# An Introduction to Sage 50

# New Users

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# Sage 50 Training Webinars – Sept  Oct 2021

| 1 - Tuesday 31st August | Sage 50cloud Accounts – Setting up remote data access & key issues for the August 2021 accounts |
|---|---|
| 2 - Sept. 7th | Introduction to Sage 50 for new users |
| 3 - Sept 14th | Sage 50 & preparing for Year End 2020/2021 |
| 4 - Sept 21st | Reviewing the BOM reports & recording journal entries in Sage 50 including recording the Covid grants unspent |
| 5 – Oct 5th | Year-end Reporting and processing the Year End 2020/2021 in Sage 50 including making changes to the Chart of accounts |
| 6 - Oct 12th | New financial Year 2021/2022 – Adjusting journals and importing the 2021/2022 Budget into Sage 50 |
| 7 - Oct 14th | Introducing The Bank Feeds feature |

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# Preparing school Accounts using Sage 50cloud Accounts

1. Introduction to School Accounts preparation using Sage 50 software
   - Gathering information for accounts preparation

2. Sage 50cloud Accounts overview
   - The FSSU school Chart of Accounts
   - Income & Expenditure Account & Balance sheet
   - Coding Income & expenses

3. Introduction to The Bank Module - Recorded
   1. Sample data - Demonstration of entering Receipts & payments
   2. Looking up transactions in Sage 50
   3. Bank Reconciliation

4. Monthly Board of Management reporting

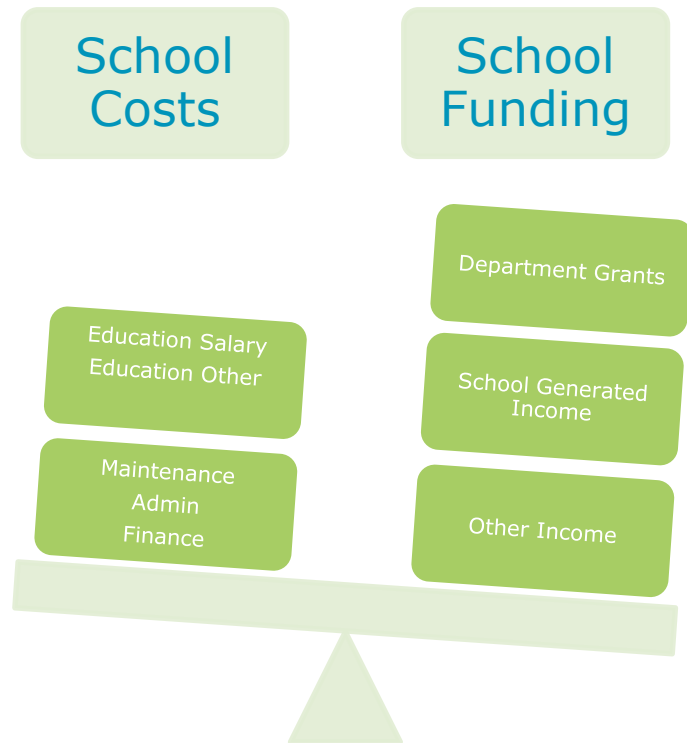**FSSU**
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# Gathering Information for Accounts preparation

- School personnel – gather information
- Looking up Sage 50 for current year & prior year
- The school budget
- Supporting paperwork for financial transactions that have to be entered in Sage 50 – how to know where to start?
- Spend time asking questions and coding the transactions
- Financial Year 2020/2021 V 2021/2022
- Knowing Sage 50 financial year
- Capital costs V Day to day costs
- www.fssu.ie
    - Sage 50 section
    - Financial Guidelines – School grants/Covid/Year end
    - Accounting procedures
    - Budget import template for Sage 50

# School accounts preparation Using Sage 50 Terminology

## Keeping school finance records

School Costs

School Funding

Department Grants

Education Salary
Education Other

School Generated Income

Maintenance
Admin
Finance

Other Income

## Sage 50 Accounts package – Robust & Efficient

### Nominal Module

- Chart of Accounts – Have a copy at hand
- BOM Reports – I&E / B Sheet
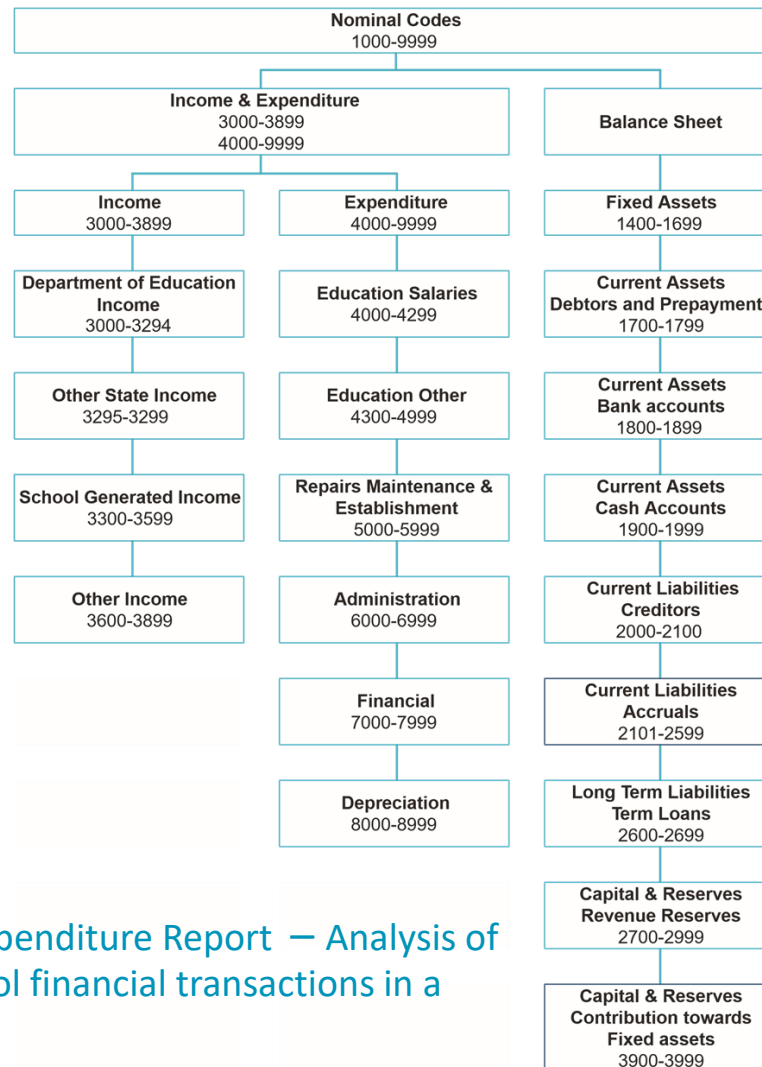- Look up Nominal activity
- Prior months & budget

### Bank Module – Looks after the Dr & Cr

- Bank receipts
- Bank Payments
- Bank Transfers
- Bank Reconciliations for accuracy
- Reports for review > Activity

### Monthly reporting to the Board

- Timeline
- File a copy of final reports monthly

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# FSSU Chart of Accounts – Link to the BOM Reports

| Nominal Codes 1000-9999 | | |
|---|---|---|

**Income & Expenditure**
3000-3899
4000-9999

**Balance Sheet**

| Income 3000-3899 | Expenditure 4000-9999 | Fixed Assets 1400-1699 |
|---|---|---|
| Department of Education Income 3000-3294 | Education Salaries 4000-4299 | Current Assets Debtors and Prepayments 1700-1799 |
| Other State Income 3295-3299 | Education Other 4300-4999 | Current Assets Bank accounts 1800-1899 |
| School Generated Income 3300-3599 | Repairs Maintenance & Establishment 5000-5999 | Current Assets Cash Accounts 1900-1999 |
| Other Income 3600-3899 | Administration 6000-6999 | Current Liabilities Creditors 2000-2100 |
| | Financial 7000-7999 | Current Liabilities Accruals 2101-2599 |
| | Depreciation 8000-8999 | Long Term Liabilities Term Loans 2600-2699 |
| | | Capital & Reserves Revenue Reserves 2700-2999 |
| | | Capital & Reserves Contribution towards Fixed assets 3900-3999 |

This is the engine of the accounts preparation in Sage 50. When you understand how the codes are set out, the accounts task will be much easier.

Keep a copy at hand when coding for sage 50

See how it is set out under the headings

See back page of this document

Balance Sheet – *Cumulative statement of affairs*

*Assets / Liabilities / Capital Grants / Retained Profits*

- Income & Expenditure Report — Analysis of *normal* school financial transactions in a *specific* year

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# FSSU Chart of Accounts – Bank Module

**Nominal Codes**
1000-9999

**Income & Expenditure**
3000-3899
4000-9999

**Balance Sheet**

Balance Sheet – *Cumulative statement of affairs*

*Assets / Liabilities / Capital Grants / Retained Profits*
*- Brought Forward*

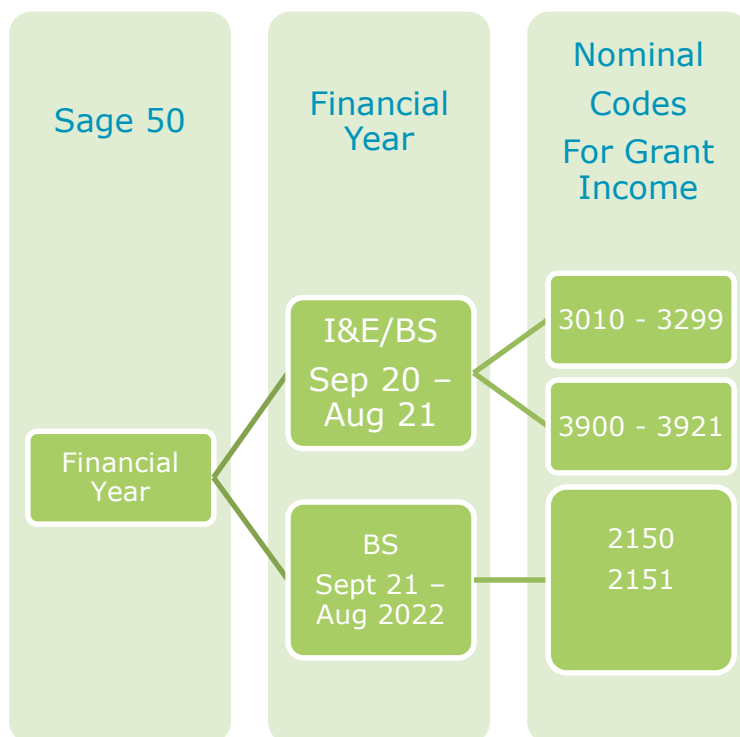**Income**
3000-3899

**Expenditure**
4000-9999

**Fixed Assets**
1400-1699

Bank Receipt

**Department of Education Income**
3000-3294

**Education Salaries**
4000-4299

**Current Assets Debtors and Prepayments**
1700-1799

**Other State Income**
3295-3299

**Education Other**
4300-4999

**Current Assets Bank accounts**
1800-1899

Bank Reconciliation
- Accuracy
- Completeness

- Bank Feeds - efficiency

**School Generated Income**
3300-3599

**Repairs Maintenance & Establishment**
5000-5999

**Current Assets Cash Accounts**
1900-1999

**Other Income**
3600-3899

**Administration**
6000-6999

**Current Liabilities Creditors**
2000-2100

**Financial**
7000-7999

**Current Liabilities Accruals**
2101-2599

**Depreciation**
8000-8999

**Long Term Liabilities Term Loans**
2600-2699

Bank Payment

**Capital & Reserves Revenue Reserves**
2700-2999

**Capital & Reserves Contribution towards Fixed assets**
3900-3999

- Income & Expenditure Report – Analysis of *normal* school financial transactions in a *specific* year – FINANCIAL YEAR

# School Income – Recording in Sage 50 Summary

**Grants/School Income received – Picking a nominal code**

| Sage 50 | Financial Year | Nominal Codes For Grant Income |
|---|---|---|
| Financial Year | I&E/BS Sep 20 – Aug 21 | 3010 - 3299 |
| | | 3900 - 3921 |
| | BS Sept 21 – Aug 2022 | 2150 2151 |

## Key Points

When coding grants it is important to have the relevant paperwork to get coding correct

List the receipts and look up the chart of accounts for the relevant income code ( 3010 – 3995)
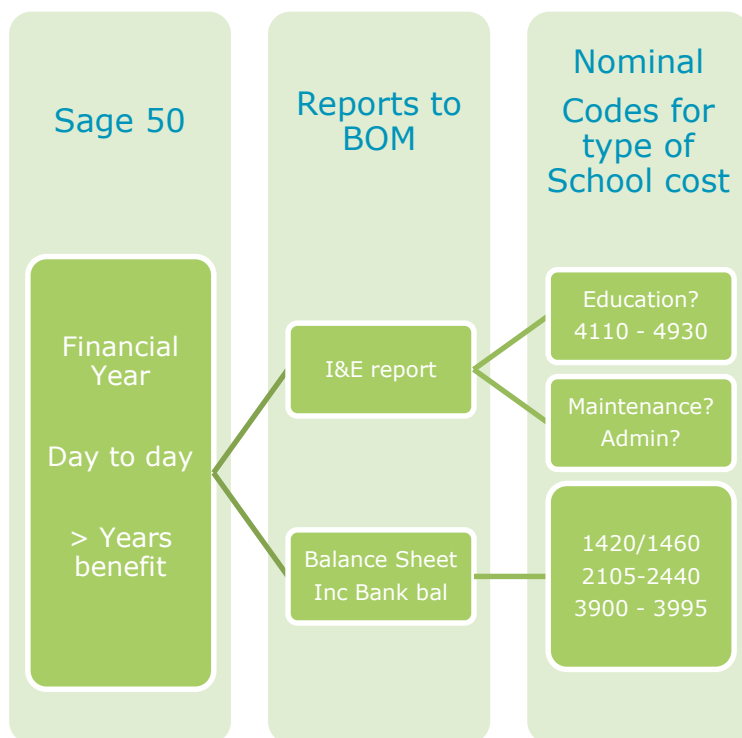
- Income & Expenditure account codes are for the relevant financial year and covers day to day transactions

- Balance sheet codes
    - Capital Grants/ICT > 3920/3921
    - Income received for 21/22 academic year - 2105
    - Unspent Grants – e.g Covid grants unspent

**Grants will be recorded using the Bank Receipts program under the bank module in Sage 50**

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# School Expenses – Recording in Sage 50 Summary

## School payments – Picking a nominal code

| Sage 50 | Reports to BOM | Nominal Codes for type of School cost |
|---|---|---|
| **Financial Year**<br><br>**Day to day**<br><br>**> Years benefit** | I&E report | Education? 4110 - 4930 |
| | | Maintenance? Admin? |
| | Balance Sheet Inc Bank bal | 1420/1460 2105-2440 3900 - 3995 |

## Key Points

When coding expenses it is important to have the relevant paperwork to get coding correct

List the payments and look up the chart of accounts for the relevant expense code

Full cost is recorded in net box in Sage screen

Tax code T9 = 0% and is set in the Sage data

- I & Expenditure account codes are for the relevant financial year and covers day to day transactions

- Balance sheet codes – get more than one years use
    - Capital expenses > 3940?
    - ICT Capital > 1460
    - Equipment > 1420

Payments will be recorded using the **Bank Payments** program under the bank module in Sage 50

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# Sage 50 – The Bank Module
## A recorded demonstration for new users

➢ Financial Year in Sage 50
➢ Setting the program date
➢ Bank Module – Gather the information
  ▪ Code & enter the bank receipts
  ▪ Create Department where needed
  ▪ Code and enter Bank payments
  ▪ Bank Transfers between bank accounts
  ▪ How to check activity
➢ Amending Transactions
➢ Bank Reconciliation

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# Recording Receipts & Payments in Sage 50

**123456**

### STATEMENT OF ACCOUNT

| DATE | DESCRIPTION | CHARGES | CREDITS | ACCOUNT BALANCE |
|------|-------------|---------|---------|-----------------|
| Opening Balance | | | € | € 25,000.00 |
| 1-Sep-20 | DEIS | | € 2,800.00 | € 27,800.00 |
| 2-Sep-20 | DEIS | | € 39,000.00 | € 66,800.00 |
| 3-Sep-20 | Lodgement | | € 34,000.00 | € 100,800.00 |
| 4-Sep-20 | DES | | € 10,000.00 | € 110,800.00 |
| 5-Sep-20 | DES | | € 55,000.00 | € 165,800.00 |
| 5-Sep-20 | Lodgements | | € 4,500.00 | € 170,300.00 |
| 10-Sep-20 | Aide | € 4,500.00 | | € 165,800.00 |
| 11-Sep-20 | Bord Gais | € 1,500.00 | | € 164,300.00 |
| 12-Sep-20 | Woodies - | € 500.00 | | € 163,800.00 |
| 12-Sep-20 | Bank Charge | € 20.00 | | € 163,780.00 |
| 14-Sep-20 | Woodies - | € 170.00 | | € 163,610.00 |
| 16-Sep-20 | Eir | € 550.00 | | € 163,060.00 |
| 09/30/20 | Orla Kelly | € 340.00 | | € 162,720.00 |

1. Cheques if applicable – enter all in sequence

2. Select nominal code

3. Assign department where appropriate

4. Using Bank Payment – record each one

Cheque 1 – Datapac for PCs     5,000
Cheque 2 – Village hall rental/Signage     8,900

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# Recording Receipts & Payments in Sage 50

| STATEMENT OF ACCOUNT | | | | | |
|---|---|---|---|---|---|
| Date | Bank Statement | Detail & Codes | CHARGES | CREDITS | ACCOUNT BALANCE |
| Opening Balance | | | | | € 25,000.00 |
| 1-Sep-20 | DEIS | Covid Aide 3280 | | € 2,800.00 | € 27,800.00 |
| 2-Sep-20 | DEIS | Covid minor works 3277 | | € 39,000.00 | € 66,800.00 |
| 3-Sep-20 | Lodgement | Covid PPE 3281 | | € 34,000.00 | € 100,800.00 |
| 4-Sep-20 | DES | ICT Grant 3921 | | € 10,000.00 | € 110,800.00 |
| 5-Sep-20 | DES | Capitation Sept 3010 | | € 55,000.00 | € 165,800.00 |
| 5-Sep-20 | Lodgements | Easipayments | | € 4,500.00 | € 170,300.00 |
| 10-Sep-20 | Aide | 5801 | € 4,500.00 | | € 165,800.00 |
| 11-Sep-20 | Bord Gais | 5510 | € 1,500.00 | | € 164,300.00 |
| 12-Sep-20 | Woodies - | Bins 5802 | € 500.00 | | € 163,800.00 |
| 12-Sep-20 | Bank Charge | 7450 | € 20.00 | | € 163,780.00 |
| 14-Sep-20 | Woodies - | Covid cleaning 5805 | € 170.00 | | € 163,610.00 |
| 16-Sep-20 | Eir | 6250 | € 550.00 | | € 163,060.00 |
| 09/30/20 | Orla Kelly | 6010 | € 340.00 | | € 162,720.00 |

| | | | |
|---|---|---|---|
| Cheque 1 – Datapac for PCs | 5,000 | code 1460 | |
| Cheque 2 – Village hall rental/Signage | 8,900 | code 5316 rental of village hall – 7,000 | |
| | | code 5802 – signage | 1,900 |

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# BOM Monthly Reports

## Bank
- List of all Bank Accounts
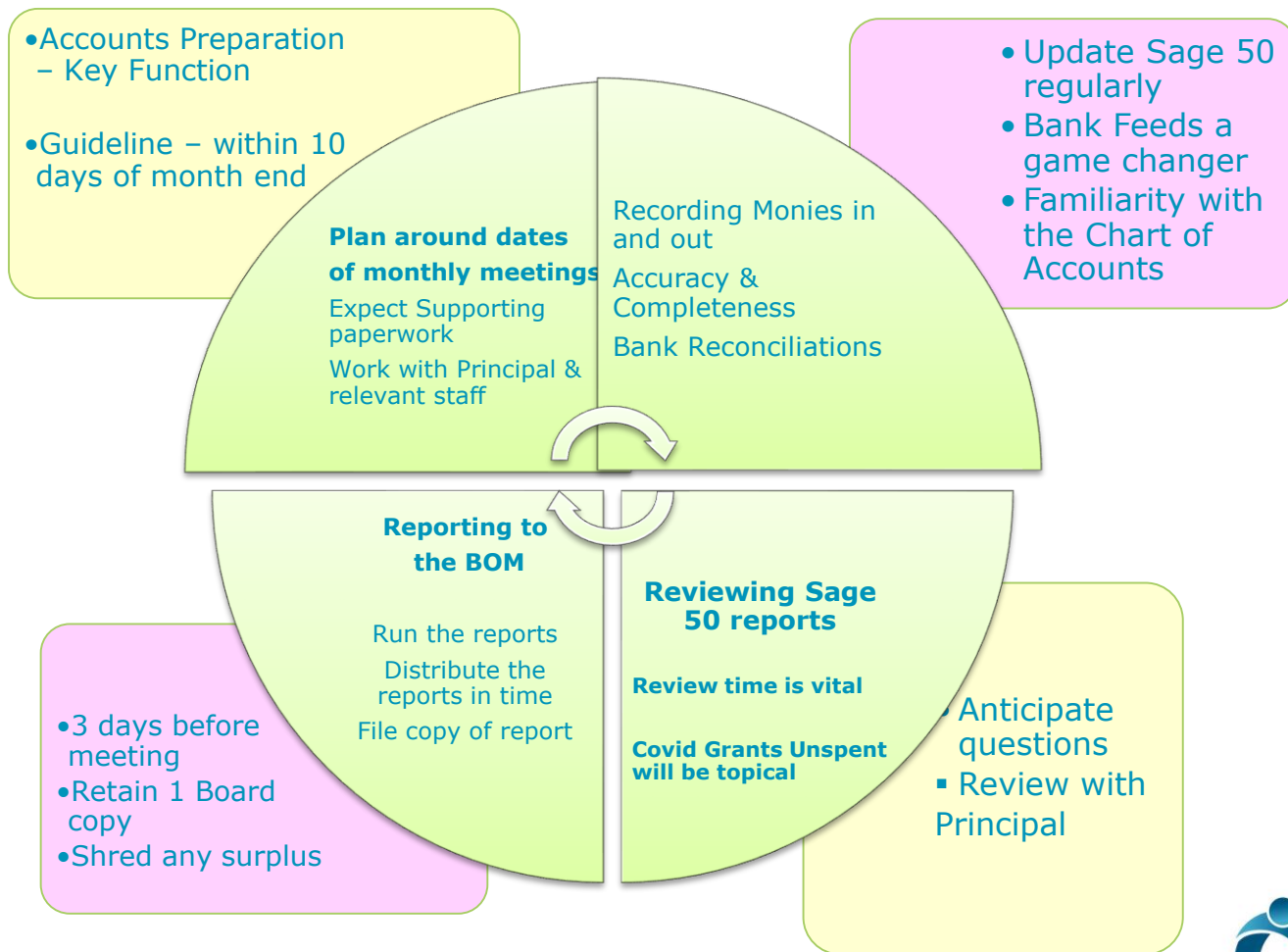- Bank Reconciliations for all accounts

## Reports
- BOM Income & Expenditure Sept M1 – M?
- Balance Sheet – B/F

## Analysis
- List of Unpaid Invoices
- Department reports for Capital Projects

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# Sage 50 – Effective Monthly Reporting Timeline

•Accounts Preparation – Key Function

•Guideline – within 10 days of month end

• Update Sage 50 regularly
• Bank Feeds a game changer
• Familiarity with the Chart of Accounts

**Plan around dates of monthly meetings**

Expect Supporting paperwork

Work with Principal & relevant staff

Recording Monies in and out

Accuracy & Completeness

Bank Reconciliations

**Reporting to the BOM**

Run the reports

Distribute the reports in time

File copy of report

**Reviewing Sage 50 reports**

**Review time is vital**

**Covid Grants Unspent will be topical**

•3 days before meeting
•Retain 1 Board copy
•Shred any surplus

▪ Anticipate questions
▪ Review with Principal

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Thank you