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3rd Edition

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Elaine Marmel

Author of Microsoft[®] Office Project
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Diane Koers

Author of Excel[®] 2007 Just the Steps
For Dummies

Create invoices,
pay bills, process
payroll, and balance
the
books



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Peachtree For Dummies

**by Elaine Marmel and
Diane Koers**



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About the Authors

Elaine Marmel is president of Marmel Enterprises, LLC, an organization that specializes in technical writing and software training. Elaine has an MBA from Cornell University and has worked on projects to build financial management systems for New York City and Washington, D.C. This prior experience provided the foundation for Marmel Enterprises, LLC, to help small businesses implement computerized accounting systems.

Elaine spends most of her time writing; she has authored and coauthored more than 50 books about software products, including Quicken for Windows, Quicken for DOS, Peachtree, QuickBooks, Microsoft Excel, Microsoft Project, Microsoft Word for Windows, Microsoft Word for the Mac, 1-2-3 for Windows, and Lotus Notes. For 12 years, she was a contributing editor to monthly magazines that described ways to use Peachtree and QuickBooks.

Elaine left her native Chicago for the warmer climes of Arizona (by way of Cincinnati, Ohio; Jerusalem, Israel; Ithaca, New York; Washington, D.C.; and Tampa, Florida), where she cherishes her small piece of the desert with her human family (brother Jim and sister-in-law Mariann) and her animal family (Josh the dog and Cato, Watson, and Buddy, the cats) and sings barbershop harmony with the International Champion Scottsdale Chorus.

Diane Koers owns and operates All Business Service, a software training and consulting business formed in 1988 that services the central Indiana area. Her area of expertise has long been in the word processing, spreadsheet, and graphics area of computing as well as in providing training and support for Peachtree Accounting Software. Diane's authoring experience includes more than 30 books on topics such as PC security, Microsoft Windows, Microsoft Office, Microsoft Works, WordPerfect, Paint Shop Pro, Lotus SmartSuite, Quicken, Microsoft Money, and Peachtree Accounting. Many of her books have been translated into other languages such as Dutch, Bulgarian, Spanish, and Greek. She has also developed and written numerous training manuals for her clients.

Diane and her husband enjoy spending their free time traveling and playing with her grandsons and her Yorkshire terriers.

Dedication

Elaine's dedication: To my brother and sister-in-law:
It's good to be sharing a city with you again.

Diane's dedication: To Tresee and Trina: my daughters.

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Introduction

You're not a dummy, even if you think you are. But accounting by itself can be a challenge — and then, when you add the computer part to it . . . well, the whole thing can seem so overwhelming that you avoid it. (What? Never crossed your mind?)

Okay, now that you're looking at this book, you probably decided that you've avoided it long enough, and now you're going to do it — bite the bullet and computerize your accounting with Peachtree. We want to help you get the job done as quickly as possible with the least amount of pain. You've got other things to do, after all.

About This Book

Accounting isn't exactly a fun subject — unless, of course, you're an accountant . . . and even then it might not really be all that much fun. Some people think that going to the dentist is more fun than playing with accounting software. We're here to help you get past the ugly part so that you can start enjoying the benefits quickly.

What benefits? Well, computerizing your accounting can save you time and effort — and can actually be easier than doing it by hand and cheaper than paying somebody else to do it. Oh, we don't mean that you don't need your

accountant, because you do. But you can save money by doing daily stuff for yourself — and spend money paying your accountant for advice on making your business more profitable.

Peachtree For Dummies, 3rd Edition, shows you how to set up your company in Peachtree and then use Peachtree to pay bills, invoice customers, pay employees, produce reports about your financial picture, and more. But it's also a real-life-situation kind of book. We show you how to work in Peachtree by using everyday, real-life situations as examples. You know, the stuff you run into in the so-called real world that you need to figure out how to handle.

What You Can Safely Ignore

Throughout the book, we include Accounting Stuff tips — you can probably ignore those unless you're interested in that kind of stuff.

Oh, and the gray boxes that you see throughout the book? Those are sidebars, and they contain extra information that you really don't *have* to know but that we thought you might find useful and interesting. So feel free to skip the sidebars as well.

Foolish Assumptions

We'll be honest — we had to assume some things about you to write this book. So, here's what we assume about you:

- ✓ You already know a little something about the day-to-day stuff that you need to do financially to run your business — you know, write checks, bill customers, pay employees, and so on. We *don't* assume that you know how to do all that on a computer.
- ✓ You have a personal computer (that you know how to turn on) with Microsoft Windows 2000, Windows XP, or Windows Vista. We wrote this book by using Windows Vista.
- ✓ You bought Peachtree and installed it on your computer.



A free trial of Peachtree is available from www.peachtree.com/trial.

The Flavors of Peachtree

Peachtree comes in five versions, listed here from basic to advanced:

- ✓ Peachtree First Accounting
- ✓ Peachtree Pro Accounting
- ✓ Peachtree Complete Accounting

- ✓ Peachtree Premium Accounting
- ✓ Peachtree Quantum Accounting

In addition, Peachtree Premium is available in manufacturing, distribution, construction, non-profit, and accounting industry-specific versions. In this book, we cover Peachtree Premium Accounting.

Peachtree Quantum has all the features you find in all other versions of the software; it uses a slightly more advanced database and allows for larger file sizes. In addition, in a network environment, ten users can use Peachtree Quantum simultaneously, whereas Peachtree Premium and Peachtree Complete allow for five simultaneous users. You can't use other versions of Peachtree in a network environment.

Here are some of the other differences between the five flavors:

- ✓ Peachtree Premium contains all the features in Peachtree First Accounting, Peachtree Pro Accounting, and Peachtree Complete Accounting, plus a few additional features, such as the capability to store unlimited budget information instead of the two years available in the other products.
- ✓ Peachtree Premium and Peachtree Complete include a Time & Billing feature that you don't find in Peachtree First Accounting or Peachtree Pro Accounting.

✓ Peachtree Premium Accounting, Peachtree Complete Accounting, and Peachtree Pro Accounting allow you to customize reports and forms and prepare payroll, but Peachtree First Accounting does not.

✓ Peachtree Quantum, Peachtree Premium, and Peachtree Complete contain a job-costing feature, but you find only a job-*tracking* feature in Peachtree First Accounting and Peachtree Pro Accounting. (If you don't know the difference between job costing and job tracking, you probably don't need either one.)



Peachtree Quantum and two of the industry-specific versions of Peachtree Premium — Peachtree Premium for Construction and Peachtree Premium for Distribution — contain more extensive job-costing features than Peachtree Premium, such as tracking Bill of Material revisions. Because we cover Peachtree Premium, we don't cover those extensive features in Chapter 12 where we discuss job costing, but we want you to know that they exist.

Throughout the book, when we refer to the product as *Peachtree*, we mean Peachtree Premium. If we talk about one of the other flavors, we give you the full product name.

How This Book Is Organized

Every great book needs a plan. We divided this book into four parts, each made up of two to eight chapters so that you can easily find the information that you need.

Part I: Getting Started

If you're new to Peachtree, you probably want to read this part. We explain how to get around in Peachtree, how to create a company in Peachtree, how to build an effective chart of accounts, and how to set up default information that saves you lots of time later.

Part II: The Daily Drudge

In this section, we cover the stuff that you do on a regular basis:

- ✓ Buy and pay for goods to sell to your customers. (Yep, we cover inventory.)
- ✓ Bill the customers and collect your money (or you won't be able to pay the employees and the vendors).
- ✓ Pay the employees (or they won't work!).

Stuff like that. We also cover paying for services that keep your business running, and we cover a couple of more esoteric topics, such as billing customers for time that you spend working and tracking project costs.

Part III: The Fancy Stuff

In this section, we cover a variety of topics that you typically don't do every day. First, we show you how to customize forms and produce and modify reports. After all, you put information *into* Peachtree, so you should be able to get it out and see the effects of your business habits. Then we cover reconciling the bank statement and the stuff that you do monthly, quarterly, or annually. We also show you how to easily keep your accounting information safe — a *very* important chapter. Why? Because you spend so much time putting stuff into Peachtree that it would be criminal to lose it just because your hard drive crashes or your office is robbed. And Chapter 19 presents ways to handle real-life situations in Peachtree, such as handling customer prepayments and paying for purchase orders using a credit card.