

Checklist for Year-End Preparation

Here's a list of tasks that can be done the prior to your year-end. Reconciling general ledger accounts is cleaner, easier and less time consuming when done before year-end.

General Activities & General Ledger

- GL1. Ensure your trial balance for the current fiscal year nets to zero. If not check to see if you have created last year's General Journal Entry.
- GL2. Set up the calendar for the new fiscal year.
- GL3. Set up new exchange rates for your year-end date
- GL4. Review to ensure no expense items recorded in fixed asset accounts. Or vice versa.
- GL5. Reconcile Sales Tax Accounts
- GL6. Reconcile Income Tax Accounts
- GL7. Reconcile Prepaid Expense
- GL8. Reconcile General Accruals
- GL9. Reconcile Payroll Accruals. May be able to use Labour Ticket reports to support the balance.
- GL10. Revalue non-system currency balance sheet accounts.

Bank Accounts

- BA1. Void any stale-dated cheques on the outstanding cheque list. This will set the voucher to unpaid.
- BA2. Ensure the Bank Clearing account nets to zero.
- BA3. Reconcile cashbook to bank statement balance.
- BA4. Reconcile cashbook to general ledger balance. If it is non-system currency, use account-at-native balances.

Accounts Receivable

- AR1. Ensure AR Clearing account nets to zero.
- AR2. Ensure all packlists have been invoiced.
- AR3. Run Copy Invoices from Manufacturing found under AR Invoice Entry – File.
- AR4. Write off any old outstanding/uncollectible receivables. Or at least make a bad debt provision.
- AR5. Apply credit memos against open invoices.
- AR6. Reconcile accounts receivable aging in native dollars to account-at-native balances.
- AR7. Reconcile accounts receivable aging in system currency to General Ledger. Revaluation entry has to be run.
- AR8. Reconcile Customer Deposits to supporting report. Revaluation may be required.
- AR9. Inactivate customers who you no longer do business with.

Work in Process

- WIP1. WIP Clearing account should not to zero.
- WIP2. Investigate any old work orders on WIP Balance report. If applicable, cancel or receipt into stock.
- WIP3. Ensure WIP Balance report does not contain any closed or cancelled work orders.
- WIP4. Reconcile WIP Balance report to General Ledger.
- WIP5. Consider setting up new labour & burden rates in Shop Resource. Then push them into the Engineering Master.

Inventory

- IB1. Scrap any obsolete inventory.
- IB2. Get ready for your inventory count.
- IB3. Update standard costs prior to your inventory count. These costs will be used for any adjust-in transactions. If your setting is standard costing, then you will need to book an entry for restating the inventory values.
- IB4. Run the inventory audits (inventory valuation – negative balance costs layers, cost distribution exceptions, cost analysis tools). Create appropriate fixes.
- IB5. Reconcile Inventory Valuation report to Inventory Balance Report.
- IB6. Reconcile Inventory Balance report to General Ledger.
- IB7. Reserve for slow-moving or obsolete inventory.

Checklist for Year-End Preparation

Accounts Payable

- AP1. Write off any old outstanding payables that will not be paid.
- AP2. Apply credit memos against open invoices.
- AP3. Reconcile accounts payable aging in native dollars to account-at native.
- AP4. Reconcile accounts payable aging in system currency to General Ledger. Revaluation entry has to be run.
- AP5. Reconcile commission payable in GL to report in Accounts Payable.
- AP6. Reconcile Vendor Deposits to supporting report. Revaluation may be required.
- AP7. If purchase burdens used and recorded on the Balance Sheet, ensure the balance reflects the outstanding burden costs (i.e. freight, duty, brokerage, etc.) or has a balance of zero.
- AP8. Inactivate customers who you no longer do business with.

Purchase Receipt Accrual

- PO1. Service Receipt accrual account should net to zero.
- PO2. Clear any old receivers not vouchered by creating zero value AP invoices.
- PO3. Record AP invoices for offsetting positive and return receivers.
- PO4. Stop recording AP invoices for PO accrual items (preference Day 1). Note: if you are actual costing and AP invoice values change, then costing will need to be rerun. Caution should be taken.
- PO5. Reconcile purchase receipt accrual to General Ledger.
- PO6. If purchase burdens are used, determine if the rates should be modified in part maintenance. You can easily update these by using the Open for Edits.