

Year End Closing Procedures

Step 1 – Balance or validate the data in each module before you process year end close

Purchase Order:

- Validate the number of days/months to keep history in Setup Options
- Confirm all PO's for the year have been entered
- Confirm all Receipt of Goods, Invoice and Returns have been entered and updated
- Print the Daily Transaction Register to be sure that there are not any registers that have not been updated
- **Run the Purchases Clearing report and confirm that the report total matches the General Ledger total for this account**

Note: this process should be done monthly

Purchases Clearing Report
Sorted by Purchase Order Number
For Item Types: Inventory Items

ABC Distribution and Service Corp. (ABC)

P. O. Number Item Code /Description	Order Date	Last Receipt Date	P.O. Type	Vendor Number	Product Line	Inventory Account Number	Quantity Ordered	Quantity Received	Quantity Invoiced	Unit Cost	Purchases Clearing
0010003 VOG-CM-MP-B	5/15/2010	5/31/2010 MODESTY PANEL	S	01-CONT	WF&A	115-00-03	100.00	99.00	1.00-	26.750	2,675.00
0010003 VOG-CM-MP-B	5/15/2010	5/31/2010 MODESTY PANEL	S	01-CONT	WF&A	115-00-03	66.00	50.00	0.00	26.750	1,337.50
0010003 VOG-CM-MSC	5/15/2010	5/31/2010 STORAGE CUBE	S	01-CONT	WF&A	115-00-03	50.00	40.00	10.00-	144.770	7,238.50
0010009 PFS-007-CONN-M	5/30/2010	5/31/2010 EIA RS323 CONECT 7 CONDUCTOR M	S	02-TELCOMM	C&A	115-00-03	10.00	12.00	0.00	8.250	99.00
0010014 1001-HON-H252	5/31/2010	5/31/2010 HON 2 DRAWER LETTER FLE W/O LK	S	01-STEVE	WF&A	115-00-03	10.00	10.00	0.00	34.250	342.50
0010014 2480-8-50	5/31/2010	5/31/2010 DESK FILE 8" CAP 50	S	01-STEVE	FD&A	115-00-03	2.00	2.00	0.00	1,545.300	3,090.60
Report Total:											<u>14,783.10</u>

- Possible reports to run:
 - Open Purchase Order report
 - Receipt History
 - Purchase History

Sales Order:

- Validate the number of days/months to keep history in Setup Options
- Confirm all SO Invoicing has been completed for the year end
- Print the Daily Transaction Register to be sure that there are not any registers that have not been updated

- Possible reports to run:
 - Open Sales Order report
 - Back Order report
 - Customer Sales History

Inventory:

- Validate the number of days/months to keep history in Setup Options
- Physical count should be completed and posted. A Inventory Valuation report should have been printed after physical count and compared to the General Ledger
- All inventory adjustments should be entered and posted
- Negative Tier adjustments (FIFO/LIFO items) should be completed
- Print the Daily Transaction Register to be sure that there are not any registers that have not been updated

- Possible reports to run:
 - Inventory Valuation
 - Inventory Stock Status
 - Inventory Trial Balance

Accounts Payable:

- Validate the number of days/months to keep history in Setup Options
- All AP invoices have been entered and updated
- All checks have been printed and updated
- Confirm AP Trial Balance report and/or AP Aging report balance to the General Ledger
- Print 1099's – Note – you can still print 1099's after the year end close, you are not required to print them before the close
- Print the Daily Transaction Register to be sure that there are not any registers that have not been updated

- Possible reports to run:
 - Aged Invoice report
 - Accounts Payable Trial Balance report
 - Monthly Purchases
 - Check History

Accounts Receivable:

- Validate the number of days/months to keep history in Setup Options
- All invoices and cash receipts have been entered and updated
- Finance charge calculations have been run
- Statements have been printed
- Confirm AR Trial Balance report and/or AR Aging report balance to the General Ledger
- Print the Daily Transaction Register to be sure that there are not any registers that have not been updated

- Possible reports to run:
 - Aged Invoice report
 - Accounts Receivable Trial Balance report
 - Cash Receipt report
 - Salesperson Commission report

- Customer Sales Analysis report
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General Ledger:

- Validate the number of days/months to keep history in Setup Options
- Confirm Balance Sheet is in balance!!
- All year end adjustments from Accountant have been entered
- Print the Daily Transaction Register to be sure that there are not any registers that have not been updated

- Possible reports to run:
 - General Ledger Detail report
 - Trial Balance report
 - Standard financial statements

NO FEAR – the General Ledger Year End can be reopened if you need to!!

Payroll:

- Create archive company after your last payroll for the year, ex: P13, use this archive company to print your W2's
 - **Note – Current Company MUST be closed BEFORE processing Payroll for new year**
 - Print the Quarterly Tax report, confirm that that wages and taxes for Fica and Medicare are correct
 - Use W2 Form Printing OR Federal eFiling and Reporting to print the W2's
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Step 2 – Make an Archive/Backup Company

Click on Library Master -> Main -> Company Maintenance. Create new company code and enter a company name that identifies what this company is. When done, click the Copy button.

Company Code: Z13
Company Name: ABC Distribution - 2013

1. Main | 2. Preferences | 3. Credit Cards | 4. E-mail | 5. Fax

Company Information

Address: 7158 Grand Ave
Costa Mesa, CA 92626

Telephone: (555) 222-5555
Fax: (555) 222-6666
Federal ID No.
State ID No.

URL Address
E-mail Address
Trade Name

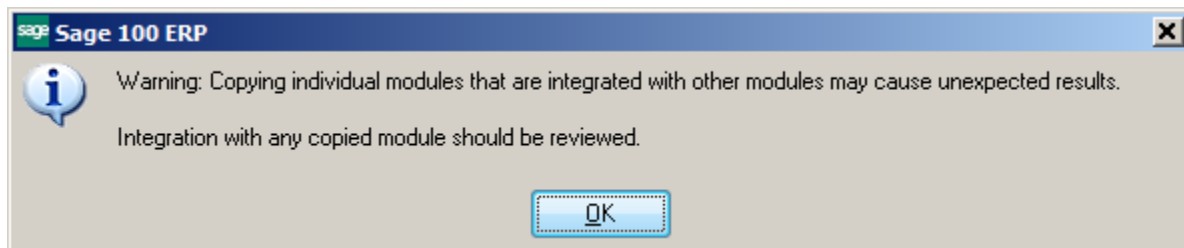
Activated Modules

Module	Data Level
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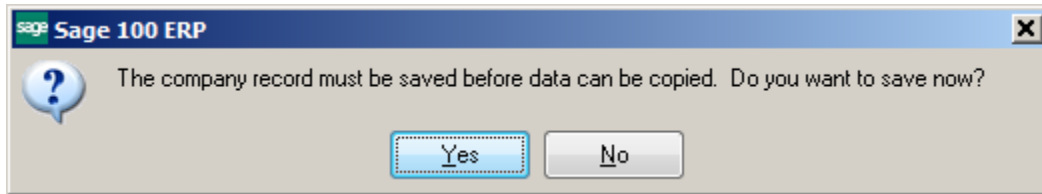
Use as Default Company for Server Settings

Accept Cancel Delete

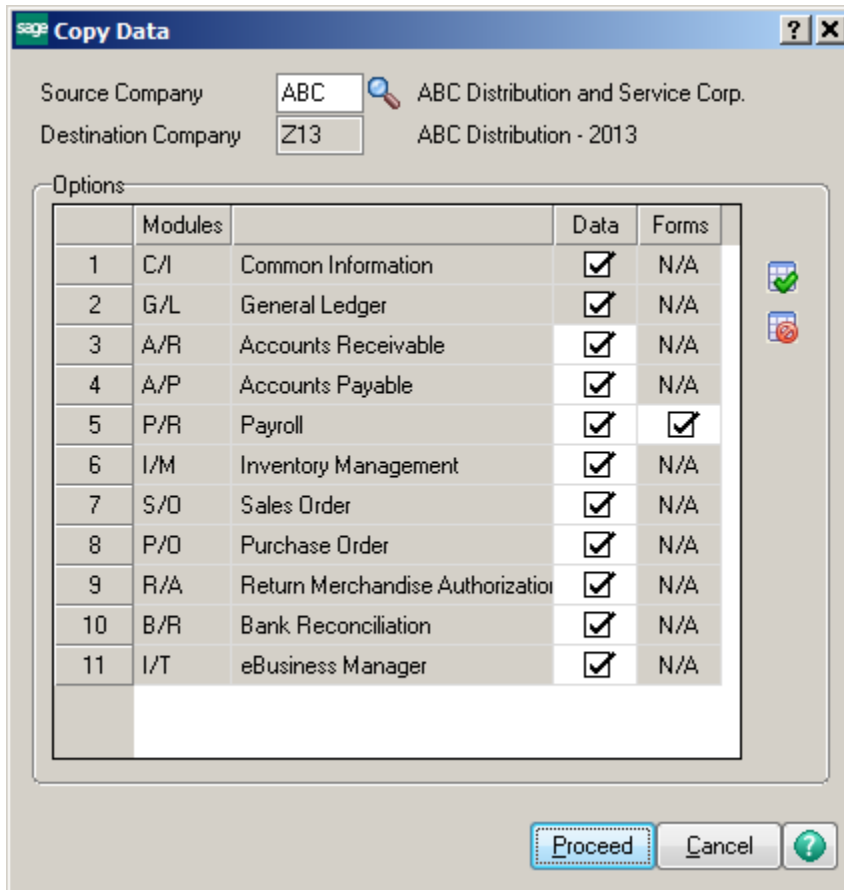
Click OK on the Warning message.



Click Yes to save the company record.



Enter the Company Code to Copy **FROM**. For a year end copy you should leave all the modules checked.



Module Closing Sequence:

Quick Hint – start at the bottom of the list and work your way up

Bill of Materials – no closing process needed

Work Order – no closing process needed

Bar Code – no closing process needed

Purchase Order

Sales Order

Inventory

MRP

Accounts Receivable

Accounts Payable

Job Cost

General Ledger