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Completing those projects you promised yourself you would complete before the end of 2010 should be high on the list of most accountants toward the end of the year. Thanksgiving and Christmas seem to take over many companies in November and December, so accountants planning ahead should realize that October

is the last full month before the holiday season begins. New initiatives, which begin in early 2011, must be planned now to ensure that you and your company have a smooth year-end close. If you combine the impact of the holidays with the extra work due to the year-end closing process, after this month, many accountants

will have very little time to work on project implementations until February of 2011. In the event you've lost that list of things you promised yourself you would do, here are some ideas for consideration:

## **1. CLEANING UP PERPETUAL INVENTORY RECORDS**

Many organizations that have inventory on hand use a "periodic" inventory system, where they only know the correct quantities on hand for items on the day of the physical inventory count. Other companies know that their perpetual inventory records are not reliable, and instead of trying to maintain the records properly, they allow problems such as negative on-hand quantities to create errors in unit cost records. If your organization doesn't have an accurate, real-time inventory by item, you may be missing sales of products you have, and could be promising products to customers when you cannot deliver because you don't have them on hand. Peachtree supports all major inventory costing methods, including FIFO, LIFO, Average Cost, and specific identification, and also supports advanced features like serialized inventory tracking and automated

item reorder generation.

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process, saving time and increasing efficiency. Specialized manufacturing industry versions of business management applications like Sage Peachtree Quantum – Manufacturing Edition (which is bundled with the MISys manufacturing information system) can help companies better report, monitor and track production cycle activities.

### **3. CHANGING**

#### **PAYROLL SERVICE PROVIDERS**

Accountants frequently express frustration with payroll services at points during the year when they don't have the time to re-enter the year-to-date information needed to implement a new payroll service. Public accounting professionals who currently offer or who are considering offering payroll services in 2011 should be selling to new payroll customers now and adjusting their internal processes to accommodate any new payrolls to avoid "crisis" situations around the end of the year.

### **4. IMPLEMENTING A "CAFETERIA" (IRC §125) PLAN, A FLEXIBLE SPENDING PLAN, OR OTHER EMPLOYEE BENEFITS**

Companies may want to consider ways to reduce payroll and income tax liabilities for both the company and employees by providing the option to pay for insurance, child care and out-of-pocket healthcare costs on a pre-tax basis through arrangements

such as cafeteria plans and flexible spending accounts. Since many of these plans are required to report on a calendar year basis, there will be a surge of activity with most providers around the end of the year, and it may not be possible to get the assistance needed to effectively implement some of these plans if the process isn't started now.

## **5. UPDATING FIXED ASSET AND DEPRECIATION RECORDS**

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## **6. REVISING PAY PLANS FOR COMMISSIONED SALESPeOPLE**

Since many pay programs for commissioned salespersons are evaluated and revised annually, you may want to perform some proforma analysis for your executive team to use in evaluating the impact of any proposed changes in compensation plans. Business management applications can also be configured to track sales by sales representative (with some limitations). If automating this type of reporting plays a role in your 2011 pay plans, you may want to review the reporting options for your software and see if it will meet your needs for tracking sales.

## **7. ANALYZING AND RECONCILING OUTSTANDING BALANCES TO SUPPORTING DOCUMENTATION**

Although it's not the most exciting part of the job, you might spend some of your October reconciling the open items on your major vendor and customer accounts to the records of the other party. Almost every organization that sells products or purchases supplies on account has old items in their accounts payable and/or accounts receivable that need to be resolved. Fixing these problems could produce some income tax benefits for 2010, and might make you less stressed when auditors arrive.

## **8. REVIEW JOBS IN PROGRESS**

With the end of the year approaching, now is a good time to review the status of jobs that will be in progress at the end of the year, and begin to identify jobs which may have revenue and expense recognition issues at year end. It may be useful to review the activities to date and, where possible, make revisions to the estimated time and costs to complete open projects.

## **9. SPEEDING UP CUSTOMER COLLECTIONS**

With the recent disappointing economic news, many organizations are trying to reduce their need for working capital by re-evaluating customer credit limits,

updating payment terms, and taking credit card payments. New services such as

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## 10. TAKE TRAINING FOR YOUR SOFTWARE APPLICATIONS

Whether you are working around configuration errors in your accounting software, tracking items in databases and spreadsheets, or just spending too much time fixing errors, October is a great time to take some live or online training on your software applications. Training courses teach users to work more effectively and efficiently with existing applications, and can help you better understand your options for automating manual tracking and reporting processes. You may want to consider training courses from software publishers (like Anytime Learning for Sage Peachtree), professional organizations, independent providers like K2 Enterprises ([www.k2e.com](http://www.k2e.com)) or The Sleeter Group ([www.sleeter.com](http://www.sleeter.com)), or offerings from accounting firm leadership communities like RootWorks ([www.rootworks.com](http://www.rootworks.com)) or Boomer Consulting ([www.boomer.com](http://www.boomer.com)).

It's time to dust off that list of financial projects, roll up your sleeves and get to work on projects to simplify your work life in 2011. What are you doing today to make your work better, faster, easier, more efficient, and otherwise more fun in 2011?

One of the benefits of a reliable item-level inventory database is the automatic generation of purchase orders for replacement items based on factors such as minimum stock levels, quantity on hand, and sales order activity, as shown in this screen capture from Sage Peachtree Quantum.

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