Practical and straightforward software

Clever Accounting

Quick Start Guide

Version 5.2

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Introduction

The aim of this document is to help you get started with Clever Accounting as quickly as possible. This document covers the minimum steps required to lead you to a successful start.

Each section will concentrate on a particular function of Clever Accounting.

The first section is **Before you start** which rounds up the information you must have at hand in order to be able to setup the system. After that, we move on to the **Setup** section that concentrates on setting up the Company and a number of important settings. Moving on we find **General Ledger** a section that requires one to enter details such as the bank accounts numbers and perhaps some modifications of the Chart of Accounts. The **Suppliers** section deals with setting up of suppliers while the **Items and Inventory** provides information for entering Items correctly. **Customers** section concludes this document with information on capturing customers, issuing invoices and other related functions.

Note: All information in this manual is provided to help the user start using Clever Accounting as quickly as possible. Any instruction provide here is provided without warranty. There may be laws that require different processes. You should always confirm your setup with a qualified person, such as a Bookkeeper or an Accountant.

Before you start

There may be a number of decisions to be taken before one starts entering data. For example, it is good to decide who will be using Clever Accounting and what kind of access these individuals will have. For example, you can have a sales person who only has access to issue invoices.

Make sure you have the standard company details including: the full Company name; Address; Company Registration Number; VAT Number; Telephone Number; Company Logo; etc.

Make sure that if you are migrating from another accounting package, you should have the closing balances of the change-over date.

To use Clever Accounting, you need to have your login credentials, without which no access to the accounting package is possible. These login credentials are provided to you once you set up a subscription for Clever Accounting. If you do not have these credentials then go to http://www.cleveraccounting.com and subscribe online.
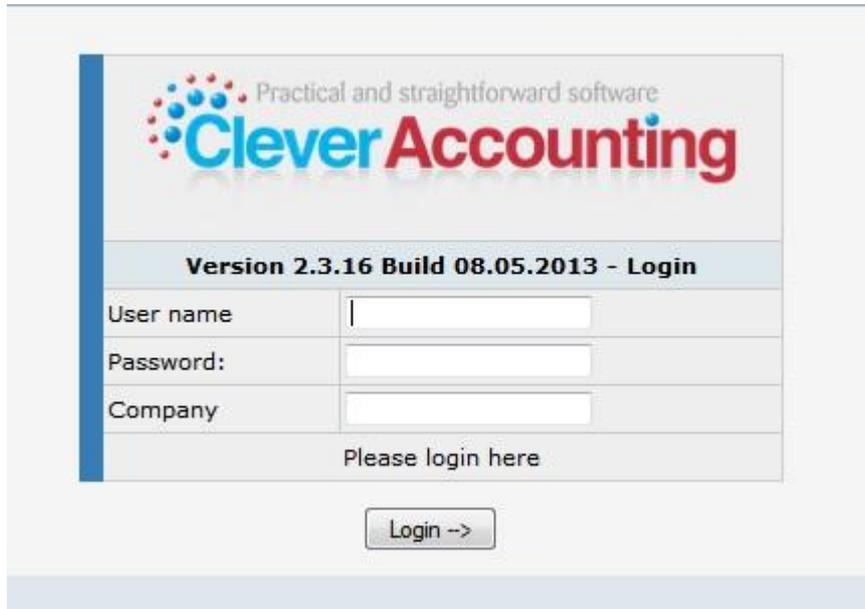
Login

Figure 1: Login Screen

The login screen requires three pieces of information. The User name; Password and Company.

Please note that all of these entries are case sensitive. This means that **Alfred** is not the same as **alfred** and **Abc123** is not equal to **abc123**. The password is hidden and it is important that you protect your password well. If you think that someone might have discovered your password, change it immediately.

Change Password

Figure 2: Top Section

The password sent to you is probably a simple password and this should be changed right after you login the first time. There is a "Change password" link in the top right hand corner once you log-in. Your new password should be complex and you should never share your password with anyone. A complex password is one that is composed from three of the following four groups of characters:

Group 1:   lower case letters (a to z)
Group 2:   upper case letters (A to Z)
Group 3:   numbers (0 to 9)
Group 4:   punctuation (!"£$%^&*()_+-=\|/?<>,.[]{})

Having a good password is important to protect your data.
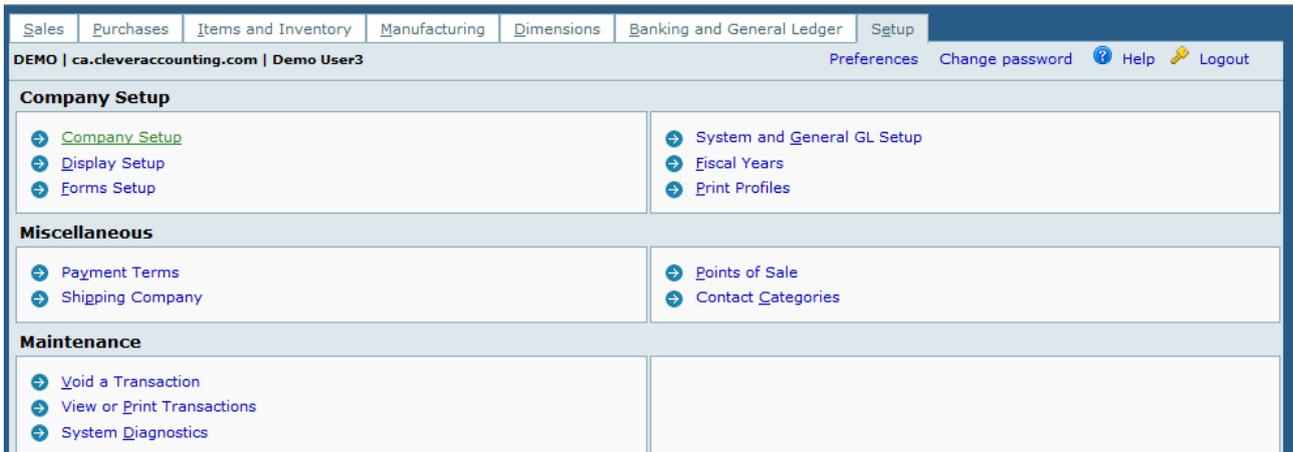
Setup

Figure 3: The Setup Screen

The following sub-screens must be visited and information added or checked:

1. Fiscal Years
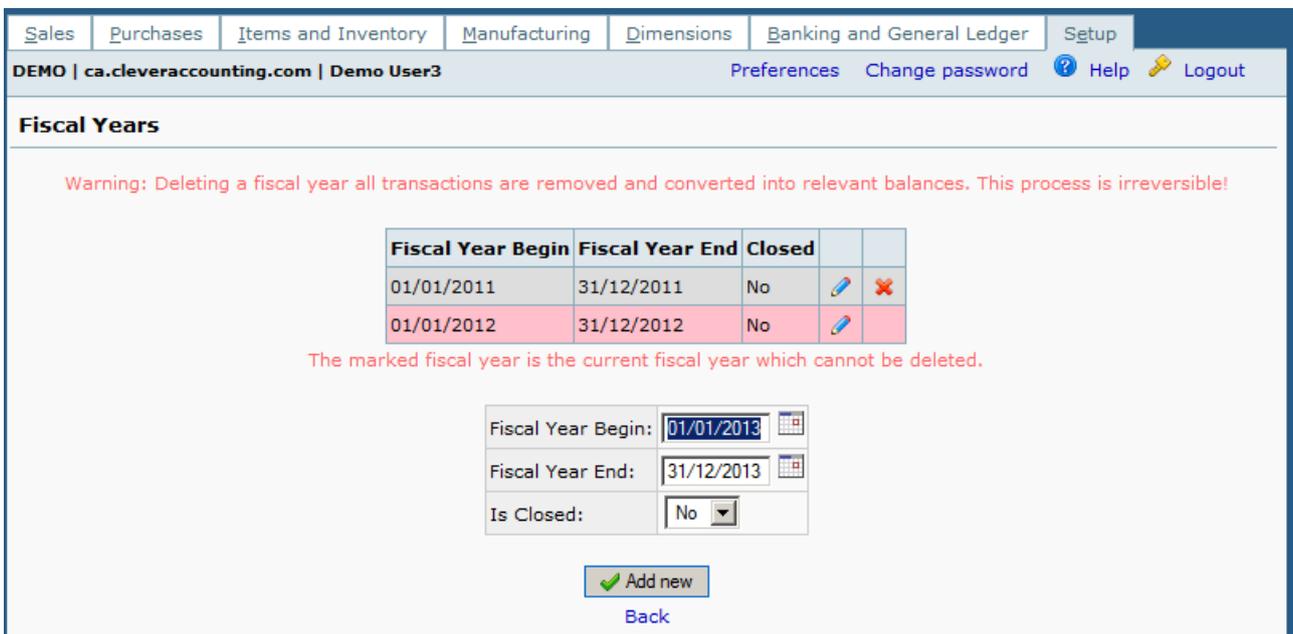
2. Company Setup

Fiscal Years

Figure 4: Fiscal Years Screen

Check that the fiscal year you will be using is included in the list.

If you are starting your account on January 1st and have closing balances for the previous year as at December 31st, make sure to include the previous year in the list of fiscal years. For example, if the current fiscal year is 2013, make sure that you have also the fiscal year 2012 in the system.

Company Setup

Figure 5: The Company Setup Screen

Fill out the company details.

GSTNo: refers to the Company VAT Number.

Select the fiscal year you will start with. If you will be entering closing balances of a previous year, select the previous year as the current year. For a description of how to set opening balances, see Setting Opening Balances for the first time. After these balances are entered select the current fiscal year. This will keep a record of the previous year's closing balances.

It is advisable to leave the three check boxes for Search (Item List, Customer List and Supplier List) unchecked. Checking these boxes will change the way these lists behave. While the number of entries in these lists is low, a drop down list behaviour is more practical. If you turn on the search facility (a check mark in the box), you can get all the items by pressing a space in the item list and then a * character, then Tab or Enter. You can also press the first characters that match your required entry.

It is possible to have Clever Accounting perform Automatic Price Calculation from Standard Cost. This can be achieved by entering a percentage in the box next to **Add Price from Std Cost.** Also check that the box near to **Base for auto price calculations** is checked. For example, let's say that you decide to have a mark-up of 20%, then the number 20 is placed in the Add Price from Std Cost. All items that are placed in stock will have their selling price calculated at 20% above the Standard Cost of the same items.
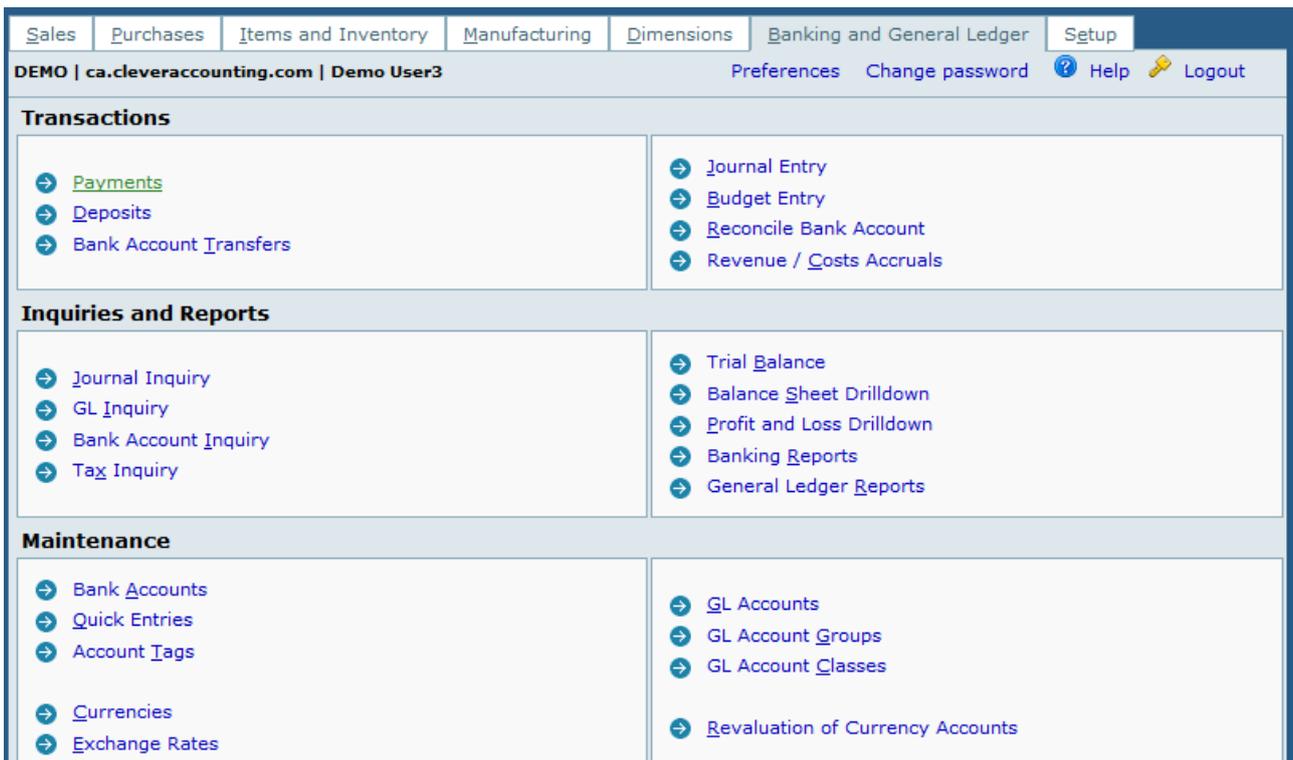
Banking and General Ledger

Figure 6: The Banking and General Ledger Screen

The important sub-screens to visit in this section are:

1. Currencies

2. Bank Accounts

Currencies

Figure 7: Currencies Screen

Confirm that the currencies you will be dealing with are included in this list. The default currency or home currency is the one highlighted in red. In figure 7 the home currency is the Euro.

To change the default currency, you must re-visit the Company Setup screen in the Setup section.

Bank Accounts

Figure 8: Bank Accounts Screen

The default setting for bank accounts is as shown in figure 8. More bank accounts can be added. However, before adding bank accounts here, a General Ledger account for each additional bank entry has to be added (see Adding Bank Entry in General Ledger below).

The bank account marked as **Default currency account** will be included on invoices. This account will also have a **Yes** in the column named **Dflt** in the list of bank accounts. In figure 8, the Savings Account is marked as the default account and therefore be included on every invoice.
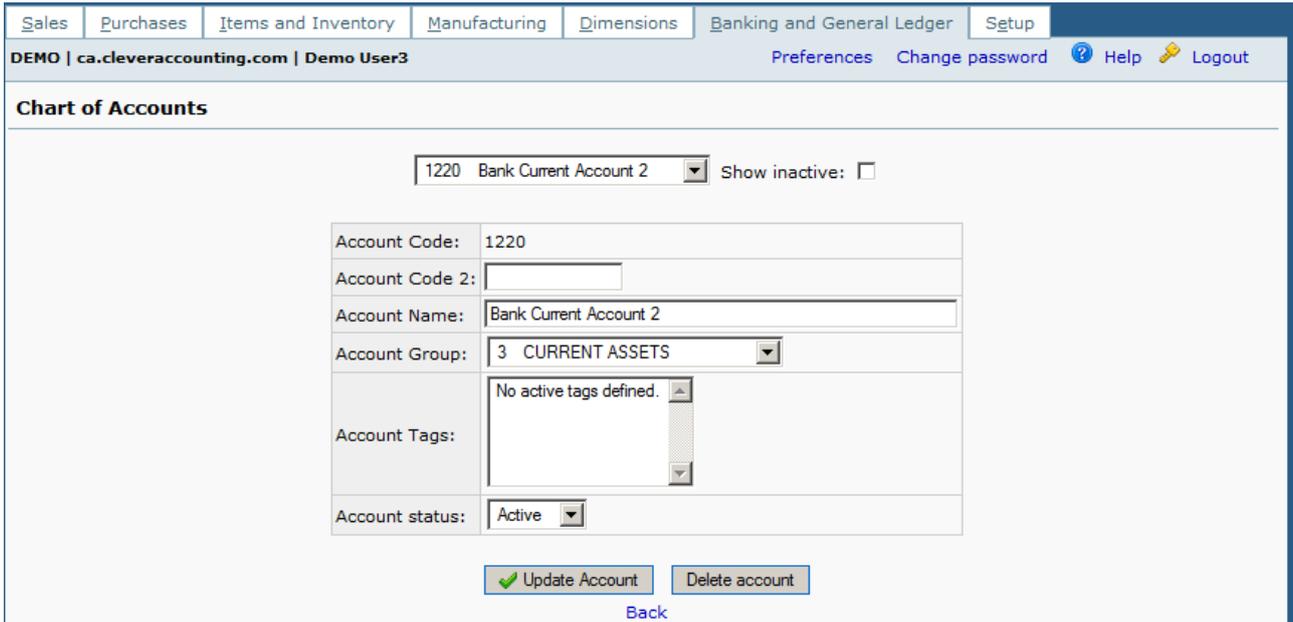
Adding Bank Entry in General Ledger

Figure 9: Adding a Bank Account Ref in Chart of Accounts

If your business has more bank accounts than the default two, you have to add an account in the Chart of Accounts screen for each additional Bank Account you have. The above figure shows an entry in the Chart of Accounts for an additional Bank Account. The Account Tags entry acts like a keyword to help you find the account quickly during searches.

Afterwards, when entering the accounts in the Bank Accounts screen, point the **Bank Account GL Code** to the account created here.

Items and Inventory

Figure 10: Items and Inventory Screen

The Items and Inventory Screen provides links to many functions dealing with this area of business. Items must be entered before any purchasing or sales are undertaken.
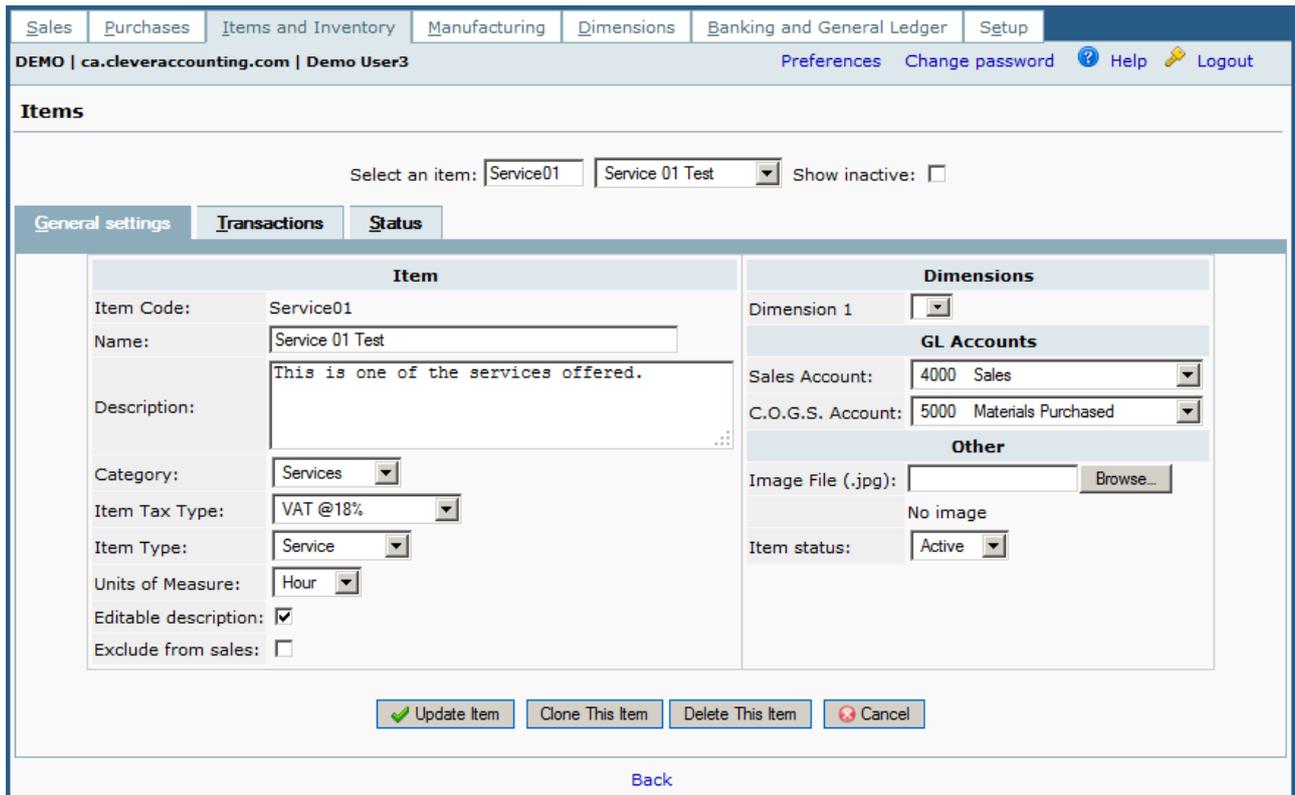
Creating Items

Figure 11: Items Screen

Items are the things you buy and sell in your business. Items are associated with an Item Type which can be one of three values: Manufactured, Purchased or Service. If you nominate an item type as 'Manufactured' or 'Purchased' you can manage stock control and inventory through the Manufacturing menu. 'Service' items are not inventory controlled.

Items are associated with an Item Category, Item Tax Type, Item Type, and Units of Measure. Please see the table below in order to see where to go to define each of these fields:

Field	Section	Screen
Item Category	Items and Inventory	Item Categories
Item Tax Type	Setup	Item Tax Types
Item Type	Fixed by System	
Units of Measure	Items and Inventory	Units of Measure

The difference between an Item Category and an Item Type is that whereas the former is set by the user, the latter is fixed by the system. You can create your own **Item Categories** which define tax types, ledger accounts and units of measure for the item. Items marked as SERVICE do not update

the inventory. The **Item Type** has three possible settings: Service; Purchased and Manufactured. The inventory is not managed for Service items.

If you purchase items for immediate resale (i.e. you do not buy in bulk and leave items in stock) then you should create an item in the category of a Service. The Service category is the only category that does not require items in stock.

Make sure to mark the **Editable description** so that when the item is used in Purchasing or Selling, the description of the item can be changed to the actual item being bought or sold.
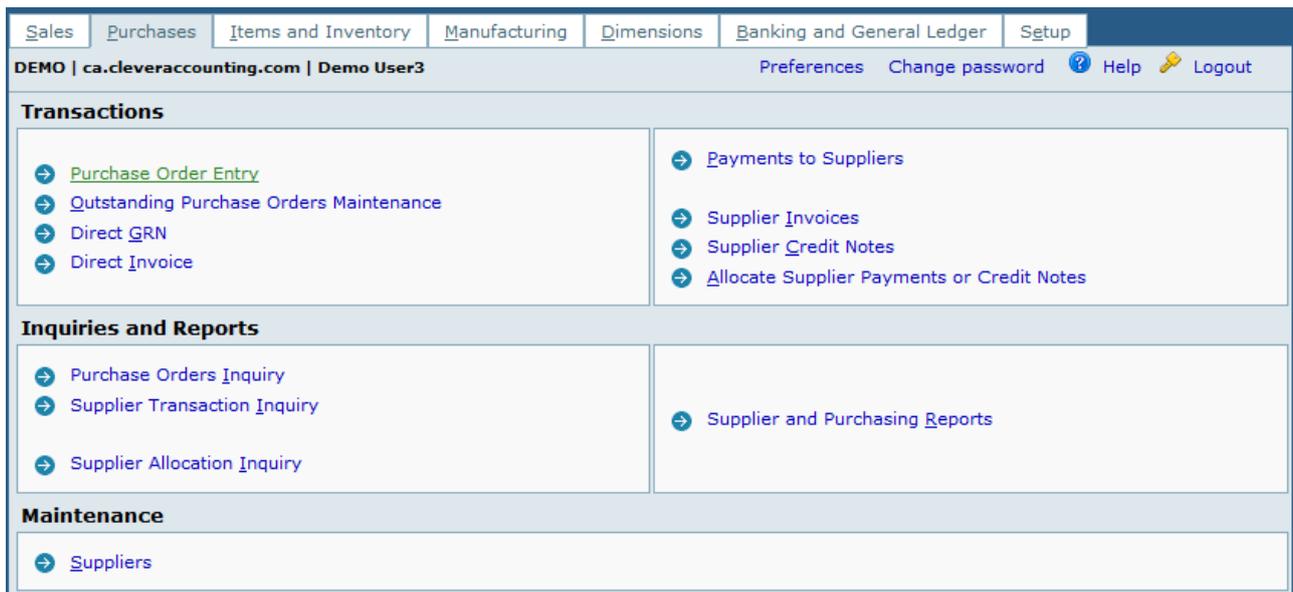
Purchases

Figure 12: Purchases Screen

Select the Suppliers link to add suppliers.

Add and Manage Suppliers

Figure 13: Suppliers Screen

Before entering purchases, supplier details must exist. Use the above form to enter the required details of all the suppliers you wish to make purchases from.
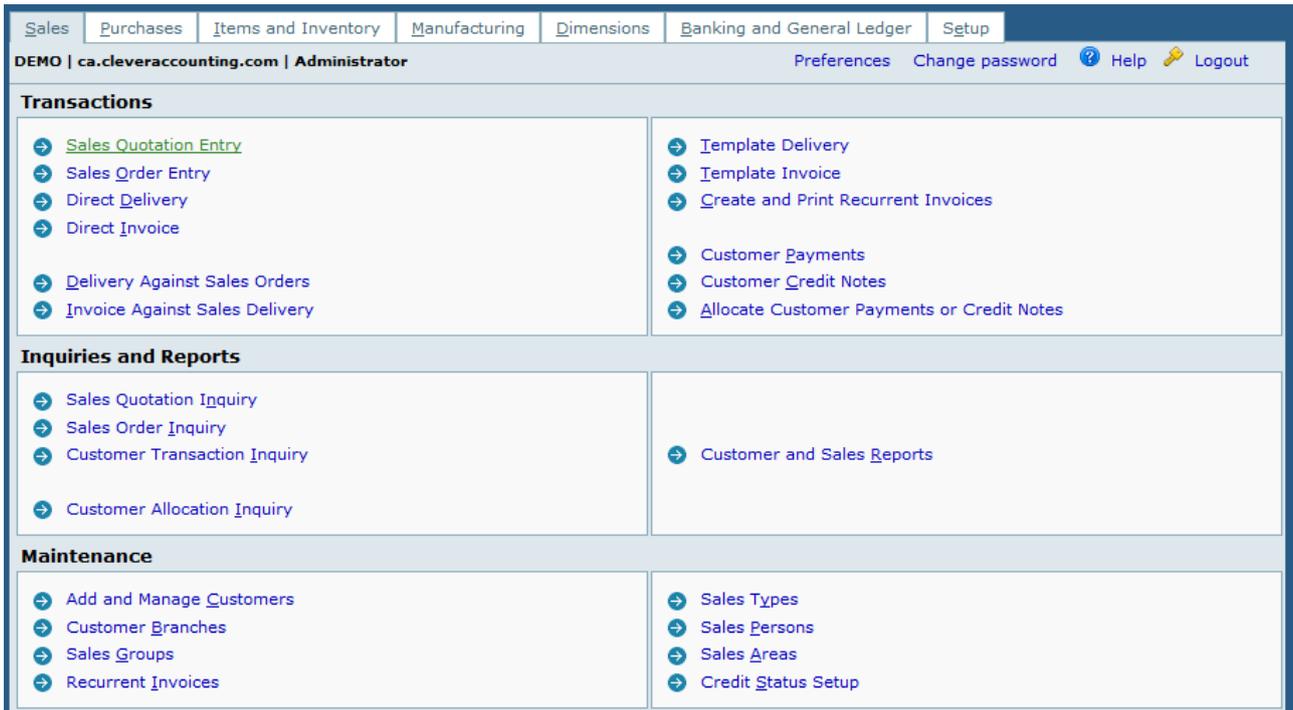
Sales

Figure 14: The Sales Screen

The Sales screen will probably be one of the most visited screens on a day to day basis. Customer information is required before any actual sales to a particular client are undertaken. The **Add and Manage Customers** link leads to the screen that enables the capturing of the details into Clever Accounting.

Add and Manage Customers

Figure 15: The Customer Details Screen

Capturing Customer details correctly and completely is important as invoices will be issued to according to details entered on this and sub-screens. In order to issue a proper fiscal receipt, the VAT number (**GSTNo**) has to be entered.

If you intend to send Customer Statements by email, make sure that you put an email on the customer in the Contacts Tab (and not only the branch).
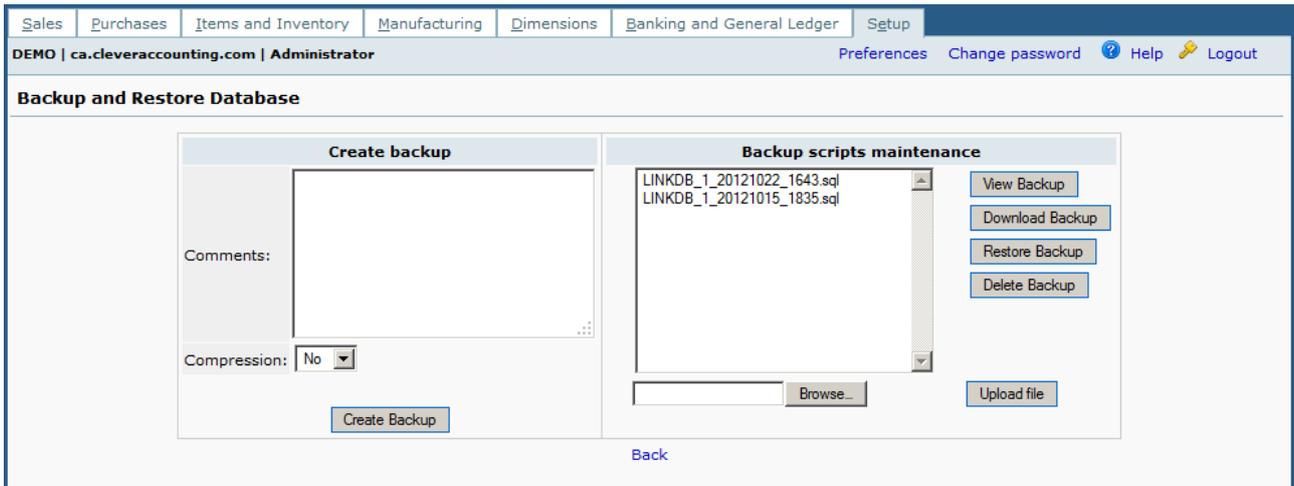
Backup

Figure 16: The Backup Screen

The importance of backups can never be stressed enough. It is true that Clever Accounting will be keeping regular backups for your data, however, data will not be kept indefinitely. You should always use the **Create Backup** and the **Download Backup** button to download it to your computer on a regular basis.

Setting Opening Balances for the first time

When starting to use Clever Accounting for a business that has previous years of business, the opening balances for the current fiscal year would have to be set as the closing balances of the previous year. This is achieved as follows:

Create a fiscal year that is one year before the current fiscal year. For example, if you will start using Clever Accounting for the year 2013, create a fiscal year for 2012.

Make the previous year (2012 in our example) active by selecting it in the Company Setup screen found under the Setup tab.

It is here assumed that you have already entered information about your Suppliers, Clients and Items.

If you have pending Supplier Invoices/Credit Notes you should enter these unsettled records in Supplier, Supplier Invoices one by one.

Do the same for any unsettled Sales using the Direct Invoice found under the Sales tab.

Using the previous accounting system, issue a Balance Sheet report as at the end of the previous fiscal year. Check that the Accounts Receivable and the Accounts Payable amounts match the unsettled Sales and Purchases invoices.

Go into Journal Entry in Banking and General Ledger, select the last day of the previous fiscal year and enter the balances found in the Balance Sheet one by one. You should end up with a 0 difference because the debits and the credits should be equal on your Balance Sheet. Save the Journal Entry.

Finally create two reverse General Ledger entries one for the totals of unsettled Sales and the other for the total of unsettled purchases.

This will bring the data in Clever Accounting updated to the end of the last fiscal year.

Go back to the Company Setup Screen and change it to the current fiscal year.

It is a good idea to take a backup right now.

You can now start entering data for the current year.

Invoicing Clients

The easiest way to create an Invoice is to use the Direct Sales Invoice. This generates an invoice without the need of creating a Sales Order.

Figure 17- Direct Sales Invoice

The layout of the Direct Sales Invoice makes it easy to follow the process required for a successful invoice. The top part of the display is dedicated to selecting the client, choosing the payment terms, setting the date for the invoice, and setting (or accepting) the Invoice reference. It should be noted that near the client selection, one can find the current credit to the client and the discount given on a normal basis.

The second part is the Sales Invoice Items. Each item is entered on a different line. Quantity, Units of Measure, Price and Discount entries are included on each entry. The Shipping Charge, Sub-total, taxes and final amount are shown as well.

In the third and final section, one can find the Delivery Details. Here too the entries are self-explanatory.

As soon as the invoice is accepted by clicking on Place Invoice, the screen changes and options as in figure 18 are provide.
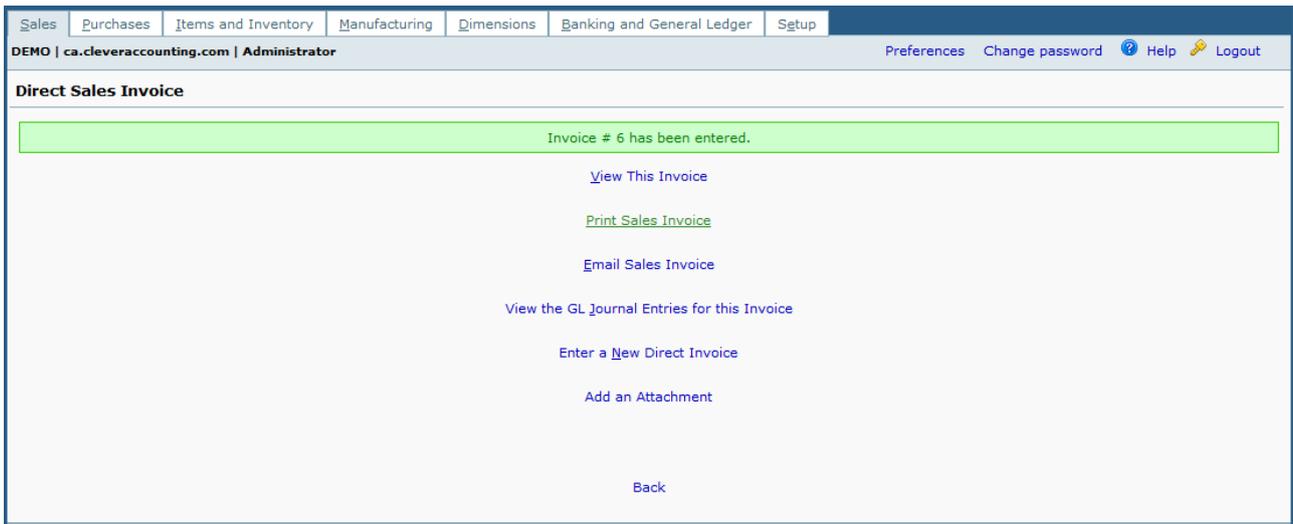
Figure 18- Accepted Invoice Choices

These options allow for the Printing of the Invoice; Email the Invoice directly to the client and other related choices.

Supplier Invoice

Figure 19 - Direct Invoice (Purchases)

The Direct Purchase Invoice screen is divided into three sections. The top section allows for the entry of Supplier; Date; Reference No; Supplier's Reference No; Due Date and the Delivery Address.

The second section deals about the items ordered. One choses the item from the dropdown list, enters the quantity and the unit price and Adds the item.

The third section contains a memo that may help with order information in the future.

When the Process Invoice is clicked, some choices, including the viewing of the invoice are provided. See figure 20 below.

Figure 20 - Direct Purchase Invoice has been entered