

WinAccounts

Financial Accounting Software

User Manual

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Abbreviations

xxx a placeholder

References

[1] placeholder

Modifications

1.0	Feb. 12, 2003	first issue
1.1	March 04, 2003	new section on transitions

1. Introduction

1.1 Purpose

WinAccounts is a simple financial accounting software. It supports VAT calculations and the use of multiple currencies: CHF, EUR, USD.

Reading this manual and using WinAccounts requires a minimum of knowledge in financial accounting. This manual is not intended to teach you financial accounting, but how to use WinAccounts.

2. Installation

2.1 Install

To install WinAccounts, simply copy the `WinAccounts.exe` file to a directory on your hard drive. Typically `C:\Program Files\Accounts`. WinAccounts does not make any registry entries.

2.2 Uninstall

Delete the `WinAccounts.exe` file. Nothing else do be done.

3. Data Handling

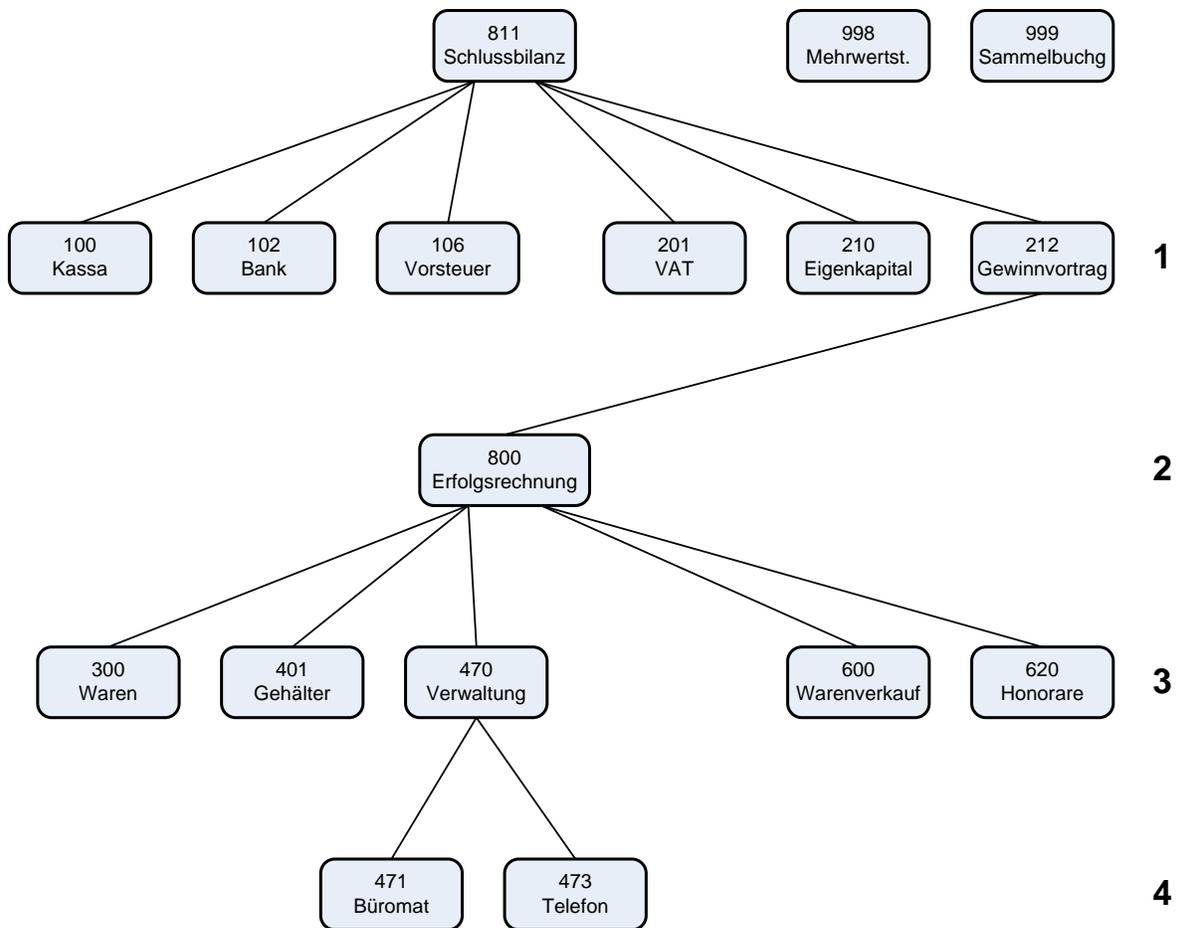
A single file holds all the data that is used for one accounting period and one accounting entity. The file name extension is .wac. The file holds the following information:

3.1 Configuration Data

This comprises all information that is specified in the Configuration menu and its submenus. Also, the state of the Calculate VAT check box as well as the current currency as set in the input line.

3.2 Accounts Structure

This comprises all information that is entered into the list of accounts. For every account, it includes account number, account name, parent account, level in hierarchy, possible VAT account and VAT percentage, and the denomination. A typical accounts structure may look like this:



The vertical structure specifies the hierarchy levels as used for balancing the accounts. Accounts that do have a parent account are arranged in levels. Levels are numbered starting with 1 for the highest level. Balancing starts at the bottom level, i.e. the highest numbered level, and proceeds up to the top until the main balance sheet is reached. The balance sheet has not parent account, so the balancing stops there.

Note that two accounts are outside that structure. Their only purpose is to make VAT calculations and multiple payments more transparent. If everything is OK, those accounts will be empty at the time of balance. If not so, there is some error somewhere in the records.

The list of accounts is accessed via the **View** -> **List of Accounts** menu item.

3.3 Accounts Data

The contents of the individual accounts are not stored. If an account is accessed for display or printout, then its contents are reconstructed by scanning the journal for all records that do involve the account of interest. This helps in ensuring data integrity, since no same data will be stored twice in different places.

3.4 Records

The journal records are the core of everything. Accounts themselves do not hold any record information. If an account's content are needed for any purpose, they are re-constructed by scanning the journal for all records that involve the account of interest. This avoids duplicate data storage and thus ensures data integrity.

Every record carries a reference number. You are absolutely free in choosing your numbering system, since WinAccounts uses another, invisible reference number for its own purposes. The visible reference numbers are just to provide an ordering criterion both for WinAccounts displays and for your connecting a record to some piece of paper. Reference numbers are limited to 5 alphanumerical characters. Reference numbers may be composed of any decimal digit and any letter character.

Sorting by reference number will behave as follows:

- Records with a lower number of characters in their reference will be sorted first.
- Letters rank higher than digits.

4. Currencies Handling

Every account has a defined currency denomination, and so does every record.

4.1 Single Currency

As long as all accounts and records use a single currency (the one that was set as the reference currency with a conversion factor of 1.0000 in the configuration), things are very simple. No need for any worry about currencies.

4.2 Multiple Currencies

When multiple currencies are used, things are a little different:

4.2.1 Records and Accounts Display

Records in the journal are always shown with the amount in the record's currency.

When a record is denominated in currency A and an account is denominated in currency B, and the account is displayed or used for print, then the record's amount will be shown in currency B, using the conversion factor as configured.

4.2.2 Moving Assets between Denominations

When moving assets between denominations, e.g. from a EUR bank account into a CHF bank account, it is helpful to go via an intermediate account:

Let us assume that the EUR bank account number is 1021, and the CHF bank account number is 1020, and the intermediate account number is 4221:

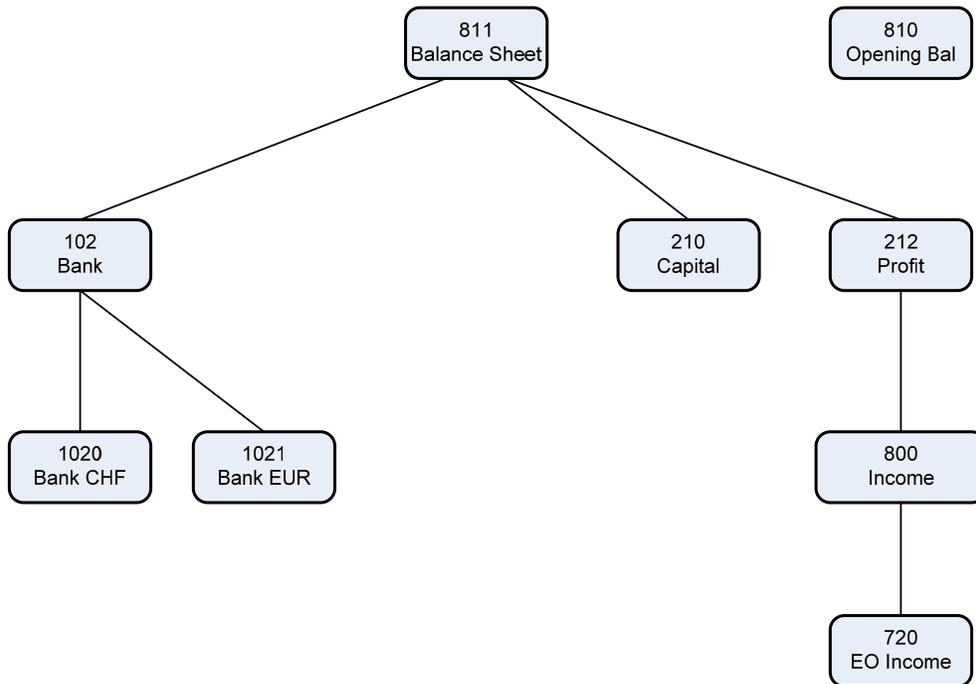
15.3.12	00000	EUR debit	4221	1021	400.00	EUR
15.3.12	00001	CHF credit	1020	4221	482.05	CHF

For the amounts, enter the exact numbers as indicated by the documents from your bank, denominated as shown. A possible difference caused by the exchange rate as used by the bank and the exchange rate as configured in WinAccounts will show up as a debit/credit in account 4221. The account 4221 would normally be denominated in the reference currency that is also used for the final balance sheet.

4.2.3 Modifying Conversion Factors

When you change the currency conversion factors in between the start of an accounting period and the end of the accounting period, then there will be some capital gain or loss, depending on the direction of change of the exchange rate for assets and/or liabilities that are not denominated in the reference currency. Make sure that you prepare records for recording these gains or losses.

Let us look at the following example:



At the beginning of the accounting period, we do have a CHF/EUR exchange rate of 1.2000, and we do get the following records when starting the period:

1.	1.13	00001	Opening Bank	102	810	220.00	CHF
1.	1.13	00002	Opening Bank CHF	1020	102	100.00	CHF
1.	1.13	00003	Opening Bank EUR	1021	102	100.00	EUR
1.	1.13	00004	Opening Capital	810	210	220.00	CHF

When we balance the accounts on Dec. 31.2013 after changing the CHF/EUR exchange rate to 1.2500, we do get:

31.12.13	zz001	Bank CHF	102	1021	100.00	CHF
----------	-------	----------	-----	------	--------	-----

31.12.13	zz002	Bank EUR	102	1021	100.00	EUR
31.12.13	zz003	Bank	811	102	225.00	CHF
31.12.13	zz004	Capital	210	811	220.00	CHF

Now, this is clearly no good: the balance sheet assets and liabilities sums are not equal! To understand what happened, have a look at the account # 102:

Date	Ref.	Text	↔	Credit	Debit	
1. 1.13	00001	Opening Bank	810	220.00		CHF
1. 1.13	00002	Opening Bank CHF	1020		100.00	CHF
1. 1.13	00003	Opening Bank EUR	1021		125.00	CHF
31.12.13	zz001	Bank CHF	102	100.00		CHF
31.12.13	zz002	Bank EUR	102	125.00		CHF
31.12.13	zz003	Bank	811		225.00	CHF
Debit/Credit sums				425.00	450.00	

So the bank assets have changed from 220.00 to 225.00, but the liabilities have not changed!

This must be fixed by an extraordinary income record, e.g.

31.12.13	00999	Exchange rate gain	102	720	5.00	CHF
----------	-------	--------------------	-----	-----	------	-----

Now, the account # 102 will be balanced again, and the liabilities sum of the balance sheet will increase by 5.00 since we do have an income. The balance sheet now becomes

Date	Ref.	Text	↔	Credit	Debit	
31.12.13	zz004	Bank	102	225.00		CHF
31.12.13	zz005	Capital	210		220.00	CHF
31.12.13	zz006	Profit	212		5.00	CHF
Debit/Credit sums				225.00	225.00	

This makes the balance sheet to balance properly again.

5. VAT Handling

In the list of accounts, you can specify if VAT is to be applied to the records for that specific account, and you can also define the VAT percentage to be applied. So, when designing your list of accounts, it does make sense to group income and expense accounts in accordance with the VAT percentages to be applied.

If you need to record an expense that does not include VAT (i.e. the expense is not entitled to VAT deduction) but should be debited to an account that is subject to VAT, then you can disable VAT calculation for that one record by unchecking **Calculate VAT** before clicking **Enter**. Do not forget to re-check **Calculate VAT** after the entry has been transferred to the journal.

5.1 VAT on Expenses

When you record an expense to an account that is subject to VAT, your entry on the input line results in three records in the journal, e.g.

31.12.13	00008	telephone bill	473	100	108.00	CHF
----------	-------	----------------	-----	-----	--------	-----

will be expanded into

31.12.13	00008	telephone bill	998	100	108.00	CHF
31.12.13	00008	telephone bill	473	998	100.00	CHF
31.12.13	00008	telephone bill	106	998	8.00	CHF

So the gross amount of the expense is split between accounts # 473 (the actual cost to you) and # 106 (the amount that you may claim from the tax authority). The balance on the intermediate VAT account # 998 should always be 0.00.

5.2 VAT on Income

When you record an income to an account that is subject to VAT, then your entry on the input line results in three records in the journal, e.g.

31.12.13	00008	invoice	1020	620	108.00	CHF
----------	-------	---------	------	-----	--------	-----

will be expanded into

31.12.13	00008	invoice	1020	998	108.00	CHF
31.12.13	00008	invoice	998	620	100.00	CHF
31.12.13	00008	invoice	998	201	8.00	CHF

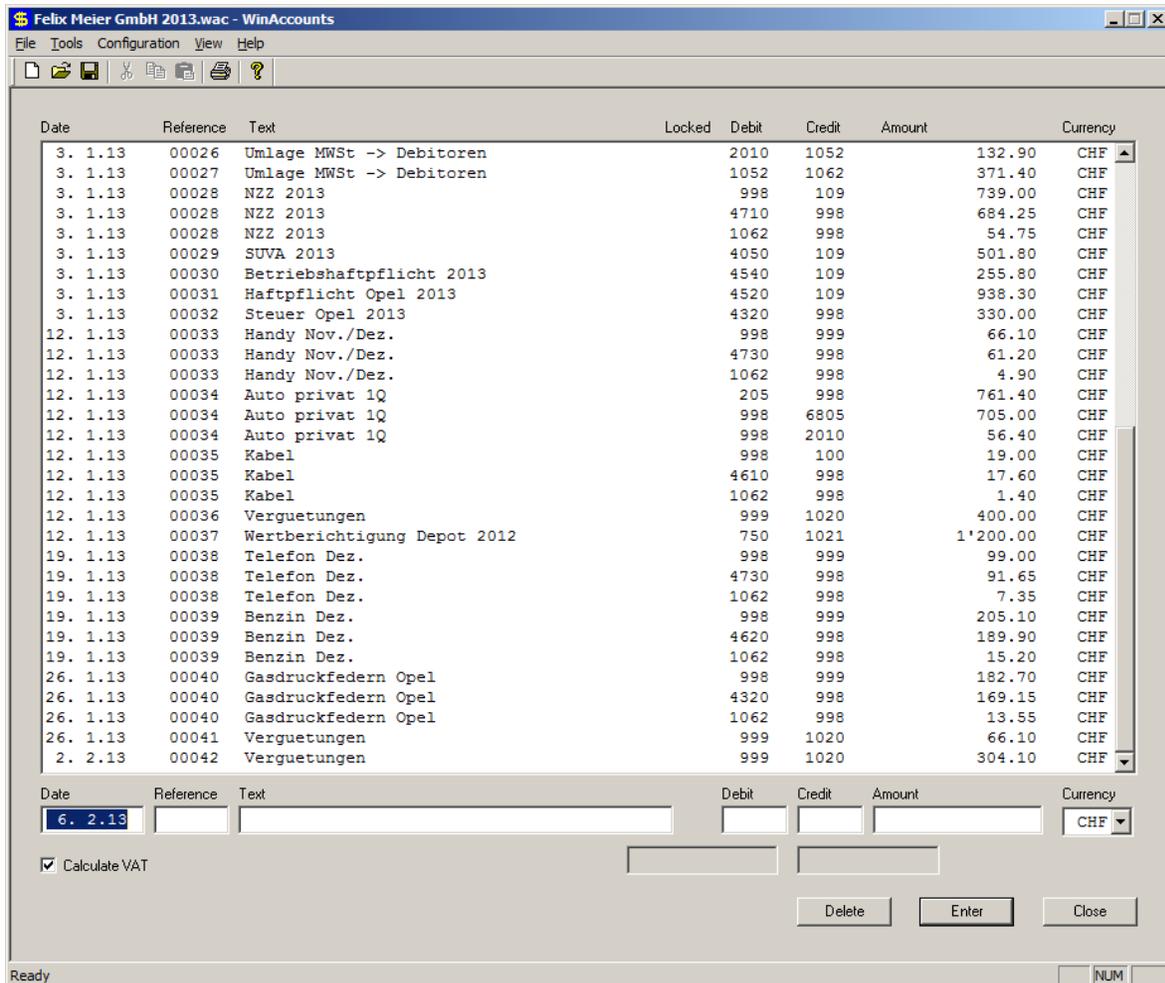
So the gross amount of the income is split between accounts # 620 (the actual income to you) and # 201 (the amount that you owe to the tax authority). The balance on the intermediate VAT account # 998 should always be 0.00.

6. Print Output

There are no facilities for fancy decorations in print output. Print output will be in a single fixed pitch font.

If you do need fancy output for the income statement or for the balance sheet, you are invited to use your standard word processor. This will most probably be needed at most once per year.

7. Program Use



The program window is divided into several areas:

Records Window

The records window shows about 20 records at the time. It can be scrolled arbitrarily. Below the records window, there is a

Input Line

with fields for **Date**, **Reference**, **Text**, **Debit** and **Credit** accounts, the **Amount** and the **Currency**.

A check box at the lower left is for disabling **VAT** calculation for a particular record entry even when VAT is generally enabled by the respective entries in the list of accounts.

Two fields below the debit and credit account numbers will show the current balance of the respective accounts.

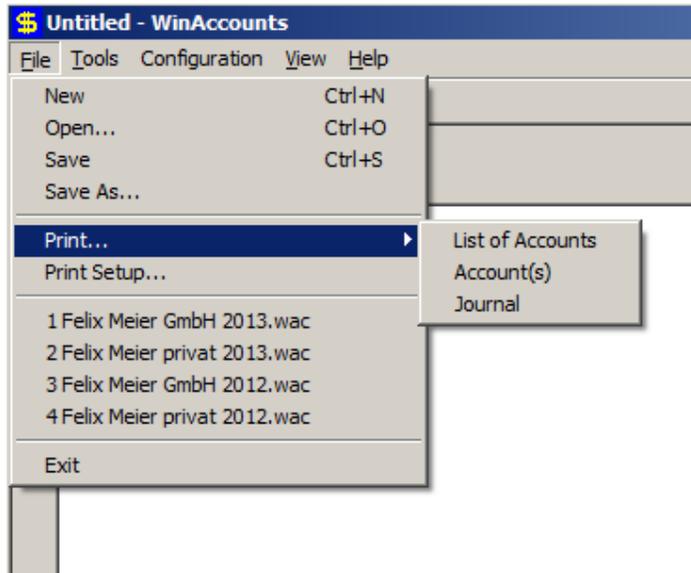
The **Delete** button will delete a selected record from the records window.

The **Enter** button will transfer the contents of the input line to the list of records.

The **Close** button is for exiting WinAccounts.

7.1 The File Menu

The File menu provides the standard options:

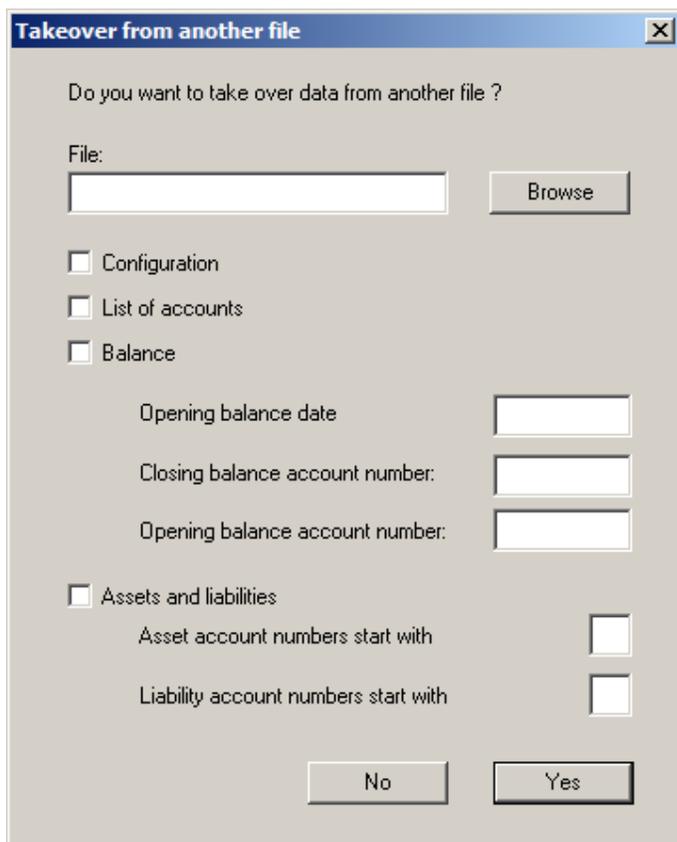


7.1.1 File New

This opens a dialog for initializing a new accounting entity. There are two options:

No will close the dialog again and start a blank accounting.

Yes will use all the information that was gathered in the dialog for taking over the data from another (usually last year's accounting for the same entity) accounting:



Takeover from another file

Do you want to take over data from another file ?

File:

Configuration

List of accounts

Balance

Opening balance date:

Closing balance account number:

Opening balance account number:

Assets and liabilities

Asset account numbers start with:

Liability account numbers start with:

WinAccounts needs some information for proper takeover:

The file to be used as a data source must be specified. This must be a `.wac` file that contains a balanced accounting.

Three check boxes are for defining the items to be taken over from the file.

In order to properly open a new accounting period, the opening balance date is needed.

The closing balance account number tells WinAccounts what account from the other file to interpret as a closing balance (the balance sheet).

The opening balance account number will be used for opening the new accounting.

Assets and liabilities can be expanded automatically down to the lowest level of accounts when opening the new accounting. But in order to identify the respective accounts, WinAccounts needs to know about asset and liability account numbers.

7.1.2 File Open

File Open is the standard command for opening an existing file.

7.1.3 File Save

This will save to the current file.

7.1.4 File Save As

This allows for the specification of a new file name for the data to be saved.

7.1.5 File Print

Provides 3 sub-commands:

7.1.5.1 File Print List of Accounts

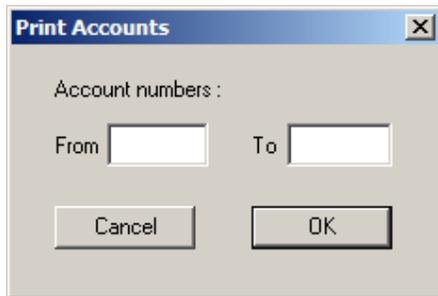
Will print the list of accounts with all account configuration data.

7.1.5.2 File Print Journal

Will print the entire journal.

7.1.5.3 File Print Accounts

Opens a new dialog where you can specify the range of accounts to be printed by numbers:

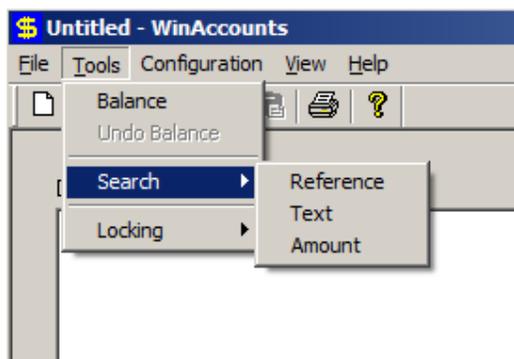


For printing a single account, insert the same number into the **From** and **To** boxes.

7.1.6 File Print Setup

Provides the standard Windows printer setup dialog.

7.2 The Tools Menu



7.2.1 Tools Balance

This triggers the balancing of the entire accounting. Accounts will be balanced according to the hierarchy as specified in the list of accounts. The highest level accounts will be balanced first, and the balance will be debited/credited to the parent account at the next lower level. Then the next lower level accounts will be balanced and so on until the lowest level (1) has been done, where balances are debited/credited to the final balance sheet which has no parent account.

Balancing accounts takes fractions of a second and can be undone again at any time. So you may do it once in a while during the accounting period just to make sure that no error has crept into your record keeping.

Records resulting from this balancing action will have references that start with `zz`, so they will be sorted into the end of the records list (as long as sorting by reference has been selected in the configuration).

The balance of the final balance sheet may not be exactly 0.00 if you are working with multiple currencies due to some rounding. In that particular case, create a separate account for fixing up the balance sheet, e.g. 997. That account must not be part of the balancing hierarchy, i.e. it must not have a parent account. You can then fix up the balance sheet by means of a record such as

```
31.12.13 00500      balance sheet fixup          991      811      0.01      CHF
```

Note that in order to fix the balance sheet up, you must first undo a possible balancing, then enter the fixup record, and then re-balance everything.

As long as the records have been balanced, some other operations like modifications of the currency ratios will be prohibited.

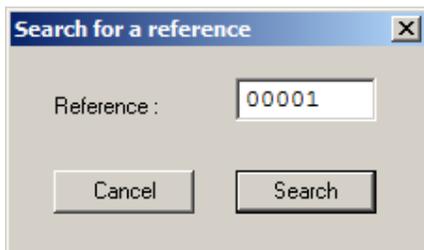
7.2.2 Tools Undo Balance

The balancing can be undone at any time by this command.

7.2.3 Tools Search

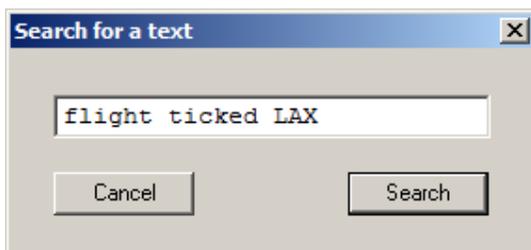
You may search using three different criteria:

7.2.3.1 Tools Search Reference



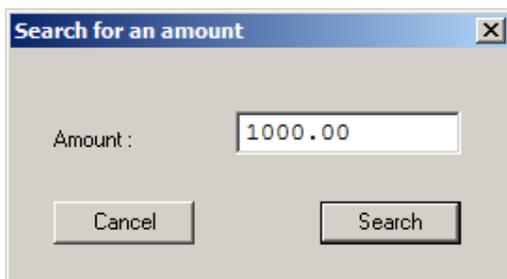
will search for records with the given reference.

7.2.3.2 Tools Search Text



will search for records with the given text.

7.2.3.3 Tools Search Amount



will search for records with the given amount.

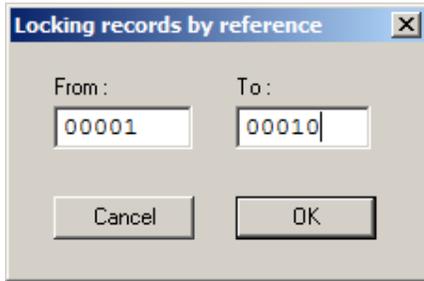
7.2.4 Tools Locking

Locked records cannot be modified any more.

Individual records can be locked / unlocked by right clicking on them in the records window and then selecting from the floating menu.

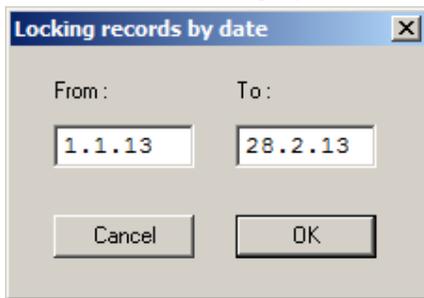
There are two menu options for locking records:

7.2.4.1 Tools Locking By Reference



will lock the range of records given by From/To.

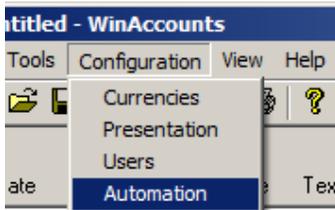
7.2.4.2 Tools Locking By Date



will lock the range of records given by From/To.

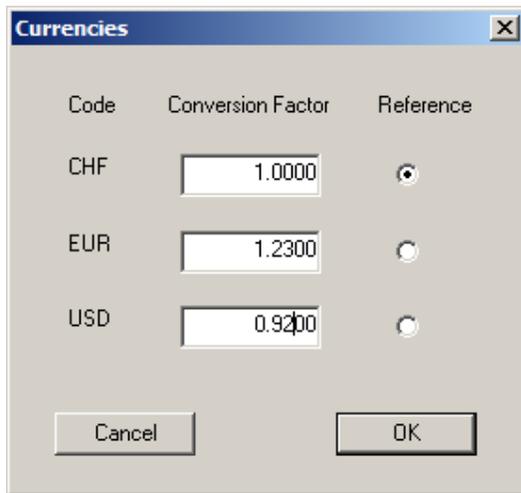
7.3 The Configuration Menu

There are four configuration items:



7.3.1 Currencies

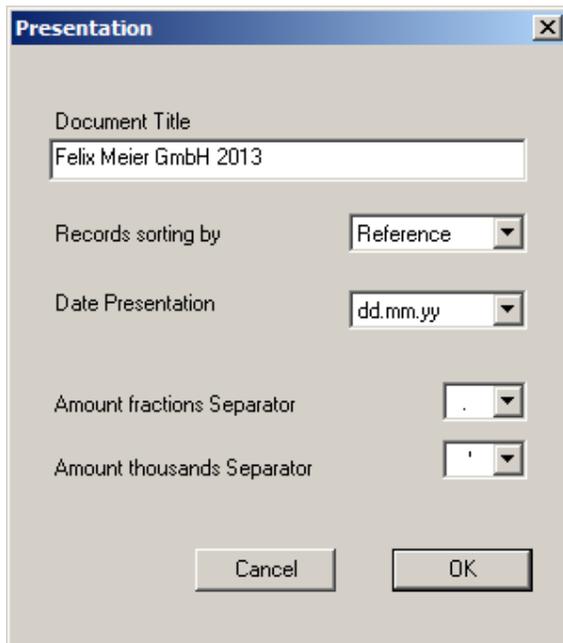
In the currencies dialog, you can specify a reference currency (this would be the one that you use for most accounts and in particular for the income statement and for the balance sheets). The conversion rate to the other two currencies is also specified here.



If you use a single currency only, just set the reference. The conversion factor for the reference currency is always set to be 1.0000.

7.3.2 Presentation

The presentation dialog lets you specify some items that are important to the display or printout of information:



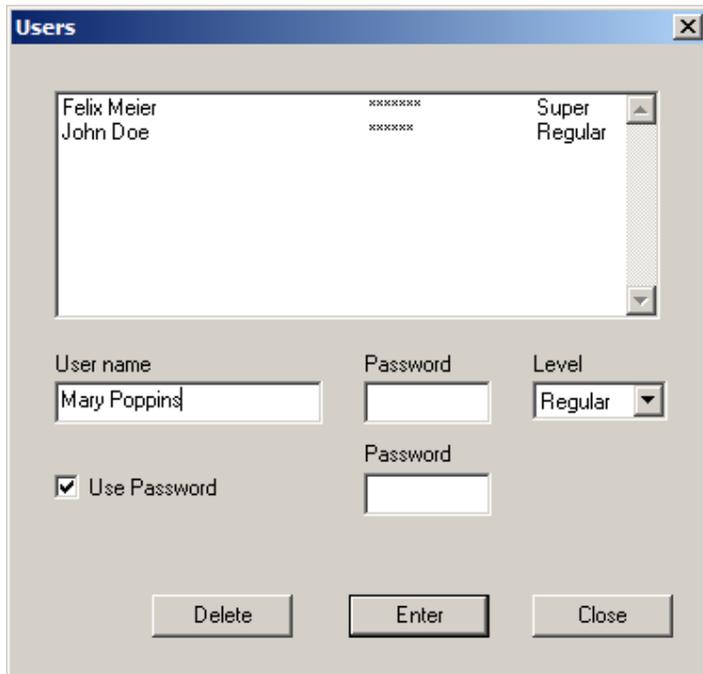
7.3.3 Users

The users dialog lets you specify multiple users and their privileges.

If you do not specify any users, the accounting will be open to everybody, and everybody may change any entries.

There are two user levels: Super and Regular. Super users can do everything, e.g. add/remove other users. If you do specify users, you must specify at least one Super user. If you do specify users, every record will hold information about which user created it.

If you do check the Use Password box, then you will have to enter passwords for every user.

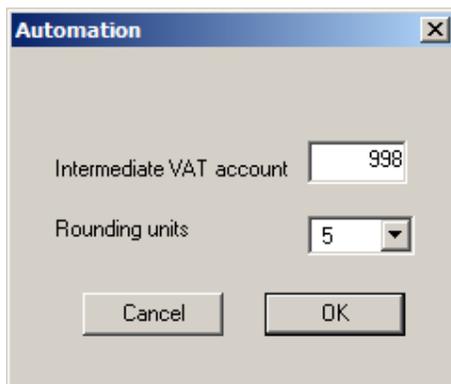


The 'Users' dialog box contains a list of users with their names, masked passwords, and levels. Below the list are input fields for 'User name', 'Password', and 'Level'. A 'Use Password' checkbox is checked, and there is another 'Password' field. At the bottom are 'Delete', 'Enter', and 'Close' buttons.

7.3.4 Automation

In the automation dialog, you can specify an intermediate account for VAT calculation. This account must always balance to 0.00 if everything was done correctly. You must also specify an account with the same number in the list of accounts, and the account must not have a parent account.

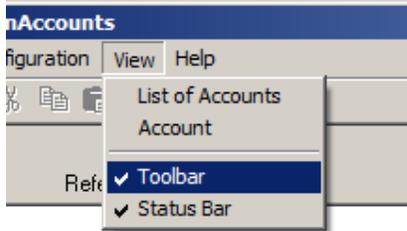
Rounding can be specified for either 5 hundredths of 1 hundredth of the currency units.



The 'Automation' dialog box has two input fields: 'Intermediate VAT account' with the value 998, and 'Rounding units' with the value 5. At the bottom are 'Cancel' and 'OK' buttons.

7.4 The View Menu

The View menu gives access to the list of accounts and to individual accounts.



7.4.1 List of Accounts

This menu item opens a dialog with the list of accounts:

The screenshot shows a dialog box titled "Accounts" with a list of accounts and a form for editing a selected account. The list of accounts is as follows:

Number	Account Name	----->	Level	VAT	VAT %	Currency
100	Kassa	811	1			CHF
102	Bank	811	1			CHF
1020	Bank CHF	102	2			CHF
1021	Bank EUR	102	2			EUR
106	Vorsteuer	811	1			CHF
201	Mehrwertsteuer	811	1			CHF
210	Eigenkapital	811	1			CHF
212	Gewinnvortrag	811	1			CHF
300	Waren	800	3	106	8.00	CHF
401	Gehaelter	800	3			CHF
470	Verwaltung	800	3			CHF
471	Bueromaterial	470	4	106	8.00	CHF
473	Telefon	470	4	106	8.00	CHF
600	Warenverkauf	800	3	201	8.00	CHF
620	Honorare	800	3	201	8.00	CHF
720	Extraordinary Gain	800	3			CHF
800	Erfolgsrechnung	212	2			CHF
810	Eroeffnungsbilanz					CHF
811	Schlussbilanz					CHF
998	Mehrwertsteuer					CHF
999	Sammelbuchungen					CHF

Below the list, there is a form for editing a selected account. The form fields are:

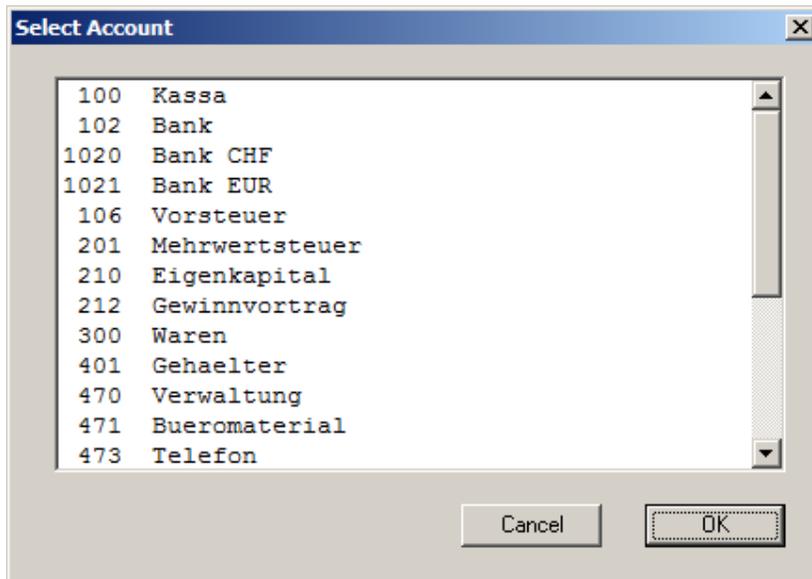
Number	Account Name	----->	Level	VAT	VAT %	Currency
474	Drucksachen	470	4	106	8	CHF

At the bottom of the dialog, there are three buttons: "Delete", "Enter", and "Close".

In this dialog, you may

- add more accounts
- edit existing account properties
- remove accounts (if and only if not referenced by another account or by an existing record)

7.4.2 Account



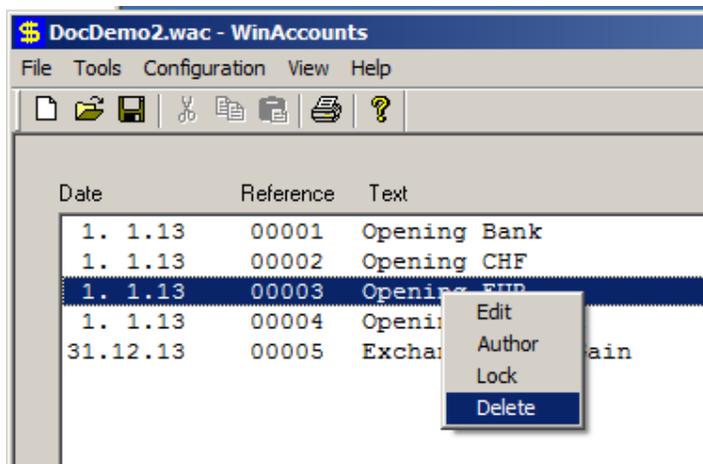
Here you can select the display of an individual account, either by double clicking it or by selecting it and then clicking OK.

7.5 Help

Help is currently not implemented.

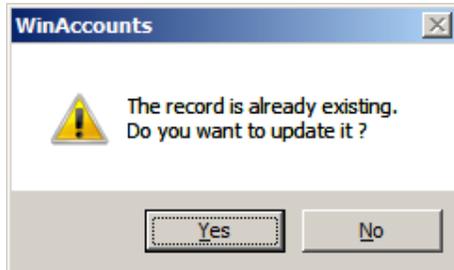
7.6 The Floating Menu

A right click on an entry in the records window opens a floating menu:



7.6.1 Edit

Selecting Edit copies the selected record to the input line for modification. The same can be achieved by just double clicking a record. When a record has been modified, clicking Enter will cause the following dialog to appear:

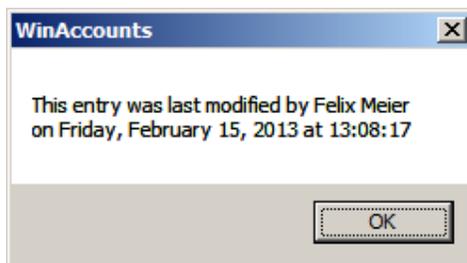


And so you get a chance to discard the modification.

Note that records that have been locked can not be edited any more.

7.6.2 Author

Selecting Author will show the date and time of last modification and the author of the last modification to the selected record:



7.6.3 Lock

Selecting Lock will require you to confirm your intention:

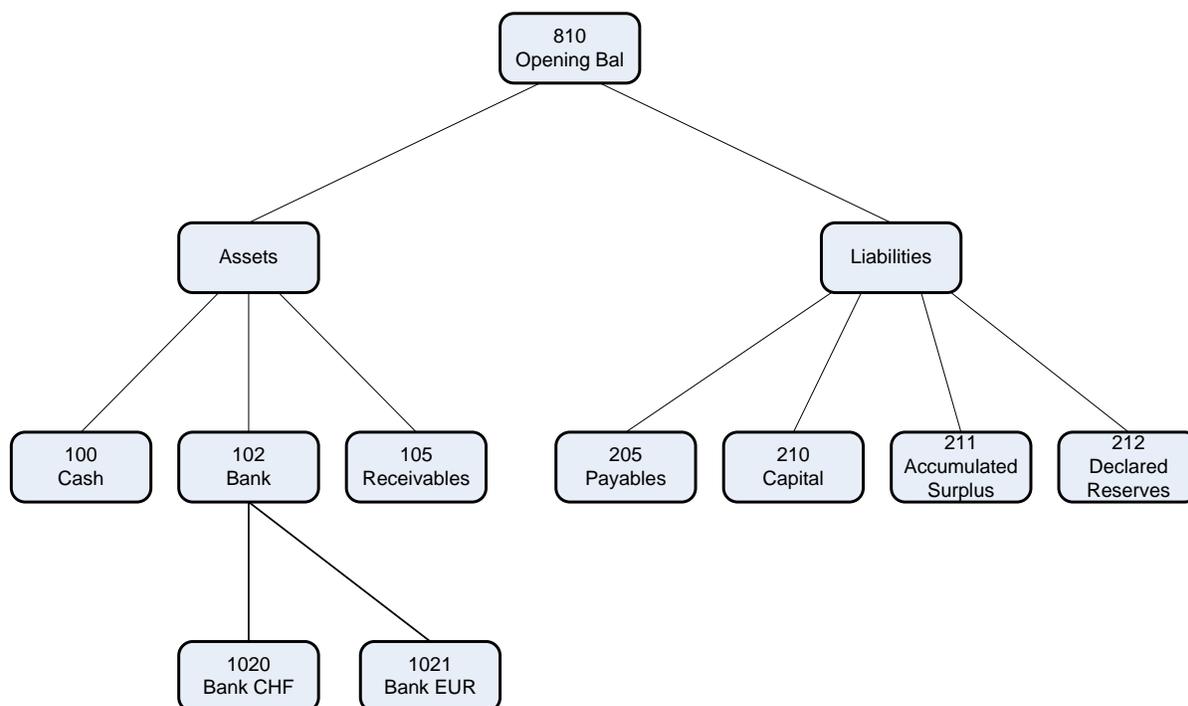


7.6.4 Delete

Selecting Delete deletes the selected record. To delete a record, you may also select it and then hit the Delete key on your keyboard.

8. Transitions

For a compact example for the handling of transitions, we start from the following structure of assets and liabilities:



8.1 New Accounting

When a new accounting is started, and there is no closing balance sheet from a previous accounting period, then the journal entries must be edited manually and will be the following:

Date	Text	Credit	Debit	Amount	
1.1.2013	Opening Cash	100	810	100.00	CHF
1.1.2013	Opening Bank	102	810	500.00	CHF
1.1.2013	Opening CHF	1020	102	200.00	CHF
1.1.2013	Opening EUR	1021	102	260.00	EUR
1.1.2013	Opening Receivables	105	810	600.00	CHF
1.1.2013	Opening Payables	810	205	100.00	CHF
1.1.2013	Opening Capital	810	205	800.00	CHF
1.1.2013	Opening Accumulated Surplus	810	211	200.00	CHF
1.1.2013	Opening Declared Reserves	810	212	100.00	CHF

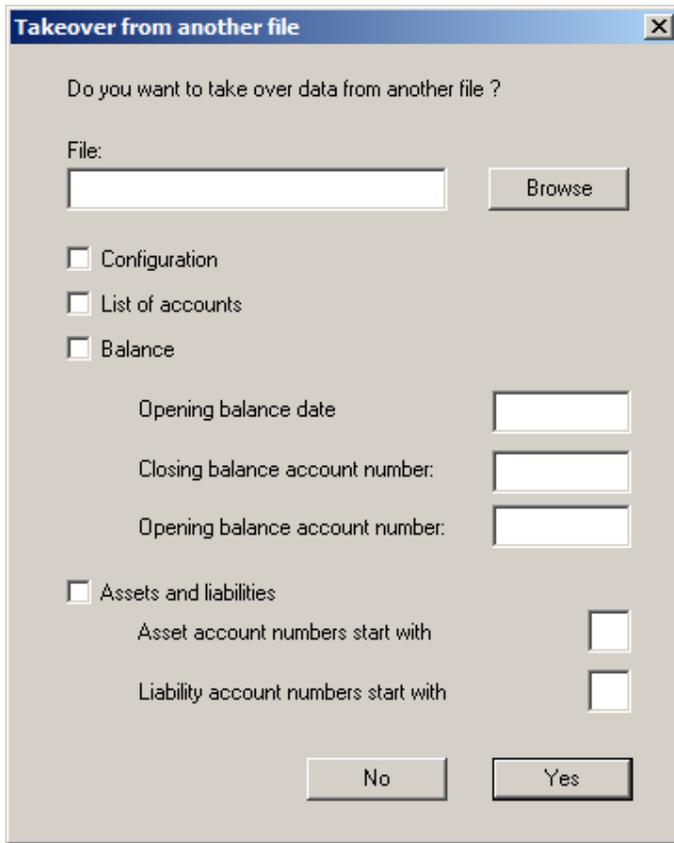
Note that the opening of the EUR account must be declared in EUR, and that the sum of the EUR account contents in CHF as calculated by the configured exchange rate and the CHF account must be equal to the contents of the total bank account.

8.2 Takeover from Last Accounting Period

When taking over from a preceding accounting period, we have a slightly different situation: the opening balance sheet of the new accounting period is the same as the closing balance sheet of the preceding period. Also, the contents of all assets and liabilities accounts down to the lowest level in hierarchy must match the contents of the same accounts at the time of closing the preceding period. This may involve quite some manual work. To avoid this, WinAccounts can take care of the takeover for you:

After closing the preceding accounting period, save the file.

From the menu, select `File->New`. The takeover dialog will be opened:



Now browse to the file from the preceding accounting period.

Set the check boxes for the items that you want to take over from the preceding accounting period.

If you want to take over the balance, then specify the opening balance date, the account number for the closing balance sheet of the preceding accounting period, and the account number for the opening balance sheet of the new accounting period.

If you want WinAccounts to resolve the opening balance sheet down to the lowest level of hierarchy of the assets and liabilities accounts, then you must also tell WinAccounts about the first digit of the assets and liability account numbers.

Finally click YES. WinAccounts will now create an opening balance sheet from the closing balance sheet, and also resolve all assets and liabilities down to the lowest level in hierarchy. Currency conversions will be taken care of by WinAccounts. If you took over the configuration from the preceding period, the amounts in the other currencies

in the opening balance will match the amounts of the same currency in the closing balance exactly, and you do not need to deal with any currency conversions yourself.

Finally, you now need to save the newly opened accounting to a file of its own. For that purpose, select `File->Save As...` from the menu and specify a file name for the newly opened accounting.