Radio Days – 2010-10-30

Tip of the Week – What Are You Downloading?

I had a recent client who thought that he was downloading the free version of AVG 2011. He saw a message stating that he had many problems and had to download a program to fix these problems. He paid for and downloaded the program, then discovered that it was not AVG. Worse, it stated that there were many problems but it could only fix a small number of them. This left my client both confused and worried. After calling me, I installed the free version of AVG on his behalf.

Please know what you are downloading: it may well be a virus and not the safe program that you thought! Many download sites have confusing advertisements on them: I have been caught starting to download a program which was not the one that I wanted.

Caveat emptor!

Get Help Early

This week I saw a new client who had been using a bookkeeping program for over two years. They had set their data file up themselves, and made a number of mistakes in the process. The main problem was that all their BAS reports were wrong as were the reports that they had sent to their accountant at the end of each year. This is serious, and could have had horrible consequences if the Tax Office had ever audited them. Some of the mistakes were easy to repair; others really needed to have all the data re-entered from the beginning.

Another client from many years ago had a similar problem: they had lots of income but no expenses. For some businesses this might just be true, but this was a pub which had not claimed any beer purchases for more than a year! (And no: it was not *The Pub With No Beer*!) Because of the nature of the problem the only solution was to re-enter all the data again. This was because the computer operator had not known enough to use the program correctly and the business owners had not known enough to check the computer operator's work.

Both of these problems would not have occurred if the data file had been setup correctly. You need to know how the program works to set up a company in both QuickBooks and MYOB. These are the two most popular bookkeeping programs. Both programs are complex: they have to be to deal with current legislation. Both programs are powerful but, like a powerful car in the wrong hands, can cause mayhem if misused. Make sure that your bookkeeping data file is setup correctly for smooth running. A data file with errors in the setup is like a house with shonky foundations: it could fail at any time!

Another problem which occurred many years ago involved a client who had instructed their bookkeeper to do a backup at the end of each day. They did not know what was involved in doing a backup but they had heard that *it was a good thing to do*™! Worse still, their operator did not know what a backup was and did not know how to do one so just did nothing. Things went on for a while with no problem until the inevitable happened: they needed to recover from the non-existent backup. The only solution at this stage was to send the file to MYOB for a possible repair. MYOB found that their data file was too badly corrupted to be able to repair so they charged their minimum fee ($200 then: probably much more now).

The moral of these stories is that both *a stitch in time saves nine* and *a ounce of prevention is worth a pound of cure*. Please remember that you have been warned!

Further Information

None this week