



Learning and Development



End of Year Process Summary and Checklists

(2010 - Version 2.0)

END OF YEAR PROCESS SUMMARY

Before 30TH June – Any Issues Should Be Identified Before End of June

- Reconcile Debtors Trial Balance - check each Customer account balance is correct and ensure total of report is equal to amount on Balance Sheet.
- Reconcile Creditors Trial Balance – check each Supplier account balance is correct and ensure total of report is equal to amount on Balance Sheet.
- Reconcile General Ledger Trial Balance accounts – DO NOT complete GL End of Year unless this balances.
- System Management Report reconciled.
- Ensure next Financial Year created in System Defaults.
- Ensure GL Accounts have correct flag for End of Year Process.
- Perform a Stock take to obtain closing value of Stock-On-Hand for the current financial year.
- Reconcile Stock to the General Ledger.
- Incomplete POS transactions – any incomplete POS transactions will prevent you transacting on the 1st July. Use the incomplete transaction report from EOD to determine POS transactions to be cleared.

At End of Year – June 30th / July 1st (if you are ready to close your GL)

- Copy your database to another directory. (See Chapter 17 in the On-Line Help)
- Close AP and AR Accounts as soon as the Debtors and Creditors have been finalized.
- Close General Ledger for this financial year – If Auto Change GL Period and GL Year are checked in System Defaults – change back to Period 12 of the year that you wish to complete the GL roll. The End of Year GL Roll will take you into the new financial year, period one.

At End of Year – July 1st (if you are NOT ready to close your GL on July 1st)

- Copy your database to another directory. (See Chapter 17 in the On-Line Help)
- Close AP and AR Accounts as soon as the Debtors and Creditors have been finalized.
- Change GL Company to Period 1, next financial year, if Auto change GL Period and Year is not checked in System Defaults

Returning to complete your GL End of Year Post July 1st

- Copy your database to another directory. (See Chapter 17 in the On-Line Help)
- Change GL Company to Period 12, last financial year.
- Close General Ledger for previous financial year.
- Change GL Company Period to the current GL Period if processing end of year GL close post end of July.

END OF YEAR CHECKLISTS

Checklist 1

Preparation for End of Year - Done Prior to and on 30th June.

Accounts Receivable/Debtors

- All Invoicing to Customers should be completed and updated.
- All Credit Notes to Customers should be completed and updated.
- All Receipting (including Mobile Phone Banking) should be entered and updated. Please note that allocations on a Receipt remain editable after the Receipt has been updated, therefore do not need to be completed by 30th June.
- All Bad Debts need to be written off:
 - Ensure the correct "Bad Debt" Non-Stock Code is used for raising the Accounts Receivable Credits.
 - Ensure that the Bad Debt meets the definition of a bad debt – this information is available from your Accountant.
 - Update and allocate the credits for the bad debt to the written off invoices after update.
- Print and Reconcile Customers Aged Trial Balance (Old) against the debtor account on the balance sheet to ensure all Customer balances are correct.

Point of Sale

- All transactions should be entered and updated.
- Incomplete POS Transactions should be removed from the system.

Service

- Ensure all Service Calls have been called off and updated prior to the commencement of Stock Take if there are parts on the Service Call.
- Set up the Service Calendar for the new financial year.
- Clear any calls that can be completed and all calls that have parts and labor should be charged at this point – with any further charges to apply against a new call entered to begin the new financial year.

Checklist 1

Inventory

- Ensure all Stock is receipted prior to commencing Stock Take.
- Print and reconcile Outstanding Stock Receipt Report - the only records that should be on this report are Receipts that a Creditor's invoice will be posted for (in either financial year). For records that have a matching AP invoice that has already been pulled through, go into Stock Receipting and search on the Docket Number and select the "Closed" check box.
- Print and reconcile Outstanding Purchase Order Report – the only records that should be on this report are Orders where the item is still expected to be received (in either financial year). To remove records, go into the Purchase Order and either:
 - Delete the Purchase Order or line on the Purchase Order, if no units have been received;
 - or
 - Close the Purchase Order.
- Complete full Stock Take – including counting, entering and updating.

Accounts Payable / Creditors

- Ensure all Invoices and Credits have been entered and updated.
- Ensure all Payments have been entered and updated.
- Ensure that the Value Of Stock On Hand Report (after Stocktake) equals the Value Of Stock in the General Ledger. If the two figures do not equal, it is recommended that reconciliation be prepared and submitted to your Accountant. Your Accountant may then provide an entry to correct the discrepancy.
- Print and Reconcile the Supplier Aged Trial Balance - ensure all Supplier balances are correct.

Checklist 1

General Ledger

- Reconcile Suspense and Clearing Accounts (e.g. POS Adjustments, AR Clearing, GST Accounts, Bill Pay Suspense Accounts) – balances should be zero unless otherwise advised by your Accountant.
- Ensure all Journals, Cash Receipts and Payments that relate to the current financial year have been entered and updated.
- Complete Bank Reconciliation as at 30th June and file a printed copy as your Accountant may request this report to complete the tax return.
- Ensure all GL Accounts have correct EOY flag In GL Accounts - check every account to have the “Account Balance to be” set correctly. If unsure, check with your Accountant. All Suspense and Clearing Accounts should be Brought Forward.
- Ensure the Control Account for Previous Year Retained Profits (Admin > Accounting > Control Accounts) is pointing to the correct GL Account.

Auto billing

- Ensure all Billing for period has been completed, invoiced and updated.

User Security

- Ensure all users involved in the EOY process have the appropriate level of security.

System Management Report

- Print a full System Management Report and ensure only valid Unallocated Receipts/Payments and Credits remain Unallocated.

Checklist 2

End of Year - On 30th June

The following outlines the two parts to the end of year process.

- Part A** - Must be completed at the end of the financial year
- Part B** - May be completed at any time but is recommended to be done as close as possible to the 1st of July. Part B closes the General Ledger Accounts and creates opening balances. It should be completed once users have finished reconciling the majority of their GL Accounts.

Part A – Perform End of Day, End of Month– 30th June

- Perform POS End of Day & update Audit Trails as normal.
- Perform End of Month as normal.
- Print an Aged Debtors Trial Balance Report and ensure that the total of this report equals the Debtors Control Account.
- Print an Aged Creditors Trial Balance Report and ensure that the total of this report equals the Creditors Control Account.

Part A – Close AR and AP accounts – 1st July

- Close AR and AP Accounts in End of Year (Admin >> End of Year >> General Ledger) by selecting Close AR/AP Accounts buttons - generates balances in the respective analysis areas.

Checklist 3

Performing End of Year - On 1st July

Part B - Performing End of Year Close for General Ledger

- Ensure there are no users on the System.
- Ensure all transactions updated to the General Ledger. The EOY Process cannot be carried out unless there are no non updated records.
- Take a Backup of the Database and relevant “exe” file for reference purposes.
- Print a General Ledger Trial Balance Report and ensure that the Total Year To Date (YTD) debit and credit columns equal. DO NOT continue if they do not balance.
- Ensure GL Year and Period is set to 2010 Period 12 (If Auto Change has been selected in system defaults then the year and period will need to be changed back before completing the GL End of Year close
- Perform the End of Year process by going into Menu:
Admin > End Of Year > General Ledger:
- Tick “Close General Ledger for the Year Ended”.
- Select your Trial Balance Report options. Check all boxes.
- Select “Perform EOY” button to continue. You will be prompted to ensure you have a backup copy of your database and that you are sure you want to proceed, as this is an irreversible process.
- A trial balance report will be printed and you will be prompted when the End of Year process has been successfully completed. Closing the GL for the financial year will automatically take you into the new financial year, period 1.
- After the Year has been closed users are still allowed to post transactions easily into previous years (subject to user security) with the opening balances in the new year adjusted accordingly.
- If End of Year is not completed and there is a requirement to change the Year and Period manually so that trade can begin on the 1st July follow the below
 - To change the Year, go to Menu: **Admin > Setup > Accounting > Company** and change the year to the next year (e.g. on 01/07/2010 the financial year will be 2011) and also change the Period to 1. If new financial year is not present, refer Slides on how to create.

Checklist 6

Performing End of Year - Post 1st July

Part B - Perform End of Year for General Ledger

- Ensure there are no users on the System.
- Update all transactions to the General Ledger. The EOY Process cannot be carried out unless there are no non updated records. Therefore, if the EOY Procedure is being carried out after 1st July, it is desirable to perform the Process in conjunction with End Of Month.
- Ensure all Pre 30 June requirements for End of Year have been completed.
- Take a Backup of the Database and relevant "exe" file for reference purposes (See Chapter 17 in On-Line Help).
- Print a General Ledger Trial Balance Report and ensure that the Total Year To Date (YTD) debit and credit columns equal. DO NOT continue if they do not balance.
- Ensure the Company Year and Period are set to the year that is being closed, (e.g for the financial year ended 30/06/10, the year needs to be set to 2010 and Period 12. Menu: **Admin > Setup > Accounting > Company**).
- Perform the End of Year process by going into Menu: **Admin > End Of Year > General Ledger**
- Tick "Close General Ledger for the Year Ended".
- Select your Trial Balance Report options.
- Select "Perform EOY" button to continue. You will be prompted to ensure you have a backup copy of your database and that you are sure you want to proceed, as this is an irreversible process.
- A trial balance report will be printed and you will be prompted when the End of Year process has been successfully completed.
- Closing the GL for the financial year will automatically take you into the new financial year, period 1.

Change the GL Company Period to the current GL Period if processing end of your GL close post end of July, go to Menu: **Admin > Setup > Accounting > Company** and change the Period to the current trading period in the new financial year.