

## CLS 5.2 Release Scheduled for December 10<sup>th</sup>

CLS 5.2 is nearing completion and is currently scheduled for release December 10<sup>th</sup>. Updates will be shipped on CD-ROM. Installation is easy, and extremely fast!

CLS 5.2 supports the new 2001 W-2 and 1099 formats. **This year, the W-2, W-3 and 1099-Misc forms have a brand new format.** If you plan to print W-2 or 1099 forms with CLS, **even using pre-printed forms**, you must update to version 5.2.

**Many CLS users laser-print their W-2 and 1099 forms.** If you are using a *laser* printer, CLS 5.2 can create **all** copies of the W-2 and W-3 forms for 2001, **including a submittable Copy A**, on plain paper. This means you won't need to buy the pink Copy A of W-2 and W-3 forms, and you no longer need to align them!

CLS 5.2 can also laser-print all copies of the 1099, 1098 and 1096 forms for 2001, **except Copy A**, on plain paper. Because the I.R.S. doesn't yet accept a plain-paper Copy A, **you still need to purchase the pink Copy A of any 1099, 1098 or 1096 forms you plan to print**

The CLS Magnetic Media Processing program has been updated to support the MMREF-1 format for W-2 files submitted to the Social Security Administration using diskettes or the Internet, replacing the old TIB-4 format.

The ability to print 941-C forms is also included in CLS 5.2. For other new CLS features, *including the ability to print prior-period financial statements from within the current generation*, turn to page 2.

**Early Bird Discount:** All CLS updates include 90 days of technical support at no additional charge. But, if you place your CLS 5.2 update order early, you will receive coupons for two free CLS support calls, which can be used after your warranty support expires (see page 4 for details).

## CLS Seminar Update

CLS seminars were held this summer in Atlanta, Houston, Los Angeles, Miami, and New Orleans. Speakers Fred Martin and Tim McCallum highlighted features added to CLS in recent versions.

Of the topics covered, attendees were most interested in importing transactions from other accounting packages such as QuickBooks and Peachtree Software, departmentalizing a ledger, *pro forma* journal entries, and how to use the CLS Bank Reconciliation module. One example of the this year's topics can be found on page 3 in the article *Improving the Appearance of Your Financial Statements*.

Additional CLS seminars will be held in 2002. Your suggestions for topics and locations are welcome.

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# Client Ledger System™ Version 5.2

## New Features

### Payroll Tax Forms

- CLS 5.2 includes 2001 W-2 and 1099 forms.
- Print prior-year W-2 forms (including Copy A), using the new W-2 format, for 1998-2000.
- Print 941-C forms.

### Other Payroll Features

- Optionally use your firm address, instead of the client address, on 940, 941 and 943 forms.
- Print a payroll journal that lists only those employees whose FICA was improperly withheld.

### Financial Statements

- When printing a balance sheet, income statement or cash flow statement, select a *prior* period from within the *current* generation. Since you can also indicate the *previous* period, you can print quarterly reports using monthly financial data. This provides you with a great deal of reporting flexibility.
- Now you can define up to three title lines each for the balance sheet, income statement or cash flow statement.

### Lead Sheets

- CLS 5.2 includes the ability to define and print *lead sheets*.
- You can also copy lead sheet definitions and account assignments from one ledger to another.

### Trial Balance Improvements

- Select a new format that shows the balance at the beginning of the period, total debits, total credits, and the ending balance.
- Print a comparative trial balance that compares this year's account balances to last year's.

### Other Important New Features

- CLS 5.2 includes a printed *Getting Started Guide*; the remaining CLS manuals will be supplied as *Adobe pdf* (portable document format) files. A free copy of *Adobe Acrobat Reader 5.0* is included, in case you need it.
- Print an entire manual or just the selected pages covering a topic of interest!

### And Much More...

## Update Reminders

- CLS add-on programs are compatible *only* with the CLS version for which they are released. If you use the CLS Tax Package Interface, Magnetic Media Processing or Unemployment Plus add-on products, earlier versions will not work with CLS 5.2. Remember to update them also.
- Update prices for add-on products apply *only* if you own licensed versions of those products.
- Place your order early! Orders are processed and shipped in the order received. Once CLS 5.2 is released, orders are processed *during* shipping, which increases the turn-around time. During the holiday season, delivery delays are beyond our control.
- CLS updates are now shipped on CD-ROM. If you need 3½" diskettes, please return the coupon included in your shipment.
- Review your order form for accuracy. Is your credit card number correct, including the expiration date? Is the grand total correct? If you charge the update to a personal credit card, be sure to provide the address associated with that card.
- Do not include sales tax *unless* you live in Georgia.

CLS Focus is published by Financial MicroSystems, Inc. for users of Client Ledger System™ software. We encourage readers to share ideas for publication. Forward all correspondence including address changes to:

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# Improving the Appearance of Your Financial Statements

## In general

If using a laser printer:

Use bold titles - answer Y to *Use these global settings* in SI 1(2)

Use solid underlines - answer Y to *Solid Underline* in SI 1(6,1)

Use appropriate titles and account descriptions. CLS lets you easily create long titles, and postable accounts can have two description lines.

Use a "footnote" (LI 6 – position 'G') to place the words "Cash Basis" or "Income Tax Basis" on a separate title line on the balance sheet, income statement and cash flow statement.

Use mixed-case, not upper case, for account descriptions, footnotes and date lines - it just looks better.

Use parentheses, not minus signs, for contra balances - answer Y to *Bracket Credit Balances* in LI 3(1).

Do not print account numbers - answer N to *Print Account Numbers* in LI 3(1).

Do print dollar signs - set the *Dollar-sign Type* to 1 and *Dollar Format* to 0 in LI 3(1).

Make liberal use of group accounts to summarize amounts for cash, payroll taxes payable, accumulated depreciation, partner's equity, insurance, etc.

Remember, although CLS now provides the ability to use group accounts or type 5 and 6 title accounts within a group to create complex sub-schedules, just using the basic group accounts can really simplify your financial statements.

## Balance Sheets

Use a two-column format, not three/six - set *BS Format* to 2 in LI 3(1).

If the balance sheet doesn't fit on one page, start the Liability and Equity section on a new page: In MF 1, assign spacing option '^' to the *Liability and Equity* title account.

Make sure the liability and equity amounts print with the correct sign. In MF 1, the only 'O' option(s) on the balance sheet should be assigned to the *Liability and Equity* title account.

Underline balance sheet totals - answer Y to *Print Underlines on BS* in LI 3(1).

Suppress the current column on balance sheet sub-schedules - set *BS Sub-schedule Format* to 2 or 3 in LI 3(1).

You may customize the balance sheet date lines and column headings using LI 5.

## Income Statements

You can customize the P&L date lines and column headings using LI 5. Use the appropriate date line (e.g., for the @Xperiods ended @PEDate).

For the percentage columns on the P&L to work properly:

- All revenue accounts should be grouped together, followed by the cost of sales accounts and the gross margin account.
- If the percentages are to be correct, an 'E' option must be assigned, in MF 1, to the first account following the revenue section, normally the *Cost of Goods Sold* title account.
- If there is no cost of sales section, remove the gross margin account (it's redundant), and assign the E option to the *Expenses* title account.

If you are using perpetual inventory on the P&L, be sure to assign a 'V' option to the beginning inventory account, and a 'W' option to the ending inventory account. If you do not, the comparative amounts for these accounts will not be correct.

If you are not recording a provision for income tax, remove the *Net Profit After Taxes* account.

When setting up a departmental chart of accounts, master accounts should *not* be defined as group accounts.

## Cash Flow Statement

The cash flow statement may be prepared as a year-to-date only report. You may also prepare a comparative statement.

## Statement of Income and Retained Earnings

Consider placing the Statement of Income and Retained Earnings on a page by itself.

## Help...My tax forms are printing the wrong year!

CLS 5.2 contains the tax form images approved for 2001. If you are printing plain paper forms, the year will not be correct unless you update to CLS 5.2.

## Ordering 2001 Payroll Tax Forms

CLS continues to support plain paper and preprinted laser forms and preprinted dot-matrix forms from a number of vendors. Nelco, Inc. is our recommended forms supplier. We are confident that Nelco will meet your tax form needs. You can contact them at either (800) 266-4669 or [www.fmsi.taxforms.com](http://www.fmsi.taxforms.com) to place your order.

## CLS and Windows®

CLS performs very well with all versions of the Windows® operating system, including Windows® XP. It does however, require laser or dot-matrix printers with a *parallel* port (LPT1, 2 or 3). *USB-port* printers can be used by CLS only if set up as a *network printer* connected to a *different* computer. *Desk jet, ink jet and bubble-jet printers are not supported by CLS.*

Detailed instructions on installing CLS in each of the Windows® environments are provided in Chapter 2 of the CLS 5.2 *Getting Started Guide*.

## FMSI Holiday Schedule

Financial MicroSystems will be closed on **November 22<sup>nd</sup> - 23<sup>th</sup>** for Thanksgiving, and **December 24<sup>th</sup> through January 1<sup>st</sup>** for the holidays.

## Order CLS 5.2 Early and Save Money

Place your CLS 5.2 order early and receive two free support calls. Just make sure your order is faxed to us or postmarked by 11/21/01 and we'll take care of the rest. When you receive your order you will find two support coupons which can be received on future support calls. That's a savings of \$50 to \$70!

We know what a tremendous amount of work the year-end brings, and how anxious CLS users are to receive their new updates. Make sure you mail or fax your order right away – orders are processed in the order in which they are received.

## CLS 5.2 Order Confirmation Postcards

When we receive your order, we will promptly send you a confirmation card listing the CLS product(s) you ordered. If you have any questions after you receive the postcard, please call our customer service department at (770) 446-5709.

## CLS Tech Support News

### *Free Technical Support with CLS 5.2*

When you purchase a CLS update, you automatically receive 90 days of free (warranty) technical support. During this time, our technical support staff will be happy to assist you with CLS payroll questions or questions about the new CLS 5.2 features – at no additional charge.

### *Help us help you*

Please include your CLS customer number, your company name, and the correct person to contact when calling or e-mailing for technical support. Support calls are logged in as they are received. CLS users with Priority Support appear first on our call-back screen, then those with warranty support, followed by those with no support or an older version of CLS. Support calls without a CLS customer number appear *last*.

We'd like to hear from you! CLS year-end updates reflect your needs; let us know how CLS can better serve your client write-up needs.

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