



*Pass It On...*

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**Canada's Most Efficient Brokerage Management System**

**December 2008**

**Using the New 4.1B Automatic Name Shift**

Another new feature in Release 4.1B is the automatic name shifting implemented in the Client Label screens. When a name or address is entered, whether Caps Lock is on or off, and whether the users uses the Shift Key or not, words are capitalized and lower-case shifted automatically.

Special filters check for "Mc" prefixes, "RR" (Rural Route), etc. and recognize Street short forms such as "NE" for "North-East".

When a special case requirement presents itself, automatic name shifting can be toggled on or off by clicking on the right edge of the edit control. For example:



**Posting Year End Adjustments**

**(Subtitle: And now for something completely boring)**

In all CIM-Data Releases, the methods available to add adjustments for Year End are the same, and, are fairly simple. Yet every year we get similar questions from users. So here is a quick summary:

**What is a Fiscal Period?**

In the GL, a Fiscal Month lasts between Monthly Closes. The system keeps track of the current accounting period and updates the accounting period whenever the month is closed. The accounting period is simply the year and month that transactions will be posted to.

A Fiscal Year lasts between Yearly Closes. The system keeps track of the last Yearly Close so that it knows which accounting period to post Year End Adjustments to, and when to start a new Profit or Loss year.

**When should I run a Yearly Close?**

With CIM-Data, it is not critical to close the year right away. Some people close their year immediately at year end, and others close it after the fact - when they get around to it (usually when the accountant starts working on it).

When an accounting period is specified in the Yearly Close (YCLV01), the Year will be closed as of the specified month, or re-closed if it has already been closed.

When the Yearly Close is run without an accounting period specified, the Year-End totals for all years are recalculated. This is required when someone "back posts" into a closed fiscal year.

**What is "Back Posting"?**

Depending upon a user's permission setting, transactions can be entered for an earlier accounting period. The default is just the current month and the previous

**Holiday hours**

December 24	8:30 - Noon
December 25	Closed
December 26	Closed
December 31	8:30 - Noon
January 1	Closed



**CSIONet Upgrade**

The CSIO Migration to a new CSIONet server has been delayed until mid-January. There have been problems in making the new system compatible with old software in use by some companies and brokers.

We will issue additional updates as we become apprised.

**Release 4.1B Planning**

Release 4.1B is at four test sites and should be ready for production in the new year.

Release 4.1A users can be shown the new 4.1B features in about an hour over the Internet.

Release 4.0F or earlier customers should contact Lili to schedule one day's training either on-site or over the Internet.



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month and can be accomplished by setting the accounting period back on a per transaction basis.

Other users may post to any period in the current fiscal year; to any period this year plus the last period in the last fiscal year or; with the "Dangerous" setting, post into any period at all. This last option should be used carefully, as in theory, you might have to re-file previous years' tax returns. This provides for a lot of flexibility for those who understand the impact of back-posting.

Back Posting into Client Accounts is not allowed as this could lead to confusion with already issued Statements of Account, Invoice Balance Forwards, etc.

When accountants do your books, they will normally present a few to a few dozen adjustments. These adjustments are for your last fiscal year. By back posting these in, they will update the proper year's totals.

As long as you have reconciled all other accounts on a monthly basis, it is unlikely you will need to make any further adjustments, but if you didn't, and your accountant was lucky enough to find discrepancies for you, you can make further adjustments in to each month if necessary.

### What is the Year End Adjustment Transaction (YEA) For?

The "YEA" Transaction is handy as it allows you to post single amounts into any GL account and it always posts into the last fiscal year end period. This is the easiest way to add several adjustments to several accounts as you do not have to remember to adjust the accounting period each transaction.

Also, it automatically adjusts the Yearly Close totals so a Yearly Close report run is not required after using this transaction.

### Is it Ok to use a Journal Entry to post adjustments?

Absolutely. The advantage is that four accounts (eight accounts in Release 4.1 versions) can be updated all at once. The disadvantages are that you must remember to set the accounting period back for each transaction, and to re-run the YCL at the end.

### What is the significance of GL# 398 ?

In most CIM-Data GL's, GL Account# 398 is "Undistributed Profit or Loss" and in CIM-Data Balance



**Under Pressure to increase productivity, the systems manager at Mondo Corp. reads that computer chips run faster at cooler temperatures...**

Sheets, there is an account listed immediately after it with no GL# called "Net Profit/Loss".

Let's start with "Net Profit/Loss". The amount shown here is actually the "Year-To-Date" figure from the Profit and Loss Report. Standard Accounting Rules state that a GL must always add up to zero, and by including the Profit or Loss total, we are in effect, including the profit or loss accounts within the Balance Sheet. If you look at your "Total Assets" and "Total Liabilities and Net Worth" totals, they should be equal (proving that your GL does add up to zero).

However, when you start a new fiscal year, the profit or loss accounts all start at zero and build up new totals during the year. If we showed zero in "Net Profit/Loss", the Balance Sheet would not show a GL that added up to zero. So instead, the Yearly Close posts the profit or loss from each year into the first accounting period of the new year using GL Account# 398. So 398 actually represents previous years' profit or loss totals, allowing each fiscal year to start at zero.

### Should Accountants do anything with 398?

Yes! One of the most important things for your accountant to do is to decide where to show the profit. We *could* simply post directly in to Retained Earnings for example, but this, strictly speaking, should be your accountant's decision and many accountants do appreciate seeing 398 as an explicit account for this purpose.