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## Peachtree by Sage: A True Business Management Solution for Serious Small Business Owners

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By K2 Enterprises



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# Peachtree by Sage Overview

Small business owners and managers determined to increase the value and usefulness of the information in their accounting system should look no further than the Peachtree by Sage accounting solutions offered by Sage Software. The award-winning Peachtree family of products has delivered robust, end-to-end accounting solutions for growing businesses for three decades. This long-standing tradition of excellence places Peachtree in the unique position of being able to provide **real-world solutions** for the **real-world problems** facing small businesses, based on **real-world experience**.

And since Peachtree is part of Sage Software, you have the solid support of a business management software company that's truly focused on the needs, challenges, and dreams of small and mid-sized businesses.

## Helping Manage Businesses More Effectively

Peachtree is not designed for everyone – just those small business owners and managers who understand that the information in their accounting systems should be the basis for managing their businesses more effectively. These small business owners are serious about their accounting. To that end, Peachtree is more than just accounting software; rather, it is a business management solution. To illustrate, consider the following three examples of how Peachtree quickly gets critical information into the hands of those who need it:

- The Peachtree Business Status Center (shown below) is a dashboard of key, real-time information about the health of the business. Customizable by user, the Business Status Center is a graphical interface with instant access to an integrated view of key measurements and indicators. From the Business Status Center, small business owners and managers can quickly see who their most profitable customers are, what bills need to be paid, and what is owed to them. This assists in making more effective decisions from one convenient location within the software.

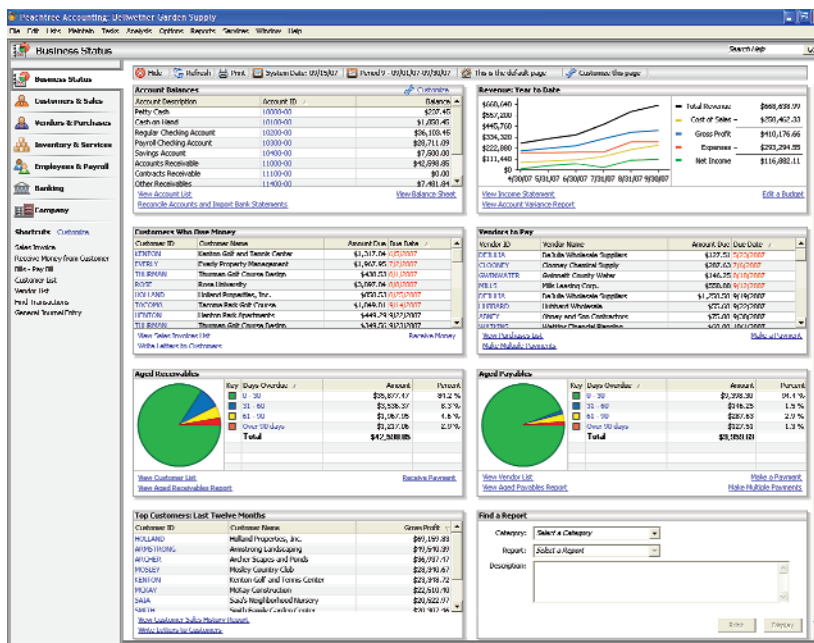


Figure 1 – Peachtree Business Status Center

- Business analysis means more than just reading financial statements – it means understanding the numbers behind the financial statements. To assist small business owners and managers in understanding the performance of their businesses, Peachtree provides a suite of analysis tools, including **Cash Manager**, **Collection Manager**, **Payment Manager**, and **Financial Manager**. As an example, Financial Manager (shown below) gives instant access to key financial statistics and account balances, enabling financial decision makers to easily and conveniently access critical information.

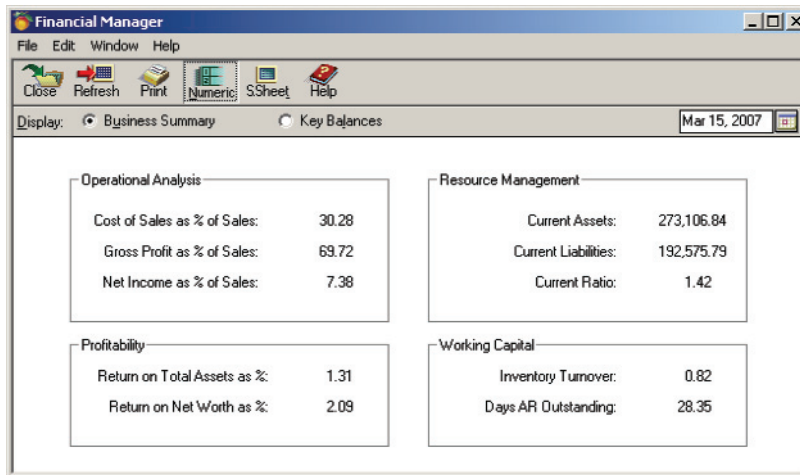


Figure 2 – Peachtree by Sage Financial Manager

- Small business owners and managers often need to be alerted to changes in the status of certain items impacting their businesses. Examples include a negative change in a customer's credit status, inventory falling below minimum stock, unfavorable budget variances, or cash balances declining below pre-established thresholds. Peachtree provides an innovative **Alert** feature which allows users to establish pre-defined rules in various areas of the business and a mechanism for alerting pre-defined personnel when exceptions to these rules occur. These alerts can be in the form of automatically-generated e-mails, reports, or even automatically-generated text messages to a cellular phone or pager. Taking advantage of this best-in-class Alert feature means no more unpleasant surprises!

The three examples cited above are representative of Sage Software's commitment to providing small businesses with more than just an **accounting** package; Peachtree is a true **business management solution** designed to assist small business owners and managers in running their businesses more efficiently, effectively, and profitably.

## Supporting Diverse Needs with Multiple Versions

No two businesses are alike. The Peachtree family of products ensures that the diverse needs of all businesses are met by offering different versions of the software, targeted to different size businesses and different industries. As a company grows and its needs change, an investment in Peachtree provides superior returns as data files can be converted seamlessly from one Peachtree solution to another more robust Peachtree solution.

The following five products currently comprise the Peachtree general purpose product line:

- **Peachtree by Sage First Accounting** is targeted to small business with basic accounting needs in the areas of general ledger, accounts payable, accounts receivable, and inventory. Peachtree First Accounting includes more than 35 pre-defined financial and operational reports and is ideal for those businesses converting from a manual or spreadsheet-based bookkeeping system. Lists provide an at-a-glance view of records about key information like Customers, Vendors, and Employees.

- **Peachtree by Sage Pro Accounting (formerly Peachtree Accounting)** extends the functionality of Peachtree First Accounting by adding features such as budgeting capabilities, payroll<sup>1</sup>, enhanced inventory, sales order capacity, integration with Microsoft® Word and Excel<sup>®2</sup>, e-mail alerts, the ability to e-mail forms and reports<sup>3</sup>, QuickBooks® conversion<sup>4</sup>, and an internal accounting review<sup>5</sup>.
- **Peachtree by Sage Complete Accounting** contains all of the features found in Peachtree Pro Accounting and adds numerous capabilities, creating a robust application designed for small and growing businesses. Some of the additional features found in Peachtree Complete Accounting include: multi-user capabilities<sup>6</sup>; advanced budgeting; advanced security, including an audit trail; integration with Microsoft Outlook<sup>®7</sup>, integration with UPS<sup>®8</sup>; advanced inventory, including master items, sub-items, global price changes, and automatic creation of purchase orders; customizable pricing levels; time and billing functionality; and FAS for Peachtree, a fixed-asset tracking and depreciation calculation system.
- **Peachtree by Sage Premium Accounting** is designed for those users requiring additional features and functionality not found in other versions of the Peachtree family of products. With Peachtree Premium Accounting, users have access to all of the features found in Peachtree Complete Accounting, plus many additional features including: progress billing; **Crystal Reports® for Peachtree**; the ability to create consolidated financial statements from other Peachtree companies; departmentalized financial statements; serialized inventory tracking; and the ability to archive prior company data to a separate file.
- **Peachtree by Sage – Quantum** is the most comprehensive product in the Peachtree line and is designed for businesses that need more – more users, more capacity and more performance. Able to support up to 10 named users<sup>9</sup>, Peachtree Quantum provides advanced user security and roles management, all of the features available in the Peachtree Premium line, and is bundled with a year of maintenance that includes upgrades and support.<sup>10</sup>

In addition to the robust line of general purpose products described above, the Peachtree product line includes solutions developed for specific industries. Recognizing that users in different industries have unique accounting and reporting requirements, there are five industry-specific Peachtree products to help meet the specific challenges found in the targeted industries.

- **Peachtree by Sage Premium Accounting for Construction** is designed to meet the specific and unique needs of small construction businesses. It includes features such as: subcontractor insurance tracking, labor burden allocations, progress billing, retainage<sup>11</sup> tracking, and expanded job costing reporting.
- **Peachtree by Sage Premium Accounting for Distribution** is the ideal choice to meet the challenges of distribution companies. Included in the feature set are: multiple and customizable price levels; quantity discounts; global price changes; indented Bill of Materials report; support for vendor part numbers, including the ability to buy and sell by vendor part number; stock status by location report; up to 20 customer “ship-to” addresses; the ability to place a customer on credit hold; customer and vendor management detail reports; advanced kitting and assembly features; work tickets; assembly planning report; and deficient components list for assembly report
- **Peachtree by Sage Premium Accounting for Manufacturing** contains the functionality necessary for small manufacturers to manage the production process more effectively, to optimize investments in inventory, and to provide outstanding customer service. Among the differentiating features in this product are: advanced indented bill of materials processing; component pick list report; production scheduling report; inventory trend analysis; buy and sell in multiple quantities; and multiple costing methods, including specific identification costing for serialized items.

- **Peachtree by Sage Premium Accounting for Nonprofits** is an affordable solution designed to meet the unique reporting requirements of smaller nonprofit organizations. Features that make it an outstanding choice for many nonprofits include: donor grantor summary list report; statements of revenues and expenditures; statements of financial position; and predefined charts of accounts for various types of nonprofit entities.
- **Peachtree by Sage Premium Accounting – Accountants' Edition** is targeted to those accountants in public accounting or bookkeeping practices who have many different clients running many different editions of Peachtree. The Accountant's Edition is unique in that it contains all of the features found in all of the other editions of Peachtree; accordingly, accountants need only use the Accountant's Edition to ensure full compatibility with their clients' Peachtree data files.

Should a company reach the point at which the Peachtree family of products no longer provides a viable solution, data can be easily migrated upstream to one of Sage Software's mid-range products – Sage MAS 90. This industry-leading business management solution is offered in 26 separate modules, meaning users pick and choose the modules that are necessary to serve the needs of the business. Because data is converted from Peachtree to Sage MAS 90, implementation time is minimized and access to prior data is maintained. This is yet another example of Sage Software's ability to provide powerful solutions throughout the life of a business.

## Talking the Talk

Accounting is often referred to as the “language of business” and perhaps no other solution targeted to small and growing businesses speaks that language as fluently as Peachtree. Using accounting terminology already familiar to small business owners, managers, and accountants, Peachtree capitalizes on knowledge bases that are already established and well-entrenched in most businesses. This translates into higher end-user productivity and reduced implementation time and training costs.

In addition to utilizing familiar terminology, Peachtree can be configured to satisfy a wide variety of accounting preferences. For example, Peachtree supports both calendar years and fiscal years. Further, anywhere from one to 13 interim accounting periods can be defined within the reporting year, regardless of whether the reporting periods are defined as calendar year or fiscal year. Additionally, formal closing processes at the end of each interim period and reporting year ensure that the integrity of prior period financial statements remains uncompromised.

Another example of the solution's flexibility in meeting the needs of a wide variety of businesses lies in its ability to support up to five segments in account numbers in the chart of accounts. Users may define these account segments while setting up a company's data file or at any point in the future. Taking advantage of this feature facilitates quick and easy financial reporting at both the balance sheet and income statement level by account, division, location, profit center, fund, or any other desired form of segmentation.

## Walking the Walk

Many accounting applications pay lip service to the important topic of internal control, but Peachtree stands alone in the small business market with its commitment to a strong internal control structure. With the internal control features present in Peachtree products, small business owners and managers can be comfortable in knowing that their data is safe, secure, and protected from unauthorized persons.

The internal control process begins when each user on a company's data file is assigned a unique user ID and password and specific permissions are associated with the user ID. These permissions control what areas of the application the user can access and, once there, what the user can do within each area of the application. Setting up user IDs and associated permissions ensures that employees can access only those specific areas of the program to which they have been granted permission. In addition, permissions control whether individual users can modify information in prior periods.



The second key component of the solution's internal control structure is an "always on" audit trail. With the audit trail, Peachtree can maintain a record of details associated with every transaction. Some of the information maintained in the audit trail includes who entered a transaction and when; who changed a transaction, when the change was made and what the change was; and who deleted a transaction and when. In addition, the audit trail tracks when each user logs on and off the system and what additions, changes, and deletions were made to master file information. Reviewing the Audit Trail Report is a key internal control measure as it allows business owners and senior managers to monitor each employee's activities within a Peachtree data file.

Duplicate transactions are frequently a source of internal control failures. As a third component of its internal control structure, Peachtree prevents duplicate transaction numbers from being entered. In addition, Peachtree provides a utility known as **Internal Accounting Review**<sup>5</sup> (shown below). This feature can be used to identify suspicious and/or erroneous transactions in a Peachtree data file. Run on demand, Internal Accounting Review performs up to 15 independent checks of a company's data.

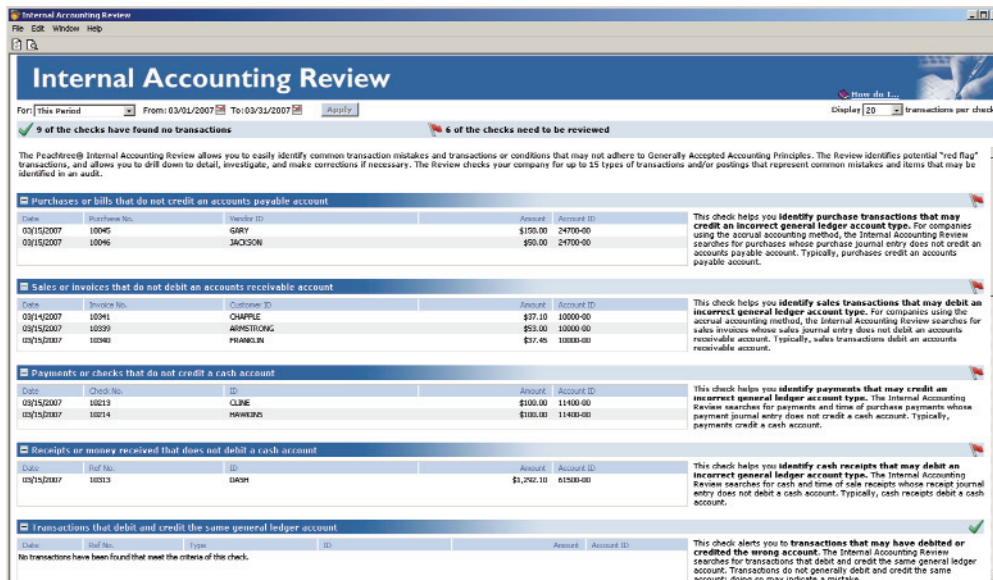


Figure 3 – Internal Accounting Review

Long-term protection of a company's data file is another component of a sound internal control structure and Peachtree supports this objective by making data file backups easily accessible. Users can back up data from within Peachtree or by using an alternate means such as a tape backup. In addition, Sage Software offers **Peachtree Online Backup**<sup>12</sup>, a subscription-based service through which a company's data is backed up over the Internet to a secure, off-site storage facility. Users taking advantage of this option can rest assured that their data is safe and secure and can be retrieved at any time with only an Internet connection and web browser.

## Going Beyond the Numbers with Financial Reporting

Through Peachtree, users receive clear, concise, and uncluttered financial and operational reports that provide greater insight into their businesses. In addition to numerous pre-defined reports, users may create and save customized reports to meet specific reporting requirements. Reports may also be organized into **Report Groups**, allowing "batch printing" of a number of reports with a single command.

As many as 135 predefined reports and financial statements are included in Peachtree products. The following chart shows those in Peachtree Premium Accounting – Accountants' Edition.

Report Type	Number of Reports
Account Reconciliation	6
Accounts Payable	16
Accounts Receivable	23
Company Reports	2
Crystal Reports for Peachtree	12
Financial Statements	14
General Ledger	9
Inventory	20
Job Reports	14
Payroll	11
Time and Expense Reports	10

*Figure 4 – Number of Reports in Peachtree Premium Accounting – Accountant's Edition*

Creating customized financial statements and reports with Peachtree is quick and easy. Users can customize financial statements and reports using the manual editing features in the **Design** window. Additionally, when customizing financial statements, the **Financial Statement Wizard** can guide a user through the process of customizing report headers and footers, date range of the report, columns in the report, and formatting and font options for the report. Of course, once a report or financial statement has been customized, it can be saved for future recall.

Other notable features within the Peachtree reporting function include:

- The ability to copy reports and financial statements from one company to another;
- A built-in PDF generator, allowing any report or financial statement to be saved as a PDF file;
- One-click access to e-mail reports and financial statements from within Peachtree; and
- The ability to export a report or financial statement to either a new Excel workbook or an existing Excel workbook.

### **Crystal Reports for Peachtree**

Where even greater flexibility and depth are needed to support the financial and operational reporting aspects of a business, **Crystal Reports for Peachtree** is included as an enhancement to Peachtree Premium Accounting. Crystal Reports is widely recognized as one of the leading report-writing packages available today and Crystal Reports for Peachtree brings the functionality of Crystal Reports to the Peachtree product line.

Crystal Reports for Peachtree includes 12 pre-defined reports that may be used immediately without any modifications. More importantly, Crystal Reports for Peachtree allows users to create fully-customizable reports that access virtually any of the data residing in Peachtree. These reports can even include graphs and charts, allowing users to gain greater insight into the performance of the business. Perhaps best of all, users can access and harness the full functionality of Crystal Reports for Peachtree without ever having to exit Peachtree Premium Accounting.



## Simplifying Fixed Asset Management

Included in the Peachtree Complete Accounting and Peachtree Premium Accounting product lines, **FAS for Peachtree** provides Peachtree users with a full-featured fixed asset management solution. With FAS for Peachtree, users can manage information on as many as 200 fixed assets and calculate and post periodic depreciation entries into Peachtree on each of these assets.

FAS for Peachtree also contains a full complement of operational and tax-oriented reports and worksheets to simplify and streamline the process of fixed asset management. From an operational standpoint, some of the key reports include depreciation expense and summary reports, an asset disposal report, a fixed asset summary report, and annual activity and fixed asset basis reports.

FAS for Peachtree streamlines tax reporting for fixed assets also. For example, with FAS for Peachtree, users can generate suitable-for-filing copies of Forms 3468, 4255, 4562, 4626, and 4797. FAS for Peachtree even calculates when a company must apply the mid-quarter convention for assets placed in service during the reporting year. In addition, beyond income tax reporting, FAS for Peachtree can simplify the process of property tax reporting for those companies that are subject to personal property taxes. By tracking asset locations and allowing these locations to be filtered during the report-generation process, FAS for Peachtree streamlines the process of reporting personal property to various taxing jurisdictions.

## Getting Started Is Easy

It is easy to take advantage of the many features mentioned here because getting up and running with Peachtree is a snap. A **New Company Setup Wizard** guides users through the process of creating a new company in Peachtree. Settings can be imported from other Peachtree companies, including template company files supplied by Peachtree, or they can be established manually. With extensive import capabilities, it is also quite easy to import list information such as customer names and addresses from familiar applications such as Word and Excel. Further, for those companies already utilizing either Quicken® or QuickBooks®, Peachtree provides a conversion utility which converts existing data files into Peachtree. With tools like these, Peachtree users are positioned to take full advantage of the features in their business management solution in no time. The Setup Guide helps users set up key information in Peachtree before entering any transactions. The Setup Guide walks users through creating customers, vendors, inventory items, and more.

## Summary

Sage Software remains a leader in providing full-featured business management solutions to small and growing businesses, and Peachtree is a primary example of this. Built on a long-standing tradition of excellence, Peachtree products are designed for those small and growing businesses that are serious about leveraging the information in their accounting system into more efficient operations and greater profitability.

Not content to rest on past successes, Sage Software continues to innovate and develop products that are feature-rich, technologically stable, easily understood and used, and which provide a solid return on investment. This is driven by the concept of Customer Connected Design (CCD). Sage Software's Customer Connected Design model focuses on identifying and providing solutions that meet the needs of business owners and others who are serious about how they manage their business finances.

Moreover, with the upgrade opportunities available in other Sage Software mid-range products, Peachtree users don't have to worry that their investment in data will become obsolete when it's time to move to an even more robust business management solution.

In short, the Peachtree product line is one that meets the core accounting needs of a great majority of small and growing businesses today. Perhaps more importantly, capitalizing on strengths (especially compared to other small business accounting software applications) in the areas of financial reporting, internal control, inventory management, fixed asset reporting, and business analytics enables Peachtree products to help solve many of the problems faced by small business owners and managers. Backed by Sage Software, a company providing solutions to more than 2.6 million customers in North America, Peachtree products truly do live up to their tagline: **Accuracy. Control. Results.**

### About the Author

Randy Johnston is a nationally recognized educator, consultant, and writer with over 30 years experience in Strategic Technology Planning, Systems and Network Integration, Accounting Software Selection, Business Development and Management, Disaster Recovery and Contingency Planning, and Process Engineering. Mr. Johnston is currently an Executive Vice President and Partner at K2 Enterprises and Network Management Group, Inc.

## Endnotes

- 1 File-able forms and automatically updated tax tables require an additional fee. See [www.peachtreepayroll.com](http://www.peachtreepayroll.com) or call 877-231-3762 for more details.
- 2 Word and Excel integration requires Microsoft Word and Excel 2000, 2002 or 2003.
- 3 Requires Microsoft Outlook 2000, 2002 or 2003; Outlook Express 5 or 6; other MAPI compliant e-mail programs.
- 4 Requires QuickBooks version 2003, 2004, 2005, or 2006, Basic through Enterprise.
- 5 Sage Software is not liable or responsible for any fines or penalties that may result from errors in your company accounting records. The Internal Accounting Review is not intended to uncover all questionable transactions.
- 6 For multi-user access, you must purchase one single-user box per named user or one Multi-use Value Pack for up to five named users.
- 7 Outlook integration requires Microsoft Outlook 2000, 2002 or 2003.
- 8 UPS functionality is subject to UPS terms and conditions. Internet access required.
- 9 Subject to terms of the End User License Agreement. A maximum of 10 licensed named users are allowed. Only the first 10 named users selected in the user maintenance screen are considered licensed named users.
- 10 The Peachtree Quantum Signature Care Plan (which includes product upgrades, product updates, and customer support) will be renewed automatically each year on the anniversary date of purchase, at the then current renewal rate, unless the customer terminates the agreement prior to that date. Renewal is not required for continued access to product updates.
- 11 Retainage is available only in companies using accrual based accounting.
- 12 Additional fees apply. Internet access and credit card required.



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