

# Radio Days – 2012-01-14

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## ***Tip of the Week – Get Going!***

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Over the years I have met many people who have bought a computer, sometimes their first computer and sometimes a replacement computer, then left it mouldering on the shelf while they wondered what to do with it. There is a simple solution: start using it. If you are not sure just what or how to do this then you need to get help. It does not take long to get a computer running when you know what to do.

A recent client was a good example of this. She had bought a replacement computer in July with the idea of copying all her pictures across from her old computer and doing all her work in this shiny new (and fast) laptop rather than her old (very old and very slow) desktop. Her good intentions stopped there because she did not know how to copy all her files across. I met her a year ago, at New Year, through a mutual friend and suggested that she ring me then. She waited until we had met this New Year before asking me to help.

Once I arrived at her place she was amazed at how easy it all was. You, too, can get your new computer up and running easily, so get going!

## ***Keeping Programs Up To Date***

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Last year I spoke about a client who had not updated his computer since the days of Windows 98 or his accounting program since the early 2000 when the GST was introduced. This week I met a new client who had a similar problem: her QuickBooks had not been updated since 2000. There was a neat twist to this problem: her data file had been started in 1995 when Sales Tax ruled the waves.

Sales Tax, for those who managed to avoid that debacle, was the best nightmare that I can remember. Back in the early 1980s I wrote an accounting program for a company which had to pay sales tax. That sounds simple but they had four different rates of sales tax on three different types of products. Two of these types of products had a single tax rate and the third had one of two sales tax rates depending on the intended use. This was like the GST when it was introduced: because of the Australian Democrats' pig-headed political purity, buying a bone from the butcher was GST-free if you intended to make soup using it but had GST if you intended to give it to the dog! Such are the problems introduced by politicians who do not check to see what the effects of their actions might be.

But on with the story. Because of the use of Sales Tax in my client's QuickBooks data file I could not update it to the latest version of QuickBooks. I sought high and low for all the places where Sales Tax data could be found, but to no avail. I even exported all the main data (customers, suppliers, items and accounts) from the old file then created a new file: still the dreaded Sales Tax bogey had invaded the new file and it, too, would not update! Arrrrgh!!

The only solution was to create a new data file using the main data in the latest version of QuickBooks. I then imported the main data from the old file but yet another gremlin entered the fray: the export / import format had changed in the decade since QuickBooks version 8 had been created so only some of the data imported successfully. While this was frustrating, at least the main part of their new data file was created for them. Yes, there were areas of missing data which they had to enter manually, but the main data was there and the file was usable: unlike the data file in the previous version.

This is yet another reason why keeping up to date is so important, especially when your business depends on your accounting program! If you are using payroll in your company then you really should update your program when the taxation system has undergone the sorts of changes which we have seen in the last decade or so. These changes include:

- Printing the amount of salary sacrifice superannuation on employment summaries
- Deducting the flood levy from those employees who have to pay it
- Change in the tax scales every year or two

It is for these reasons, if no other, that I recommend that updating your accounting program at least every two or three years.

There is, of course, another reason why I suggest that you update your accounting program. That reason is not quite as obvious as the others that I have suggested. This reason is that, as companies are now only supporting the current and the previous versions, you will lose the accumulated wisdom of the support staff at QuickBooks and MYOB. As I learnt only too well during my stint at MYOB last century, there is a lot of knowledge gained by good support staff and this knowledge is lost once the need for it has disappeared.

For this client's problems I was, in reality, on my own. The version that he was running was ten years old and there was no knowledge left in the organisation of the problems faced when upgrading a data file with Sales Tax. This meant that, while support could offer suggestions, there was no real knowledge left to call on.

You have been warned!

### ***Further Information***

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None this week.