the **Search** tab, enter "year-to-date information", and click **Ask**.

To use the Tax Planner:

1. Go to the **Tax** menu and click **Go to the Tax Centre**.

2. In the **Tools** area at the upper-right side, click **Tax Planner**.

3. On the left side of the **Tax Planner** window, click **How can Reckon Accounts help with Tax planning?**

4. Read the on-screen instructions, and then click **Let's get started** on the right side of the **Tax Planner** window.

Click **Tax Planner Summary** to see an overview of your tax situation.

Then click a tax item to see more detail.

At any time, you can click a schedule or worksheet on the left side of the window for more detail about a specific area.

You can use your actual Reckon Accounts data, enter new values manually, or have Reckon Accounts base the calculations on scheduled transactions. If you need assistance, click the question mark in the upper-right corner of the **Tax Planner** window.

! Any data that you enter manually will override any data you import from Reckon Accounts.

Running tax-related reports

You don't have to wait until tax time to review your tax information. In fact, you probably won't want to. Use the included tax reports to help you keep an eye on your tax information throughout the year.

1. Go to the **Reports** menu and click **Reports & Graphs Centre**.

   The **Reports & Graphs** window opens.

2. In the **Reckon Accounts Standard Reports** list on the left, click **Tax**.

   Reckon Accounts displays the list of available tax reports:

   ▪ **Capital Gains** displays short-term and long-term sales that are subject to capital gains tax.

   If the report displays asterisks indicating that data is missing, the bottom of the report includes a blue link called **Placeholder Entries**, followed by a blue link called **Show me**. Click **Placeholder Entries** to learn how to resolve placeholder entries. Click **Show me** to go to the place in Reckon Accounts where you can correct the issue. For information about when and why missing data is important, see "Improve the accuracy of your investment data" on page 88.

- **Tax Schedule** displays tax-related transactions subtotalled by tax form line item. If you plan to export tax information to tax software, this is the report to use.

- **Income Tax Summary** displays tax-related transactions subtotalled by category.

3. Click the report you want to run.

4. In the date fields, change the date or date range for the report. (Optional)

5. Click **Show Report**.

6. Click **Customise** to change the way the report is laid out or the scope of information it includes. Click the **Help** icon if you need more information. (Optional)

7. You can either close the report or chose one of the following options:

- Click the **Print** icon to print the report to paper or to a PDF.

- Click **Save Report** to save the report.

- Click **Export Data** to export the report to another program or to the Clipboard.

Click the **Help** icon if you need more information.

Learning about the Capital Gains Estimator

Reckon Accounts also includes a Capital Gains Estimator, which helps you plan security sales so that you can maximise after-tax yields. Go to the **Tax** menu and click **Capital Gains Estimator** to open this feature, then follow the detailed onscreen instructions.

For more information about the Capital Gains Estimator, click the **Help** icon.

PLANNING FOR BUSINESS TAX TIME

7

Reckon Accounts Home & Business is designed to make tracking GST received and paid by your business easier to manage and report.

In this chapter we'll look at how you can set up Home & Business to track GST before exploring the types of everyday activities you might perform that include GST.

> **Before you start**
>
> You'll want to have read and understood the previous chapters in this guide. This chapter will elaborate on the GST-related aspects of information covered earlier in the guide.

Home & Business and the GST

Reckon Accounts Home & Business supports tax tracking for your business. This includes tracking GST amounts in transactions, estimates and invoices and generating the figures for your BAS.

These features are only available in Reckon Accounts Home & Business, not Reckon Accounts Plus.

This chapter covers what you need to know about tracking tax in Home & Business, building on concepts and procedures covered earlier in this user guide. We've also included details of features designed to make the tax elements easier to use.

Information is organised into the three stages of using Home & Business for business:

• Setting up

• Everyday transactions

• Reporting and paying tax

Setting up

When setting up Home & Business for tax, you need to configure the following areas according to your needs:

- Accounts
- Categories
- (Optional) Items
- (Optional) ABN Withholding account

Accounts. Home & Business tracks tax from transactions in accounts enabled to track tax. You therefore need to activate tax tracking within each business account. This enables Home & Business to record the tax code assigned to each transaction and calculate the tax amount for each transaction.

Once an account is enabled to track tax, you can use categories to help automate the application of the relevant tax rates when recording a transaction.

Categories. Categories specify the source of a deposit, the reason for an expenditure or the name of an account to which you might be transferring funds (see Chapter 4). You can also apply a specific tax code to a transaction.

When you apply a category to a transaction, the category information, including the tax code you set up, will apply to that transaction. This saves you having to enter tax code information manually. You can apply categories to deposits, purchases or invoices.

Invoice Items. An Invoice Item is something you create to represent a service or product you sell in your business. For example, a farmer that sells wheat might create an item called "wheat". A music teacher who provides music tuition might create an Invoice Item called "music tuition".

When setting up your item, you can associate it with a tax code. Home & Business then applies the associated tax code to the invoice line when you select that item on an invoice.

It is therefore helpful to set up items to include a tax code.

ABN Withholding. If you pay for services from a contractor who doesn't have an ABN, you may need to withhold a percentage of the amount payable. To track this in Home & Business, you need to create an ABN Withholding account.

Activating tax tracking for individual accounts

You can activate tax tracking for an existing account or activate it whilst creating a new account.

Turning on tax tracking for an existing account

1. Go to the **Tools** menu and click **Account List**, then double-click the account for which you wish to activate tax tracking.

   Home & Business displays account details in **Transactions** view or **Overview** view. You can find the tabs at the top of the page.

2. Click the **Overview** tab if Home & Business displays the **Transactions** view.

   Home & Business displays **No** against **Tax enabled** in the **Account Attributes** if Tax Tracking isn't activated for this account.

The **Tax enabled** attribute is set to **No**.

3. Click **Edit Account Details** at the base of the **Account Attributes** snapshot. Home & Business displays the **Account Details** window.

You can enable tax
tracking for this
account by setting
the **Tax-tracking
enabled** option
to **Yes**.

Account Details

Account Details

General Information | **Online Services**

Account Name | Business Chequing
Description |
Account Type | Bank
Account Currency | Australian Dollar
Tax-tracking enabled | ⦿ Yes   ○ No
Tax-Deferred | ○ Yes   ⦿ No
Interest Rate | ☐ %

Set Up Alerts
Max. Balance | 5,000.00
Min. Balance |

Account Location | Business : Spending
Financial Institution | Commonwealth Bank
Account Number |
Contact Name |
Phone |

Home page | Bank Web page | Go
Activity page | Activity Web page | Go
Other page | Other Web page | Go
Comments |

? | Delete Account | Tax Schedule Info | OK | Cancel

4. In the **Tax-tracking enabled** option, click the **Yes** radio button and then click **OK**.

Home & Business will return you to the **Account Overview** window with the **Tax enabled** attribute set to **Yes.**

You should now see that the Tax enabled attribute is set to Yes.
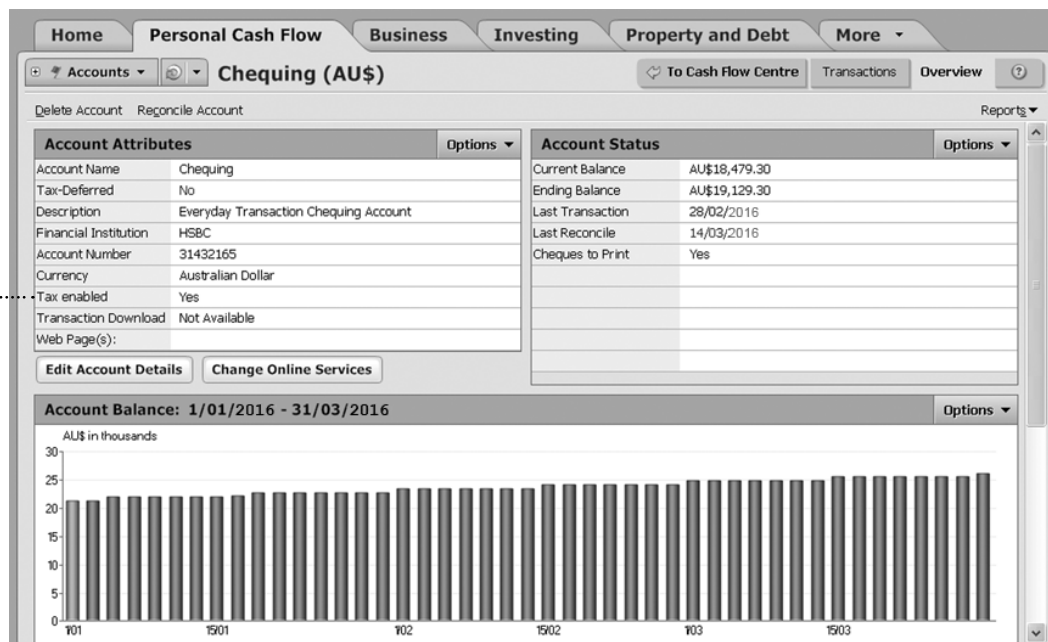
Turning on tax tracking when creating a new account

1. Go to the **File** menu and click **New**.

2. Click the **New Account** radio button and then click **OK**.

3. Select a business account type and then click **Next**.

4. Follow the onscreen instructions until you reach the window with the dialog: "**Do you want to track Tax in this account**?"

5. Select the **Yes** radio button and click **Next**.

6. Continue to follow the onscreen instructions until you have completed the **Account Setup** wizard.

Assigning a default tax code to a category

You can assign a tax code to an existing category or assign it whilst creating a new category.

> To see the list of tax codes available, go to the **Business** menu, click **Business Lists**, and then click **Tax Code List**. Refer to the **How Do I** menus from the **Tax Code List** for information about editing or creating new tax codes.

Assigning a tax code to an existing category

1. Go to the **Tools** menu and click **Category List**.

   The **Category List** window opens.
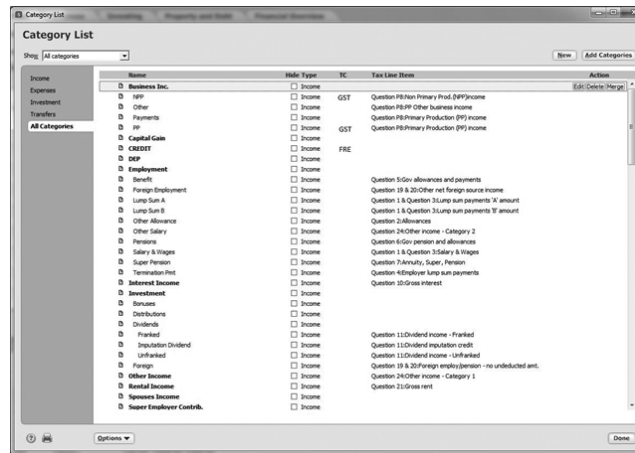
2. Select a category and click **Edit** at the right side of the **Category List**.

   The **Edit Category** window opens.

3. Select a tax code from the **Usual Tax Code (optional)** drop-down list.

Click the drop-down arrow to choose from a list of tax codes to apply.

4. Click **OK**.

Assigning a tax code when creating a new category

1. Go to the **Tools** menu and click **Category List**.

    The **Category List** window opens.

2. Click **New** at the top right of the **Category List**.

    The **Set Up Category** window opens.

3. Complete the **Name**, **Description** and **Type** fields.

4. Select a tax code from the **Usual Tax Code (optional)** drop-down list.

Click the drop-down arrow to choose from a list of tax codes to apply.

5. Click **OK**.

Setting up an item to handle GST

You can assign a tax code to an existing invoice item or assign it whilst creating an invoice item.

Assigning a tax code to an existing invoice item

1. Go to the **Business** menu, click **Invoices and Estimates**, and then click **Invoice Items**.

   The **Customise Invoice Items** window opens.
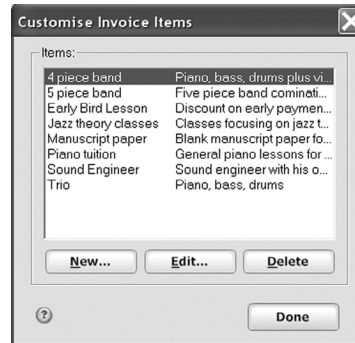
2. Select an invoice item and click **Edit**.

This is where you can select a tax code to apply.

3. Select a tax code from the **Tax** drop-down list.

   Your selection will override any tax code included as part of a category, if selected from the **Category/Tag** drop-down list.

> When you select a tax code for an item, the rate you enter in the **Rate** field must exclude tax. When you create an invoice, Home & Business will calculate the required tax based on the item rate. For example, if your item rate is $50 and your tax code is GST, Home & Business will add $5 to the invoice as the corresponding tax amount.

Assigning a tax code when creating an invoice item

1. Go to the **Business** menu, click **Invoice and Estimates** and then click **Invoice Items**.

   The **Customise Invoice Items** window opens.

2. Click **New**.

3. Enter a name or number for your item in the **Item/Name Number** field.
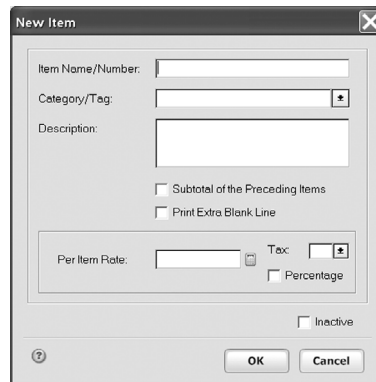
4. Select a category from the **Category/Tag** drop-down list (Optional).

    If the category includes a tax code, that tax code will apply to the item unless you select a different tax code from the **Tax** drop-down list on this window.

5. Enter a description for your item in the **Description** field (Optional).

6. Enter the rate you wish to charge for your item in the **Per Item/Rate** field.

    For a service, it's best to enter the rate per hour or day, according to how you charge for your services. You will specify the quantity when completing the invoice.

7. Select a tax code from the **Tax** drop-down list.

    Your selection will override any tax code included as part of a category.

> When you set up an item, you can associate a category with that item. This enables the invoice item to inherit the category's properties. However, the category may include a "usual tax code" as part of its properties whilst the invoice item has a conflicting tax code associated. In this case the tax code associated with the invoice item will override the tax code inherited from the category.

Setting up an ABN Withholding account

In Australia, if a supplier that you deal with does not have an ABN, you may be required to withhold a percentage of the total payment on the supplies for later submission to your local tax office.

You can set up an ABN Withholding account to store the percentage withheld. This account is set up as a liability account because it is considered money that you owe to the Australian Tax Office.

Create an ABN Withholding account using the following steps.

1. Go to the **Tools** menu and click **Account List**.

2. Click **Add Account**.

    The **Account Setup** window opens.
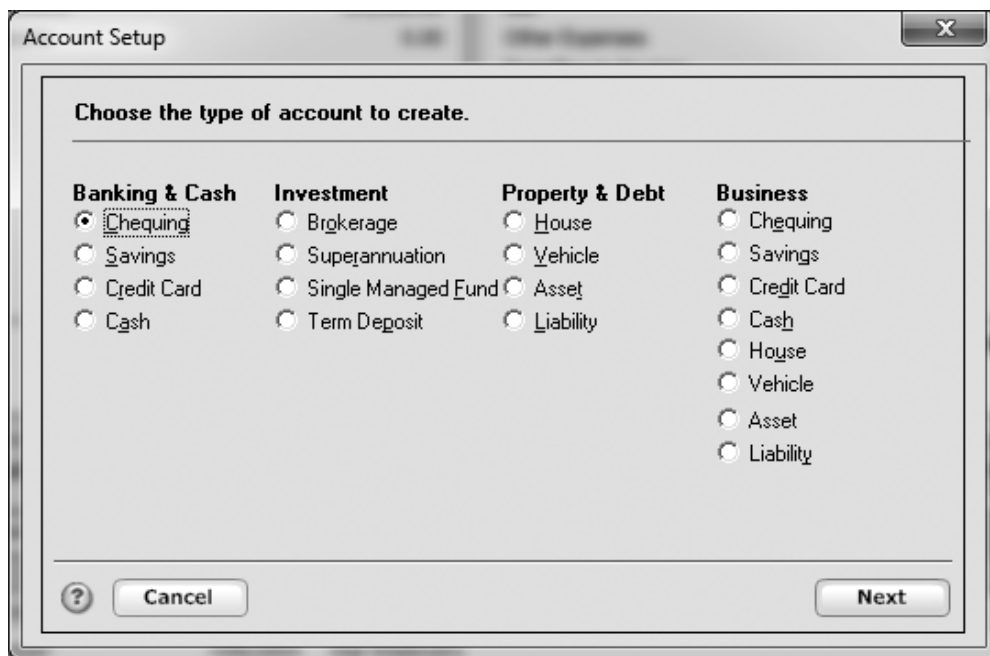
3. Select the **Liability** radio button and click **Next**.

Home & Business displays a window asking you to enter a name for this account.

4. Enter "ABN Withholding" in the **Name this Account** field. Click **Next**.

    Home & Business displays a dialog box that asks you to choose the currency of this account.

5. Follow the onscreen instructions and complete the setup wizard until you reach the window that asks you to: **Enter the ending date and balance from your statement, if you have it**.

6. Click **Tax**, and choose the **BAS Report: W4** tax line from the **Transfers In** drop-down list.

7. Click **OK**.

8. Click **Done**.

9. Click **No** if Home & Business offers the option of setting up and associating an amortised loan with this newly created account.

Everyday tax transactions

By now you should have:

- Activated tax tracking in the business accounts that you will be using to record transactions with a tax amount

- Applied tax codes to selected categories and items

- Created an ABN Withholding account

Home & Business is now ready to track the GST liability on your everyday transactions such as purchasing goods for

your business, selling items to customers and receiving payments.

Whilst most of these tasks are covered in earlier chapters, there are extra steps you need to follow so that Home & Business can track tax. These extra steps are part of the following procedures:

- Using the **Split Transaction** window

- Entering purchases

- Recording amounts for ABN withholding

- Using categories with tax codes assigned

- Recording payments to or from your local tax office

Using the Split Transaction window

Remember in Chapter 4 how we learnt that you can assign multiple categories to a payment transaction? Home & Business enables you to do this with the **Split Transaction** window. It's a great way to see a single transaction in more detail. It's also the way to track the GST component of a transaction, as you may remember from entering a purchase.

You can get Home & Business to open the **Split Transaction** window automatically after entering a name and amount when you click the **Category** field of a transaction whilst in an account set up for tax tracking. Go to the **Edit** menu, click **Preferences**, then click **Program**. Click **Register** and select the **Automatically enter split data** check box. Then Click **OK**.

In addition to the features described in Chapter 4, there are a number of tax-related options you need to know about in the **Split Transaction** window:

- **Amts include tax** check box

- **Clear Amts** button

- **Adjust** button

Amts include
tax check box

Clear Amts
button

Adjust button

Amts include tax check box

The **Amts include tax** check box enables you to specify whether the amount you enter on the transaction line is inclusive of the tax amount or exclusive of the tax amount.

1. Select the check box for Home & Business to treat the entered amount as a gross amount that includes the tax.

   For example, if you enter $50 and apply the GST tax code, Home & Business will change the **Amount** to $45.45 and enter $4.55 in the **Tax** column. The **Split Total** for that transaction line will remain at $50.

2. Clear the check box for Home & Business to treat the entered amount as a net amount and the basis to calculate and add the amount to the transaction line.

   For example, if you enter $50 and apply the GST tax code, Home & Business adds $5 to the **Tax** column so that the split total for the transaction line is $55.

Clear Amts button

The **Clear Amts** button enables you to remove the amounts from each split line on a chosen transaction. This feature comes in handy when you need to modify a transaction that Home & Business has auto-filled from a memorised transaction.

To clear all amounts from the split lines of a transaction:

1. Make sure you are in the **Split Transaction** window with the transaction showing.

2. Click **Clear Amts**.

   Home & Business clears the amounts and tax codes from the split lines.

   If there is any amount remaining, click **Adjust**.

Adjust button

You may need the **Adjust** button when there is an amount left over, that is, when the split total displays a different total to the sum of all split line amounts.

To refresh the calculation, click **Adjust** on the **Split Transaction** window.

Entering purchases

When you buy goods for your business, you will need to enter the value of the goods in the appropriate register as a purchase. The following steps include selecting a tax code through the **Split Transaction** window.

1. Go to the **Tools** menu and click **Account List**, then identify the bank account in which you wish to carry out a transaction.

2. Double-click the account you identified.

3. Move to the next available transaction line in the register, changing the date if necessary.

4. (Cheques only) In the **Num** column, enter the cheque number.

5. In the **Payee** column, type the name of the payee.

6. In the **Payment** column, enter an amount.

7. Click **Split**.

   The **Split Transaction** window opens.

8. Select a category from the **Category** drop-down list and then press the **Tab** key.

9. Select a tag from the **Tag** drop-down list and then press the **Tab** key.

10. Enter a memo in the **Memo** column and then press the **Tab** key. (Optional)

If a tax code applies to the category, Home & Business will populate the transaction line's "**T**" column with the applicable tax code.

Otherwise you will have to manually select the tax code from the **T** drop-down list and then press the **Tab** key, so that Home & Business can calculate the relevant tax.

Home & Business calculates the tax amount in line with the selection you have for the **Amts include tax** check box. See "Amts include tax check box" on page 139 for more details.

11. Click **OK**.

Home & Business enters the details of your split transaction into the account's register.

Using categories with tax codes assigned

Earlier in this chapter we looked at how you can attach a tax code to the properties of a category. Thus, when entering purchases, Home & Business would assign a tax code to the transaction automatically as part of applying the category. Let's see how this works.

1. Open the register for an account that you use to enter purchases.

2. Enter the following:

   ▪ Number (Optional)

   ▪ Payee

   ▪ Payment

3. Click **Split**.

The **Split Transaction** window opens.

> If you do not wish Home & Business to calculate the tax amount automatically using the amount you enter as gross (tax inclusive amount), clear the **Amts incl tax** check box at the base of the **Split Transaction** window.

4. Select a category from the drop-down list in the **Category** column.

5. Press the **Tab** key and enter a memo for the transaction if you have not already entered one (Optional).

   Home & Business calculates the relevant tax information based on the category chosen once you press the Tab key.

6. Check to see that the **Split Total** equals the total of the amount and tax for that split line. If it doesn't, click **Adjust**.

   Note that if you have the **Amts incl tax** check box ticked, Home & Business will change the amount you entered to be the non-GST element.

7. Click **OK**.

8. Click **Enter** to record the transaction.

   The ***Tax Control*** account will now reflect a decrease in GST liability for the transaction above.

Recording amounts for ABN Withholding

You may need to purchase items from a supplier who hasn't got an ABN. In most circumstances, the government requires that you pay the supplier the value for services provided, minus a percentage deemed by the government. This percentage of cost is then to be stored by you and remitted to the ATO at the relevant reporting period. The

following steps show how to do this in Home & Business.

! Warning: Before following this procedure, you need to have set up an ABN Withholding account, as shown on page 133.

1. Enter a purchase as normal and open the **Split Transaction** window.

2. Create a second split line and enter the percentage of the purchase amount as a negative amount.

   For example: if the percentage is 48.5%, an $800 purchase would mean entering $800 in the first split line and -$388 in the second split line.

	Category	Tag	Memo	Exp Amount	T	Tax
1.	Business Exp.:Other E...			800 00		0 00
2.				-388 00		
3.			Next Edit ▼	388 00		
4.						
5.						

Split Transaction

Enter multiple categories to itemize this transaction; use the Memo field to record more details.

Add Lines   ☑ Amounts include tax

Clear Amts   Adjust

Split Total: 800.00
Remainder: 0.00
Transaction Total: 800.00

OK   Cancel

3. Select **Transfer From/To [ABN Withholding]** from the category drop-down list for the second split line.

4. Click **OK**.

! Do not select a tax code for the split lines as the tax amount in this transaction is actually the negative amount you are transferring to the ABN withholding account.

The total amount payable to the supplier should be the amount of the purchase minus the percentage of that amount.

Creating a tax invoice

Chapter 8 shows you how to create an invoice. You need to follow the same steps when creating an invoice that includes GST. However there are a number of points to remember:

- You can have GST included in a line item by default when the invoice item you choose includes a tax code in its properties.

- You can also have GST included on a line item by default against an item by applying a category that includes tax, if you don't have a tax code as part of an invoice item's properties.

- You can apply a tax code to an item on a transaction line by selecting it from the drop-down list provided in the **T** column. This approach overrides any default tax code settings from a category or invoice item.

See the instructions on page 155 for details on how to create an invoice.

Using invoice items with tax codes assigned

Using invoice items to apply relevant tax codes and category properties is a great way to save time when creating an invoice.

We know that to create an invoice one needs to enter the following information on the invoice line:

- Item
- Category
- Description
- Quantity
- Rate
- Amount
- Tax Code

With your invoice item set up to include name, category, description, rate and tax code, you can make four entries

simply by selecting an item. Next enter the item's quantity and Home & Business will do the rest.

> You need to choose an item in the following steps that has a category and tax code assigned to it, as shown in "Setting up an item to handle GST" on page 130.

1. Create an invoice and enter customer details and invoice information (invoice numbers etc.).

2. Select an item from the **Item** column on an invoice line.

   Home & Business populates the **Item**, **Category**, **Description**, and **Rate** fields.

3. Enter a quantity in the **Quantity** column.

   Home & Business calculates the amount and the tax amount.

4. Enter another item and quantity as above, as required. (Optional)

5. Print and/or save the invoice using the **Print** and/or **Save and Done** buttons on the right of the Home & Business invoice form.

Recording payments to or from your local tax office

Recording payments to your local tax office

At some stage you will have to send a cheque to your local tax office to cover your tax liability.

When this happens, you need to record the cheque payment in Home & Business so that it can accurately reflect your tax liability and the account from which you paid the cheque.

This is done by entering the tax amount from the account you are paying the cheque from and transferring it to

your ***Tax Control*** account.

1. Open your current account register.
2. Click **Transfer**.

   The **Record a Transfer between Accounts** window opens.

3. Select ***Tax Control*** from the **To Account** drop-down list.
4. In the **Memo** field, enter a description, such as "payment to tax office".

5. Enter the amount.

   For this exercise, this should be the amount showing up as owing to your local tax office in your ***Tax Control*** account.

6. Click **OK**.

   The amount in your ***Tax Control*** account should now show up as $0.00.

The amount you transferred should show up in the *Tax Control* account.

In this case, the total shows up as $0.00.

Receiving payments from the ATO

When you receive a refund for the GST you have paid, make sure you record it in Home & Business. This is done by creating a transfer from the ***Tax Control*** account to your current account.

1. Open the ***Tax Control*** account register.
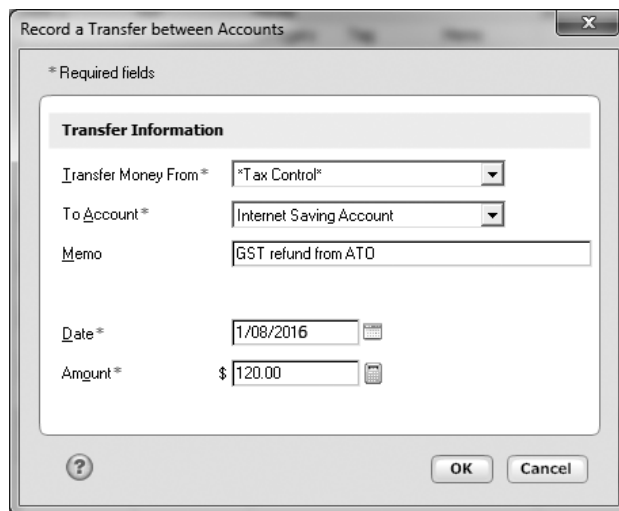
2. Click **Transfer**.

   The **Transfer** window opens.

3. Select your current account from the **To Account** drop-down list.

   Your current account is the account that you receive the tax payment into. This could be a savings or business account.

4. Enter a description in the **Memo** field, such as "Refund from ATO"

5. Enter the amount you are receiving.

6. Click **OK**.

The amount in your ***Tax Control*** account should now show up as $0.00.

The amount you transferred should show up in the *Tax Control* account.

In this case, the total shows up as $0.00.

DETERMINING YOUR NET WORTH

9

After recording your everyday financial activities in Reckon Accounts, you can get an excellent picture of your financial health.

This chapter shows you how you can see the state of your financial health based on the data your have entered into your Reckon Accounts file.

Putting it all together

Although using Reckon Accounts as described in the previous chapters can bring a great deal of order to your finances, you still don't have the complete picture of your financial situation that Reckon Accounts can offer.

In this chapter, you'll learn how to use the tools and information in the Property and Debt Centre to track the assets (what you own) and liabilities (what you owe) not reflected in your bank balance or stock portfolio.

The more financial information you put in your Reckon Accounts file, the more Reckon Accounts can help you understand and improve your overall financial health. When you add asset and liability accounts, you're increasing the power of Reckon Accounts to incorporate all your financial data into a single, clear picture of where you stand and where you can go.

In this chapter, you'll learn how to add the following types of accounts:

• An asset account for a home you own or are buying, with an associated liability account if you're paying a

mortgage

- An asset account for a vehicle you own or are buying, with an associated liability account if you're paying off a vehicle loan

- An asset account for other property you own, such as a stamp collection or a work of art

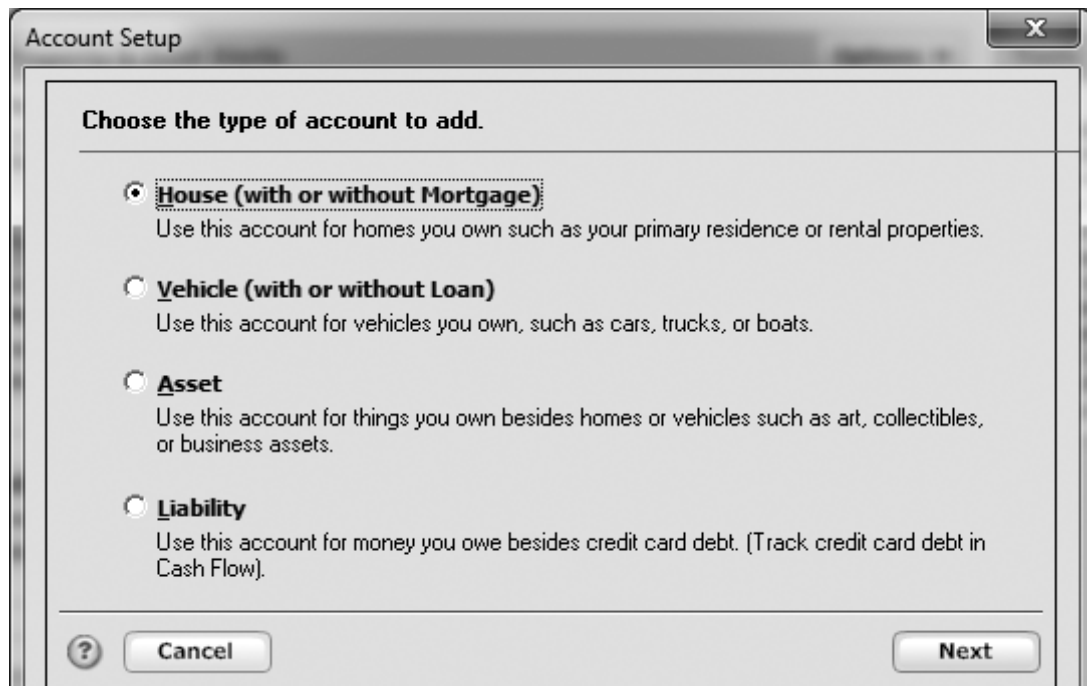- A liability account for other loans or debt, such as a student loan

Tracking your home value and associated loan

If you own a home, you can use Reckon Accounts to track its value, along with the mortgage that may be associated with it. Reckon Accounts calculates the value of your equity, the interest you pay each year, and the remaining loan balance.

Reckon Accounts creates both an asset and a liability account when you create a mortgage account. If you have the last statement you received for the mortgage account you plan to add, get it now. You can use the statement to enter the most recent values, such as balance remaining on the mortgage, while you're adding your account.

To begin tracking your home value:

1. Go to the **Property & Debt** menu and click **Go to Property & Debt Centre**.

2. In the **Property & Debt Accounts** snapshot, click **Add Account**.

3. Select **House (with or without Mortgage)**, then click **Next**.

Account Setup

Choose the type of account to add.

○ **House (with or without Mortgage)**
Use this account for homes you own such as your primary residence or rental properties.

○ **Vehicle (with or without Loan)**
Use this account for vehicles you own, such as cars, trucks, or boats.

○ **Asset**
Use this account for things you own besides homes or vehicles such as art, collectibles, or business assets.

○ **Liability**
Use this account for money you owe besides credit card debt. (Track credit card debt in Cash Flow).

Cancel   Next

4. Type the name by which you want to refer to this account in the **Name this account** field, then click **Next**.

5. Follow the onscreen instructions and click **Next** to move through the pages. Click the **Help** button if you need more information.

When you add the account, enter the purchase price and the estimated current market value if you know it.

Reckon Accounts enters the purchase price as the Opening Balance and adds an adjustment transaction in the House account register to reflect the current market value. This allows you to track your equity.
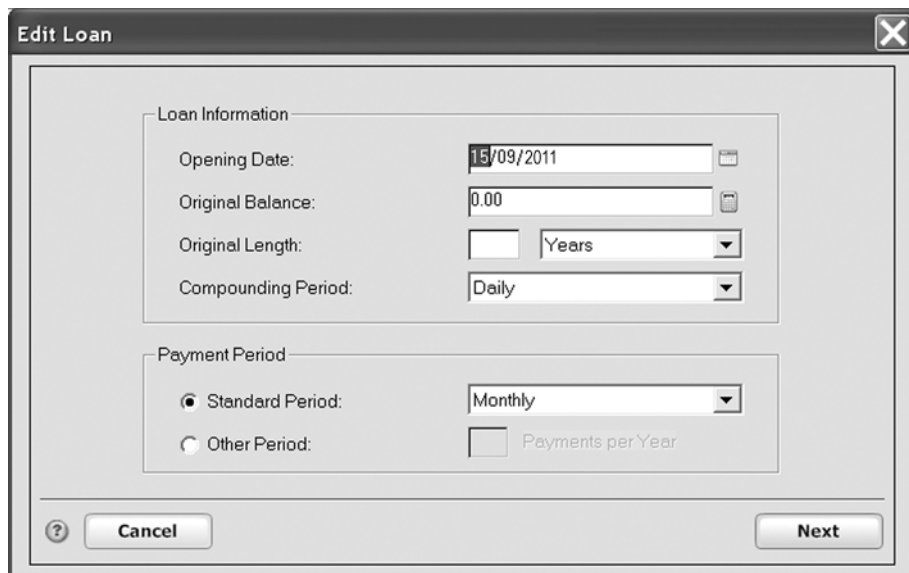
You can enter additional transactions to keep the equity value current as the home's value changes over time.

If you told Reckon Accounts that you have a mortgage on the house, Reckon Accounts adds two accounts: one for the positive value of the house (a House account), and one for the negative value of the loan (a House Loan account).

To change any details about your loan:

1. Go to the **Property & Debt** menu and click **Loans**.

2. Select the loan you want to edit.

3. Click **Edit Loan**.

   The **Edit Loan** window opens.

4. Enter the required loan information.

5. Click **Next**.

   Reckon Accounts opens another **Edit Loan** window.

6. Enter the required loan information.

7. Click **Done**.

To edit any details about your loan payment:

1. Go to the **Property & Debt** menu and click **Loans**.

2. Select the loan you want to edit.

3. Click **Edit Payment**.

   The **Edit Loan Payment** window opens.

4. Enter information about your standard loan payment.

5. Click **OK**.

> To have Reckon Accounts remind you to enter each payment transaction, click **Payment Method**, select **Scheduled Transaction**, and then enter details on when and how the transaction should be entered.

Tracking a vehicle value and associated loan

The steps for tracking a vehicle's value and associated loan are almost identical to those for adding a house and mortgage account. When you add a vehicle loan account, Reckon Accounts adds both an asset and a liability account.

If you have your most recent statement for the vehicle loan, get it now.

To add a vehicle loan account:

1. Go to the **Property & Debt** menu and click **Go to Property & Debt Centre**.

2. In the **Property & Debt Accounts** snapshot, click **Add Account**.

Account Setup

Choose the type of account to add.

⦿ **House (with or without Mortgage)**
Use this account for homes you own such as your primary residence or rental properties.

○ **Vehicle (with or without Loan)**
Use this account for vehicles you own, such as cars, trucks, or boats.

○ **Asset**
Use this account for things you own besides homes or vehicles such as art, collectibles, or business assets.

○ **Liability**
Use this account for money you owe besides credit card debt. (Track credit card debt in Cash Flow).

②   Cancel   Next

3. Select **Vehicle (with or without Loan)** and click **Next**.

    The Account Setup wizard for tracking a vehicle opens.

4. Follow the onscreen instructions, clicking **Next** to move through the pages.

    If you told Reckon Accounts that you have a vehicle loan, Reckon Accounts adds two accounts: one for the positive value of the vehicle (a vehicle account), and one for the negative value of the loan (a vehicle loan account).

5. Enter the requested information about your vehicle loan. Click the **Help** button for additional information.

That's it! You've set up Reckon Accounts to track the value of your vehicle and associated loan details.

Adding other asset and liability accounts

You can track the value of anything that you own (asset) or owe (liability) in Reckon Accounts.

Use the same procedures as in previous sections to create any asset or liability account that you want Reckon

Accounts to include when evaluating your financial situation. If you don't want to track your assets or liabilities in great detail, you can create a single asset or liability account. For each account, enter a total value that you think is a good estimate of the total value of your assets or liabilities.

> When you create a house or vehicle account, Reckon Accounts prompts you to create the associated liability account and loan (if any). Don't forget to create a liability account and loan for any other assets for which you owe money.

Analysing your personal net worth

Now that Reckon Accounts has more information about your finances, you can learn more about the value of your net worth.

Using the Financial Overview Centre

The Financial Overview Centre shows changes to your assets and liabilities over time, including cash flow and investment accounts. It also shows you the percentage of your finances in each type of account.

To view a summary of your net worth:

1. Click the **Financial Overview** tab at the top of the screen.

   The **Financial Overview Centre** window opens.

2. Click the **Net Worth** tab.

Using the Net Worth report

This report shows your net worth as of a specified date. Reckon Accounts calculates your net worth by adding the balances of your chequing, savings, cash, asset, and investment accounts (your assets), and then subtracting that total from the balances of your credit or charge card and liability accounts (your liabilities).

To generate a Net Worth report:

1. Go to the **Reports** menu and click **Reports & Graphs Centre**.

    The **Reports & Graphs** window opens.
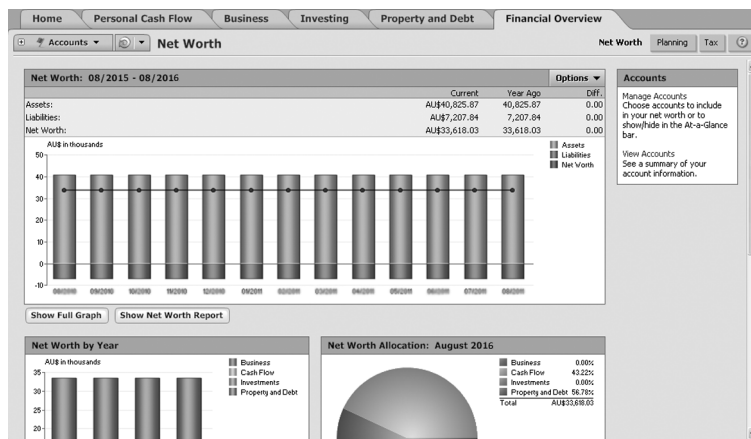
2. Select **Net Worth & Balances** from the list

3. Click **Net Worth**

4. In the **Report Balance as of** field, edit the date as you like. (Optional)

5. Click **Show Repor**t or **Show Graph**.

    Reckon Accounts displays a report or graph that shows the value of all your assets and liabilities.

If you want to exclude certain information from your net worth report, click the **Customise** button, make any desired changes, and then click **Show Report**.

For example, if you want a report that excludes non-current assets - such as your home - click **Customise** and clear the asset and liability accounts for your home on the **Accounts** tab.

PERFORMING EVERYDAY BUSINESS TASKS

8

You've just looked at recording personal, everyday activities in Home & Business. Now it's time to look at how you can record everyday business activities.

This chapter shows you how to create estimates and invoices, record payments received from customers and paid to suppliers, issue refunds to customers or receive refunds from suppliers, and how to record other business-related activities.

> **Before you start**
>
> Think about the sales and purchases you make as part of your business each day.
>
> This chapter discusses how to record these activities in Home & Business.

Everyday business tasks in Home & Business

Running your business finances is an everyday task like your personal finances - it never stops. At any time, you could be preparing estimates or invoices, receiving customer payments, or paying bills from suppliers. Each month, quarter, or year, you will have to complete a BAS. It's important to record all of these activities in Home & Business.

You may not be in a position to record your money movements each day in Home & Business, but it's a good idea to track your everyday money movement regularly in this program. Then you'll be able to evaluate how effectively you are managing your finances.

This chapter looks at the basics of recording those everyday financial activities in Home & Business. We'll look at the different types of accounts you can set up and how you can enter transactions and categorise them to help you understand what you spend your money on.

Creating an estimate or invoice

Although Home & Business uses the cash-basis accounting system, it still enables you to create estimates and invoices. There are times when a business that uses a cash-basis accounting system will need to provide clients with invoices in order to be paid, particularly when a client is a large company. For example, a musician may play a gig for a company's Christmas party, or a home-based graphic designer may be hired to create a logo for a small company that requires tax invoices before processing payments.

Once you receive payment for an item or service, you need to enter it directly into the relevant account's register. This is a separate process to creating an invoice that is necessary for your financial bookkeeping. Therefore, it's important to remember that the process of creating an estimate or invoice is quite different to receiving payment from a customer, even if that payment is in response to an invoice.

To create an invoice or estimate:

1. Go to the **Business** menu, click **Invoices and Estimates**, and then click **Create Invoice/Estimate**.

    The **Invoice/Estimate** window opens.

You can mark an invoice as "Paid".

This is where you choose the template for an invoice or estimate.

You can include personalised messages to your customers.

You can print or email an estimate or invoice by clicking these buttons.

This is a form where you enter your information. It will look slightly different when you print or email it to your clients.

When you open this window for the first time, the form shown by default is an invoice. However, we'd like to start with an estimate.

2. In the **Layout** drop-down list, click **Estimate Default**.

Notice that the window changes slightly, and the **Ship To** box disappears. This is an estimate form, so there is no point to including shipping information.

3. In the **Customer** field, enter the name of a customer, then press the **Tab** key.

For example, enter "Reckon Ltd".

When you press the **Tab** key, the cursor moves to the **Bill To** box, automatically displaying the name you just entered.

4. Enter the address in the **Bill To** box below the company name, then press the **Tab** key.

    For example, enter "65 Berry Street, North Sydney, NSW 2060".

5. Enter a description for your service or item in the **Item** field, the press the **Tab** key.

    For example, enter "Christmas Party Gig".

    When you press the **Tab** key, a dialog box opens, asking if you want to create a new item with the name you just entered.

6. Click **Yes**.

    The **New Item** window opens.

7. Enter information for the item you have just created and then click **OK**.

    You may choose to include or not include a category. Follow the onscreen instructions.

8. Choose a customer message from the **Customer Message** drop-down list.

    Your estimate should look similar to the following. (Optional)

9. Click **Save and Done**.

Home & Business replaces the **Invoice/Estimat**e window with the **Invoice/Estimate List**. The estimate you just created should appear on the list.

Now, let's imagine that your customer accepted the estimate and booked the service or purchased the item. We can change the template so that the estimate appears as an invoice.

10. In the **Invoice/Estimate List**, double-click the estimate you just created.

The **Invoice/Estimate** window opens, displaying your estimate.

11. Click the **Layout** drop-down list, and then click **Invoice Default**.

    Notice that the form changes to an invoice layout, including a **Ship To** box.

12. In the **Ship To** box, enter the shipping details.

    Your invoice should look similar to the following.

13. Click **Print** to print a copy of the invoice.

You can also email the invoice. Refer to the online **Help** for more information.

> You can also include tax calculations in your invoices.

14. Click **Save and Done**.

The **Invoice/Estimat**e window closes, and the **Invoice/Estimate List** window is displayed. The invoice you just created should appear on the list.

Tick **Show paid** option to display Invoices/Estimates that are marked as paid and unpaid.

Unticking the option will filter the list so that only the Invoices/Estimates that haven't been marked as paid will appear as well as appear on the print-out when you prints the list.

Click in the **Paid** column to mark an invoice as paid.

When payment for an invoice is received, you can mark the invoice as paid in either of two ways.

To mark an invoice as paid:

1. Go to the **Business** menu, click **Business Lists**, and then click **Invoice/Estimate List**.

   The **Invoice/Estimate List** window opens.

2. Locate the invoice in the list and double-click it.

   The **Invoice/Estimate** window opens, displaying the invoice.

3. Click the **Paid** check box.

4. Click **Save and Done**

   The **Invoice/Estimate** window closes and the **Invoice/Estimate List** window is displayed.

5. Confirm that the invoice is marked as **Paid** in the **Invoice/Estimate List**.

or

1. Go to the **Business** menu, click **Business Lists**, and then click **Invoice/Estimate List**.

   The **Invoice/Estimate List** window opens.

2. Locate the invoice in the list.

3. Confirm that the invoice number in the **Doc. #** column is the one you want

4. Confirm that the number in the **Amount** column is correct

5. Click the corresponding cell in the **Paid** column.

   When you open the invoice again, the **Paid** check box will be ticked.

In the **Invoice/Estimate List** window, you can mark more than one invoice as paid. This can save you time when you have multiple invoices to mark.

Recording payments from customers

When receiving a customer payment, be sure to record the payment information in Home & Business. Record this in the account you set up specifically to track income and expenses for your business.

To record a customer payment:

1. Go to the **Business** menu, click **Customers**, and then click **Receive Customer Payment**.

   The **Choose Payment Account** window opens.
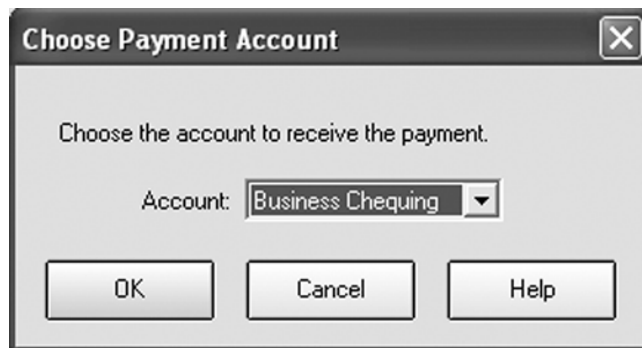
Choose the account that you use to record payments into your business. Generally, this will be a business

chequing or savings account.

2. In the **Account** drop-down list, click your business account.

   The account register opens, ready for you to enter the payment.

3. Enter the transaction, identifying the date, payee and category.

   Make sure you enter the payment in the **Deposit** column. The **Payment** column indicates payments you make, not payments you receive.

4. Click **Enter**.

> You can also record tax amounts, providing your account is enabled to track tax. This is possible through the Split Transaction window (available in the transaction register by clicking the Split button).

Issuing refunds

It's sometimes necessary to issue refunds to customers or clients. Be sure to track such transactions in Home & Business.

To issue a refund:

1. Go to the **Business** menu, click **Customers**, and then click **Issue a Refund**.

   The **Write Cheques** window opens, ready for you to write a cheque to the customer.

2. In the **Write cheques from** drop-down list, click the account from which you wish to refund the money.

   Generally, this will be your business chequing account, which is where you record your business income and expenses.

3. In the **Pay to the Order of** field, enter the name of the customer you wish to pay.

   For example, enter "Aretha Redding".

4. In the **$** field, enter the amount you wish to refund, then press the **Tab** key.

For example, enter "55".

The numeric amount you entered is spelled out in text on the line below.

5. Enter an address in the **Address** field.

Your cheque should look similar to the following.

6. In the **Category** drop-down list, click an appropriate category under the **Income** type since the refund reduces

your business income. Press **Tab** key to continue.

7. Click **Record Cheque**.

Paying suppliers

When paying a supplier, be sure to record the information in Home & Business. Record this in the account from which the original payment was drawn.

To make a payment to a supplier:

1. Go to the **Business** menu, click **Bills and Suppliers**, and then click **Make Payment to Supplier**.

   The **Write Cheques** window opens, ready for your to write a cheque to the supplier.

2. In the **Write cheques from** drop-down list, click the account from which you wish to pay the supplier.

   Generally, this will be your business chequing account, which is where you record your business income and expenses.

3. In the **Pay to the Order of** field, enter the name of the supplier you wish to pay, then press the **Tab** key.

   For example, enter "Dock Five Music School".

4. In the **$** field, enter the amount you wish to pay, then press the **Tab** key.

   For example, enter "35".

   The numeric amount you entered is spelled out in text on the line below.

5. Enter an address in the **Address** field, then press the **Tab** key.

   For example, enter "116 Great South Rd., Dock Five, NSW".

6. In the **Memo** field, enter a memo, then press the **Tab** key. (Optional)

7. In the **Category** drop-down list, click an appropriate category, then press the **Tab** key.

   Your cheque should look similar to the following.

8. Click **Record** Cheque.

   The cheque will appear in the list of cheques to print.

9. Close the **Write Cheques** window, then go to the **Tools** menu and click **Account List**

    The **Account List** window opens.

10. Locate your business chequing or savings account (from which you drew money after recording cheques) and double-click it.

    The account opens.

    You should see the amount recorded on each cheque in the transaction lines of the account, as shown below.

Date ▲	Num	Payee			Payment	Clr	Deposit	Balance
		Category	Tag	Memo	Exp			
15/08/2016	Print	Aretha Redding			55 00			-55 00
18/09/2016	Print	Dock Five Music School			35 00			-90 00
		Business Exp.:Office		7 books of manuscript paper				

Receiving refunds from suppliers

When receiving a refund from a supplier, be sure to record the information in Home & Business. Record this in the account from which the original payment was drawn.

To record receipt of a refund from a supplier:

1. Go to the **Business** menu, click **Bills and Suppliers**, and then click **Receive a Refund**.

    The **Choose Refund Account** window opens.
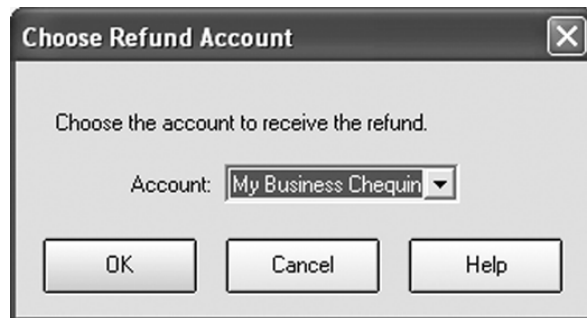
Choose the account that you use to record payments to your business. Generally, this will be a business chequing or savings account.

2. In the **Account** drop-down list, click the account into which you want to deposit the refund.

   The account register opens, ready for you to enter the refund.

3. Enter the transaction, identifying the date, payee and category.

   Make sure you enter the payment in the **Deposit** column. The **Payment** column indicates payments you make, not payments you receive.

4. Click **Enter**.

> You can also record tax amounts, providing your account is enabled to track tax. This is possible through the **Split Transaction** window (available in the transaction register by clicking the **Split** button.)

Recording mileage

If you use a car to earn business income, you are in a position to deduct related expenses by tracking the kilometres your car travels when performing business related tasks. You can track this along with details of the business trips using the Mileage Tracker.

The Mileage Tracker allows you to:

• Enter several similar trips

If you visit the same customer each week in the same car to the same destination, you can copy a trip and paste it into the Mileage Tracker. You can then edit the new trip, if there are any details you need to modify (such as the date).

• Sort the trips

You can sort the trips you've recorded by purpose, destination, vehicle, date and so on. Simply click the column header you wish to sort by and see all the related trips together.

• Customise the Mileage Tracker

You can get the Mileage Tracker to display only the columns you wish to see. For example, if you only ever use one car when driving to your destination, you can remove the **Vehicle** column.

• Record personal trips

Although the Mileage Tracker is designed for business use, you can still track personal trips. Simply fill out the details of a trip as you normally would, but choose **Other** for the trip type and then include a note for this in the **Purpose** field.

• Print a record

You can print a record of your mileage to give your tax preparer. Makes life a lot easier! It's up to you how you use the feature. You can record minimal information or lots of information, depending on what works best for you.

The easiest way to learn about the Vehicle Mileage Tracker is to start using it. Let's start by entering a new trip.

1. Go to the **Business** menu and click **Vehicle Mileage Tracker**.

   The **Vehicle Mileage** window opens.

2. Enter information in the **Vehicle Mileage Tracker** fields.
3. Enter the trip start and end dates, or select them from the pop-up calendars provided.

4. Select a trip type from the drop-down list.

5. Enter a purpose for the trip. (Optional)

6. Enter a destination for the trip. (Optional)

7. Enter the vehicle used. (Optional)

8. Enter the odometer reading and total kilometres travelled.

9. Enter parking and toll charges, if any. (Optional)

10. Enter the rate of reimbursement if you are being reimbursed for these kilometres. (Optional)

11. Click **Record Trip**.

Once you record details for a trip, Home & Business will store it in the **Vehicle Mileage** list.

DEVELOPING A LONG-TERM PLAN

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Planning your finances   190

Reckon Accounts enables you to plan your financial future. You can do this based on existing data or use sophisticated calculators to plan scenarios to help you make the right decision. This chapter looks at developing a long-term plan for personal finances. This includes budgeting, reducing debt, and planning for future loans or savings.

> **Before you start**
>
> Think about when you would like to retire and what kind of standard of living you anticipate. Consider any large purchases you would like to make, and any life changes that you might be facing - such as having children or sending them through University.
>
> **What you'll need**
>
> If you haven't already set up the accounts discussed in the previous chapters, you will need information such as account balances, the value of what you own and what you owe, and so on.

Planning your finances

The Planning Centre provides tools that help you develop financial plans for things like retirement, University fees, home ownership, debt reduction, superannuation or special purchases. In this chapter, we'll have a quick look at the following tools.

- Budget
- Debt Reduction Planner
- Financial Calculators

Creating a budget

You can create a budget in Reckon Accounts to see how much you can afford to spend on different items over

time. Apart from creating your real-life budget, you can also create scenarios to see what you can afford in different situations.

To access the **Budget** feature, go to the **Planning** menu and click **Budget**.

You can create a budget in three ways:

- **Automatic** - where Reckon Accounts creates a budget based on the actual income and expenses you've recorded in your Reckon Accounts file. This is a quick way to get started and helpful to see how your actual finances are going. However, missing details in your Reckon Accounts file will show up when you create a first budget this way.

- **Manual** - where you enter your information manually into an empty budget that Reckon Accounts creates. Details in this form are exactly what you enter, and do not relate to existing data in your Reckon Accounts file. This is a good method to use if you have just started a new Reckon Accounts file.

- **Copy current** - where Reckon Accounts copies an existing budget already saved, which you can modify to reflect your current circumstances.
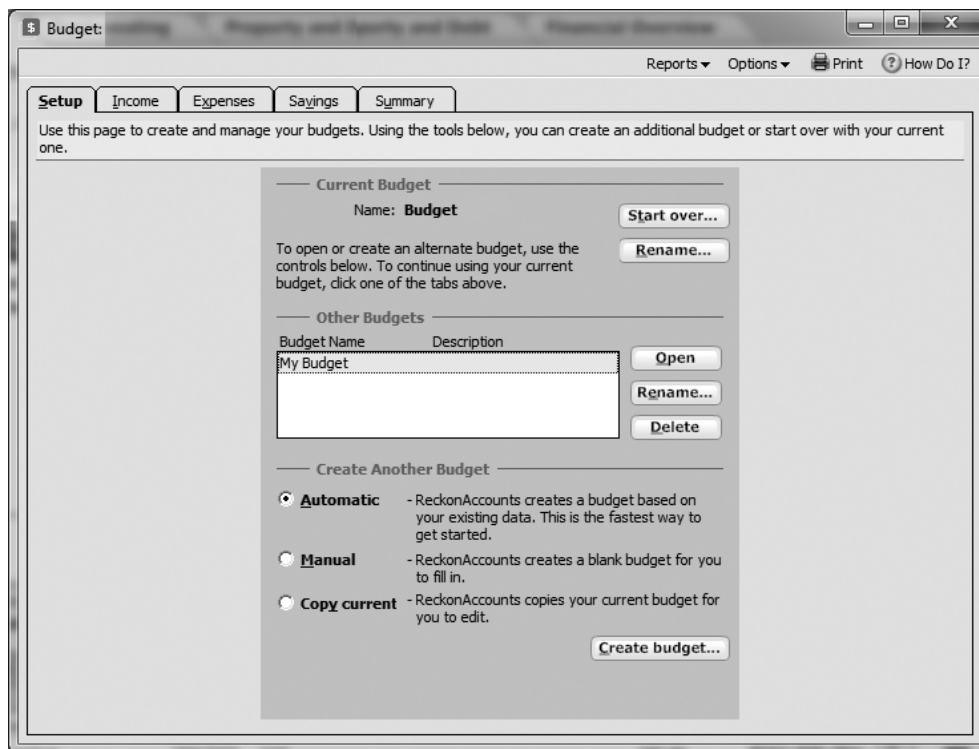
When you open the **Budget** feature, you'll be able to choose one of these methods of creating a budget from the **Setup** tab. Follow the onscreen instructions as you work your way through the **Budget** wizard.

Using the Debt Reduction Planner

Have a debt you want to get rid of? You need a good plan. You'll get a great start by using the **Debt Reduction Planner**.

The **Debt Reduction Planner** wizard guides you through the process of setting up a plan to reduce your debt. It asks you questions about how much you owe, pay as interest, receive as income and so on. You'll develop a picture of how you can best pay off your debts - long term or short term. As you continue to make selections in the wizard that best fit your personal lifestyle, Reckon Accounts will conclude with a personal, detailed debt reduction plan.

To access the **Debt Reduction Planner**, go to the **Planning** menu and click **Debt Reduction Planner**. Then, follow the onscreen instructions.

Taking advantage of financial calculators

Reckon Accounts provides the following planner and financial calculators:

- Budget Planner

  You can work out where your money is going and how you can save more by spending less with Money Smart Budget Planner.

- Retirement Planner

  You can plan how much income you are likely to have after you retire, and what you can do now to boost your super with Money Smart Retirement Planner.

- Loan Calculator

  You can work out how much a loan will cost before you apply.

- Refinance Calculator

  You can explore the options of refinancing your current home loan.

- Savings Calculator

  You can get a quick approximation of how much you can save.

- University Calculator

  You can work out how much you need to put away for a University fund for your child. You can work out what you need to put away regularly to meet a particular amount. You can also work out how much you'll have if you make a regular contribution.

- Retirement Calculator

  You can get a quick approximation of what you need to put away over time in order to have the right amount of money when you retire.

- Credit Card Calculator

  You can check how long it may take you to pay off your credit card debt with Money Smart Credit Card Calculator.

- Managed Funds Calculator

  You can test or model how your choices may affect the future value of your investments with Money Smart Managed Funds Calculator.

- Superannuation Calculator

  You can test or model how your choices may affect your superannuation over the long-term with the Money Smart Superannuation Calculator.

- Super vs Mortgage Calculator

  You can work out if you will be better off putting spare money into your super or your mortgage with Money Smart Super vs Motgage calculator.

These calculators are designed to give you quick approximations for the different circumstances that they service. They're great as a starter when you're considering how to handle your finances before taking the plunge of a loan, or after taking a loan and discovering where you can tighten your financial management.

SOLVING PROBLEMS AND GETTING PRODUCT SUPPORT

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If you can't solve a problem you're experiencing with Reckon Accounts Personal Plus or Home & Business, you can get help from Reckon's technical support team by telephone, fax or email. Reckon also provides a website with a database of support articles (Knowledge Browser), as well as a directory of Reckon Accredited Professional Partners.

Technical support options and Reckon services

Reckon Advantage

Reckon Advantage membership entitles you to free weekday technical and installation phone support, product upgrades and special offers while your membership is active. Terms and conditions apply. For more information, visit www.reckon.com.

Reckon's website

The Reckon website, (www.reckon.com), provides answers to many Reckon Accounts questions, important product updates, and access to help through the Knowledge Browser, an online technical support database.

If you're connected to the Internet, you can access the Reckon website directly from the **Help** menu in Reckon Accounts.

Reckon Community

Visit our Community page to find answers from our expert users, partners and the Reckon Team.

Reckon Accredited Professional Partners

Developing a strong, knowledgeable network of professionals is an important part of our commitment to delivering exceptional support to our Reckon Accounts customers. Whatever your individual needs may be, Reckon has an expert to help.

The Reckon Accredited Professional Partners referral service is free. The professional you select will provide you with information about their fees.

If you are an accountant, bookkeeper, or computer consultant, consider becoming a member of this unique community. To find a Reckon Accredited Professional Partner, or to become one yourself, visit the Reckon website. Details for contacting Reckon are provided below.

Talking to a technical support representative

Be prepared when you call

If you need to call for assistance, you will get an answer quicker if you:

- Make sure you have registered your copy of Reckon Accounts and have your registration details and customer ID number ready. (It's a good idea to have written this down in the front of this User Guide following registration.) To display your licence number, go to the **Help** menu and click **Licence Information**.

- Are at your computer with Reckon Accounts running.

- Try to remember the windows you opened and the tasks you carried out before encountering the problem. Know the exact wording of any message that appeared in the window(s).

- Have a pencil and paper handy to take notes.

- Have the following information ready when you call:

  - Model of computer and amount of memory (RAM) and hard disk space

  - Accessory manufacturer, type and model (for example, monitor or printer)

  - Operating system version

  - Network configuration and software version

Solving problems on your own

! We recommend you back up your Reckon Accounts data file before you start. See "Backing up your Reckon Accounts data file" on page 24 for more information.

Guidelines for solving typical problems

Use the following examples as a guide to solve the problems you have.

Try the procedure again

Start at the beginning. Examine windows where you filled in fields to be sure you are asking the program for what you want.

Try a related procedure

For example, if you have a printing problem:

- Ensure the printer is working by trying to print something else. If you have trouble printing cheques, try printing a report. If you can't print one of the sales forms, try printing a similar form.

- If you can't print from Reckon Accounts, try printing from another program such as Microsoft Notepad. If nothing prints from Notepad, you know the problem is likely to be related to the printer, not the software. Check the printer connections, printer driver, print queue and so forth.

Think about what has been changed

If something used to work but no longer does, think about what may have changed.

- Have you changed or added other programs on your computer?

- Have you added a new printer?

- Have you moved the Reckon Accounts data file to a new location?

- Have you changed a setting in the **Preferences** window?

If the program "hangs" or locks up

There are a number of reasons why your system may freeze while using Reckon Accounts. Try restarting your computer. If restarting doesn't help, go through the following questions and take any related action:

- Does your computer system or network meet the minimum requirements necessary for Reckon Accounts, as outlined in the Reckon Accounts Installation and Upgrade Guide? The most recent version, including any last-minute changes or updates, is available on the Reckon website.

- Are you making the best use of available system resources by shutting down other programs that are running? (Check for programs that may be running in the background without your knowledge.)

- Do you have enough hard disk space available?

- Do you have any conflicts with sound or video drivers?

! If you experience any issues using Reckon Accounts, you may want to visit our Community page.

Contacting Reckon

Please visit our website to find the contact details:

- Australia: https://www.reckon.com/au/contact-us/
- New Zealand: https://www.reckon.com/nz/contact-us/

LICENCE AGREEMENT

To view the full terms and conditions, click here.