

# CAP Accounts Filing System

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One of the problems with any accounting system is what to do with all of the paper work. All original paper work used to justify your accounting transactions must be kept for at least five and in some cases, seven years.

Traditionally there have been a number of ways to file the various bills and other documents after they have been entered into your accounting system .

The main way is to put the bill from say Telstra in a file with all other Telstra bills in a filing cabinet. The advantage of this system is that it is very easy to find a Telstra bill but the disadvantages are the need to individually file each bill in the correct file , and at the end of a financial year it if a huge job to go through each file and extract the bills only relating to the period being archived.

Another way to file bills is to put them into a big box and hope you don't have to find an individual one. The advantages are that it is very quick to file the documents, and it is also easy to archive them at the end of the year.

The CAP Accounts Filing System aims to solve the need to quickly file all documents, the need to easily find any document and the legal requirement to be able to archive an entire years documents in an easy and systematic manner.



The CAP Accounts Filing System keeps all documents in one box (multiple boxes if your business is bigger) and in 6 folders within the box.

**The first folder contains:**

- Ü bank statements
- Ü BAS returns
- Ü deposit and other income information.

**The next four folders contain:**

- Ü all of your bills with one financial quarter for each of these folders.  
If your business is bigger, then you may need a folder for two months or even for one month.

**The sixth folder is used for:**

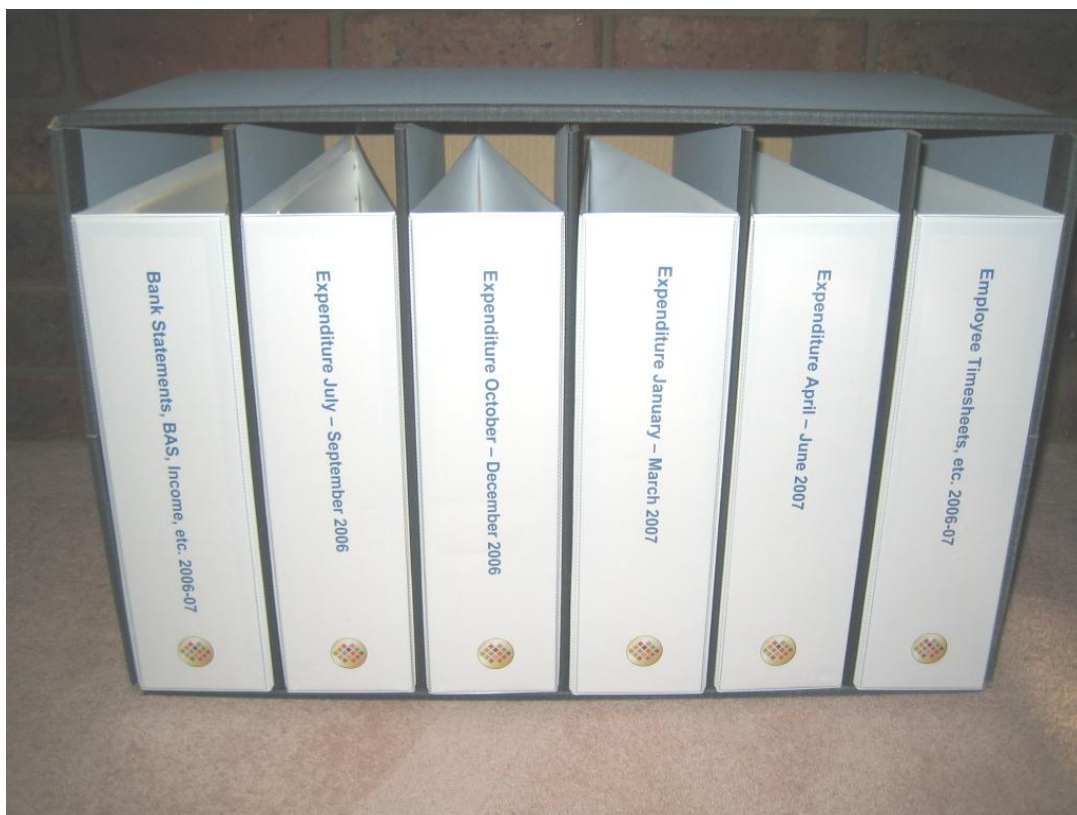
- Ü employee timesheets
- Ü employee superannuation payments
- Ü and other employee records, but not records that are required to be kept for longer than seven years.

**What do you need to buy (total cost is less than \$30):**

- 1 x “Stor-a-file” (or similar) box
- 6 x two ring binders with clear pocket on the spine
- 1 x packet of 10 white dividers
- 1 x packet of “monthly” dividers.

The “Stor-a-file” box needs to be assembled so that all of the ring binders can be inserted. The “monthly” dividers are used in the four quarterly “bill” folders and the white dividers are used in the other two folders.

A description of the contents of each folder is inserted into the clear pocket on the spine.



At the end of the year the entire box (or boxes) can be taken off your shelf and put into storage. After seven years you will have seven sets of boxes for each of seven financial years. At the end of the eighth year, you can dispose of the first box leaving you with the required seven years collection of documents.

### Other Combinations

No one size fits all in the small business community, so the CAP Filing system is designed to be modified to suit any circumstance.

For example, one of my clients has an extensive number of bills and needs one folder per month. Their filing system looks like this:



Another of my clients is very small and their bills fit into only two folders for the entire year and looks like this:



This client gets two years of transactions into one box.

## Finding a Bill?

Once you have setup your folders and have been filing your various documents for a while, you will undoubtedly need to find one of the bills that are "hidden" in one of the folders.

The solution is to use your accounting system as the index to the manual folder system. As you enter bills into MYOB they are assigned a unique Purchase #.

BILL

Supplier: Telstra Terms: Net 14

Ship to: Geelong Widets Pty Ltd  
123 Main Street  
Anytown VIC 3333

Purchase #: 00006767

Date: 3/06/2006

Supplier Inv#:

This number should be handwritten onto the corner of the bill before storing in into the appropriate folder.

Telstra

13 20 00  
Turn over for other enquiries

**Your Bill**

Account number  
201 0024 900

If you store the bills in purchase number order within its monthly tab in the correct folder, then it is a simple and quick task to find it again. Simply use MYOB to locate the desired bill and its corresponding date and number. Go to your manual filing system and locate the correct month then thumb through the pages of bills and find the correct purchase number.

At the end of the year, as you prepare to archive the past years records, print out a Purchases (Supplier Detail) report showing all supplier's bills for the year. The report is in supplier name order so it will become the manual index to the year's accounts so that in, say five years time, you don't have to retrieve the computer accounting system data file to look up a supplier bill. The report can be stored in the front of the first folder containing the bills.

**Purchases [Supplier Detail]**

**July 2006 through June 2007**

10/02/2007 9:50:09 AM		ID#	Date	Quantity	Item/Acct	Description	Amount
A.J. Flynn Pty Ltd*							*None
00007393		6/08/2006			6-1700		\$360.00
00008341		9/12/2006			6-1700		\$540.00
A.J. Flynn Pty Ltd* Total:							\$900.00
A.M.P Superleader							*None
00007987		30/09/2006			2-1410		\$3,749.88
00008207		31/10/2006			2-1410		\$3,638.86
00008349		30/11/2006			2-1410		\$4,733.05
00008441		31/12/2006			2-1410		\$3,729.96
A.M.P Superleader Total:							\$15,851.55
Adalia Park Nurseries*							*None
00007046		5/07/2006			5-1200		\$191.50
00007112		7/07/2006			5-1200		\$150.00
00007169		19/07/2006			5-1200		\$336.00
00007326		2/08/2006			5-1200		\$455.00
00007380		9/08/2006			5-1200		\$385.00
00007455		16/08/2006			5-1200		\$507.50
00007663		30/08/2006			5-1200		\$1,213.50
00007630		7/09/2006			5-1200		\$11,700.00

Bookkeeping is all about being organised and methodical. This system of filing will assist you to be both organised and methodical, and also help with the physical problem of filing and storing of all the paperwork that goes with the job.