

example, you run a business that consisted of three departments (say production, sales and stores/purchasing departments), you can use the group keys to find out how much each department cost to maintain. There will be common expenses (and so common nominal account headings) for all three departments. But by giving the purchase department expenses the key 01, the production department 02 and the sales department 03, you can identify what proportion of each expense heading should be allocated to each department. (Production, for example, might account for four fifths of your energy bills.)

Using the 'formatted-trial balance' report option on Accountant, a trial balance can be produced that will group together all accounts by department code, with separate subtotals for each department. This is the sort of management report that can be valuable for internal decision making.

Microledger has a similar facility, only this time the analysis number is built into the account code.

Remember, each account, whether sales, purchase or nominal, is identified in Microledger by a three-digit number. There are two analysis levels. The first is a two-digit number prefixed to the account number. The second is a three-digit number sandwiched between the first analysis number and the account code proper (for example: aa/bbb/111).

To produce management reports, this two-level analysis number could be used as follows: let's say there is only one income account on the nominal ledger, but the business has four salesmen. The first analysis number could be used to distinguish the income account from other categories of account, while the second three digits would be more than enough to identify the contributions made by the four salesmen. A report that indicated the individual earnings of the four salesmen could identify those who were performing below average, and be of considerable use to management.

#### Instant Report

A computerised ledger offers almost instant access to a wide range of useful reports. Here the system compiles information on all transactions and automatically produces an aged debtors report, listing clients who still owe money. A more sophisticated system would use pre-printed stationery to generate its own invoices, despatch and packing notes

