

Recommended Accounting Checklist

Daily - Weekly - Monthly - Yearly

This checklist is provided to help you develop your own internal accounting processes. These are recommendations only and are not intended to represent a "MUST DO" list.

Evosus realizes each company's internal processes and procedures are unique and the recommendations in this checklist should be customized to meet your specific needs and requirements. Please be sure to check with your Accountant to finalize any recurring daily, weekly or monthly accounting procedures.

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DAILY AND WEEKLY RECOMMENDATIONS

Banking

1. Run the Cash Drawer Activity Report

Administration > Reports > Accounting > Banking > Cash Drawer Activity

Detailed view of customer payments made for a specific date range and cash drawer. Used to balance your cash drawers and provides necessary information to process deposits.

2. Run the Card Transaction Report

Administration > Evosus Card Services > Card Transaction Report

Report for Credit Card Transactions processed using Evosus integrated card processing. Use this report to balance against Merchant Card Sweep data from the Cash Drawer Activity Report. You could also use the Card Services log to reconcile deposits. Card Services Log is only available if you use integrated Evosus Card Services. This report could be ran daily or weekly depending on deposit frequency.

3. Run Cash Payments Journal

Administration > Reports > Accounting > Banking

Report on money exchanges between your company and Customers and your company and Vendors on one report. Use to verify incoming cash/checks from store and office prior to deposit or to verify outgoing checks from AP to vendors. Report output options include combined vendor and customer payments or you can run them separately.

4. Make Deposits to Bank

Administration>Accounting>Banking>Make Deposits

Processing cash and checks payments for deposit to your bank. Deposits should be completed either daily or weekly.

5. Merchant Card Sweep to Bank

Administration>Accounting>Banking>Merchant Card Sweep

Processing credit card payments for deposit to your bank. Deposits should be completed either daily or weekly.

6. Run Daily Bank Deposit Report

Administration>Reports>Accounting>Accounts Receivable

Displays bank deposits for a specific day for all stores. Use this report to reconcile your daily bank deposits

7. Balance Bank Register to Online Banking Statement

Administration>Accounting>Banking>Bank Register

Shows all transactions affecting a bank account. When run in a past date format, transactions will show as cleared or not cleared if you've completed Evosus Bank Reconciliations. We recommend this process be done daily, weekly or monthly depending on bank activity volume.

8. Initiate Pre-Posting Process

Administration>Accounting>Accounting Deck>Initiate Pre-Posting Report

Review entries made prior to being POSTED to the General Ledger. (daily or weekly or as scheduled)

9. Create Journal Entries for posting to General Ledger

Administration>Accounting>Banking>Accounts Receivable/Accounts Payable/Accounting Desk>General Journal Entry

Create any necessary manual adjustments created to transfer or balance an account.

10. Initiate Posting Process (Step 8 is the Pre-Posting Review)

Administration>Accounting>Accounting Deck>Initiate Posting Process

Process by which entries made are transferred to the General Ledger. Financial Statements are NOT up to date if you have not initiated this posting process.

Accounts Receivable

1. Run the Open Order Report

Administration>Reports>Sales>Orders and Invoices>Open Order Report

Can be used to determine if any open orders that have been **delivered** need to be invoiced. Keep in mind that if you only deliver product, it will not reduce the general ledger or valuation report. The product must be invoiced in order to reduce the valuation and general ledger.

2. Invoicing Customers

This step is really an extension of Step 1 above. Creation of invoices to charge customers for products or services if not done thru the course of the sale.

3. Customer Account Reconciliation

Reconcile customer accounts to invoices processed and cash/checks received. You want to verify that payments received were associated to open orders/invoices, rather than simply being converted to an account credit. If the customer's payment was not associated to an open order or invoice then your customer account will show a balance due *and* open credit on their account.

4. Run AR Aging Report for Collection

Administration>Accounting>Accounts Receivable>Accounts Receivable Aging Report

Overview of all open Customer balances often used for collection purposes according to company policy. Process should be done either daily, weekly or monthly based upon company preference/policy.

5. Create Manual Credit Memos

Administration>Accounting>Accounts Receivable>Add Credit Memo

Manual adjustment process for issuing credit against a customer's account-non RGA items. Often used to write-off to bad debt small uncollected balances.

6. Run Customer Deposit Liability Report

Administration>Accounting>Accounts Receivable>Customer Deposit Liability Report

Used to track deposits on account made by a customer on an order or deposits made for future services not yet billed. Process should be done either daily, weekly or monthly based upon company preference/policy.

7. Run Customer Account Credit Liability Report

Administration>Accounting>Accounts Receivable>Customer Deposit Liability Report- same report only filter on Account Credit Liability

Used to track credits on account for a customer. Process should be done either daily, weekly or monthly based upon company preference/policy.

8. Run Credit Memo Usage Report

Administration>Reports>Accounting>Accounts Receivable>Credit Memo Usage Report

Used to track credits on account for a customer – showing either Customer Deposits or Customer Credits or both.

9. Run RGA Register

Administration>Reports>Accounting>Accounts Receivable>RGA Register Report

Review RGAs to ensure they are being closed on a timely basis either by Vendors or by marking them as Lost Claims. The Revenue Register report provides summary and detail information on RGA activity. RGAs are considered Accounts Receivable and are tracked as such in Evosus. You can filter your AR Aging report to include or exclude open RGAs. Process should be done either daily, weekly or monthly based upon company preference/policy.

NOTE: Any posted RGA not in full receipt will post to the general ledger as Accounts Receivable. If you run your AR aging report at month end and do not include RGAs, your aging will NOT tie to the general ledger.

10. Pending Held Posting

Administration>Accounting>Accounting Desk>Pending Held Posting

Review all transactions in Pending Held Posting on a regular basis to determine reasons for hold and clear as soon as possible. Look for patterns that show a possible breakdown in process and address with management and staff.

11. Initiate Pre-Posting Process

Administration> Accounting>Accounting Desk>Initiate Posting Process

Allows you to review entries made prior to being POSTED to the General Ledger. Process should be done either daily, weekly or monthly based upon company preference/policy.

12. Initiate Posting Process

Administration> Accounting>Accounting Desk>Initiate Posting Process

Process by which entries made are transferred to the General Ledger. Process should be done either daily, weekly or monthly based upon company preference/policy.

Accounts Payable

1. Match Purchase Orders to Accounts Payable Invoices

This step is more than likely occurring throughout the month as you enter your AP Bills. Just make sure to match Purchase Orders received from vendors to invoices from vendors when entering the bill into Evosus. This ensures your Purchases Accrued Not Due liability general ledger account clears as it should.

2. Enter Bills

Administration> Accounting>Accounts Payable>Enter Bills

Process invoices received from vendors upon receipt. Process should be done on a daily basis. Invoices for inventory received should follow Step 1 above. Other invoices, such as rent should be allocated directly to a GL account under the Apply Accounts tab of the Enter Bill screen.

3. Create Debit Memos for posting to the General Ledger

Administration> Accounting>Accounts Payable>Add Debit Memo

Enter debit memos for any vendor credits issued by vendor.

4. Run Debit Memo Register

Administration>Reports>Accounting>Accounts Payable>Debit Memo Register

Report used to track Debits issued against a vendors account. However you could skip this step if you reviewed the Debit Memos issues through the AP Aging report.

5. Run Cash Requirements Report

Administration>Reports>Accounting>Accounts Payable>Cash Requirements

Detailed or Summary list of Accounts Payable Invoices coming due and the cash required to pay them. Shows you available credit that you can use to pay vendor invoices.

6. Run Accounts Payable Aging Report for Payment Selection

*Administration>Accounting>Accounts Payable>Accounts Payable Aging or
Administration>Reports>Accounting>Accounts Payable>AP Invoice Register*

Overview of all Vendors with invoices (aging will show open invoices and AP invoice register will show both open and closed). These reports can be used to help you select vendors that need to be paid or those that need to be monitored.

7. Pay Bills

Administration>Accounting>Accounts Payable>Pay Bills

Selection of Vendors, or vendor invoices, for payment. Many companies establish a set day(s) of the month they pay bills called a “check run.” You may find this is the simplest way to implement a recurring process with checks and balances. Typically, a few days, up to a week before the check run, the A/P Aging and Cash Requirements Report is provided to an Approver who decides which bills will be paid at the next check run(s).

8. Pending Held Posting Queue

Administration>Accounting>Accounting Desk>Pending Held Posting

Review all transactions in Pending Held Posting on a regular basis to determine reasons for hold and clear as soon as possible. Look for patterns that show a possible breakdown in process and address with management and staff.

9. Initiate Pre-Posting Process

Administration>Accounting>Accounting Desk>Initiate Posting Process

Allows you to review entries made prior to being transferred to the General Ledger.

10. Initiate Posting Process

Administration>Accounting>Accounting Desk>Initiate Posting Process

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Returned Goods Authorizations (Warranty/Damaged Product)

1. Create RGA and Send to Vendor

Administration > Inventory > Return Goods Authorizations > Add RGA

Process by which RGAs are created and sent to vendors for defective merchandise.

2. Enter RGA Receipts

Administration > Inventory > Return Goods Authorizations > Search and Apply RGA Receipts

Administration > Accounting > Return Goods Authorizations > Add Debit Memo

Administration > Accounting > Banking > Make Deposit > Other Deposits

Process by which RGA receipts are entered into inventory or accounting, based on the type of receipt provided by vendor for defective merchandise. If a part is sent, then it is received in thru inventory; if a check or credit memo is sent, it is received in thru accounting.

Vendor Debit Memos are created to record credit extended to your company from a vendor or manufacturer for returned or warranty goods and services. Remember to check the box "Is for RGA" on the Debit memo and apply it to the correct RGA immediately. It's very important to enter the Debit Memos for RGAs correctly to avoid a long list of open RGAs on the A/R Aging that must be cleaned up later.

3. Initiate Pre-Posting Process

Administration > Accounting > Accounting Desk > Initiate Posting Process

Allows you to review entries made prior to being transferred to the General Ledger.

4. Initiate Posting Process

Administration > Accounting > Accounting Desk > Initiate Posting Process

Allows you to review entries made prior to being transferred to the General Ledger. Financial Statements are NOT up to date if you have not initiated this posting process.

MONTHLY RECOMMENDATIONS

Accounting Desk

1. Open Next Accounting Period

Administration>Accounting>General Setup>Accounting Periods)

Just prior to the current month ending, you will need to open the next accounting period. Enter a name for the new period, select Start Date and End Date then click [OK] to save. If you don't create the accounting period, Evosus will auto-create it for you on the first day of that month.

2. Pending Held Posting

Administration>Accounting>Accounting Desk>Pending Held Posting

Review all transactions in Pending Held Posting on a regular basis to determine reasons for hold and clear as soon as possible. Look for patterns that show a possible breakdown in process and address with management and staff.

3. Initiate Month-End Posting Process

Administration>Accounting>Banking/Accounts Receivable/Accounts Payable/Accounting Desk>General Journal Entry

Post all outstanding journal entries and adjustments to the General Ledger.

4. Closing Accounting Period

Administration>Accounting>General Setup>Accounting Periods

After all month end transactions are posted and balanced, and Financial Statements have been issued, you will need to close the month just completed. To close an accounting period, select update or double-click the accounting period, select "closed" and click [OK] to save.

Banking

1. Run Cash Drawer Activity Report with monthly parameters
2. Run Cash Receipts Journal with monthly parameters
3. Run Cash Payments Journal(s) – Combined, Customer & Vendor with monthly parameters
4. Verify Bank Register
5. Reconcile Bank Statement
6. Create End-of-Month journal entry for posting to the general ledger (also under *Banking & Accounting Desk*)
7. Post journal entry to the General Ledger

Accounts Receivable

1. Create final Deposits & Deposits-Other for month being closed
2. Make final Deposits for month being closed
3. Create final Non-POS Invoices for month being closed
4. Run Bad Debts Journal Report for Collection issues
5. Run AR Aging Report
6. Run RGA Register Report
7. Run Customer Deposit Liability Report
8. Run Customer Account Credit Liability Report
9. Refund unused or old Customer Account Credits
10. Do Customer Account Reconciliation
11. Initiate Finance Charge Process
12. Run Customer Statements
13. Generate Credit Card Transaction report
14. Reconcile Bank Statement(s)
15. Initiate Month-End Posting Process

Accounts Payable

1. Enter final vendor invoices for month being closed
2. Run Cash Requirements Register
3. Run AP Aging Report
4. Pay vendor invoices
5. Print final AP and Manual checks for month being closed
6. Run Commissions Report & Pay Salespeople
7. Do Vendor Account Reconciliation

Reports

1. Inventory Valuation Report*
2. Vendor Purchase Orders Items Received
3. AP Aging Report*
4. AP Invoice Register Report
5. Sales Discounts Report
6. Commission Register
7. Open Order Report
8. Sales Journal Report
9. AR Aging Report*
10. Customer Account Credit Liability Report
11. Customer Deposit Liability Report*
12. Customer Credit Memo Usage Report
13. RGA Register
14. Sales Tax Due Report*
15. General Ledger Posting Activity Report

16. Revenue Register Report
17. Financial Statements
18. Trial Balance
19. Income Statement
20. Balance Sheet

*Report should be reconciled to the general ledger balance for associated general ledger account.

YEAR END RECOMMENDATIONS

One of the strongest points of Evosus accounting is that year-end in the software isn't really a process at all. Everything you do leading up to year-end prepares you for the **one-and-only required step** which is simply to *close the last accounting period for the financial year*.

Once you close the last accounting period in the financial year, Evosus will close out your net profit/loss to retained earnings on the balance sheet and all expense and revenue accounts will start at zero for the next year.

FAQ:

What if I need to make an adjustment to a closed period?

No problem. Simply reopen the accounting period, make your adjustments and close again. Evosus will adjust retained earnings accordingly.

There really isn't anything else I need to do?

No, there is nothing else Evosus **REQUIRES** you to do for year-end. However, we would strongly recommend you complete the following:

- Complete a year-end physical count to ensure inventory quantities are accurate.
- All bank accounts should be reconciled.
- All credit cards should be reconciled.
- All sub-ledgers should be balanced to their respective GL accounts such as Accounts Receivable, Accounts Payable, Customer Deposit Liability and the Inventory Valuation Report.