1 Planning the End of Year Process

The year-end process should be carefully planned well before the changeover date. When the process is carefully planned it can be trouble free. The major considerations when planning the year-end process are:

Major Consideration	Comments
Determine when the last date of the current financial year is	Every Organisation is different, Examples are 30th June, 31st December or 30 September
When is the last date for each module to complete processing of transactions?	This can be several different dates for different modules and can be a number of dates within a module. For instance accounts payable invoices may relate to the previous year and need to be entered well into the new year. Cheques will need to be processed into the new year straight after the close of year
Determine how processing will take place	If for example accounts payable invoices are to be processed for both the past year and the current year, do we use existing formats and allow the users to determine the relevant processing group, or should we create an additional format that hard codes the year and create additional menus.
Determine whether the ledgers within a processing group are periodic or perpetual	The treatment of these different types of ledgers differs at year-end. If perpetual, is there a need to keep period history?
Determine the need to delete transactions in the ledgers	By assessing whether there are many years' worth of transactions in the ledger and whether these transactions are causing any inefficiencies with user tasks
Determine the processing requirements for end of month / end of year accruals	Are they to be reversed in the current year or do they need to be reversed in the next financial year? Are accruals required for purchasing commitments?
Determine how end of year adjustments will be performed	Will they be posted to period 12 or period 13
Determine at which point the balance sheet will be rolled over, and where the profit or loss will be distributed	Will the profit or loss be placed in one account, or many? If more than one is required how is the split achieved. How will the end of year rollover be performed.

2 Reminders/Checklist – End of Year

This checklist is only a guideline for users to consider when planning their end of financial year within TechnologyOne Financials.

In a broad sense, the concept of end of year within TechnologyOne Financials usually relates to the change from using the current Processing Group to using a new Processing Group; however there are obviously other considerations, which may be applicable

This checklist examines issues, which are generic across users of TechnologyOne Financials. *It is not possible for such a list to include site-specific issues, and key users are strongly advised to develop their own checklist to supplement this one.*

1. Plan when each function is to be rolled over, i.e. Accounts Payable, Accounts Receivable, General Ledger, etc.

2. Ensure that system variables are set up to adequately meet varying roll dates between each function. For example if Accounts Payable and Accounts Receivable roll a week apart then different variables are needed for periods and processing groups.

3. Obtain a listing of Data Entry Formats and any relevant system variables used within these formats, i.e. period and processing group variables.

4. Obtain a listing of XLOne and Crystal Reports and any relevant system variables used within these reports, i.e. ledger and period variables.

5. Obtain a listing of Security Categories and any relevant system variables used within these categories, i.e. processing group and period variables.

6. Create the new financial year's processing group(s).

7. Create the new financial year's ledgers and attach them to the new processing group. This will usually involve only GL type ledgers, as AP and AR ledgers are perpetual and need not be created each year.

8. Follow your normal end of month procedures, such as balancing of control accounts with relevant reports. It is extremely important to run the Aged Trial Balance Reports at this stage as they are based on dates not periods and cannot be run retrospectively.

9. Post all inventory transactions. (Only relevant if Inventory Module is being used).

10. Finalise Bank Reconciliation. (Only relevant if Bank Reconciliation Module is being used).

11. Run the cash generator creating cash transactions for posting to the cash ledgers. (Only relevant if cash generator being used.

12. For perpetual ledgers only:

    - Perform a ledger copy of any perpetual ledgers. The ledger name should contain a suffix to identify the year i.e. the AP ledger will be copied to be AP06. (This option is only to be used if you require transactions to be found in the period in which they have been posted)

    - If you are not copying the perpetual ledgers and need only keep one year worth of transactions you may want to run a ledger transaction deletion on period 0 before the transfer of current years data into period 0 which will occur in a later step. (This option is dependant on what information is to be kept on the system)

    - Transfer the balances in periods 1-12 for the perpetual ledgers into period 0 using Ledger Transaction Period Transfer. For example, all AP and AR transactions for the year are

transferred into period 0. (If the ledger copy isn't used then to enquire on prior year transactions a search of period 0 is done using transaction dates and other criteria).

- Perform a Ledger Transaction Deletion of transactions in period 0 for the perpetual ledgers. This clears all transactions in period 0 that have been fully matched as these transactions appear in the copied ledgers i.e. AP06 and AR06. This will also free up disk space. (This option is used only if you copy perpetual ledgers from year to year).
- Attach perpetual ledgers to the new processing group.

13. Modify system variables to reflect the new processing group and period. Modify any other system variables as necessary.

14. If necessary, modify the period and processing group defaults for Purchasing, Payment Processing, Batch Import Functions, and Cash Generator.

15. Modify the Cash Generator function to reflect new primary ledger and appropriate bank ledger code. (Only relevant if cash generator being used).

16. Run the Commitment Carry Forward function from the current processing group to the new processing group. (Only relevant if using commitments or purchasing).

17. Modify the inventory system to reflect the new processing group. (Only relevant if using Inventory Module).

18. Modify the asset system to reflect the new processing group. (Only relevant if using Asset Module).

19. Modify Bank Account Maintenance to reflect the new primary ledger and appropriate bank ledger code. (Only relevant if using Bank Reconciliation module).

20. Purchasing Locations need to point to the correct Processing Group.

21. Taxation (BAS) needs to have the new ledgers as current year and the old ledgers as prior year.

22. Recurring Documents. Ensure Document Generation has been run. Run the End of Year process to update the processing Group on the control batch.

23. Allocations. Check Allocation Definition variables and any periods, processing groups or ledgers that have been hard coded into the allocation.

24. When Auditor has finalised the organisation's account, XLOne report, Allocation or any other method to transfer primary ledger balances and appropriation accounts into the current primary ledger and new processing group.