

Sage Business Cloud Accounting: **Settings**







Learning Objectives

After completing this module, you should be able to:

- Understand Accounting system settings
- Understand how to access business settings
- Manage subscriptions
- Add services to an existing subscription
- Access User Management
- Access 3rd party applications
- Understand the default settings
- Know how to access/modify financial settings
- Understand how to access/modify tax settings



NOTE Throughout the duration of the course, you will encounter important icons and visual conventions as part of your learning experience to guide learners through the chapters. The cues are indicated here:

	Important Information / Important Note / Additional Information	Item where caution and attention is required or additional insight and information is provided.
	Exercise	Your opportunity to practice a concept.
	End of Exercise	Indicates the end of an exercise.
	Check Your Knowledge	Review questions at the end of a lesson to check your understanding and ability to implement concepts.
	Summary	Overview of the most important items covered in a section or lesson.
	End of Lesson	The end of the lesson.

Settings

There are approximately 50+ **Settings** within **Accounting** which affect the outcome of how many tasks are performed. Before diving into the case study to learn **Accounting**, it's prudent to understand the **Settings** within the application. Some are more important than others, which we'll set-up in the beginning. Others can be determined at a later time as it is not necessary to address every-one in the beginning.

These 'minor details' are the instruction manual or driving force that determine how certain features will or won't behave. The multitude of settings that can be altered can have a subtly different effect on accuracy, so it's important to understand the ramifications of choices to avoid unintentional accounting errors and consequences.

By customizing the **Settings**, i.e. enabling/disabling certain features, users are able to tailor **Accounting** to both customer and company needs/personal working styles, which enable greater flexibility in how Divine Chocolates business is run.

The **Settings** will be explored throughout the coursework as I frequently point back to them within the learning modules, demonstrated as a practical application and simple theory. I will emphasize where a feature/function is affected by a particular **Setting** within **Accounting** and will notated with the gear icon as shown here:

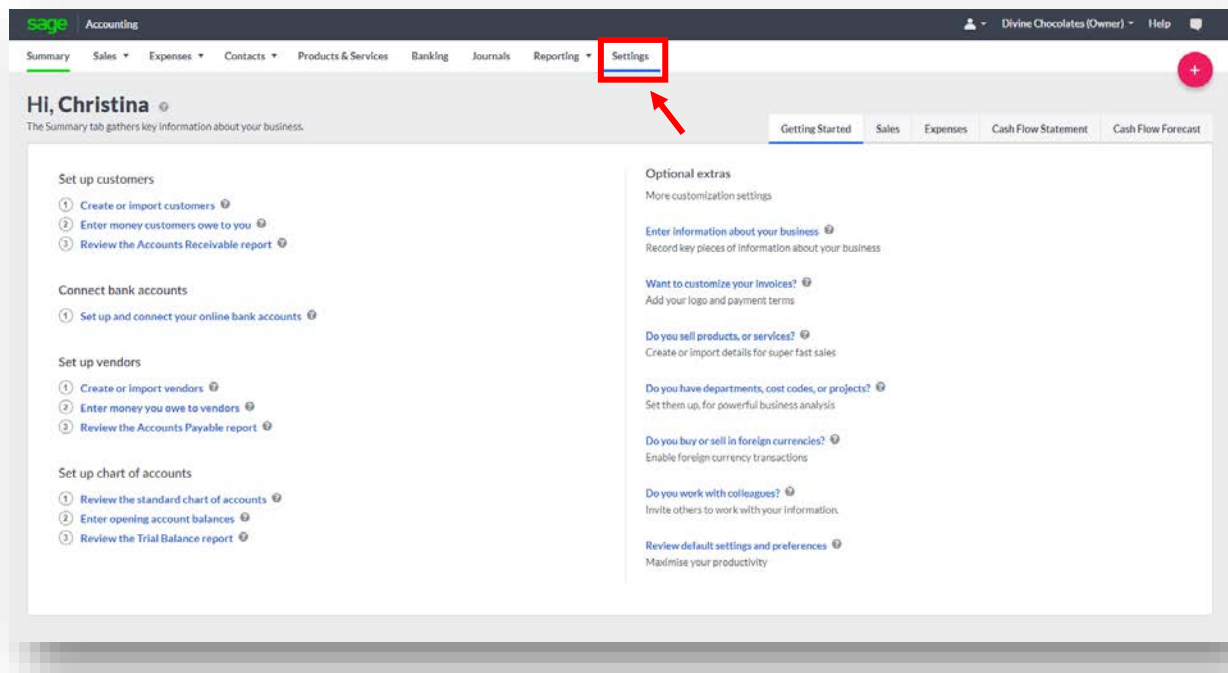


This will ensure you're clear where certain **Settings** are affected by the respective area were working in. This will be helpful should a particular **Setting** need to be changed for customization purposes or due to error. As you become more familiar with **Accounting**, you will begin to access **Settings** more frequently to enable more options.

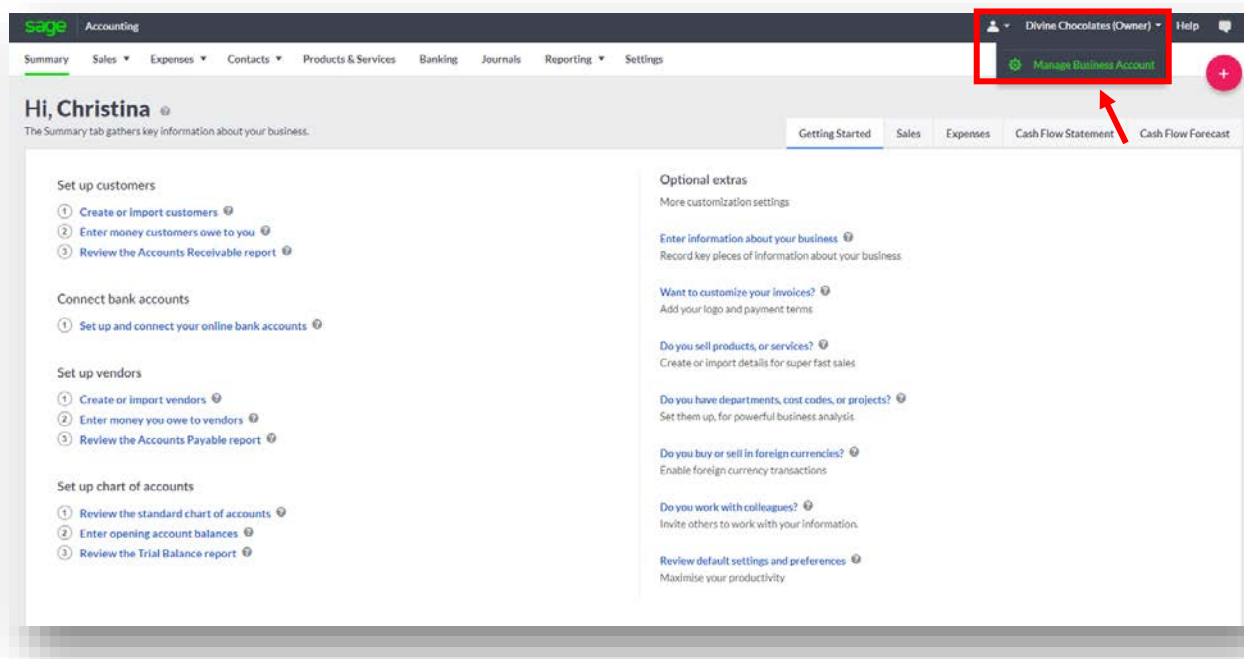
Accessing Settings

Settings can be accessed two ways:

1. From the menu bar at the top of the screen by clicking on **Settings**:

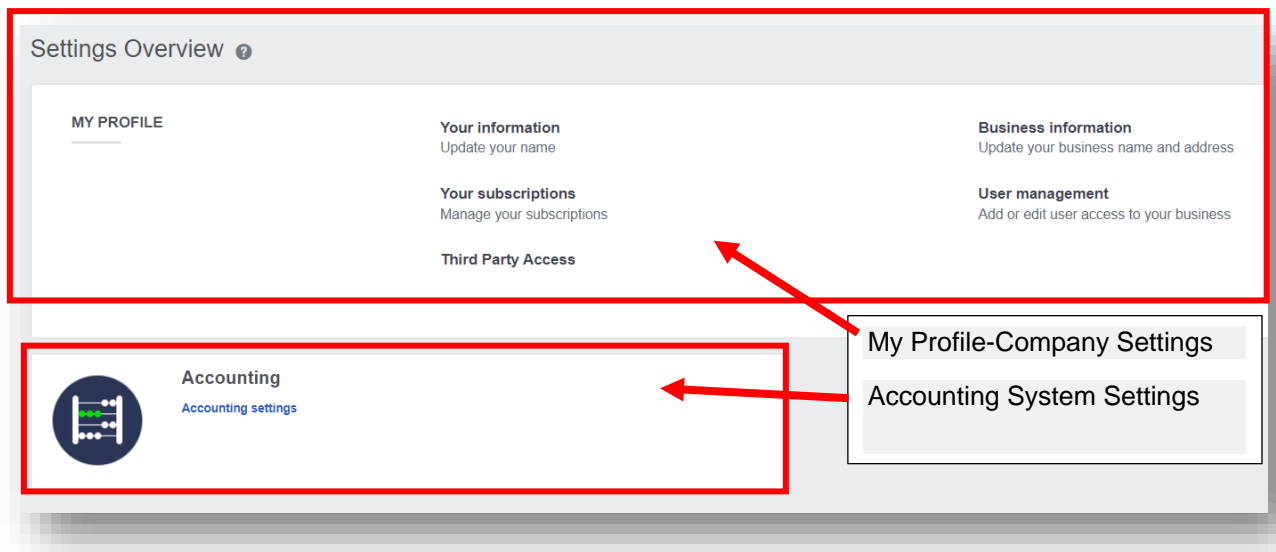


2. Navigate to the business name in the top right corner of the menu bar, *Divine Chocolates*. Click on **Manage Business Account** within the drop-down menu:



There are two types of settings within the **Settings Overview**:

1. **Accounting** system settings
2. My Profile - **Company** settings



1. My Profile – Company Settings

To manage company business information, Divine Chocolates will come here. Before getting started, Christina would like to review her **Business Information** for accuracy. She can make changes to the business name, address, website, phone number and profile. She can also review her email address.

Your Subscriptions

As Christina's business grows, she may find the need to add additional services or change existing services with **Accounting**. She can easily do that directly from **Your Subscriptions** setting:

Your subscriptions

Accounting
Your Accounting trial expires 12/31/2025. To continue enjoying the benefits of Accounting for your business, upgrade to the paid plan for just \$30.00 per month.

Current subscription

Service	Cost
Accounting trial	Free until 12/31/2025
Total monthly fees*	\$0.00

User Management

This feature enables users to invite other users to work directly within their company files based on role type. This is explored in detail in a separate module within the curriculum: **Module 8: User Setup/Management**

User management

First name	Last name	Initials	Email	Role	System Manager	Activated	Owner	Last logged in
Kim	Steward	KS	kim.steward3@sage@yopmail.com	Full Access	✓	✓	✓	Fri, 27 Apr 2018 03:20:55
Josh	Rollins	JR	joshi@yopmail.com	Read Only		✓		Mon, 06 Jun 2016 15:56:48
Kim	Test	KT	kimtest9@yopmail.com	Read Only		✓		Fri, 10 Jun 2016 20:25:50
Jack	Smith	JS	JackSmith@yopmail.com	Restricted Access		✓		Sat, 10 Feb 2018 19:01:07
			LisaT@yopmail.com	No Access				

Third Party Applications

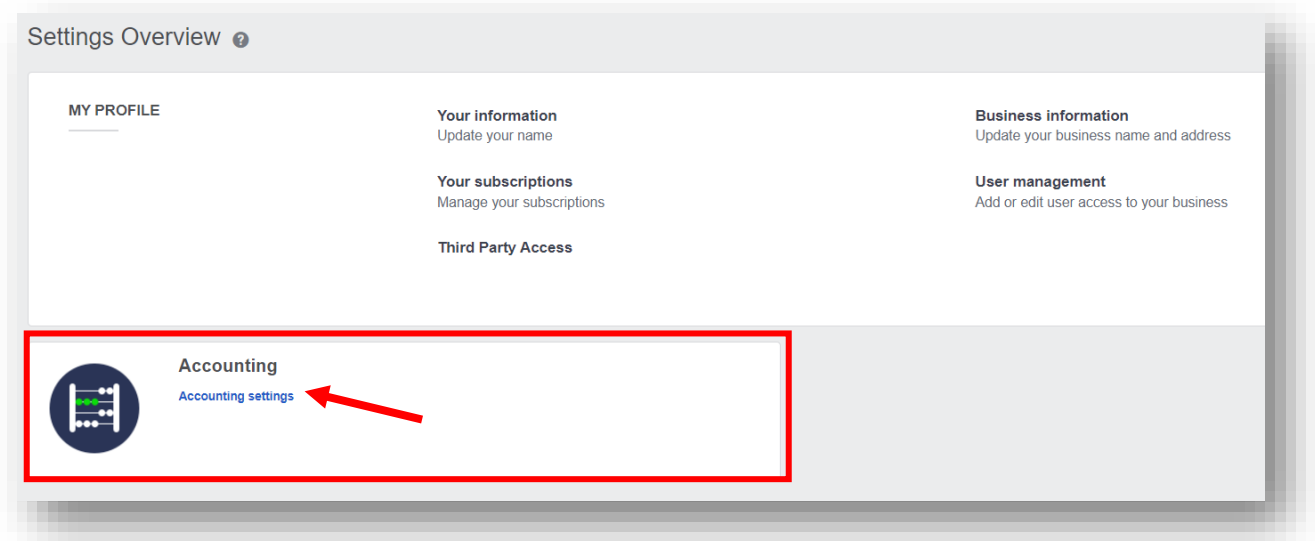
Accounting connects with numerous third-party applications within the Sage Marketplace. This feature is explored in detail in a separate module within the curriculum: **Module 25 - Payroll**.

Client applications

Name	Homepage
PaymentEvolution	https://paymentevolution.com/

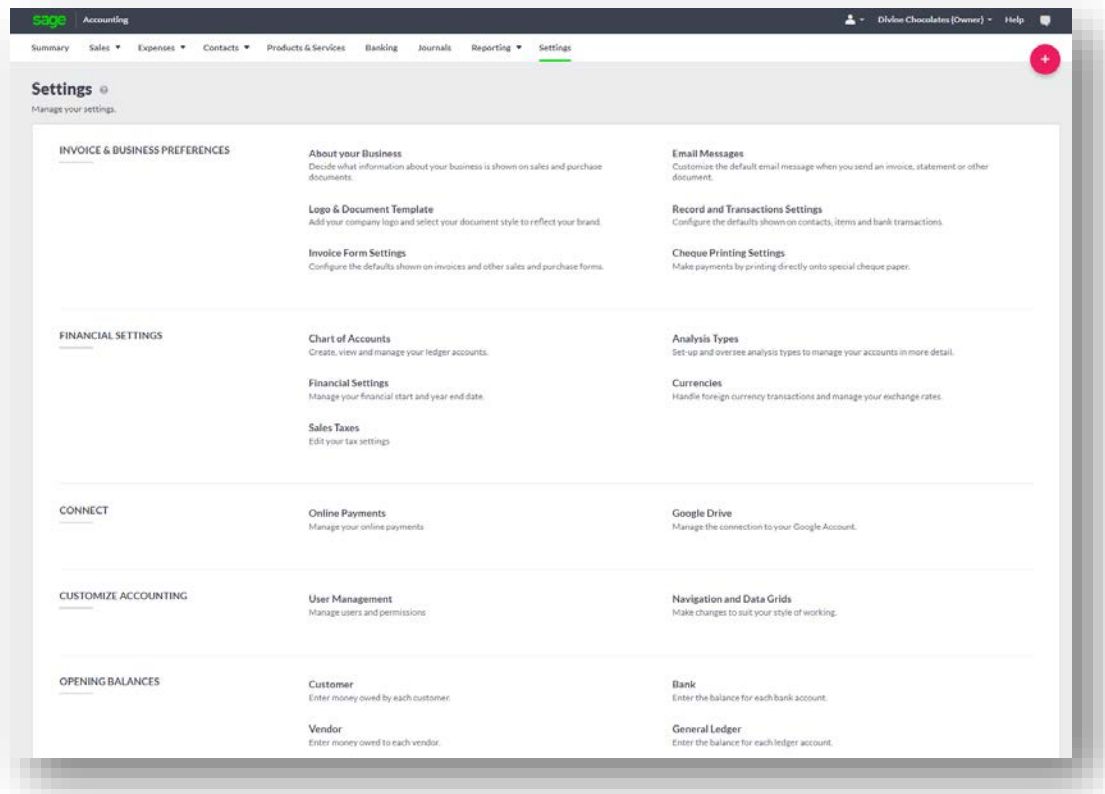
2. Accounting - System Settings

These settings are the robust backbone of how a lot features operate throughout the software. As described above, they will be explored throughout **Accounting** as I refer back to them but will provide an overview of a few features now.



They include:

- **Invoice/Business Preferences:** Manage company profile info, tailor email messages, add logos to invoices, customize invoices, enable cheque printing, customize due dates and GL accounts within record and transaction settings and much more
- **Financial Settings:** Manage the Chart of Accounts, financial settings, sales taxes, analyze data via analysis types, set up foreign currency
- **Connect:** Enable credit card transactions, enable Google drive documentation access
- **Customize:** Manage User permissions while collaborating with other users, customize how **Accounting** appears on screen
- **Opening Balances:** Create customer, vendor, bank and GL opening balances.

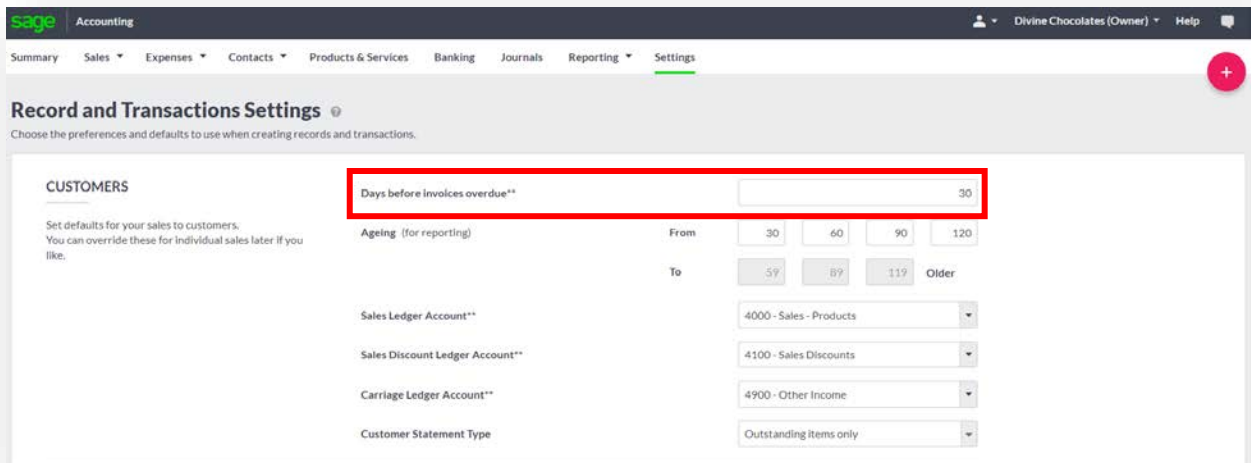


Record and Transaction Settings

Let's explore one of the most important settings, the **Record and Transaction Settings**. The **Record and Transactions** settings house *default* selections that help expedite the data entry process. They are used when creating transactions unless there are custom settings for a customer, vendor, product, or service record.

Customers:

- **Days before invoices overdue** - This field indicates the number of days customers have to pay their invoices. It's used to calculate the due date on sales invoices.



Record and Transactions Settings

Choose the preferences and defaults to use when creating records and transactions.

CUSTOMERS

Set defaults for your sales to customers. You can override these for individual sales later if you like.

Days before invoices overdue** 30

Ageing (for reporting)

From: 30, 60, 90, 120

To: 59, 89, 119, Older

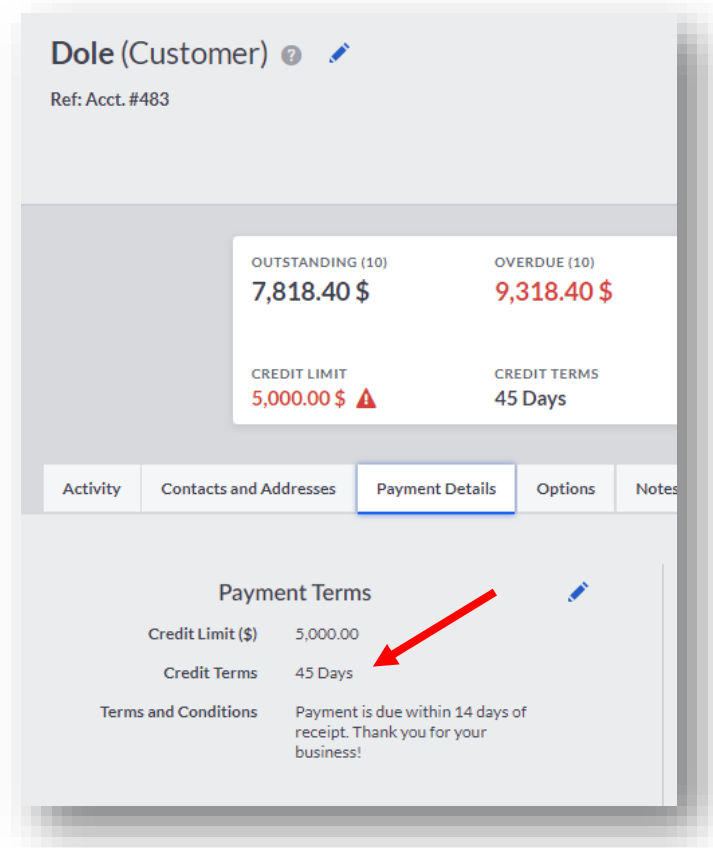
Sales Ledger Account** 4000 - Sales - Products

Sales Discount Ledger Account** 4100 - Sales Discounts

Carriage Ledger Account** 4900 - Other Income

Customer Statement Type Outstanding items only

If you change this and have existing customers, the **Credit Terms** field on the **Payment Details** tab will be automatically updated in each customer record. The default is 30 days but can override for specific customers within the contact record.



Dole (Customer)

Ref: Acct. #483

OUTSTANDING (10) 7,818.40 \$

OVERDUE (10) 9,318.40 \$

CREDIT LIMIT 5,000.00 \$

CREDIT TERMS 45 Days

Activity Contacts and Addresses **Payment Details** Options Notes

Payment Terms

Credit Limit (\$) 5,000.00

Credit Terms 45 Days

Terms and Conditions Payment is due within 14 days of receipt. Thank you for your business!

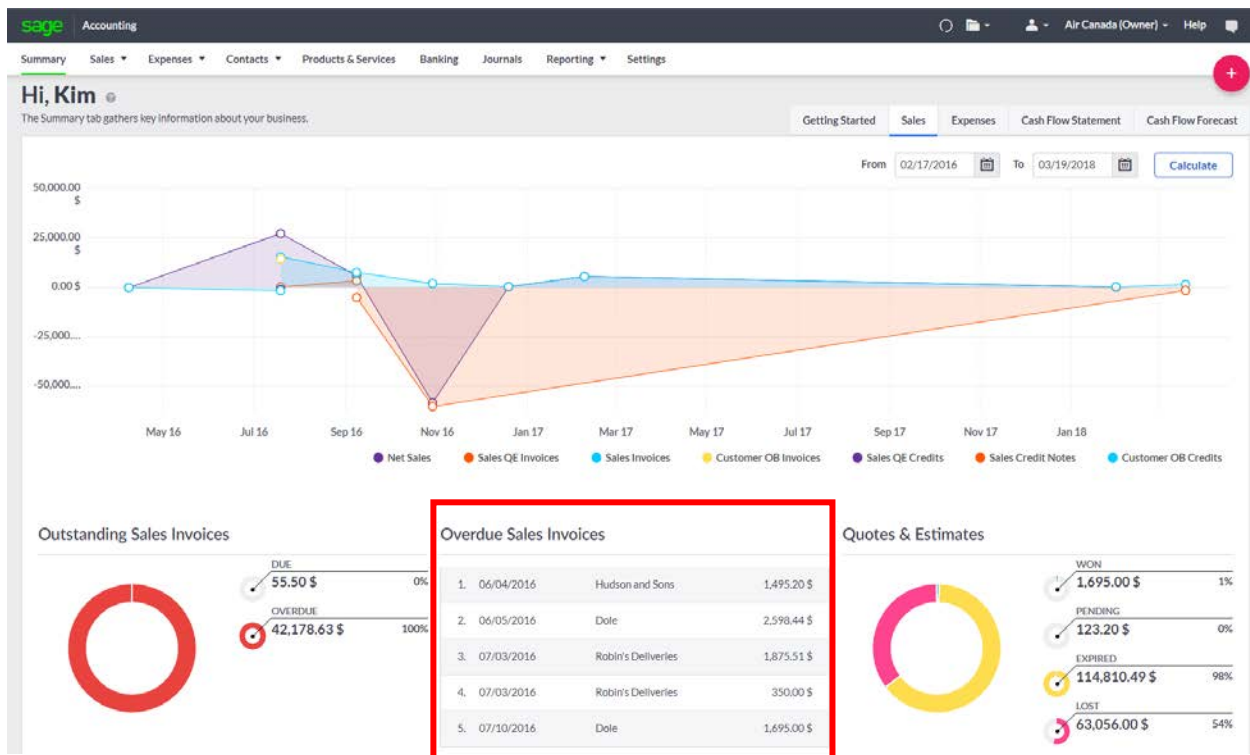
A notification will appear on the sales invoice dashboard when invoices are overdue:

Sales Invoices ⊕
Create, view and manage the invoices you send to your customers.

0 of 3 selected From 02/19/2017 To 03/19/2018

Invoice Number	Invoice Date	Customer	Telephone	User	Currency	Total	Outstanding	Issue	Status	Who	Total Ta
<input type="checkbox"/> SI-295	02/10/2018	Dole	403-110-8494	JS	CAD	1,695.00	0.00	No	Paid	Jack Smith	195.0
<input type="checkbox"/> SI-294	01/31/2018	Hudson and Sons	266-415-5666 x7409	KS	CAD	55.50	55.50	Yes	Unpaid	Kim Steward	5.5
<input type="checkbox"/> SI-293	01/31/2018	Crist, Altenwerth and Jacobs	603.786.4678	KS	CAD	86.23	86.23	Yes	Overdue ⚠	Kim Steward	11.2

The **Top 5 Sales Overdue Invoices** will display within Graphs and reports:



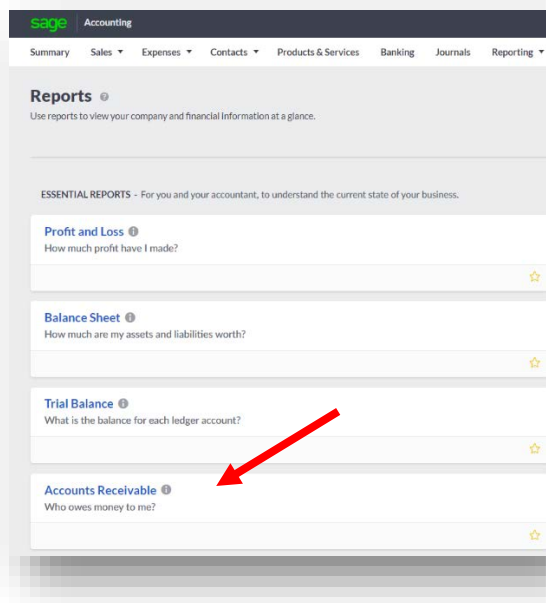
Ageing

When running an accounts receivable report, outstanding transactions for each of Divine Chocolates customers are grouped by how old they are based on the aging periods indicated here, shown in 'days'.

Ageing (for reporting)

From

To Older



The screenshot shows the 'Accounts Receivable' report in Sage Accounting. The report is filtered for the date 00/19/2018 and sorted by Name. A red arrow points to the '60 days' column header in the table below.




Customer	Credit Amt	QoS Amt	< 30 days	< 60 days	< 90 days	< 120 days	Older
Crist, Altenwerth and Jacobs (Cust-04)	401.00 \$	6,297.01 \$	0.00 \$	86.23 \$	0.00 \$	0.00 \$	6,210.78 \$
Dise (Acct. #483)	5,000.00 \$	7,818.40 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	7,818.40 \$
Handy Haircuts (195949449)	5,000.00 \$	4,223.83 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	4,223.83 \$
Hudson and Sons (Cust-01)	325.00 \$	9,177.37 \$	0.00 \$	55.50 \$	0.00 \$	0.00 \$	9,121.87 \$
Jerde and Sons (Cust-02)	986.00 \$	608.16 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	608.16 \$
Jotme Fish service ()	69.46 \$	724.00 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	724.00 \$
Lewis, Lockman and Jerde (Cust-03)	549.00 \$	1,313.80 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	1,313.80 \$
Roblin's Deliveries (Acct. #C099)	120.84 \$	2,225.50 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	2,225.50 \$
Sally's Seashells ()		-59,992.23 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	-59,992.23 \$
The Montreal SPCA (Acct. #2051)	1,500.00 \$	22.98 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	22.98 \$
TOTAL		28,081.18 \$	0.00 \$	141.73 \$	0.00 \$	0.00 \$	28,222.91 \$

Sales Ledger Account

This is the general ledger account sales transactions for Divine Chocolates are posted to.

CUSTOMERS	Days before invoices overdue**	<input type="text" value="30"/>
Set defaults for your sales to customers. You can override these for individual sales later if you like.	Ageing (for reporting)	From <input type="text" value="30"/> <input type="text" value="60"/> <input type="text" value="90"/> <input type="text" value="120"/>
		To <input type="text" value="59"/> <input type="text" value="89"/> <input type="text" value="119"/> Older
	Sales Ledger Account**	<input type="text" value="4000 - Sales"/>
	Sales Discount Ledger Account**	<input type="text" value="4100 - Sales Discounts"/>
	Carriage Ledger Account**	<input type="text" value="4900 - Other Income"/>
	Customer Statement Type	<input type="text" value="All activity"/>

The **Sales Default Ledger** account populates each time a new customer is created, or a line item is created on an invoice or credit note. This eliminates the need to choose an account from a drop-down list when creating an invoice every time. It can be changed or customized within the customer record or invoice.

Activity	Contacts and Addresses	Payment Details	Options	Notes
Account Details 				
Company / Name	Lisa Smith			
Reference	Wedding			
Price Default	Sales Price			
Language	English (Canadian)			
Account Default	4000 - Sales - Products 			
Business Number	Add a Business Number			
Statement Runs BETA 				
Send Statements	Yes			
Statement Run	Sent by email			
Contact to send to	Jane Jones			
Address	Parents of the Bride - Invoice Address			

New Sales Invoice

Create a new Invoice to send to your customer. To search for or to create a new customer, start typing in the Name box.

Customer* Invoice Date* 03/19/2018 Due Date* 04/18/2018 Reference

Product / Service	Item*	Ledger Account*	Qty/Hrs*	Price/Rate*	Discount*	Tax Rate*	Tax Amount*	Total
		4000 - Sales - Products	1.00	0.00	0.00	HST 13.00%	0.00	0.00

Notes: Default Notes appear here

Terms and Conditions: Default Terms and Conditions appear Here

Shipping: HST 13.00% 0.00

Discount: 0.00

Amount Ex Tax: 0.00

Total: 0.00

Save as: Draft Invoice

Buttons: Save, Save & Email, Cancel

Sales Discount Ledger Account

CUSTOMERS

Set defaults for your sales to customers. You can override these for individual sales later if you like.

Days before invoices overdue**

Ageing (for reporting)

From:

To: Older

Sales Ledger Account**

Sales Discount Ledger Account**

Carriage Ledger Account**

Customer Statement Type

The general ledger account discounts are posted to. Discounts can be given in the form of a percentage or a flat rate but not both, from within the sales invoice screen.

The screenshot shows the 'New Sales Invoice' form in Sage Accounting. The form includes fields for Customer, Invoice Date, Due Date, and Reference. Below these is a table for items with columns: Product/Service, Item, Ledger Account, Qty/Hrs, Price/Rate, Discount, Tax Rate, Tax Amount, and Total. The 'Discount' column is highlighted with a red box. Below the table are sections for Notes, Terms and Conditions, Shipping, and a summary table with rows for Shipping, Discount, Amount Ex Tax, and Total. At the bottom, there are buttons for Save, Save & Email, and Cancel, along with a 'Save as' dropdown menu.

Product/Service	Item	Ledger Account	Qty/Hrs	Price/Rate	Discount	Tax Rate	Tax Amount	Total
		4000 - Sales - Products	1.00	0.00	0.00	HST 13.00%	0.00	0.00

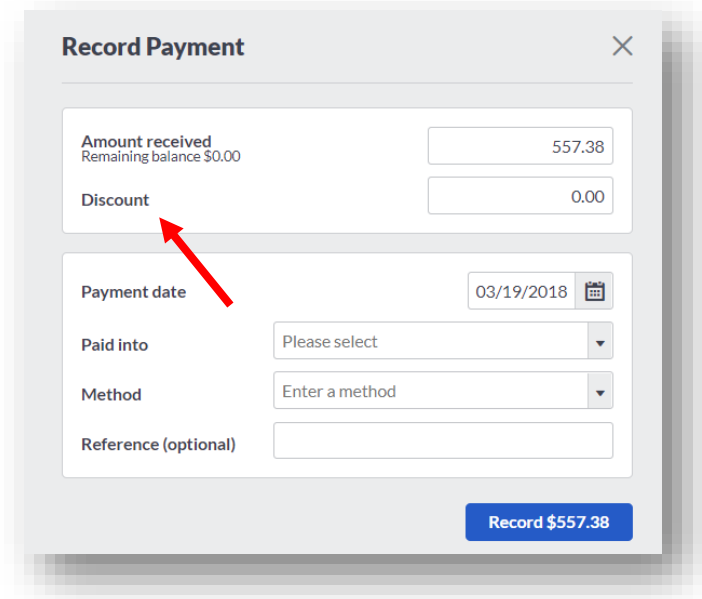
	Shipping	Discount	Amount Ex Tax	Total
	HST 13.00%	0.00	0.00	0.00

You can see how **Sales Discounts** appear within the **Profit and Loss Report**:

The screenshot shows the 'Profit and Loss Report' in Sage Accounting. The report displays business income and expense for a chosen date range. The period is set to 'This Month' from 03/01/2018 to 03/31/2018. The report is categorized into Sales, Direct Expenses, and Expenses. The 'Sales Discounts' line item is highlighted with a red box and an arrow.

Category	Item	Amount
Sales	4000 - Sales - Products	2,717.00
	4001 - Sales - Services	1,400.00
	4100 - Sales Discounts	-37.50
Total Sales		\$4,079.50
Direct Expenses		
	Total Direct Expenses	\$0.00
GROSS PROFIT / LOSS		\$4,079.50
Expenses		
	Total Expenses	\$0.00
NET PROFIT / LOSS		\$4,079.50

Discounts can also be added at the time of payment from within the **Sales Invoice** screen:



Record Payment [X]

Amount received
Remaining balance \$0.00

Discount

Payment date

Paid into

Method

Reference (optional)

Record \$557.38

Carriage Ledger Account

Choose the ledger code you want to use for recording carriage (or freight in/out) costs on sales invoices or credit notes.


Customer Statement Type

When Divine Chocolates sends out statements to its customers, they have the option to have the invoice appear two different ways:

- *Outstanding Item Style.* Shows outstanding transactions and the amount the customer owes you as of the statement date.

Statement

Date: 02/28/2018
Reference: Cust-03



Lowe, Lockman and Jerde
319 Greenholt River
Apt. 759
Parisianmouth, AB N6L2Y4

Air Canada
7373 Côte-Vertu Blvd
West Saint-Laurent, QC H4S 1Z3
Canada
Telephone: 1-888-247-2262

Attn: Manuel King

Date	Activity	Reference	Due Date	Amount	Paid	Balance
06/03/2016	Sales Credit Note	38-39999		-1,300.00	0.00	-1,300.00
06/06/2016	Sales Invoice SI-5		09/05/2016 541 days overdue	2,300.00	0.00	2,300.00
08/10/2016	Sales Invoice	Supplies	11/09/2016 476 days overdue	628.80	0.00	628.80
09/22/2016	Sales Credit Note SCR-18			-315.00	0.00	-315.00

How long have I owed this money?

Up to 30 days 0.00

31-60 days 0.00

61-90 days 0.00

More than 90 days 1,313.80

Owed \$1,313.80

Overdue \$1,313.80


As of 02/28/2018

- **Activity Style.** Shows all transactions and the total amount invoiced to the customer during the specified date range. It also shows the amount the customer has paid and the amount they owe to date

Statement

Period: 02/01/2016 to 03/02/2018

Reference: Cust-03



Lowe, Lockman and Jerde
319 Greenholt River
Apt. 759
Parisianmouth, AB N6L2Y4

Air Canada
7373 Côte-Vertu Blvd
West Saint-Laurent, QC H4S 1Z3
Canada
Telephone: 1-888-247-2262

Attn: Manuel King

Date	Activity	Reference	Due Date	Invoices	Payments	Balance
02/01/2016	Balance brought forward					0.00
06/03/2016	Sales Credit Note	38-39999		-1,300.00		-1,300.00
06/06/2016	Sales Invoice SI-5		09/05/2016 543 days overdue	2,300.00		1,000.00
06/09/2016	Sales Invoice SI-4		10/15/2016	2,687.50		3,687.50
06/09/2016	Receipt				2,687.50	1,000.00
08/10/2016	Sales Invoice	Supplies	11/09/2016 478 days overdue	628.80		1,628.80
09/22/2016	Sales Credit Note SCR-18			-315.00		1,313.80

How long have I owed this money?

Up to 30 days	0.00
31-60 days	0.00
61-90 days	0.00
More than 90 days	1,313.80

Total Invoiced	\$4,001.30
Total Paid	\$2,687.50
Owed	\$1,313.80
Overdue	\$1,313.80

As of 03/02/2018

Vendors

VENDORS

Set defaults for your purchases from vendors.
You can override these for individual purchases later if you like.

Days before invoices overdue*			30
Ageing (for reporting)	From	<input type="button" value="30"/> <input type="button" value="60"/> <input type="button" value="90"/> <input type="button" value="120"/>	
	To	<input type="button" value="59"/> <input type="button" value="89"/> <input type="button" value="119"/> <input type="button" value="Older"/>	
Expense Ledger Account*		5000 - Cost of Goods Sold	▼
Expense Discount Ledger Account*		5100 - Purchase Discounts	▼
Vendor Statement Type		Outstanding items only	▼

Days before invoices overdue

Similar to the information entered above for customers, Vendor defaults determine how purchases are due, reported etc. Enter the number of days credit you have before you need to pay your supplier bills. The default is 30 days but can be changed. This is used to calculate the due date on your supplier bills. If you change this, and you have existing suppliers, the default credit days on the Payment Details tab of the supplier record will be automatically updated.

Ageing

Divine Chocolates will work with several vendors. When running an *Accounts Payable* report, outstanding transactions for each *Vendor* are grouped by how old they are based on the aging periods indicated here, shown in 'days'.

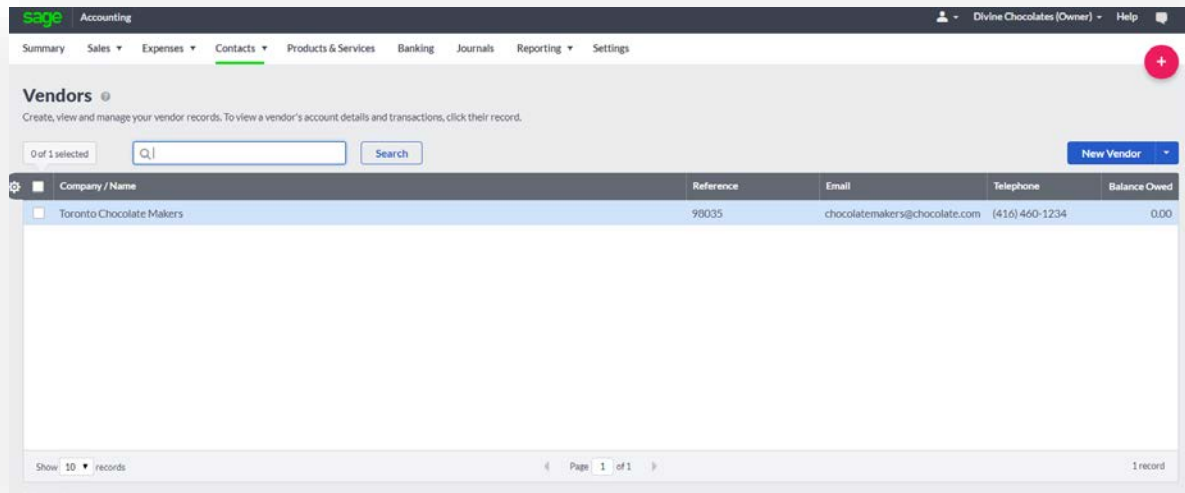
Accounts Payable Breakdown ⓘ
This report shows all outstanding or unallocated vendor transactions, broken down by the aging periods specified in Record and Transactions Settings.

Q: [] To: 03/20/2018 [] Sort by: Name [] More [] Calculate [] Summary [] Export []

Date	Reference	Total	Due Date	O/S Amt	< 30 days	< 60 days	< 90 days	< 120 days	Older
Absolute Instruments (7805381335), Tel: 945-004-5888, Credit limit: 50.00 \$, Terms: 30 days - OVERDUE									
06/03/2016	49-299938	455.00	07/03/2016	455.00					455.00
05/17/2016	Credit Note #: 276	-150.00		-150.00					-150.00
06/05/2016	Vendor Bill 7899	977.29	07/05/2016	977.29					977.29
				1,282.29 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	1,282.29 \$
Cole Group (Vend-03), Tel: (616) 319-6063 x7814 / 714-918-5443, Credit limit: 747.00 \$, Terms: 68 days - OVERDUE									
10/30/2016		2.31	01/06/2017	2.31					2.31
06/03/2016	33-8899	-70.00		-70.00					-70.00
06/03/2016	84-29499	763.00	08/10/2016	663.00					663.00
				595.31 \$	0.00 \$	0.00 \$	0.00 \$	0.00 \$	595.31 \$
Daniel, Corwin and Boyle (Vend-04), Tel: 605-228-5756 x5778 / 601-641-9776, Credit limit: 281.00 \$, Terms: 55 days - OVERDUE									
06/09/2016		-161.70		-161.70					-161.70
08/31/2016		-10.00		-10.00					-10.00
09/07/2016		-1,034.78		-1,034.78					-1,034.78
01/10/2017		952.00	03/06/2017	952.00					952.00
02/10/2018		56.34	04/06/2018	56.34		56.34			
08/16/2016	TEST	50,530.36	10/10/2016	50,530.36					50,530.36
06/03/2016	payment to acct from	-490.00		-490.00					-490.00

Expense Ledger Account:

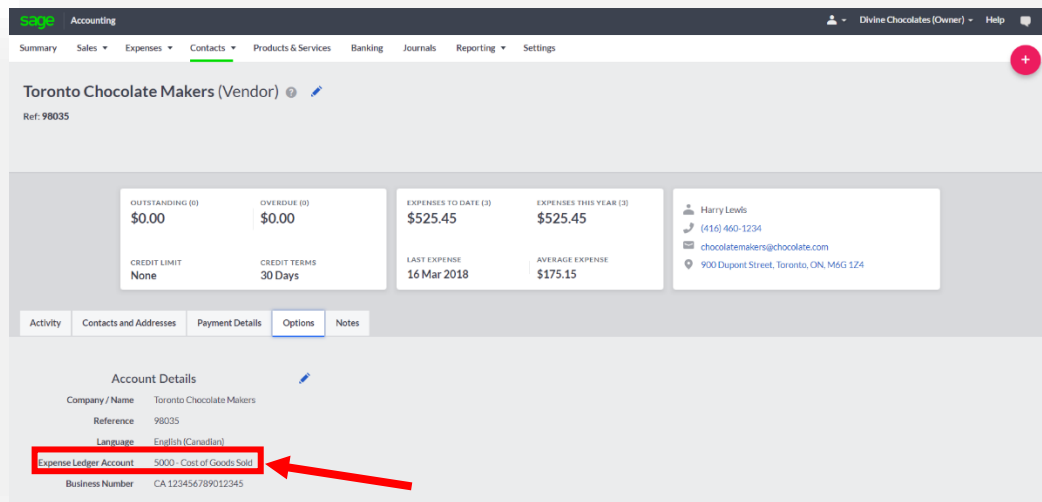
The Vendor **Expense Ledger Account** defaults to '5000-Cost of Goods Sold' when creating invoices or credit notes for the vendor. This eliminates the need to choose an account from a drop-down list when creating a vendor bill, though you can change the default selections "on the fly," as needed. To override the expense account at the vendor level, navigate to **Contacts** and select **Vendors**.



The screenshot shows the Sage Accounting interface for the 'Vendors' section. The top navigation bar includes 'Summary', 'Sales', 'Expenses', 'Contacts', 'Products & Services', 'Banking', 'Journals', 'Reporting', and 'Settings'. The 'Contacts' menu is active. Below the navigation, there is a search bar and a 'New Vendor' button. A table lists vendors with columns for 'Company / Name', 'Reference', 'Email', 'Telephone', and 'Balance Owed'. One vendor, 'Toronto Chocolate Makers', is listed with a reference of 98035, email chocolatemakers@chocolate.com, and telephone (416) 460-1234. The balance owed is 0.00. At the bottom, there is a pagination control showing 'Page 1 of 1' and '1 record'.

Company / Name	Reference	Email	Telephone	Balance Owed
Toronto Chocolate Makers	98035	chocolatemakers@chocolate.com	(416) 460-1234	0.00

Navigate to the **Options** tab and edit the **Expense Ledger Account** from the default if necessary:

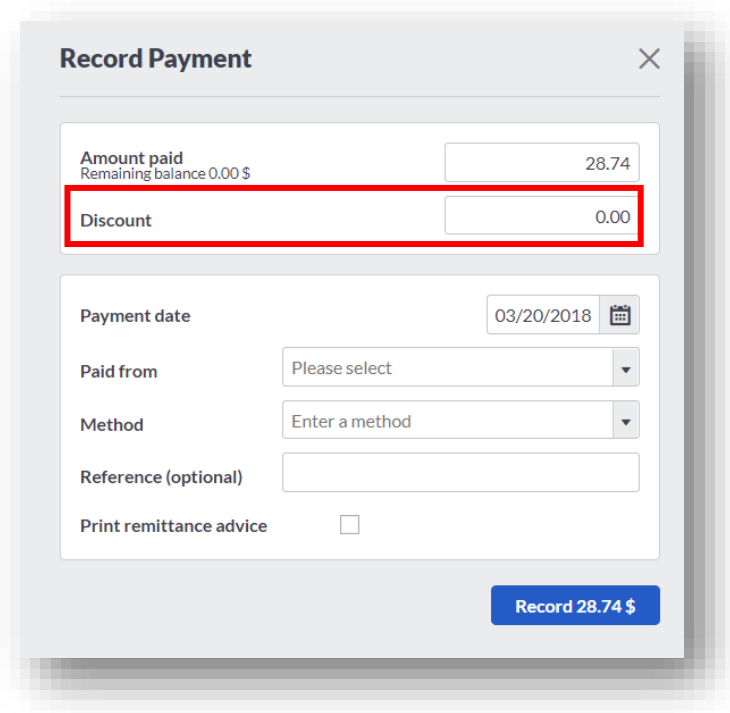


The screenshot shows the Sage Accounting interface for the 'Toronto Chocolate Makers (Vendor)' page. The 'Options' tab is selected. The page displays various financial metrics and contact information. A red box highlights the 'Expense Ledger Account' field, which is set to '5000 - Cost of Goods Sold'. A red arrow points to this field.

Account Details	
Company / Name	Toronto Chocolate Makers
Reference	98035
Language	English (Canadian)
Expense Ledger Account	5000 - Cost of Goods Sold
Business Number	CA 123456789012345

Expense Discount Ledger Account

The general ledger account to which you want to post discounts on *your purchases*. The default is '5100 - Purchase Discounts'. Discounts from vendors can be applied when recording a payment, within the **Vendor Bills** screen:



The screenshot shows a 'Record Payment' dialog box with the following fields and values:

Field	Value
Amount paid	28.74
Remaining balance	0.00 \$
Discount	0.00
Payment date	03/20/2018
Paid from	Please select
Method	Enter a method
Reference (optional)	
Print remittance advice	<input type="checkbox"/>

A blue button at the bottom right is labeled 'Record 28.74 \$'. The 'Discount' field is highlighted with a red border.

You can see how **Expense (Purchase) Discounts** appear within the **Profit and Loss Report**:

Profit and Loss Report

This report shows your business income and expense, giving the profit for your chosen date range.

We are working on improvements - try the **BETA** version.

Period: Custom From: 01/01/2015 To: 12/31/2018 Calculate Export

Sales		
4000 - Sales		7,272.90
4100 - Sales Discounts		-20.00
4200 - Professional Fees		-49,725.59
4900 - Other Income		10,239.50
	Total Sales	-32,233.19 \$
Direct Expenses		
	Total Direct Expenses	0.00 \$
	GROSS PROFIT / LOSS	-32,233.19 \$
Expenses		
5000 - Cost of Goods Sold		2,854.32
5100 - Purchase Discounts		-5.00
5200 - Shipping Expenses		45,844.50
6900 - Exchange Rate Gain/(Loss)		8.80
	Total Expenses	-48,702.62 \$

Vendor Statement Type:

As with **Customer Statements**, you can print a **Vendor Statement** two different ways:

- *All Activity*. Shows all transactions and the total amount invoiced during the specified date range. It also shows the amount paid and the amount owed to date
- *Outstanding Items Only*: Shows outstanding transactions and the amount owed as of the statement date.

All Activity Example:

Statement

Period: 04/01/2015 to 04/30/2018

Reference: Vend-04



Daniel, Corwin and Boyle
138 Creola Loaf
Suite 582
East Miguelstad, Maryland 24394-8868

Divine Chocolates
100 Chocolate Way
Toronto, ON M9W1J9
Canada

Telephone: 1-888-247-2262

Attn: Ms. Kenyon Waters

Date	Activity	Reference	Due Date	Invoices	Payments	Balance
04/01/2015	Balance brought forward					0.00
06/03/2016	Vendor Bills	33-28399	07/28/2016	933.30		933.30
06/03/2016	Vendor Credit Note	46-3444		-95.00		838.30
06/03/2016	Vendor Credit Note	payment to acct from		-490.00		348.30
06/09/2016	Payment				1,000.00	-651.70
08/16/2016	Vendor Bills	TEST	10/10/2016	50,530.36		49,878.66
			567 days overdue			
08/16/2016	Vendor Bills		10/10/2016	1,034.78		50,913.44
08/31/2016	Payment				10.00	50,903.44
09/07/2016	Payment				1,034.78	49,868.66
09/07/2016	Payment				1,034.78	48,833.88
01/10/2017	Vendor Bills		03/06/2017	952.00		49,785.88
			420 days overdue			
02/10/2018	Vendor Bills		04/06/2018	56.34		49,842.22
			24 days overdue			

Total Invoiced	\$52,921.78
Total Paid	\$3,079.56
Owed	\$49,842.22
Overdue	\$51,048.70

Outstanding Items Style:

Statement

Date: 02/28/2018

Reference:



Peachtree Leasing
4026 Peachtree Street
Atlanta GA 30309

Atlanta Boxer Rescue
5322 Vinings Lake View
Atlanta GA 30126
United States

Date	Activity	Reference	Due Date	Amount	Paid	Balance	
02/20/2016	Vendor Bills	1003	03/21/2016	709 days overdue	1,700.00	0.00	1,700.00
06/30/2016	Vendor Bills		07/30/2016	578 days overdue	421.52	169.00	252.52

How long have I owed this money?

Up to 30 days	0.00
31-60 days	0.00
61-90 days	0.00
More than 90 days	1,952.52

As of 02/28/2018

Owed	\$1,952.52
Overdue	\$1,952.52

Statement

Date: 04/30/2018

Reference: Vend-04



Daniel, Corwin and Boyle
138 Creola Loaf
Suite 582
East Miguelstad, Maryland 24394-8868

Divine Chocolates
100 Chocolate Way
Toronto, ON M9W1J9
Canada

Telephone: 1-888-247-2262

Attn: Ms. Kenyon Waters

Date	Activity	Reference	Due Date		Amount	Paid	Balance
06/03/2016	Vendor Credit Note	payment to acct from			-490.00	0.00	-490.00
06/09/2016	Payment				-1,000.00	-838.30	-161.70
08/16/2016	Vendor Bills	TEST	10/10/2016	567 days overdue	50,530.36	0.00	50,530.36
08/31/2016	Payment				-10.00	0.00	-10.00
09/07/2016	Payment				-1,034.78	0.00	-1,034.78
01/10/2017	Vendor Bills		03/06/2017	420 days overdue	952.00	0.00	952.00
02/10/2018	Vendor Bills		04/06/2018	24 days overdue	56.34	0.00	56.34

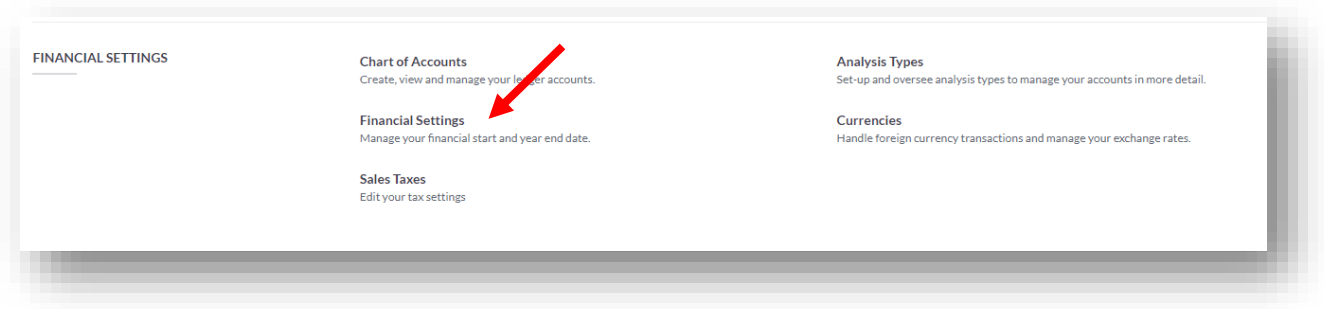
How long have I owed this money?

Up to 30 days	0.00
31-60 days	0.00
61-90 days	56.34
More than 90 days	50,992.36

Owed	\$49,842.22
Overdue	\$51,048.70

As of 04/30/2018

The additional settings, PAYMENTS & RECEIPTS, PRODUCTS & SERVICES and accounting settings will be discussed in other modules. We'll now look at **Financial Settings**:



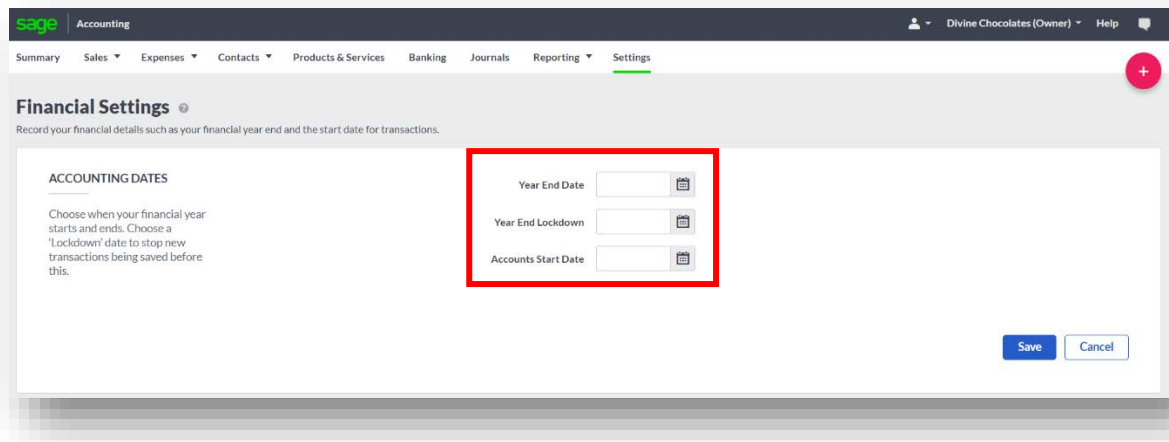
Financial Settings

One of the first settings that should be set up for Divine Chocolates are the **Financial Settings**. This includes:

- **Year End Date:** This is the date the company's financial year ends. The choice of date for the accounting year-end is entirely up to a business owner, but there are many factors to consider.
- **Year End Lockdown:** The date entered here prevents transactions from being entered for a previous year once your accounts are complete.
- **Accounts Start Date:** This is the first day you start using **Accounting**.
Enter Today's date



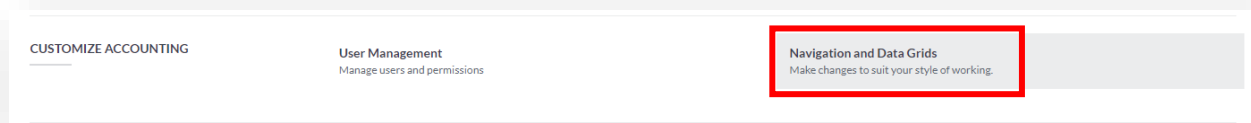
Students: Please add today's date now in the **Accounts Start Date**. Otherwise you will be prevented from performing certain functions within **Accounting**, until this is added.



Since Divine Chocolates is operating their fiscal year based on the current calendar year, the **Year End Date** would be December 2018. The first month of their fiscal year would be January. **Accounting** will now report based on the fiscal year.

The Year End Lockdown feature is used to make sure accounting records are secure and no entries are made in previous periods. Think of this as *'Closing the Books'*. Christina is just getting started so she won't need to worry about this feature for now.

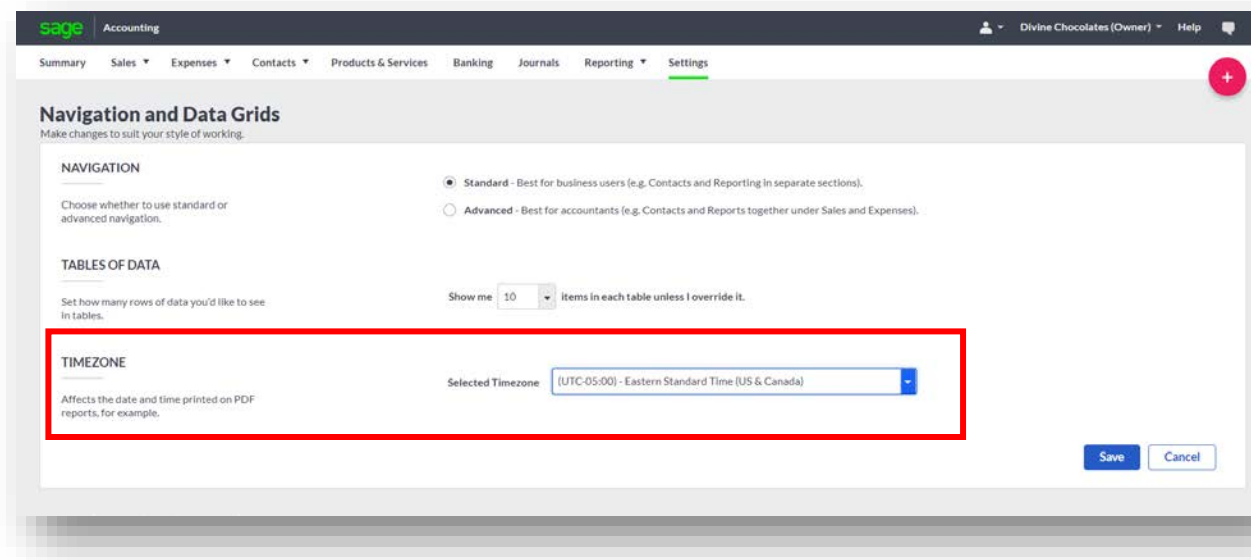
Customize Accounting



Date and Time

Accounting allows you to edit the time zone you're operating within:

- Navigate to **Customize Accounting** and select **Navigation and Data Grids**
- Select the **Timezone** and click Save.



Sales Tax Settings

Once Divine Chocolates has successfully registered with the local tax authority and received a BIN number, Christina can begin collecting GST/HST/PST/QST sales taxes, according to the needs of the company and the area in which she's doing business. **Accounting** automatically applies and tracks sales tax for the province or territory where you deliver goods or provide services.

There are four convenient features that can be performed as it relates to **Sales Taxes** within **Accounting**:

- Track sales tax on sales and expenses
- Prepare your tax return for filing with your tax agency
- File/Submit your tax return with certain tax agency's
- Provide detailed reporting on sales tax history, including previous tax payments and date of filing

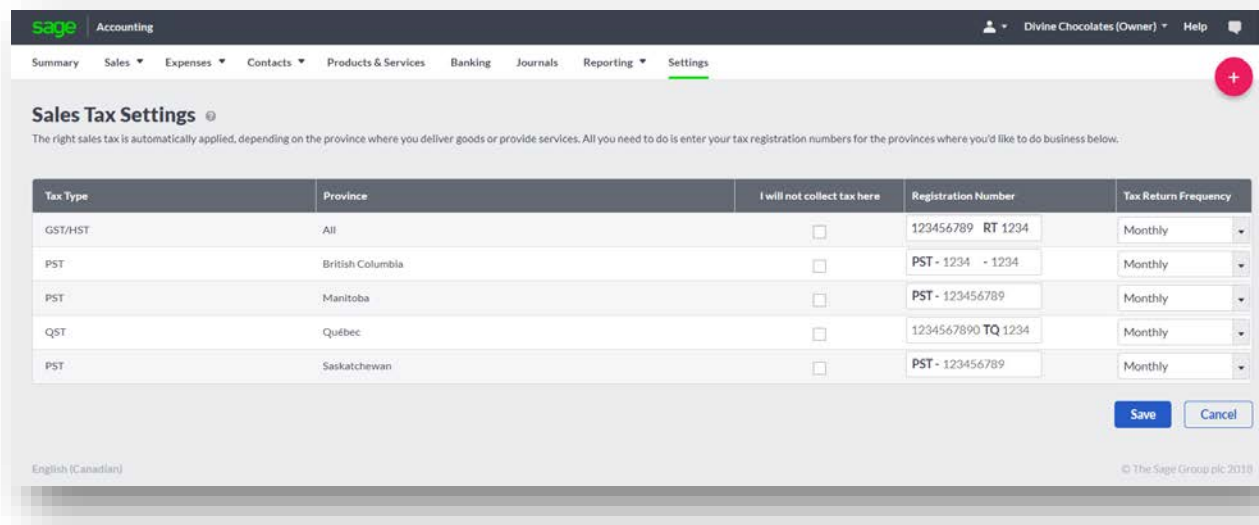
Accounting easily sets up and calculates the correct taxes for the business upon the initial creation of company set up. **Accounting** tracks sales taxes on sales and expense transactions, reports on sales tax owed and calculates sales tax payable for small businesses. The right sales tax is automatically applied, depending on the province where goods are delivered/services provided. All you need to do is enter your tax registration numbers for the provinces where you'd like to do business before initiating sales and expense transactions.

All HST, GST, QST and PST taxes are tracked by keeping a running balance of sales tax owed for the Canada Revenue Agency, Minister of Finance and the Receiver General. This enables you to submit your return with your tax agency directly from within **Accounting**. The information recorded enables you to see sales tax history, including previous sales tax periods, payments made and the date filed. We will discuss how to prepare your sales tax return for filing in the next lesson.

Divine Chocolates has registered the new business and received notice from the Canada Revenue Agency they are to file HST on a quarterly basis. Because Divine Chocolates has just started there is no current tax balance owed for this period. After reviewing the sales tax setup, Christina can begin using **Accounting** to track the company's tax on sales and expense transactions. Divine Chocolates is based in the Ontario Province, so **Accounting** will calculate taxes in that Province. The Canada Revenue Agency will be the local reporting authority Divine Chocolates will make payments to.

Add/Modify Sales Tax Settings

From **Settings**, to modify or add additional tax information navigate to **Sales Taxes**. Based on the location of the business, *Accounting* will display the tax information required for the province.



The screenshot shows the Sage Accounting 'Sales Tax Settings' page. The page title is 'Sales Tax Settings' and it includes a sub-header: 'The right sales tax is automatically applied, depending on the province where you deliver goods or provide services. All you need to do is enter your tax registration numbers for the provinces where you'd like to do business below.'

Tax Type	Province	I will not collect tax here	Registration Number	Tax Return Frequency
GST/HST	All	<input type="checkbox"/>	123456789 RT 1234	Monthly
PST	British Columbia	<input type="checkbox"/>	PST - 1234 - 1234	Monthly
PST	Manitoba	<input type="checkbox"/>	PST - 123456789	Monthly
QST	Québec	<input type="checkbox"/>	1234567890 TQ 1234	Monthly
PST	Saskatchewan	<input type="checkbox"/>	PST - 123456789	Monthly

At the bottom right of the table, there are 'Save' and 'Cancel' buttons. The footer of the page includes 'English (Canadian)' and '© The Sage Group plc 2018'.

- If your business will not collect tax for a particular tax type (HST/GST/PST/QST) indicate as such by putting a check mark in the **Tax Type** box. Divine Chocolates will collect tax so we won't put a check mark in the **Tax Type** box.

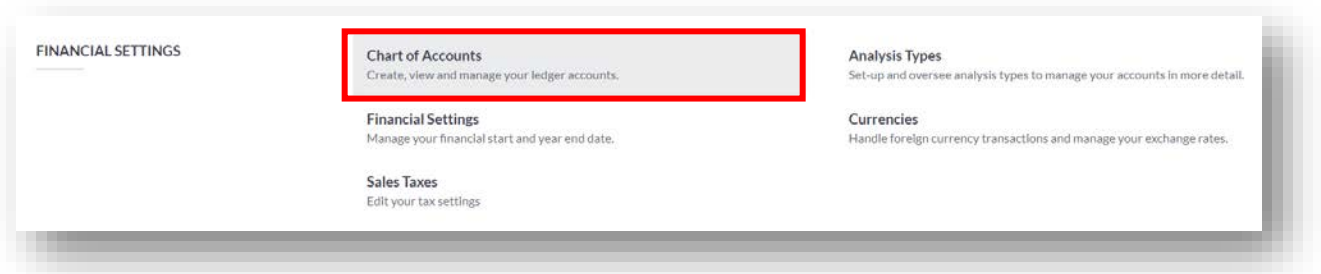
- **Registration Number:** Add the Registration Number provided by your tax agency while registering your business. **Students:** Enter a fictitious number here.
- **Tax Return Frequency:** Indicate how often you will remit taxes within the drop down menu, *Monthly*, *Quarterly* or *Annually*. You will be assigned a quarter or month to begin filing sales taxes from the Canada Revenue Agency or local tax agency.
- Be sure to click **Save**.

Chart of Accounts

A critical part of any accounting setup is to ensure the necessary accounts are in the new **Accounting** company. Every transaction created in **Accounting** must be tracked to an account, so it is important to have the right general ledger setup. The Chart of Accounts is a list of all of the accounts used by your business. These accounts are known as ledger accounts. You can use it to analyze your income, expenditure, assets, liabilities, and capital when running reports. This helps you to see how your business is performing at any moment in time. Each account has a unique number, and the category chosen when creating a new account determines where it appears on your reports.

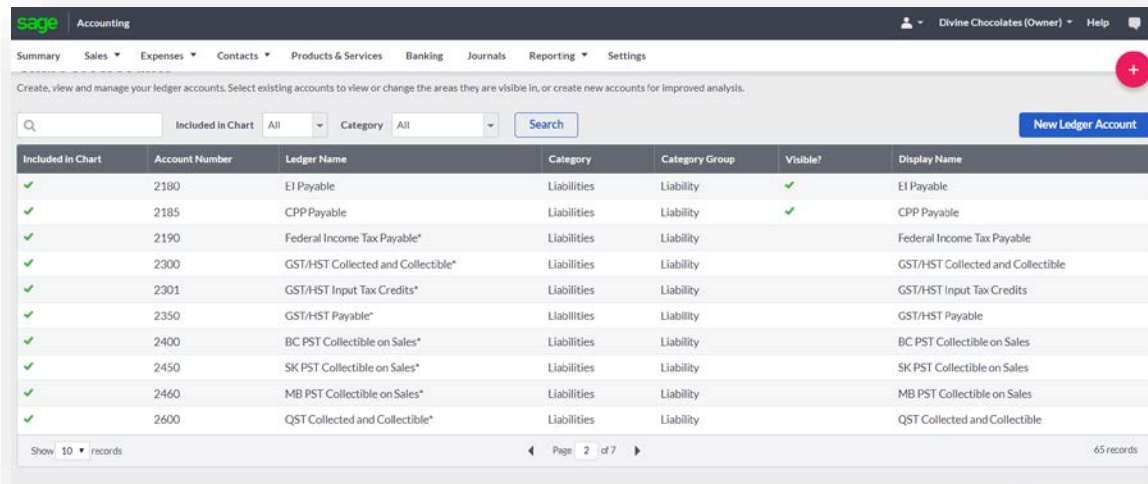
Accounting is a double entry accounting system wherein every transaction will include a debit and credit. While you do not see the debits and credits on most transactions, they are included in the background of every transaction.

To access the **Chart of Accounts**, navigate to **Chart of Accounts** within **Financial Settings**:



New Ledger Account

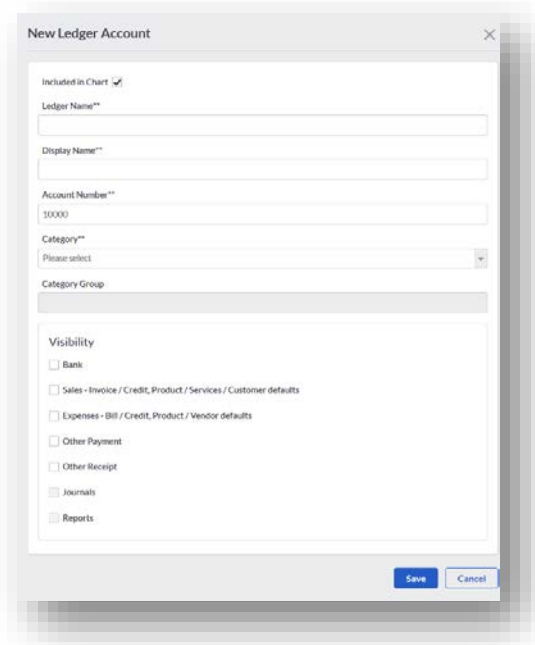
Navigate to **New Ledger Account** to create a new account:



Included in Chart	Account Number	Ledger Name	Category	Category Group	Visible?	Display Name
✓	2180	EI Payable	Liabilities	Liability	✓	EI Payable
✓	2185	CPP Payable	Liabilities	Liability	✓	CPP Payable
✓	2190	Federal Income Tax Payable*	Liabilities	Liability		Federal Income Tax Payable
✓	2300	GST/HST Collected and Collectible*	Liabilities	Liability		GST/HST Collected and Collectible
✓	2301	GST/HST Input Tax Credits*	Liabilities	Liability		GST/HST Input Tax Credits
✓	2350	GST/HST Payable*	Liabilities	Liability		GST/HST Payable
✓	2400	BC PST Collectible on Sales*	Liabilities	Liability		BC PST Collectible on Sales
✓	2450	SK PST Collectible on Sales*	Liabilities	Liability		SK PST Collectible on Sales
✓	2460	MB PST Collectible on Sales*	Liabilities	Liability		MB PST Collectible on Sales
✓	2600	QST Collected and Collectible*	Liabilities	Liability		QST Collected and Collectible

Ledger Account Visibility

If a check mark appears in the *Visible* column, you can use the account when entering transactions such as invoices or credit notes. If no check mark appears, the account can be used only for posting journals and reporting purposes.



New Ledger Account

Included in Chart

Ledger Name**

Display Name**

Account Number**

Category**
 Please select

Category Group

Visibility

Bank

Sales - Invoice / Credit, Product / Services / Customer defaults

Expenses - Bill / Credit, Product / Vendor defaults

Other Payment

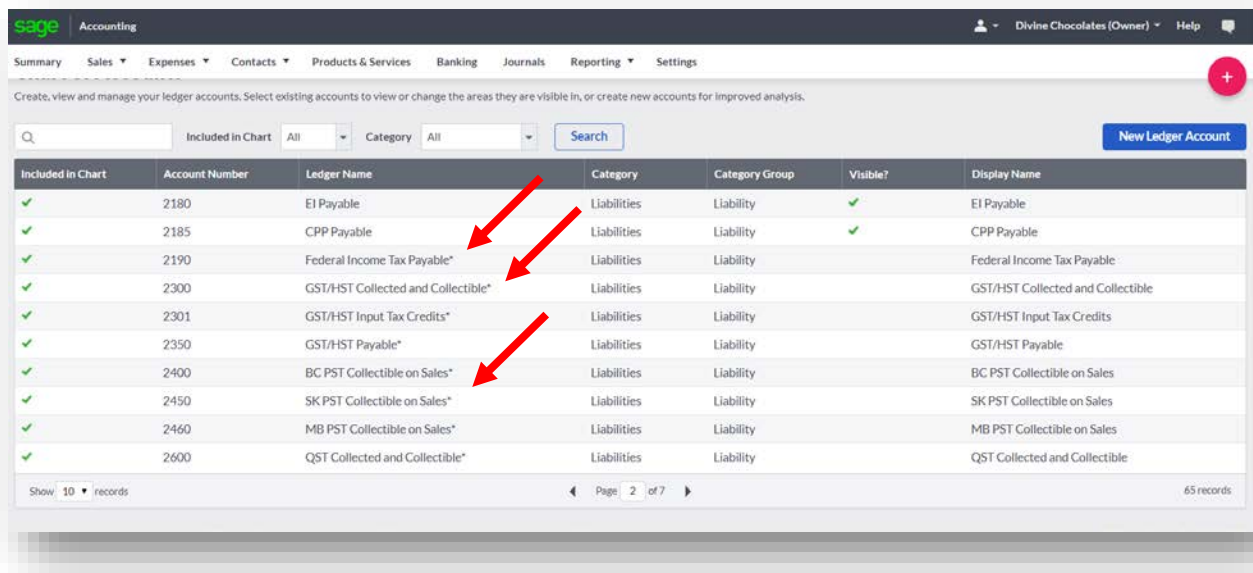
Other Receipt

Journals

Reports

Accounting comes with a standard **Chart of Accounts**. **Control Accounts** are indicated with an asterisk * beside them and cannot be hidden from within Journals and Reports. They include:

- Accounts Receivable, Accounts Payable
- Federal Income Tax Payable
- GST/HST Collected and Collectible
- GST/HST Input Tax Credits
- GST/HST Payable
- Opening Balances
- Bank Fees and Interest
- PST Commission
- Retained Earnings
- Drawings, Additional Paid In Equity
- QST Payable
- QST Input Tax Refund



Included In Chart	Account Number	Ledger Name	Category	Category Group	Visible?	Display Name
✓	2180	EI Payable	Liabilities	Liability	✓	EI Payable
✓	2185	CPP Payable	Liabilities	Liability	✓	CPP Payable
✓	2190	Federal Income Tax Payable*	Liabilities	Liability		Federal Income Tax Payable
✓	2300	GST/HST Collected and Collectible*	Liabilities	Liability		GST/HST Collected and Collectible
✓	2301	GST/HST Input Tax Credits*	Liabilities	Liability		GST/HST Input Tax Credits
✓	2350	GST/HST Payable*	Liabilities	Liability		GST/HST Payable
✓	2400	BC PST Collectible on Sales*	Liabilities	Liability		BC PST Collectible on Sales
✓	2450	SK PST Collectible on Sales*	Liabilities	Liability		SK PST Collectible on Sales
✓	2460	MB PST Collectible on Sales*	Liabilities	Liability		MB PST Collectible on Sales
✓	2600	QST Collected and Collectible*	Liabilities	Liability		QST Collected and Collectible

Adding Expense Accounts



To track money being paid for professional services to assist while running her business, Christina needs to add an expense account. Let's add an expense account to record and track spending for her lawyer and accountant.

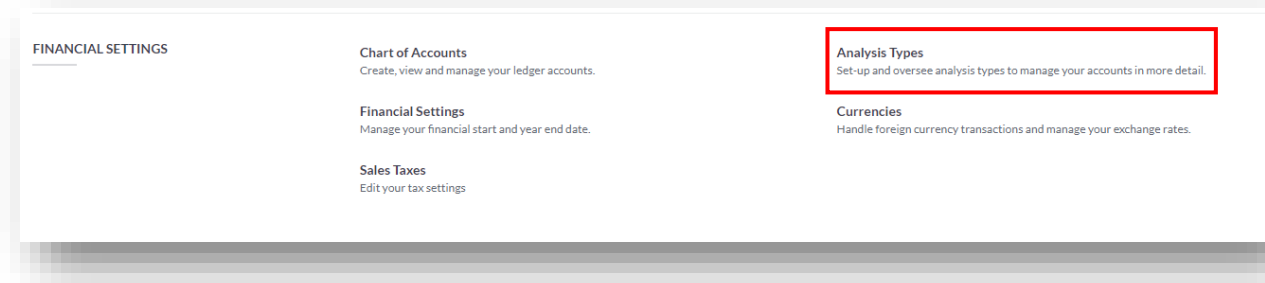
1. From the **Chart of Accounts** page click **New Ledger Account**.
2. Type: *Attorney/Accountant* in the **Ledger name**.
3. To change how the ledger name appears on reports, input a different name in the **Display Name** field.

4. **Category** field select **Expenses**.
5. The **Category Group** automatically defaults based on the **Category** chosen. **Expenditure** was automatically chosen.
6. **Visibility**: Since Cristina will be sending payments to her Attorney and Accountant, this GL code will need to be visible in the **Expenses** screen when paying bills, and within **Banking** when making payments not associated with an invoice or paying multiple invoices at once.
7. Click **Save**.

It appears as a new GL code within the **Chart of Accounts**:

Included in Chart	Account Number	Ledger Name	Category	Category Group	Visible?	Display Name
✓	7400	Sub-Contractor	Expenses	Expenditure	✓	Sub-Contractor
✓	7500	Travel and Entertainment	Expenses	Expenditure	✓	Travel and Entertainment
✓	7600	Utilities	Expenses	Expenditure	✓	Utilities
✓	7700	Vehicle	Expenses	Expenditure	✓	Vehicle
✓	7800	Wages	Expenses	Expenditure	✓	Wages
✓	9998	Opening Balances Control Account*	Expenses	Expenditure	✓	Opening Balances Control Account
✓	9999	Corrections*	Expenses	Expenditure	✓	Corrections
✓	10000	Attorney/Accountant	Expenses	Expenditure	✓	Attorney/Accountant

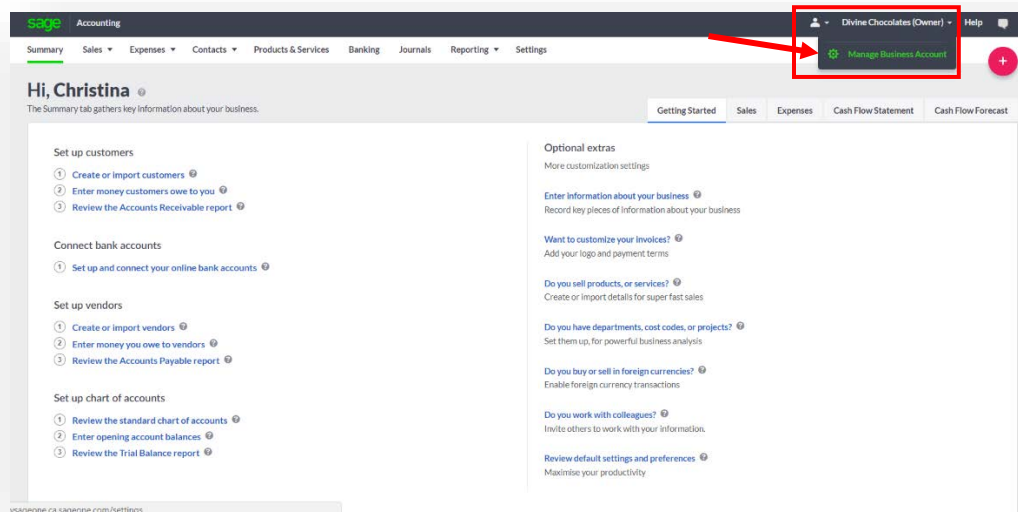
Analysis Types: Analysis Types allow tracking of sales and expenses to different locations and/or departments and/or business units. This will be discussed in more detail in another module.



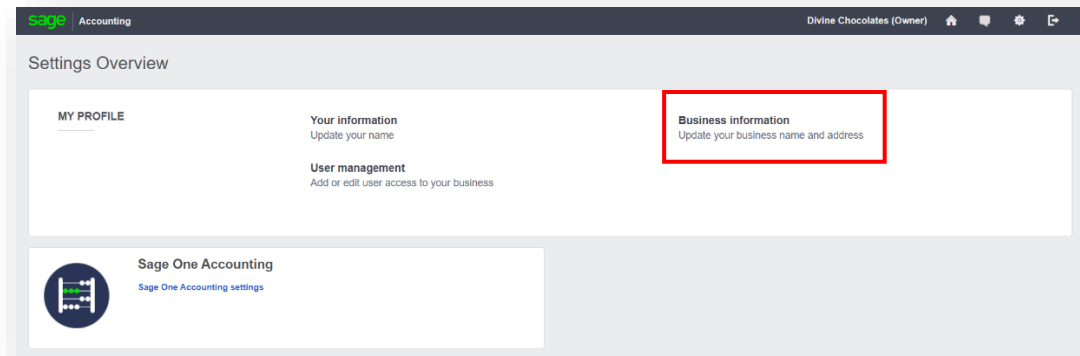
Manage Business Information

Before getting started, Christina would like to review her **Business Information** for accuracy. She can make changes to the business name, address, website, phone number and profile. She can also review her email address.

To access **Business Information** navigate to the company name menu, *Divine Chocolates* and click **Manage Business Account** within the drop-down menu.



The **Settings Overview** screen will display:



Business Information

The **Business Name** and Contact info fields will be populated with the information entered when the company file was setup. The company address as it appears here is how it will display on company invoices and sales receipts. It is important that the information contained here is always accurate. Review both fields to ensure that they are accurate. If the company contact information changes, this is the screen you will use to update the information.

 A screenshot of the 'Business information' form in Sage Accounting. The form is titled 'Business information' and contains several input fields arranged in two columns. The left column includes 'Business name**' (filled with 'Divine Chocolates'), 'Website', 'Telephone' (filled with '7389729929'), and 'Mobile'. The right column includes 'Address Line 1**' (filled with '100 Chocolate Way'), 'Address Line 2', 'City**' (filled with 'Toronto'), 'State/Province**' (a dropdown menu showing 'Ontario (ON)'), 'Zip/postal code**' (filled with 'M4B 1B3'), and 'Country' (filled with 'Canada'). At the bottom right of the form are 'Save' and 'Cancel' buttons.

Christina recently subscribed to a high-speed internet service where a new email address was provided for company use. This email will be used for correspondence to/from vendors and sending invoices. It will also be printed on all invoices. To ensure she gets paid quickly, and keeps cash flowing, a link will be provided on all invoices to allow customers to pay their bills directly from the email received. She'll need to update her new company email address in the **Accounting** settings.

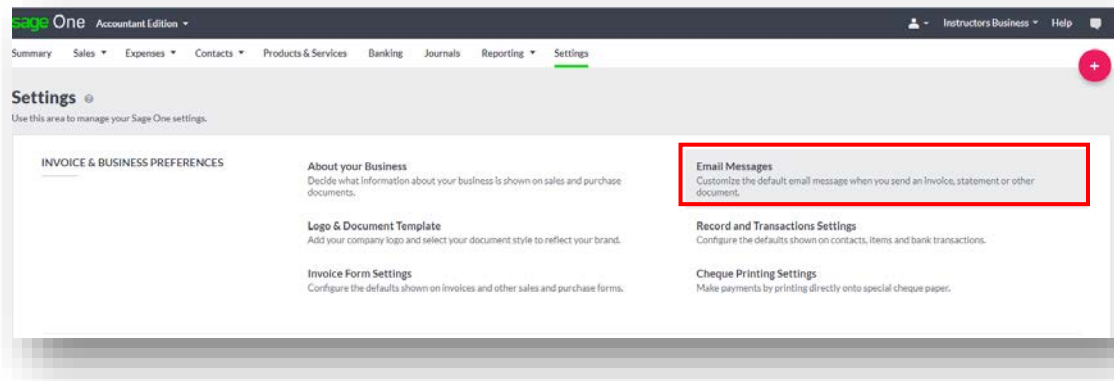
Change Company Email Address

For security reasons, Christina won't be able to change her Sage Business Cloud Accounting email address from within the settings. Instead, she'll need to send an email from her current registered email address to **SageOneTeam@sage.com** and provide the new email address for the Sage team to update for her.

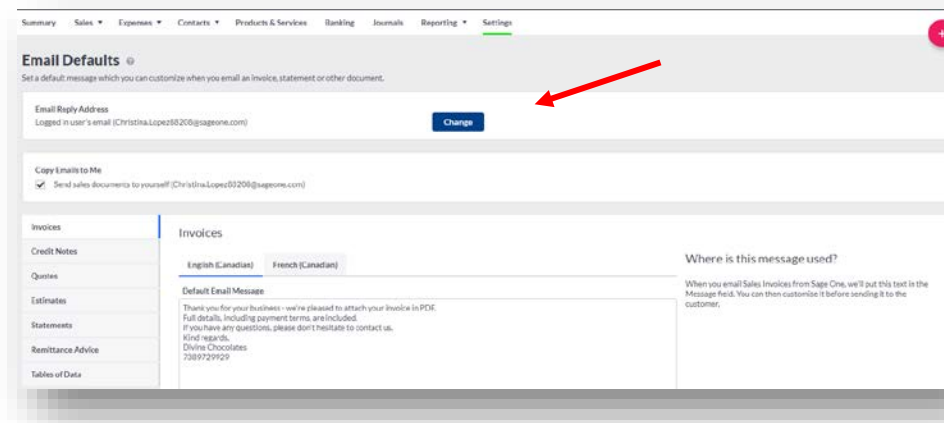
Customize Email Address

When emails are sent from Divine Chocolates in **Accounting** to clients, and customers respond, their reply will automatically go to the company email address used when the account was set up. However, because it's important to stay organized Christina would like to have a separate email address for customers to respond to. She also wants to create **default** email messages based on the type of correspondence she sends, invoice, credit, quote, estimate, remittance advice etc.

Navigate to **Settings** and click on **Email Messages**:



In the **Email Reply Address**, click on **Change**. Change the email address to DivineChocolatesCustomers@Rogers.com. Click **Continue**.



Verify the change from the *existing* business email account within your email inbox.

NOTE: For purposes of this course, ensure students use an email address they have access to.

Change Email Reply Address

- When emails are sent directly through Sage One, and a recipient replies, this is the email address their replies will go to.
- This setting will apply to all emails sent on behalf of Divine Chocolates from Sage One.

Email Reply Address*

DivineChocolatesCustomers@Rogers.com

Your current reply address, Christina.Lopez88208@sageone.com, will be used until this one is verified.

What happens next?
We'll send an email to the new reply address with a verification code, so you'll need access to this mailbox.

[Continue](#) [Cancel](#)



Christina would like to tailor her default invoice messages to reflect the grand opening of her new store, the specialized hours and grand opening events.

Click on the **Invoices** tab on the left. Type:

Invoices

English (Canadian) French (Canadian)

Default Email Message

Thank you for your business at our Grand Opening Event!

You can easily pay the attached invoice by clicking on the link below.

All candy orders placed by 4/1 will receive a 10% discount.

We will have extended business hours from 8:00 a.m. - 8 p.m. Monday - Friday. If you have any questions, please don't hesitate to contact us.

Kind regards,
Christina
Divine Chocolates
7389729929

“Thank you for your business at our Grand Opening Event! You can easily pay the attached invoice by clicking on the link below. All candy orders placed by 4/1 will receive a 10% discount. We will have extended business hours from 8:00 a.m. – 8 p.m. Monday – Friday. If you have any questions, please don't hesitate to contact us.”

*Kind regards,
Divine Chocolates
7389729929*

Divine Chocolates would also like to craft customized messages for customers who receive a quote or an estimate for baby showers, wedding favors or corporate gifts. Christina would like to ensure customers know how long they are good for.

Navigate to the **Quotes** and **Estimates** tab. Type:

“Thank you for your recent inquiry with Divine Chocolates during our Grand Opening event! We're delighted you joined us.

All special event orders placed within 14 days of this estimate entitles you to 10% off your entire order. Special events include:

- ✓ *Baby Showers*
- ✓ *Bridal Showers*
- ✓ *Weddings*
- ✓ *Corporate Events*

Please let us know if you have any questions or would like to place an order.

*All estimates are good for **30 days**. We look forward to working with you during your special event!*

*Kind regards,
Christina, Divine Chocolates
738-972-9929*

Email Defaults ⓘ

Set a default message which you can customize when you email an invoice, statement or other document.

Email Reply Address
Logged in user's email (Christina.Lopez88208@sageone.com) [Change](#)

Copy Emails to Me
 Send sales documents to yourself (Christina.Lopez88208@sageone.com)

Invoices

Credit Notes

Quotes

Estimates

Statements

Remittance Advice

Tables of Data

Estimates

English (Canadian) French (Canadian)

Default Email Message

Thank you for your recent inquiry with Divine Chocolates during our Grand Opening! We're delighted you joined us.

All special event orders placed within 14 days of this estimate entitles you to 10% off your entire order.

Special events include:

Baby Showers
Bridal Showers
Weddings
Corporate Events

Please let us know if you have any questions, or would like to proceed with placing or amending an order.

All estimates are good for 30 days.

Kind regards,
Christina
Divine Chocolates
7389729929

To accommodate Christina's customers from Quebec, she wants to craft a *default* message to customers that will receive statements via email, in French.

- Click on the **Statements** tab and type the message below.

Thanks for your recent purchase with Divine Chocolates.

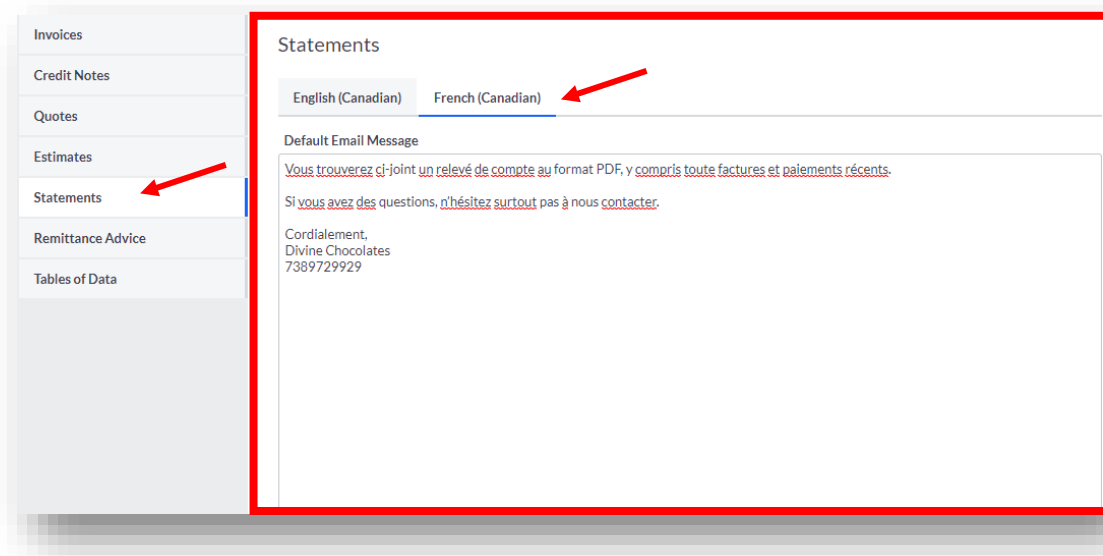
We're pleased to attach a statement of account for you in PDF, including any recent invoices and payments.

If you have any questions, please don't hesitate to contact us.

Business hours are M-F 9-5. We look forward to serving you!

*Kind regards,
Divine Chocolates
7389729929*

- Then, click on the French (Canadian) tab to see the email message already translated for customer statements:



Check Your Knowledge



Answer the following questions about the material covered in this lesson.

Short Answer

Write a short answer to the question below.

1. There are two types of settings. What are they?

2. Mark the correct answer(s) to the question below.

The **Accounting** settings or 'system settings' determine how many features/functions operate. Some of those settings include:

- _____ Financial Settings: Chart of Accounts, Sales Taxes, Foreign Currency
 - _____ Opening Balances: Customer, Vendor, Bank & GL
 - _____ Sales Invoices: Create invoices, Credit Notes, Allocate Payments
 - _____ Invoice Preferences: Add statement Logos, Email Messages
3. Before using **Accounting**, this setting needs to be set up/determined first:
 - _____ Enabling Foreign Currency Transactions
 - _____ Financial Settings: Year end date, Accounts Start Date
 - _____ Custom Email Messages
 - _____ Discount Ledger Account, for discounts given, if any
 4. True or False: Enter 'T' for True or 'F' for False for each of the affirmations below.
 - _____ Record and Transaction Settings contain default Settings for all customers
 - _____ Default Settings can be overridden at the customer level within the customer/vendor record and at the invoice level.
 - _____ User Management, the ability to invite other users to access **Accounting** is not currently a feature.



End of Lesson

Please note:

Every effort has been made to ensure that the information provided in this educational series is accurate, up-to-date, and complete, but no guarantee is made to that effect. URLs and additional resources 'Beyond the Classroom' are continuously changing. Because the software is customizable in a number of ways, the language used in this guide may be different from what you 'see' when you work with your company's data file(s).

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