

ERAnet - Accounting End of Year 2016

For a normal financial end of year (01/07/2015 - 30/06/2016)

Important to Note:

Run **0757 Vendor YTD Purchase Clear** and **0759 Customer YTD Purchase Clear** programs to clear the YTD purchase flags for ALL Customers and Vendors. It is advisable to run 0757 and 0759 before the start of business on the first day of the new financial year. E.G. Before 01/07/2016, even if you are not ready to perform your full EOY functions

Accounting TEMPORARY End of Year Overview

The ability to temporarily close your end of year is available. With the temporary year end close, you can print financial statements, trial balances and DOC's for the first month of the New Year without any brought forward balances. The system will remove the brought forward balances for Sales, Cost of Sales, Expense, Other Income and Deduction accounts to a zero dollar balance as of the new financial year, and then transfer the profit or loss to the nominated Profit & Loss Account(s) or Retained Earnings (Net Worth type) account(s).

Important to Note: P&L (Profit & Loss) Accounts OR Retained Earnings Accounts can be determined by speaking with your accountant or financial controller or by printing out your Chart of Accounts via executable 0930.

The Process

To setup temporary end of year processing, enter **0998 - Account Controls Setup**, the following screen will be displayed:

```

03 JUN 2016 P153           Accounting Controls Setup           STORE04 0998
-----
1 Starting Customer No. : 11809      6 Cheques Setup      : Details...
2 Starting Vendor No.   : 736        7 EFT Setup          : Access Allowed...
3 PO Number Range      : Yes...     8 ACN Setup          : Access Allowed...
4 Misc. Invoice Range   : Yes...     9 Exec Entry         : Details...
5 Not available         :             10 Curr SVC No.      : M13015

11 Min Number of 0 Invoice Days : 365
12 Minimum Number of RO Detail Days : 2555
13 Minimum Number of History Days : 2555
14 Parts Post Transactions Ref No. : 1091      Multi Veh Trf Ref : 
15 Number of F/S Print Files      : 1
16 Banking Deposit Reference Source : B Bank deposit source
17 Startup Month and Year (MMYY)   : 1015
18 Daily Operating Control Setup    : Details...

19 Fiscal Date for all Prefixes(Y/N) : No      Date as (DD/MM/YY) : 
20 A/C Payable Cheque Print (Y/N) : Yes     GL Dist. on Remit. (Y/N) : No
21 Vehicle Sale Label Print (Y/N) : No      23 Sales Comm Warning (Y/N) : Yes
22 Vehicle History Update (Y/N) : Yes     24 Use Credit Terms (Y/N) : No

Command: Enter  Modify  Delete  field#  Password  eXit
  
```

Accounting End Of Year 2016

To access the setup for the temporary end of year, enter an **N - No** at field 19 - Fiscal Date for all Prefixes (Y/N) and hit **enter**, the following screen will be displayed:

03 JUN 2016 P153 Accounting Controls Setup STORE04 0998

1. Clear memo accounts at End of Year : Yes

2. Clear count accounts on operating accounts at EOY : Yes

3. Fiscal Date

Date.....	Prefix...	P/L Acct
30/06/15	_	H399

1 / 1

Command: Enter Modify Delete field# eXit

The above screen shot is a guide only – Please do not copy.

BREAK CHARACTER POSITION

This field is only used for extended prefixes. The break position will display from the setup in 0844 – Intercompany Posting Setup. If the break position is not setup the user will be prompted to enter the position, this will be either **1** or **2**. **If this field does not appear, then extended prefixes is not used on your system.**

Date

Enter the **fiscal date** for this financial year (**30/06/16**)
Enter the account **prefix** required, this will allow you to assign a different Profit & Loss account for each prefix. **If account prefixes are entered, you must ensure that every account prefix in your general ledger is entered;** otherwise not all account numbers will be rolled over. If you do not use any account prefixes, enter an **underscore (_)** Account Prefixes can be determined by running **0370 – Trial Balance**. The details are displayed on the left hand side, in the **prefix** column.

PREFIX

P/L ACCT

Clear memo accounts (option only available in V9 & above)

Enter the **Profit & Loss or Retained Earnings account** number required for **each** account prefix entered

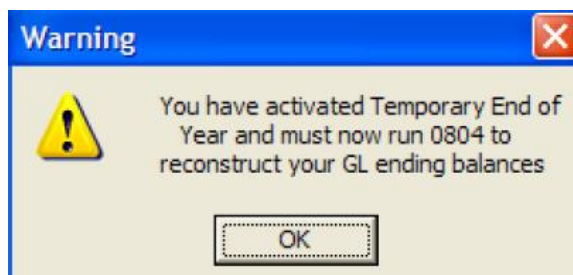
Clear count accounts (option only available in V9)

Enter **Yes** if you would like to clear memo accounts by End of Year process. This is **only** applicable when 0752 EOY process is run and **not** affected by 0804 (Temporary EOY) reconstruct

Enter **Yes** if you would like to clear count accounts by End of Year process. This is **only** applicable when 0752 EOY process is run and **not** affected by 0804 (Temporary EOY) reconstruct.

Accounting End Of Year 2016

When saving the information away, the system will display the following message to indicate that the Temporary End of Year has been activated



Once the information has been entered & saved away in 0998 – line 19, the 0804 reconstruct can be run. This reconstruct will remove the brought forward balances for the first month of the new financial year and post them to the nominated Profit & Loss account/s. This enables financial statements, trial balances and DOC's to be run for the first month of the new financial year with no brought forward balances.

This process is only temporary and therefore you must still run a full accounting end of year via 0752 – Year End Accounting Process, to fully close your accounting financial year.

In this example, the end of year date is 30/06/16. It is now June 2016 and the brought forward balances for June 2016, need to be moved to the nominated Profit & Loss Account(s). Enter **0804** - G/L Ending Balances Reconstruct and the following screen will be displayed:

```
03 JUN 2016 P153          G/L Ending Balances Reconst.          STORE04  0804

This procedure may only be run when there's no activity  ( C=Continue ) c
Enter month & year you wish to reconstruct as (MMYY) 0616
```

This process can **only** be run when there are **no accounting transactions being updated** on your system. Enter the month and year for the reconstruct, in the above example, **0615** is entered into 0804, as June 2016 is the last month of the financial year. **The month entered in 0804 must be an open month in accounting i.e. the month must be open in 0704.**

Once this process has completed, all brought forward balances for June 2016 will have been removed and the balances of each account will have been cleared to the Profit & Loss Account(s) assigned within 0998 – line 19. A Trial Balance (0370) for July 2016 will have no opening balances, yet a Trial Balance for June 2016 will have the closing balances. With the temporary end of year in place, any entries that are made for June 2016, will post within June 2016. It will not affect July 2016's figures, as the amount will be displayed in the Profit & Loss Account(s) instead.

If you wish to reverse your Temporary EOY, you will need to remove the entries within 0998 – line 19 by using the D for Delete option in the back screen and then re-running 0804 - G/L Ending Balances Reconstruct.

Accounting FULL End of Year Procedure Overview

The following is a recommended guide for End of Financial Year Processing. Please read all the steps below before processing your End of Financial Year.

How to Information

1. Ensure that **0757 Vendor Ytd Purchase Clear** and **0759 Customer Ytd Purchase Clear** has been run as soon as possible after the financial year has ended.
2. Use **0702 F/S Memo Accounts Adjustment** to adjust any memo accounts.
3. Run, **0670 Account Balance Validation**, **0660 G/L Dr./Cr. Balance By Source**, and **0680 Journal Validation** to ensure that all of your GL, Journals and Schedules are in balance.
4. Print all Journals, Schedules and GL details using **0355 Schedule Options**, or use **0440 All Jnls., Schedules And G/L** to print all at once.
5. Run **0706 Post Financial Statements** and **0708 Print Financial Statements** to post and print your Financial Statements.
6. If you are using Fixed Assets run **0540 F. A. Accounting Balance Report** to ensure you are in Balance
7. Then run **0541 F.A. Preliminary Depn Report** and **0542 F.A. Financial Depreciation Report** to close off Fixed Assets for the year. 0542 report must be printed before the closure of the final month for the final year, but after the closure of the second last month of the financial year. Example, Printed after February month has been closed via accounting EOM (0710), but before the closure of June in 0710 and before the EOY has been completed.
8. Back up all files in preparation for year end processing using **6080 Backup Function**. Label this tape and store it for one year.
9. Verify the fiscal date for all account prefixes through **0998 Accounting Controls Setup**, line 19. This should be your accounting year end date. Example 30/06/15
- 10. Once the backup is complete, run the Temporary EOY process (0804 for 0615), as per the instructions on pages 1-3 of these notes. This is to ensure that the profit or loss roll-over to the retained earnings account is to your satisfaction. If you are concerned at this point that the transfer is not the correct amount, please contact the Pentana Solutions Help Desk before proceeding to close off the month on 03 9535 2380 option 1, then option 1 again.**
11. Once June 2016 processing is complete, use **0710 Auto. Month End Procedures** to close this month.
12. If you need to make any adjustments to closed months use **0079 Prior Month Adjustments**
13. Use **0752 Year End Accounting Process** to do your **Accounting** End of Year Processing

Note: All of the above points must be completed prior to the first month – e.g.: July 2016 of the financial year end of the month processing! – Before you run 0710 for July 2016.

Accounting End of Year (0752)

If you are using Profit & Loss accounts assigned within 0998 – Accounting Controls Setup, line 19, when entering 0752 – Year End Accounting Process, the following screen will be displayed

```

03 JUN 2016 P153          Year End Accounting Process          STORE04  0752

Are you closing all prefixes now (Y/N) n

Which prefixes are you closing

# Prefix Date      P/L Acct
1  _  30/06/15 H399
1 / 1
Select Enter line# eXit

Help: Select an item
  
```

The above screen shot is a guide only – Please do not copy

The option is now available to close selected prefixes. If you enter an **N - No** at the prompt – Are you closing all prefixes now (Y/N), a lookup will display as above. This lookup will display the same information as entered in **0998 – Accounting Controls Setup, line 19**. You can now select the prefixes you wish to close.

ERAnet – FAQ Accounting End of Year 2016

Question: Can I make adjustments to my books prior to EOY (0752)?

Answer: Yes. Since the year is not closed, use the Prior Month Adjustments Journal (0079) to make any needed adjustments. However, it is not necessary to delay the EOY process to make adjustments; adjustments can be made at any time during the New Year.

Question: Can there be any activity on the system when EOY processes?

Answer: Yes. ALL applications, EXCEPT ACCOUNTING ON-LINE UPDATES/POSTINGS, can be performed during EOY processing.

Question: Can I continue posting in any month even if EOY is not completed for the first month of the New Year?

Answer: Yes. For example, if the EOY month is June and EOM has not closed for July you can continue posting for any subsequent month, such as July.

Question: Must updates be processed prior to EOY?

Answer: Yes, please ensure that all your accounting has been updated to the relevant month via 0185, A – ALL option.

Question: If my EOY month is March, when must my EOY be completed?

Answer: After your March EOM (0710) and prior to your April EOM.

Question: How do I close out a multi-prefixed chart of accounts?

Answer: You must run EOY for each prefix, closing out the prefix (es) to the appropriate Profit and loss account(s). As stated earlier, all prefixes may be closed out at the Same time or one at a time. (Review 0998 – line 19 setups)

Question: When can I post prior year adjustments?

Answer: They can be posted in any subsequent month until the G/L (General Ledger) data for that year is purged (i.e. after the 0752 has been run/completed) Prior Year adjustments can be processed in executable 0078.

Question: Can I print a trial balance or financial statement for any month of the previous year after EOY?

Answer: Yes. The system retains prior year G/L (General Ledger) details.

Question: Can I print an adjusted trial balance or financial statement after EOY?

Answer: Yes. You can print an adjusted trial balance or financial statement (commonly known as the 13th month) during any month in the current year by entering the month and year for the last month of the previous year when prompted.

Accounting End Of Year 2016

Question: When must I make chart of account changes?

Answer: Chart of account changes should be completed any time after EOY (0752) but before the first EOM of the New Year.

Question: Why does my Trial Balance and DOC include last year's YTD balances for Operating Accounts?

Answer: This will continue to happen until the EOY / Temp EOY process is complete. At this time Operating Accounts are closed to zero.

Question: Why is my GL (General Ledger) and Schedule out of balance for Expense accounts in 0670 for the first month of the new financial year after I have run Temporary EOY (0804). Example, July 2016.

Answer: When type 5 to 9 accounts are attached to a schedule (in 0880), this schedule will not clear to \$0 by running a Temporary EOY process (0804). These account balances will only clear to \$0 once the 0752 (Full EOY) process has been completed. Your system will have a schedule and GL out of balance until 0752 is