ACOMBA
Keeping good company

General Ledger End-of-Period Procedure

Users Guide



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Section 1

Introduction

Step 1. About this Guide

This guide provides an overview of the Point of Sale application. It is designed to familiarize the user with the program and its navigation. The user will get a quick overall view of how Point of Sale works.

It is structured according to the chronological order of the steps to follow when using the Point of Sale application. All steps are covered including startup, daily and occasional tasks and closing.

For detailed procedures or specific information regarding a field, use the online help or the contextual help bubbles (**Info** menu).

Step 2. Summary of Steps

[**Input** menu, **General Ledger**, **End of Period**] or 

	Step	Objective	Procedure
1	Prerequisites to the End of Period	♦ Transfer amounts to the General Ledger.	Enter the invoices received from suppliers, and clients as well as pays or If Accounts Payable, Accounts Receivable and Payroll are active, enter invoices and pays in the appropriate application and close the period in each of these auxiliaries
		♦ Prepare the General Ledger for the end-of-year procedure	1. Transfer batches 2. Post deposits, direct deposits, PADs, accounting entries and print checks 3. Perform account reconciliation 4. Print a cumulative trial balance and check the main accounts 5. Print financial statements 6. Print a tax report (end of year)
		♦ Make a copy of the data as of closing time	Make a backup copy

	Step	Objective	Procedure
2	End of Period 8 or End of Year 9	♦ Begin a new period. OR ♦ Start a new fiscal year ♦ Close result accounts ♦ Delete General Ledger transactions ♦ Transfer account budgets	Perform the year-end procedure
3	Adjustment Entries 21	♦ Post an amount, in whole or in part, to the fiscal year to which it belongs, so that the net profit figure for the year being closed is accurate.	1. Log adjustment entries in *Company Name_XX* 2. Print a cumulative trial balance and check it against the accountant's adjusted trial balance 3. In the current company, modify the account's opening balance 4. Print a trial balance for opening balances and check their accuracy

Section 2

Steps to Take Before the End of Period

Step 1. Making a Backup Copy

[**File** menu, **Backup**]

Note: Only one user can be active in the company whose data are backed up.

1. In the **File** menu, select **Backup**.

   The **Backup** window is displayed.

2. Under **Backup**, in the **Destination** group, select **Disk** to create a file saved on a removable read/write unit (diskette, ZIP drive, USB stick).

   In the **Options** group, select options as needed.

   Note: It is recommended to select the **Include Report Files**, **Include Report Generator Files** and **Include EFT Files** options.

   In the **Format** group, select **Compressed**.

   Click **Backup**.

   The **Saving Backup Copy** is displayed.

3. In the **Save In** box, select the destination of the backup copy. The **Backup** folder of the company's directory is selected by default.

   In the **File Name** box, enter the name of the backup file.

   Note: **AcomBak.BAZ** is entered by default. It is recommended to use a more evocative name such as « ***PeriodNb_XX*** », where *Nb* is the period number and *XX* is the year.

   Click **Save**.

   A status window displays the progress of the operation. A confirmation window is displayed next.

4. Verify the information, make sure the target support (diskette, ZIP drive, USB stick, etc.) is ready and click **OK**.

   The backup copy is saved and the **Backing up Files** window is displayed.

5. Click **Finish**.

   The backup copy is done.

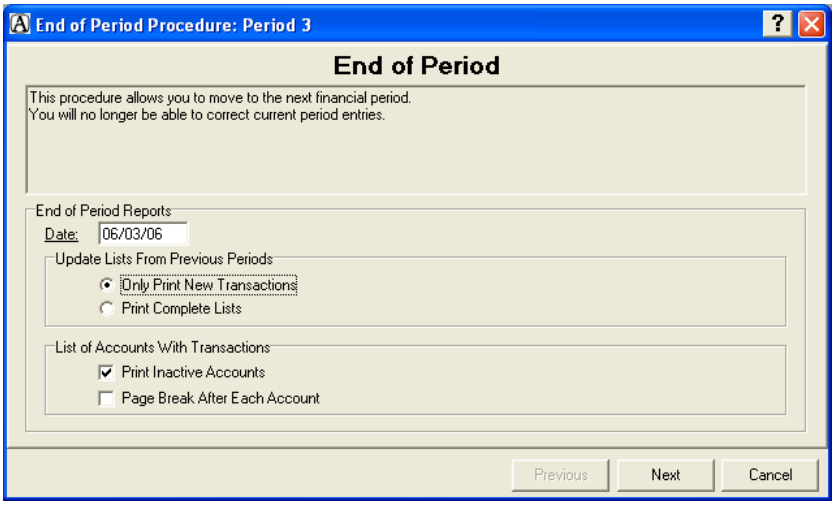
Section 3

Accounting Closing Procedure

Step 1. End-of-Period Procedure Concept

[**Input** menu, **General Ledger**, **End of Period**] or 

The End-of-Period procedure constitutes your ledgers by printing the transactions entered in the course of the last period. You can select to print only the additions or a complete list of transactions. The procedure allows you to pass to the next period.



Step 2. Running the End-of-Period Procedure

[**Input** menu, **General Ledger**, **End of Period**] or 

Caution: Once completed, the procedure cannot be canceled.

Note: The user running the procedure must be the only one logged into the company.

1. Under the **General Ledger** tab, click **End of Period** .

   The **End of Period** window is displayed.

   The window contains the elements required to print three report types: **List of Transactions** (checks, deposits and entries) for the previous period, then a **List of Transactions** (checks, deposits and entries) report for the period currently closed and a **List of Accounts with Transactions** report for the period currently closed including transactions added to the previous period.

2. In the **Date** box, enter the date to print on the end-of-period reports and select the appropriate options

   The **Optional Reports** window is displayed.

3. Select formats for the reports to print then select **End of Period**/**Fiscal Year-End** corresponding to the procedure in which the report template is to be used.

   Tip: Click **Add Report**  to add a report template to the table.

   The **Summary** window is displayed.

4. Check your selections and click **Finish**.

   Reports are printed according to the selected parameters then the end-of-period procedure is launched.

   The end-of-period procedure is complete.

   Tip: The number of the current period is displayed in the **Company Information** window (**General Ledger** tab).

   Note: A transaction included in the end-of-period procedure can no longer be corrected.

Step 3. Fiscal Year-End Concept

[**Input** menu, **General Ledger**, **End of Period**] or 

The end of fiscal year is the same as the end of period procedure but with a few extra steps. It is performed upon closing the last accounting period of the fiscal year and makes available Period 1 of the next fiscal year.

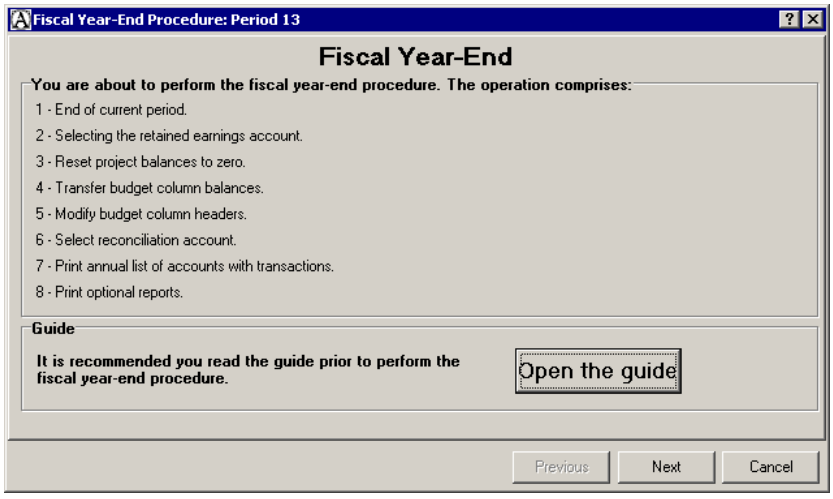
During this procedure, account balances are reset to zero. The balances in Asset, Liability and Capital accounts become opening balances. As for the balances of Income and Expense accounts, they are transferred to the balance of the **retained earnings** (or **owner equity**) account; this account is selected during the procedure.

In addition, information in the **Budget** table of the **Account** window must be transferred from one column to another to free up the **Balances** column for the new fiscal year and to retain the appropriate information.

Finally, General Ledger transactions are deleted.

The process to make the archive is analogous to creating a new company under the name *ZGL_companyname_fiscal* in the F1000.dta folder. The fiscal year used in the name is entered in a procedural step.

This archive copy only includes General Ledger data as they are before running the fiscal year-end procedure. It is not a backup copy that includes data from all applications in a compressed file format.



Step 4. Running the Fiscal Year-end Procedure

[**Input** menu, **General Ledger**, **End of Period**] or 

Caution: Once complete, the procedure cannot be canceled.

Note: The user running the procedure must be the only one logged into the company.

Note: To perform an end-of-fiscal year procedure when the accounting cycle is not yet complete, all periods must be closed one after the other.

1. Under the **General Ledger** tab, click **End of Period** .

   The **End of Fiscal Year** window is displayed. It shows the steps to perform.

2. Click **Next**.

   The **End of Period** window is displayed. It allows you to print a **List of Transactions from Previous Period** as well as the one being closed, then a **List of Accounts with Transactions** for the period being closed including transactions added to the previous period.

3. In the **Date** box, enter the report printing date. It generally corresponds to the last day of the fiscal year. If the fiscal year coincides with the calendar year, the date will be December 31st.

   Select the appropriate options.

   The **Retained Earnings** window is displayed. Here you select the account into which to transfer profits and losses.

4. In the **Number** box, enter the number of the **Capital** account in which the profits (or losses), obtained by closing the Income and Expense accounts must be transferred.

   The description of this account varies with the company's type of legal constitution: **owner equity** for a company with a single private owner or **retained earnings** for a corporation.

   When **Cost Analysis** is active, the **Reset Project Balances to Zero** window is displayed.

5. Select **Reset Project Balances to Zero for Income and Expense Accounts** to reset to zero the opening balances of **Income** or **Expense** accounts when projects are used as account extensions: for example to present financial statements by division or by branch. Balance sheet accounts retain their opening balances.

   The **Transfer Budgets** window is displayed. It supports the transfer of data from one column to another in the Budget column in order to free up **Balance** columns for the for the new fiscal year and retain the appropriate information.

6. Select **Transfer Current Year Balances** when the amounts entered in the **Balance** column of the **Account** window are to be transferred into one of the **Budget** columns. Then, select the box(es) in which these amounts are to be posted.

   In the **Transfer Amounts in Budget Columns** group box, select the destination of the budget columns to transfer.

   In the **Increase Budgets** group box, select the **Budget** columns whose amounts are to be increased or reduced, and enter the percentage to apply by account category.

   Click **Specific Increase** to display the **Specific Budget Increase** window. It allows you to enter a percentage of increase for each account.

   Tip: Click **Wizard**  to launch the **Budget Transfer** window. This wizard takes the user through each step of entering information in this window and the next one

to ensure successful transfers. Only a specific increase will have to be made afterwards, if needed.

The **Title des columns de budgets** window is displayed.

7. Enter titles to assign to the **Budget** columns of the **Account** window. These titles are adjusted under the **General Ledger** tab of the **Company Information** window.

   Note: If you used the **Budget Transfer Wizard**, the titles are already entered.

   The **Transfer Reconciliation** window is displayed. Here, you select an account to be reconciled in the course of the new fiscal year.

8. Select the accounts for which an audit trail is to be retained. Thus non-reconciled transactions (checks, deposits) linked with a selected account will be displayed in the **Reconciliation** window and will be available for reconciliation in the course of the new fiscal year.

   Tip: Click **Select by Category**  to display a window in which you can select accounts by category.

   The **Annual List of Accounts with Transactions** window is displayed. From here, you can print the **List of Accounts with Transactions** report for the fiscal year being closed.

9. Select **Print Annual List of Accounts with Translation** to print the Report **List of Accounts with Transactions** report then select the appropriate options.

   The **Optional Reports** window is displayed.

10. Select the report formats to print, then select **End of Period/End of Fiscal Year** corresponding to the procedure in which the report template is to be printed.

    Tip: Click **Add Report**  to add a report template to the table.

    The **Summary** window is displayed.

11. Check your selections and click **Finish**.

    Reports are printed according to the selected parameters then the end of fiscal year procedure launches.

12. Enter the fiscal year for the archive copy.

    The new fiscal year is now open.

    Tip: The number of the current period is displayed in the **Company Information** window (**General Ledger** tab).

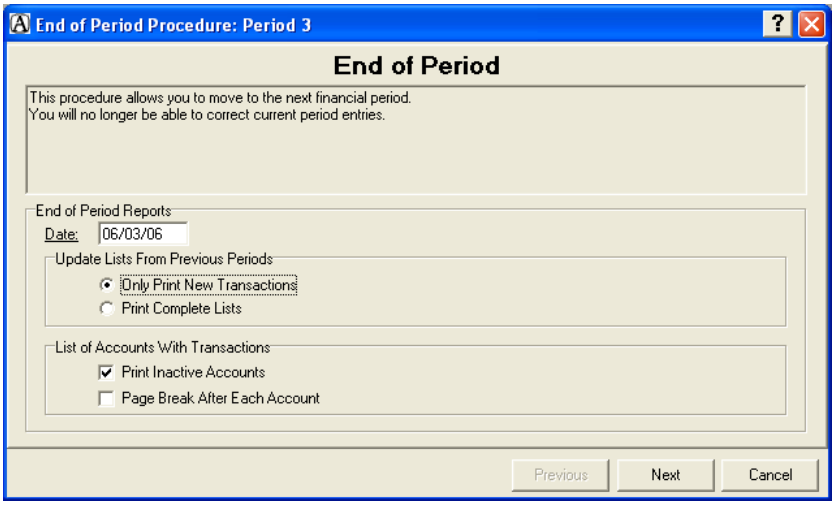
    Note: General Ledger transactions of the previous fiscal year are deleted.

Step 5. Filling the Various Windows in the Closing Procedures

1- Filling in the End of Period Window

[**Input** menu, **General Ledger**, **End of Period**] or 

This topic explains how to fill in the **End of Period** window. This window contains the elements required to select the parameters used to specify the content of some reports printed during the end-of-period procedure.



The **End of Period Reports** group box contains the elements required to print three report types: rapport **List of Transactions** (checks, deposits and entries) for the previous period, then a **List of Transactions** (checks, deposits and entries) report for the period currently closed and a **List of Accounts with Transactions** report for the period currently closed including transactions added to the previous period.

Date: Date printed on the end of period reports.

This date usually corresponds to the last day of the fiscal year. It can coincide with the calendar year thus finishing December 31st, or even following the operational year.

Click **Date** to display the **Calendar** window used to select a date. For more information, see Using the Acomba Calendar and Defining the Date Format.

The **Update Lists from Previous Periods** group box contains the elements required to select the content of the **List of Transactions** report of the previous period. Select the appropriate option.

Note: This group box is not available when Period **1** is currently being closed.

Only Print New Transactions: Produces a report displaying the transactions added to the previous period since its closing.

Print Complete Lists: Produces a report displaying all transactions entered in the previous period, those entered before closing the period and those added after.

The **List of Accounts with Transactions** group box contains the elements required to select the elements that can be included in the **List of Accounts with Transactions** report of the current period.

Print Inactive Accounts: Select this box to add inactive accounts. An account is inactive when it is not used in any transaction during a period.

Page Break after Each Account: Select this box to insert a page break between each account.

For more information on the end-of-period procedure, see Filling in the Optional Reports Window 18.

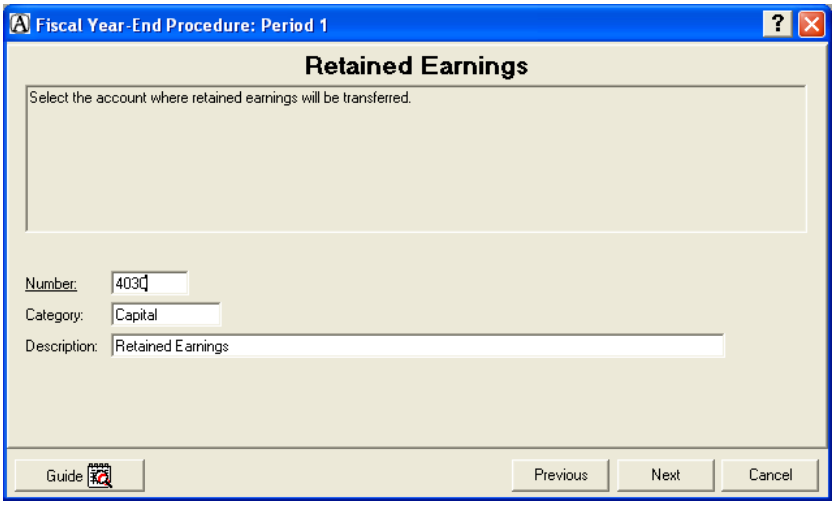
For more information on the year-end procedure, see Filling in the Retained Earnings Window 13.

2- Filling in the Retained Earnings Window

[**Input** menu, **General Ledger**, **End of Period**] or 

This topic explains how to fill in the **Retained Earnings** window. This window contains the elements required to select an account to which are transferred benefits and losses.

Note: This window is available when running the year-end procedure.



Number: Number of the account of **Capital** category into which **Income** and **Expenses** account balances are transferred.

For single owner companies, the description of this account corresponds to **Owner Equity** and for business corporations: **Retained Earnings**.

Caution: An account of **Capital** category must be selected. When it does not exist, it can be created from the **Select Retained Earnings Account** window, which is displayed by clicking **Number**.

Category: Category assigned to the selected account [display only].

Description: Description assigned to the selected account [display only].

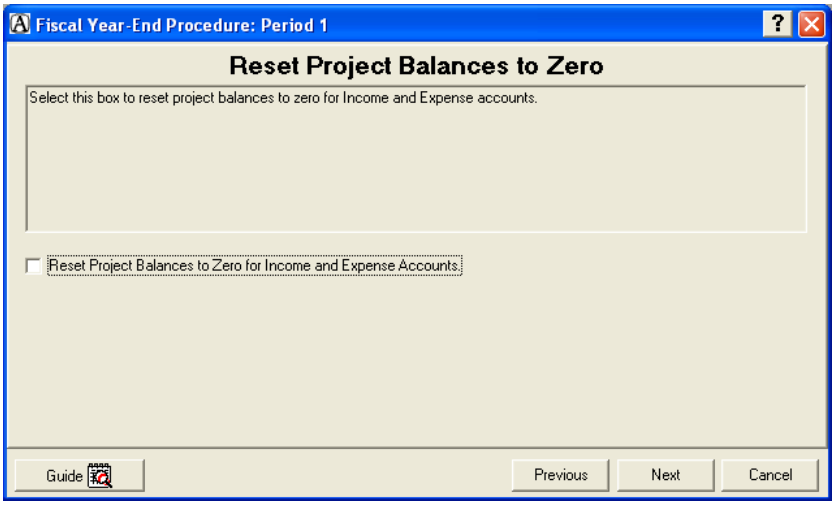
For more information, see Filling in the Reset Project Balances to Zero Window 13.

3- Filling in the Reset Project Balances to Zero Window

[**Input** menu, **General Ledger**, **End of Period**] or 

This topic explains how to fill in the **Reset Project Balances to Zero** window. This window contains the elements required to select the option used to reset project balances to zero.

Note: This window is available when running the year-end procedure and when the Cost Analysis application is launched.



Reset Project Balances to Zero for Income and Expense Accounts: Select this box when projects are used as account extensions, i.e. for presenting financial statements per division or branch. Thus the opening balance of **Income** and **Expense** projects are reset to zero. A balance sheet account retains its opening balance.

For more information, see Filling in the Transfer Budgets Window 14.

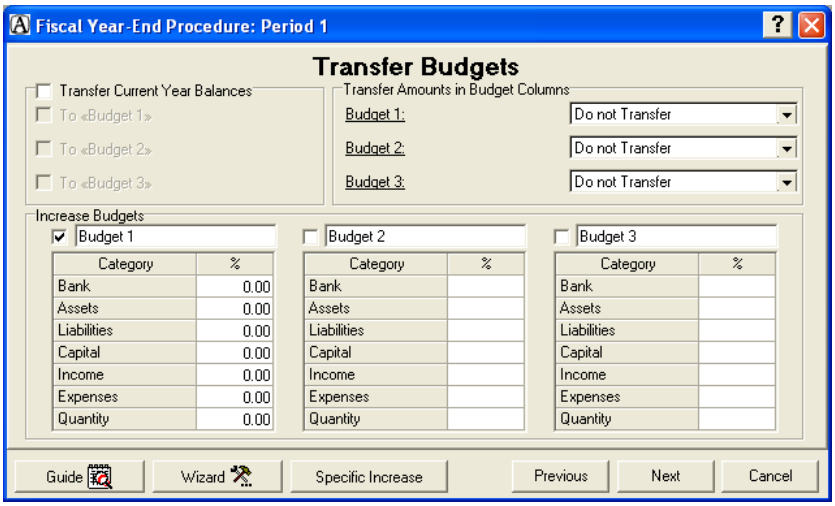
4- Filling in the Transfer Budgets Window

[**Input** menu, **General Ledger**, **End of Period**] or

This topic explains how to fill in the **Transfer Budgets** window. This window contains the elements required to select budget amounts to transfer, their destination and the increase applicable to them.

Note: This window is available when running the year-end procedure.

Hint: The **Wizard** button is used to launch the **Budget Transfer Window**. This wizard takes the user through each step of entering information in this window and the next one to ensure successful transfers. Only a specific increase will have to be made afterwards, if needed.



Transfer Current Year Balances: Select this box when amounts entered in the **Balance** column of the **Account** window have to be transferred to one of the **Budget** columns. Then, select the box(es) in which these amounts are to be posted.

The **Transfer Amounts in Budget Columns** group box contains the elements required to select **Budget** columns of the **Account** window to transfer and their destination.

The **Increase Budgets** group box contains the elements required to select the **Budget** columns of the **Account** window whose amounts are to be increased and the box used to enter the increase percentage applicable to each account category.

Budget: Select this box when the amounts of the **Budget** column of the **Account** window are to be increased. The increase table then becomes available.

The **Increase Budgets** group box contains three tables used to enter the increase or decrease percentage, applicable to the amounts of the three **Budget** columns of the **Account** window. Each line represents an account category.

Specific Increase: Click this button to display the **Specific Budget Increase** window used to enter a specific increase for each account.

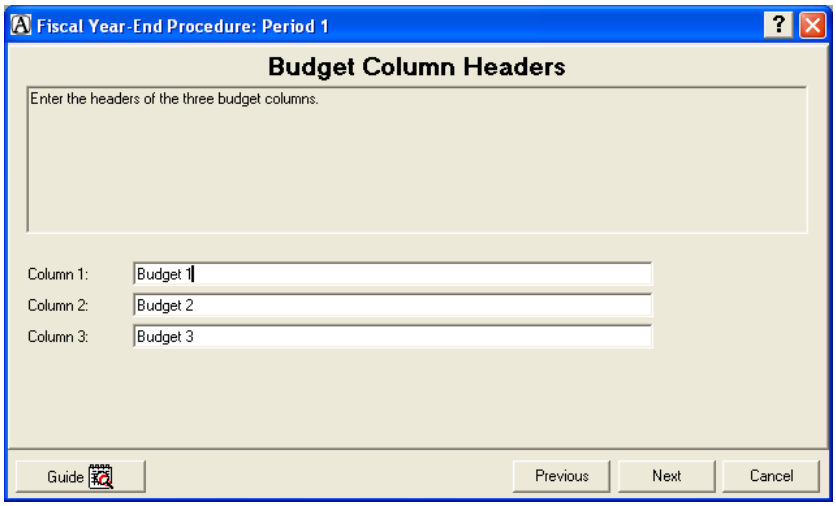
For more information, see Filling in the Budget Column Headers Window 15.

5- Filling in the Budget Column Headers Window

[**Input** menu, **General Ledger**, **End of Period**] or

This topic explains how to fill in the **Budget Column Headers** window. This window contains the elements required to enter the **Budget** column titles of the **Account** window when printing reports.

Note: This window is available when running the year-end procedure.



Column X: Headers assigned to the **Budget** columns of the **Account** window. Thus, these headers are adjusted in the **Company Information** window, **General Ledger** tab.

Note: When the **Budget Transfer Wizard** has been used, titles are entered.

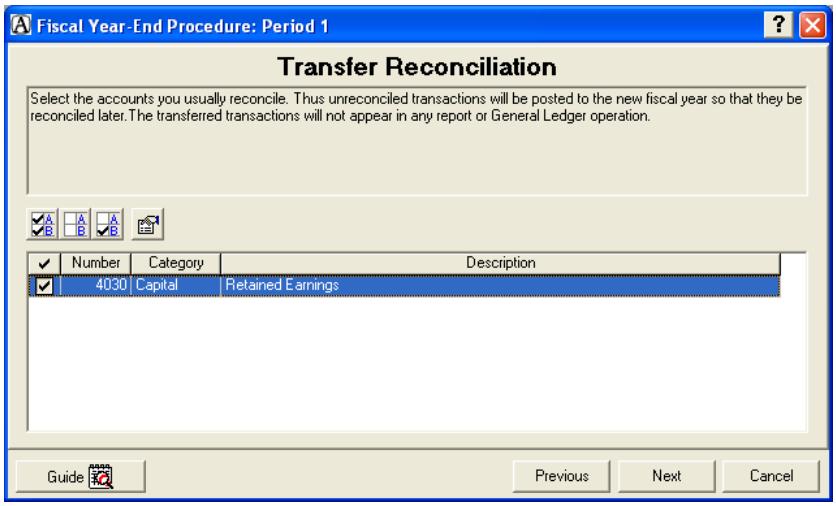
For more information, see Filling in the Transfer Reconciliation Window 16.

6- Filling in the Transfer Reconciliation Window

[**Input** menu, **General Ledger**, **End of Period**] or

This topic explains how to fill in the **Transfer Reconciliation** window. This window contains the elements required to select an account that has not been reconciled completely.

Note: This window is available when running the year-end procedure.



The **Transfer Reconciliation** window presents a table used to select accounts for which audit trails of transactions in circulation are to be stored. Therefore, an unreconciled transaction (check, deposit) related to the selected account will appear in the **Reconciliation** window for reconciliation during the following fiscal year. Each line represents an account. Select the appropriate accounts.

Hint: The **Select by Category** button displays a window used to select categories for which all accounts should be selected.

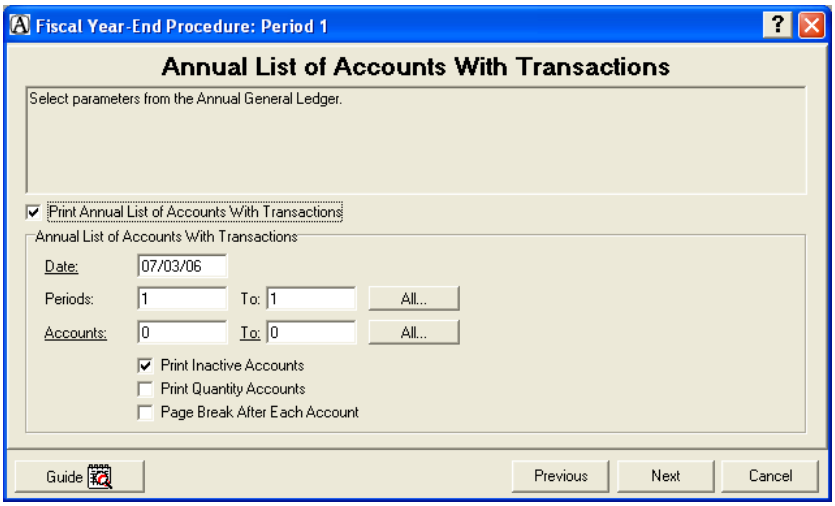
For more information, see Filling in the Annual List of Accounts with Transactions Window 17.

7- Filling in the Annual List of Accounts with Transactions Window

[**Input** menu, **General Ledger**, **End of Period**] or

This topic explains how to fill in the **Annual List of Accounts with Transactions** window. This window contains the elements required to print a **List of Accounts with Transactions** report for the fiscal year.

Note: This window is available when running the year-end procedure.



Print Annual List of Accounts with Transactions: Select this box to print the **List of Accounts With Transactions** report then select the appropriate options.

The **Annual List of Accounts with Transactions** contains the elements required to select the content of the **List of Accounts with Transactions** report.

Note: This group box is available when the **Print Annual List of Accounts with Transactions** box is selected.

Date: Date printed on the report.

This date usually corresponds to the last day of the fiscal year. It can coincide with the calendar year thus closing December 31st or even follow the operational year.

Click **Date** to display the **Calendar** window used to select a date. For more information, see Using the Acomba Calendar and Defining the Date Format.

Periods, **To**: Numbers of the periods starting and ending the range of periods.

All...: Click this button for all periods to be included in the range.

Accounts, **To**: Numbers of the first and last account in the range.

Clicking **Accounts** to **To** displays the **Select Account** window used to select an account among those already created. For more information, see Fields Linking to Other Fields.

All...: Click this button for all accounts to be included in the range.

Print Inactive Accounts: Select this box to add inactive accounts. An account is inactive when it is not used in any transaction within a period.

Print Quantity Accounts: Select this box to add quantity accounts.

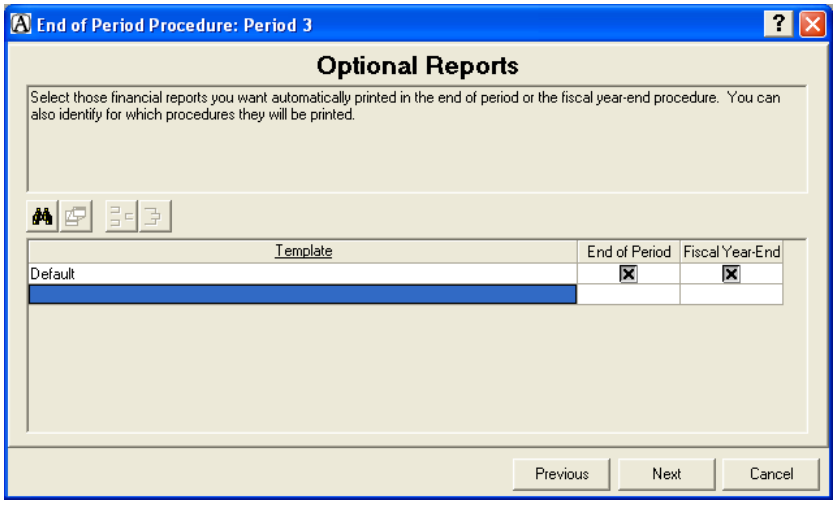
Page Break after Each Account: Select this box to insert a page break between each account.

For more information, see Filling in the Optional Reports Window 18.

8- Filling in the Optional Reports Window

[**Input** menu, **General Ledger**, **End of Period**] or 

This topic explains how to fill in the **Optional Reports** window. This window contains the elements required to select report models to print.



The **Optional Reports** window presents a table used to select report models to print. Each line represents a report model.

End of Period/Fiscal Year-End: Select the box corresponding to the procedure during which the report model must be printed.

Hint: The **Add Report**  button is used to add a report model to print in the table.

To display the procedure, see Running the End of Period Procedure 8.

To display the summary table, see Prerequisites to the Year-End Procedure 3.

Section 4

Adjustment Entries

Step 1. Adjustment Entries

[**Input** menu, **General Ledger**, **End of Period**] or 

After auditing the financial statements, the accountant or auditor transmits the adjustment entries. The purpose of these entries is to adjust transaction amounts, or constituents thereof, in the fiscal year in question so that the net profit for the fiscal year being closed will better reflect the actual situation.

Post adjustment entries in the General Ledger archive copy created in the fiscal year-end procedure.

Step 2. Entering Adjustments

[**Input** menu, **General Ledger**, **End of Period**] or 

1. Open the « ***CompanyName_PeriodNo_XX***» company, the data of the fiscal year being closed.

2. Enter the accountant's adjustment entries (**Input** menu, **General Ledger**, **Inscription de transactions**).

   Note: When adjustments have been restored using the **Import changes from Accountant** command, the entries are already posted.

3. Print a cumulative trial balance (all periods) and ensure it is identical to the accountant's adjusted one (**Report** menu, **General Ledger**, **Financial Reports**).

   The amounts of the General Ledger application now correspond to the actual situation.

4. Make another backup copy to ensure that you have a complete copy of all data for the fiscal year.

   Note: To maintain the confidentiality of your data, we suggest you change the password for your company.

5. Exit the company **ZGL_*CompanyName_FiscalYear*** (**File** menu, **Close Company**).

   Caution: To maintain access to the data after closing the company, do not run the fiscal year-end procedure in **ZGL_*CompanyName_FiscalYear*.**

Step 3. Modifying an Adjusted Balance

[**Input** menu, **General Ledger**, **End of Period**] or 

1. Open the current company (**File** menu, **Open Company**).

2. For **Assets**, **Liabilities** or **Capital** accounts, adjust the opening balance so it is identical to the accountant's adjusted one (**Input** menu, **General Ledger**, **Accounts**).

3. For an **Income** or **Expenses** account, only the opening balance of the **Retained Earnings** account must be adjusted.

The latter is available using the trial balance of opening balances or the opening balance sheet provided by the accountant. Otherwise, it can be calculated using the company's adjusted trial balance « ***CompanyName_PeriodNo_XX***» printed as part of the preceding procedure. It corresponds to the opening balance of the **Retained Earnings** account of the adjusted fiscal year to which the total for **Income** accounts is added and the total of **Expense** accounts is deducted.

4. Print a trial balance of opening balances (period 0) and make sure that they correspond to those provided by the accountant (**Report** menu, **General Ledger**, **Financial Reports**).

The opening balances of the current company are identical to the accountant's adjusted balances.