



Economacs

Version 5.0



Aderstedt Software AB

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Introduction

Economacs is an easy-to use bookkeeping and invoicing software for Mac OS X. The program, and this manual, assumes understanding of the basic concepts of double-entry bookkeeping (such as entries and accounts). If you don't understand these concepts, we recommend that you first familiarise yourself with them by using some of the numerous resources in the field.

Installation & start-up

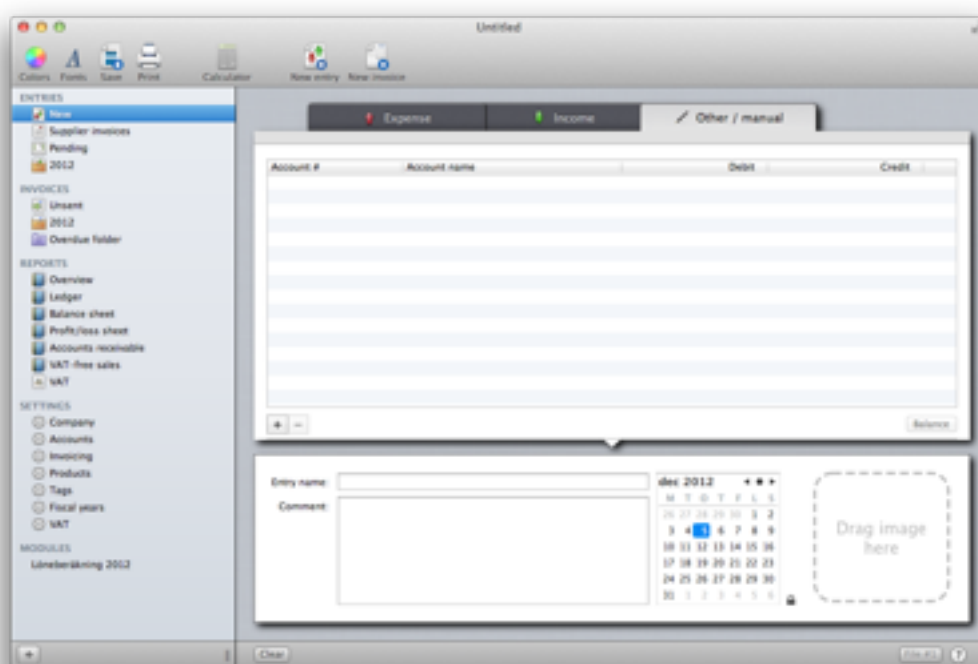
If you purchased Economacs from the Mac App Store, no further installation is necessary. Otherwise, drag the application ("Economacs") from your Downloads folder to your Applications folder.

Double-click to start the program. The file selector will be displayed, allowing you to choose to start a new document, view video tutorials (subject to availability), or visit our web site. Once you've created your own documents you will also be able to select from the latest Economacs documents.

Registering

For Mac App Store customers, no registration is necessary or even possible. If you purchased Economacs directly from us, you will have received an email with a serial number. You need to use this serial number to unlock the application. You can do this by selecting Economacs→Register... from the menu. Enter your serial number and other details and click 'Register'. Note that this requires an active Internet connection. You can re-use the same serial number to install the software on all computers where you want to use the software.

If you purchased Economacs in a store, your serial number can be found on a sticker on the back of this manual.



The main window

The main window contains:

1. A toolbar with shortcuts to frequently used actions.
2. A sidebar in which you select what is shown in the main view.
3. A main view whose contents depend on the selection in the sidebar (2).
4. Most views also contain a help button in the lower right corner. This provides context sensitive help for the current view.

Filing entries

Chart of accounts

Before you can start filing entries, you need a chart of accounts. To see the chart of accounts, select 'Accounts' from the sidebar. The main view changes to show a table which you can fill with your chart of accounts. If you selected one of the bundled charts to start the a new document, this table will already contain many accounts, to which you can add your own if necessary.

To add a new account, click the '+' button near the bottom. To remove an account, select the account and click the '-'. Please note that you cannot remove an account once it has been used in an entry.

For each account, you need to specify an account number, a description, and the type (Asset, Liability, Equity, Revenue or Expense). You may also specify a VAT code and a tax code; these fields are used for generating 'special' reports and are optional. For income and expense accounts, you can also specify a VAT level (normal or reduced). This VAT level is used when helping you create entries (see below).

The VAT code is used to construct a VAT report; accounts are grouped according to the VAT code and all activity for each VAT code for a specific reporting period is shown on the report. For most cases the VAT code will be blank. Unless there is a specialized VAT report available in Economacs for your country, you can enter anything as a VAT code; the generic VAT report will use whatever you enter.

The format for account numbers varies across Europe. You can change how account numbers are displayed and sorted from the Preferences menu.

VAT levels

If you want to take advantage of the quicker means of filing entries (see below), you need to connect VAT accounts to income and expense accounts. This is done using VAT levels. There are three VAT levels: the normal VAT level and two different reduced VAT levels. For each income and expense account you select one of these levels.

Under the 'VAT' settings item in the sidebar (note, not the 'VAT' item under 'Reports') you can select accounts to use for each of these VAT levels.



N.B. You can only select accounts that are of the 'Debt / equity' type. The accounts must also have a VAT code (see below).

The new entry

Once you have a chart of accounts, you can start building an entry. Select 'New' from the 'Entry' group in the sidebar (or click 'New entry' in the toolbar). Here you have three methods to create a new entry, "Expense", "Income" and "Other / manual". Switch between these methods using the tab buttons at the top of the view.

In the lower part of the view you have controls common to all three methods: the entry name (a brief description for the journal and ledger), some optional comments, a date and an optional image (e.g. a scanned receipt). When choosing a date for the entry, keep in mind that the program enforces a strict date order, which can be disabled by clicking the lock icon next to the calendar. You should also be aware of the fact that Economacs stores any added receipt in your accounting file. If you add many large receipts your file will become very large. Receipts will be capped at approximately 100 kB.

If you are registered for VAT, both the 'expense' and 'income' methods require that you've set up the appropriate accounts in VAT settings (see above).

Expenses and incomes

Using these methods Economacs can guide you to creating an entry of the corresponding type. Enter the requested information. When you are done, the "File" button in the lower right corner will be

enabled and you can file the entry. You can also switch over to the manual mode to see the details of the created entry.

Manual mode entries

In manual mode you enter each row of the entry manually. Add or remove rows using the '+' and '-' buttons. Each row requires an account and a non-zero value for debit or credit. If you've specified any tags you can also assign tags to individual rows. Note that you should only assign tags to income or expense accounts.

If you wish to see the chart of accounts, you can select View→Show chart from the menu to open it in a drawer.

The entry can be filed using the 'File' button once you have entered two or more rows that are balanced (i.e. the sum of debit values matches the sum of credit values). You can balance the entry automatically by using the 'Make it balanced' button, which makes the entry balanced by changing the debit/credit values of the currently selected row.

Changing a filed entry

If you immediately realize that you've made a mistake when filing an entry, you can use the undo feature (by accessing the menu Edit→Undo or typing ⌘Z). You can undo repeatedly as far back as the last save.

If you wish to change an entry that was filed a while ago, select its fiscal year from the sidebar, then select the entry from the list in the main view, and click the 'Edit' button at the bottom. A list of the rows in the entry will be displayed in a sheet panel on top of the main window. This list is similar to the list of rows for the new entry, with a few differences:

1. you cannot delete a row completely. Removing a row marks it red; it will no longer affect balances etc., but it will appear as crossed-over in the ledger and journal.
2. new rows added are in bold-face.

Altered rows will be displayed in the journal and ledger with a note showing the date when the change was made and by whom (the full user name of the currently logged in user).

The journal

Filed entries are sorted into fiscal years. For each fiscal year there is a sequence of entry numbers; a newly filed entry is given the next number in this sequence. You can see both which fiscal year and what number the entry received after filing it by observing the animation that occurs directly after you click the 'File in journal' button. The number of the next entry is also displayed in the caption on the 'File' button. Note that since there may be entries enqueued under 'Upcoming', the next entry number will depend on what date you choose in the calendar.

For each fiscal year you can see the journal of entries, by selecting the fiscal year in the sidebar from the 'Entries' group.


Tags

Economacs supports assigning tags to individual rows in entries. You can define tags by selecting 'Tags' in the sidebar, which causes the main view to switch to a table with the currently defined tags. Here you add or remove tags using the '+' and '-' buttons. For each tag you specify a number and a name.

Once you have defined at least one tag, an additional column appears in the table of rows in the new entry. This column lets you specify the number of a tag that you wish to assign to that row.

Fiscal years

You can only file an entry with a given date if that date is within a fiscal year. When you start a new document Economacs creates a fiscal year corresponding to the current calendar year. If you have a different fiscal year, or wish to start bookkeeping on an earlier fiscal year, you will need to make changes to the list of fiscal years. Select 'Fiscal years' in the sidebar to show the list of fiscal years. You can add or remove fiscal years using the '+' and '-' buttons. Once entries have been filed in a fiscal year, that fiscal year can no longer be removed. For each fiscal year, you supply an arbitrary name, a starting date and an ending date. The fiscal year includes the ending date. That means for the calendar year as a fiscal year, the year should end on the 31st of December.

 **N.B.** You can send invoices on a date that isn't within any defined fiscal year, but you won't be able to select it after sending it since there is no appropriate folder in the sidebar for it. Create a fiscal year encompassing the invoice date to see it.

Starting balances

If a fiscal year does not represent the first year of operation for the company, you most likely have starting balances for accounts representing assets and liabilities. To the lower right in the fiscal year view there is a list of starting balances for the currently selected fiscal year. You can add or remove starting balances using the '+' and '-' buttons. For each row, you must specify the account number and the balance.

You can calculate the starting balances of a year based on the previous year, if it exists, using the button 'Calculate from previous year'.

Keep in mind that the starting balance for many accounts representing liabilities (debts and equity) will be negative and have to be entered as such in the starting balances. The sum of all balances must be zero. If it is not, the difference will be shown in red below the list of balances.

Supplier invoices

Most invoice features in Economacs relate to invoices you send to your customers, but the application also supports supplier invoices. Under the 'Entries' heading in the sidebar you will find 'Supplier invoices'. In this list you find all supplier invoices you have created. Here you can quickly see overdue supplier invoices, apply status changes to active supplier invoices and create new ones.

Adding a supplier invoice

To add a supplier invoice, click on the '+' on the bottom left. The top part of the view displays information pertaining to the supplier invoice: invoice number, address information for the supplier (you can pick the address out of your address book if you want to), a description of the supplier invoice (which will be used as part of the corresponding entry name) and a number of amount items.

For each amount you enter an account. If the invoice includes VAT you need to specify it as a separate item; it is not calculated automatically. The list of accounts to choose from includes all debt accounts whose VAT code is set, as well as all expense accounts.

Registering the supplier invoice

Click 'Register' to register the supplier invoice as received or paid. The process of registering the supplier invoice differs depending on your chosen invoice filing method:

- If you only file one entry (when the invoice is paid), the application will ask you for a date, a source account and optionally the actual amount paid (if the invoice is in a different currency).
- If you file two entries (one when the invoice is sent or received, and one when it is paid), you will be asked for an invoice date (or a due date, if you prefer), the number of days between the invoice date

and the due date, and an exchange rate, if the invoice is in a different currency. The application automatically tries to contact the European Central Bank to fetch the current exchange rate.

An entry will automatically be created if automatic book-keeping is turned on. The entry will appear among the 'Pending' entries.

Registering a supplier invoice as paid

If you didn't specify a payment date when you registered the supplier invoice, the invoice will be listed as received or overdue in the list of supplier invoices. In this state you can select it and click 'Mark as paid' as the bottom of the window. Select a date, the account from which funds were drawn, and the actual amount paid (if the invoice was in a different currency).

For invoices in a foreign currency, the amount you actually pay will differ from the amount calculated when the invoice was received. When you mark such an invoice as paid you will be prompted for the amount in your local currency (if automatic book-keeping is turned on).

Invoicing

An invoice in Economacs is constructed from a number of invoice lines, with each invoice line optionally referring to a specific product. An invoice is either not sent, in which case you may add or remove invoice lines and change other details, or sent, in which case you may not change anything except its status.

Products

When selecting 'Products' from the sidebar, the main view switches to a list of products. Here you can add or remove products using the '+' and '-' buttons. For each product you enter a number (which need not actually be a number; it can contain letters, hyphens, et.c.), a name, a default price, and whether it is a good or a service. You must also specify the sales account used for the entry created by the automatic bookkeeping. This determines the VAT account to use and the VAT rate, through the VAT level of the sales account.

To send invoices with invoice items ("lines") without a specific product you need to specify a default product. The default product is used to provide a template for these invoice lines when creating entries. Select which product is to be the default one from the popup at the bottom of the window.

If you wish to use Economacs to only send invoices, you must still have a few accounts defined, in order to define sales accounts for your products. This is the only way to set the VAT rate on each product.

Unsent invoices

Unlike the new entry in the journal (of which there is only one), you can have several simultaneous invoices that await sending. By selecting 'Unsent' from the 'Invoice' group in the sidebar you can see the currently selected unsent invoice. If there is no such invoice, all you see is a button for creating a new invoice.

Once you've created an invoice you fill out the invoice fields. Clicking the address book icon allows you to select a contact from the Mac OS X address book as the recipient (provided that you haven't denied Economacs access to your contacts).

You can add or remove invoice lines by typing in the invoice line columns. For each line you must at the very least specify a price. If you select a product from the product list its price will be copied to the invoice line price. Changing the price in the invoice line will not affect the product registry and vice versa.

VAT number checking

Economacs can check the VAT # entered in the 'Customer VRC' field with the EU commission central database for VAT numbers if you have a valid Internet connection. Click the 'Check' button to do this. When the check completes you will be notified in a popup sheet of the results.

If the VAT # checks out, or if the invoice is VAT free for some other reason, you can disable VAT for the invoice using the VAT checkbox.



N.B. The VAT number checking relies on different servers for different countries (all relayed through the servers of the European Commission), operated by the respective tax authorities. Some of these servers are often down.

Discounts

Optionally you can specify a discount for each invoice line. The discount can be stated in relative terms (e.g. 10%) or in absolute terms (e.g. £10); for the latter you must use the same currency as the invoice is in. Note that the default template does not offer a discount column or a total invoice discount field. To use discounts you must select an invoice template with this column. Included in the base invoice template sets there are variations on the default template that include these fields. You can also create your own in the Template Editor.

You can also specify a total invoice discount in the same manner as discounts for specific invoice line. Here, the discount includes VAT. Special care must be taken if you give an absolute discount on an invoice with varying VAT levels; Economacs attempts to distribute the reduction in VAT across the invoice lines starting with the most expensive item. If possible, apply the discount to one or more invoice lines or use a relative discount.

Discounts are not handled separately when filing entries for the invoices. They are simply treated as a reduction in sales.

Templates and languages

You select a template to use from the available templates in the Templates popup menu. You can add or remove templates in 'Invoicing' under the 'Settings' heading in the sidebar.

You can choose an invoice language using the Language popup menu. The list of languages depends on the selected template. Note that this setting only affects the predefined text on each invoice. It does not translate your invoice item descriptions, for example.

To get your logo on the invoice there's no need to make a custom template. Just add the logo under Settings / General in the sidebar, and it will appear on all invoices. We recommend using PDF format for the logo for higher print quality.

Currency

If you select a different currency for an unsent invoice, all prices in the invoice item list should be changed to reflect the new currency. This change does not take exchange rates into account; you will need to set the prices manually.

When you send an invoice in a different currency, you will be asked to provide an approximate exchange rate used to calculate the amount for the accounts receivable. Economacs attempts to load the exchange rate from the European Central Bank, if an Internet connection is available.

Once the invoice is paid, and you receive the amount in your local currency, you must specify how much you received. The difference between how much you received and the estimate made upon sending the invoice will end up in the currency gains / currency losses accounts that you've specified in the invoice settings view (see below).


Tag

If you've defined tags (see below) you can assign a tag to the invoice using the Tag popup menu.

Rounding

In many currencies it is customary to round off the invoice amount to the nearest integer. Check the 'Rounding' checkbox to enable rounding. Rounding amounts are filed under the rounding account specified under 'Invoicing settings'.

Envelopes

By clicking the envelope button  you can print a C5-size (167 mm x 229 mm) envelope with the recipient's address. This requires a printer capable of printing this media size. This function can also be accessed after the invoice has been sent, in the invoice list.

Sending the invoice

When you have at least one invoice line on the invoice, the 'Send' button at the bottom is enabled. The invoice can now be found in the invoice list for the fiscal year containing that date (the ensuing animation indicates the fiscal year in question). If you haven't created a fiscal year for the invoice date you will need to do so before you can see the invoice.

Note that the invoice isn't actually sent to the recipient when you click 'Send'. To do so, select the invoice in the invoice list and print it (either as a PDF to send it electronically, or on paper).

The invoice lists

Under the 'Invoice' group in the sidebar is an item for each fiscal year, containing the sent invoices for that fiscal year. The invoice list is shown in a table displaying the invoice number, invoice date, the recipient, the status and the invoice amount. By selecting View→Show details in the menu you can show more information on each invoice in the table.

There are a number of actions available for each invoice. These actions are accessed using the cog-wheel popup menu button below the table. Depending on the invoice status, you can

1. mark the invoice as paid. Economacs will prompt you for the payment date, and the actual amount received. If the payment is considered to be partial, make sure the 'Paid in full' checkbox is off.
2. mark the invoice as a customer loss or as returned.
3. revert the invoice to 'not sent' status. This is only possible if the corresponding entries haven't been filed. Economacs will attempt to locate the corresponding entries based on the entry name, and remove them.
4. remove the invoice. Although it is not recommended, an invoice can be removed from the list if it hasn't been paid yet. If you use automatic bookkeeping, any corresponding entry is not removed, and must be removed manually.
5. send a reminder. The reminder count will increase (up to a maximum of two) and printing the invoice will show a text indicating that it is an invoice reminder.

You can print the selected invoice by choosing File→Print... from the menu. In the print panel you can choose between printing

1. each selected invoice
2. the shown list of invoices (in list format)
3. packing slips (i.e. an invoice without any amounts on it)

You can also print a C5 envelope (see above) using the envelope button below the invoice list.

Invoicing settings

Under the 'Settings' group in the sidebar is the 'Invoicing' item which gives you access to a number of settings related to invoicing. The top left part of this view contains information relating to how your customers should go about paying your invoices. This information will be shown in the corresponding fields on your invoices. The credit terms can be specified in several different languages. You can select between all languages that are defined in the currently selected invoice template group. Specify credit terms for all languages in which you plan to send invoices; if you send an invoice in a language for which you haven't defined any credit terms, the credit terms in your default language will be used if available. The credit terms are saved for each sent invoice; changing them here won't affect your already sent invoices.

The top right part of this view contains a list of invoice templates; here you can add or remove invoice templates to the current document. To add an invoice template, drag a template file (created using the Template Editor) to the list of invoice templates. You can also add template files using the '+' button below the list. To remove an invoice template, select it and press the '-' button. Note that the built-in invoice template cannot be removed. For more information regarding invoice templates, please see the documentation for the Template Editor.

This view also contains settings pertaining to automatic bookkeeping (see below).

Automatic bookkeeping

Economacs is built to support a workflow where you do your bookkeeping less often than your invoicing. Sending invoices and receiving payment for them will generate entries for your journal. These generated entries are put on hold in a queue of pending entries, and aren't filed in the journal until you catch up with your regular bookkeeping.

This feature can be enabled in the Invoice Settings view. Here you can choose whether to file entries only upon receipt of payment (i.e. not use 'Accounts receivable') or both upon sending and receipt of payment. For the latter you will need to specify the accounts to use.

You can see the enqueued entries by selecting 'Pending' from the sidebar.

Reports

In the 'Report' group of items in the sidebar, you can find the reports listed below. In many of the reports you will find date range selection controls at the bottom. Initially the date range will span the entire selected fiscal year. If you limit the date range to, for example, a single month, you can step between consecutive months by using the left and right arrow buttons next to the date range.

Report	Description
Overview	The default view shown when a document is opened, 'overview' provides status information for you company. You can see profit or turnover for the selected fiscal year as a function of time, an interactive graphical representation of the balance sheet, a list of recent invoices, and some key numbers.
Ledger	The ledger is a list of all accounts showing all transactions in the currently selected fiscal year for each account. Select an account from the list to the right to show the transactions for that account.
Balance sheet	The balance sheet shows assets and liabilities at the end of the date range. Also shown are the values at the start of the selected period.

Report	Description
Profit / loss	The profit / loss report shows incomes and costs for the selected date range. If you've defined tags you can select a specific tag. Only entry rows with the selected tag will be included in the profit / loss report.
Accounts receivable	Using this report you can compare all unpaid customer invoices to the balance on the account for 'accounts receivable'.
VAT-free sales	In some jurisdictions within the EU you need to submit this report on all sales made without VAT where the customer supplied a valid VAT number. Goods and services are reported separately.
VAT	Depending on your country settings, a VAT report may be available. This report is based on the VAT codes specified in the chart of accounts, and the VAT reporting interval under VAT settings.

Additional reports may be available depending on the region and any loaded plug-ins.

Settings and preferences

Through 'General' in the 'Settings' group in the sidebar you can access general settings for your company. This includes a profit/loss account (with account type 'Cost'). This is the account by which you normally transfer the result of a fiscal year into your equity. Knowing this account allows Economacs to exclude this account from the 'Costs' part of the profit/loss report after the aforementioned transfer has taken place.

VAT settings

Through 'VAT' in the 'Settings' group in the sidebar you can access VAT settings for your company. Apart from the VAT number and VAT reporting interval you can also set the different VAT accounts to use for different VAT levels. These VAT levels (normal, reduced and further reduced) correspond to the settings available for all income and expense accounts in the chart of accounts. These settings are used when creating entries with the help of the entry guides.

Preferences

Apart from the document-wide settings mentioned above, there are also application-wide settings available in the Preferences panel. You can access this panel with the menu item Economacs→Preferences....

The first tab concerns how currencies are display, and whether to hide unnecessary decimals on invoices. Here you can also choose to disable the start-up window.

The second tab relates to your country settings. The language popup sets which language Economacs uses and the country popup determines which reports to display. You can also select how account numbers are displayed (this setting is changed automatically when starting a new file based on one of the built-in accounting charts). Finally, you can select different sorting methods for accounts.

Staying up to date

If you purchased Economacs from the Mac App Store, visit the App Store application to check for updates. If you purchased Economacs directly from us you can select Economacs→Check for updates... to see whether updates are available.

Getting help

Our online forums at <http://www.economacs.com/forum/> are a good place to start with questions relating to the use of Economacs. If you have specific problems, please contact our support at support@economacs.com. Please note that we are unable to answer bookkeeping questions. For that type of questions, please consult a qualified accountant.

System requirements

Mac OS X 10.7.4 or later.

70 MB of hard drive space.

Internet connection required for some features.