



## Solution-IV Period End Processing

### **General Ledger:**

Your system is set so the current year ends 12/31/2008. Since you are now a full two years into things, it is necessary to run Year End Processing in General Ledger prior to doing any postings in 2010.

The steps are as follows:

1. Copy your active company to a backup – perhaps to G07. This will make the data available to you in the event that you need to reprint financial statements for 2008 or for any other purpose. This is necessary because when you run Year End in General Ledger, periods 1-12 are cleared from the Transaction Detail File; amounts are moved from current year to history and from “future” year to “current”; and your retained earnings are calculated and posted.

To copy the company, from the main Solution-IV menu, select “Utilities”, then “Company/Password Menu”, then “Copy Company”. Enter your live company code for the “From company” and something like “G08” for the “To company”; answer “N” to all modules except General Ledger; and answer “N” to the “Clear transaction data?” question.

It will then ask you for the “Disk Number where files will be created”. You may need to call for assistance, unless there is a directory name along the lines of “SOL4” or something equally obvious in the view that is displayed. Answer “Yes” to “Copy this company?”

2. <F4> back to the main Solution-IV menu. Select “Select Current Company” and make sure your live company code is selected.
3. Select “General Ledger” then “Period End Update”. Answer “Y” to the two questions on the first screen. Then answer “Y” to “Month and year-end processing”. If you have budgets defined in your General Ledger, read the 3 questions on the bottom part of the screen and answer the questions appropriately.
4. When the update is finished, your system will be set so that 2009 is your current year. You may want to reprint your 2009 financial statements so the period number and profit figures are more correct. There is no need to close 2009 until you are finished with your review and possibly even your tax returns. Most companies do not close their “current” year until 4-6 months into the new or “future” year. But you can begin processing 2010 transactions now.

### **Accounts Receivable**

1. You should run Year End Processing in Accounts Receivable after your final Sales Journals (in both Accounts Receivable and Order Processing) and Cash Receipts updates are finished for 2009, but prior to doing any updates in 2010. The only thing this really affects is the Accounts Receivable Billing Code Analysis, Customer Sales Analysis and Sales Rep Analysis reports as found on the Accounts Receivable – Reports menu. But you are at a good point in your system to get these figures cleared up and ready for 2010.
2. To run Year End in Accounts Receivable, from the main Solution-IV menu, select Accounts Receivable, then Period End Update. Don’t worry about the list of reports displayed on the first screen – most of these are not affected by Year End and the “Analysis” reports contain 2008 and 2009

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at this point anyway. Answer “Y” to the two questions on the first screen. Simply answer “Y” to the “Month and year-end processing” question.

3. If you want to utilize the Accounts Receivable Analysis Reports moving forward, you will want to run Accounts Receivable Month End Processing at the end of each month after your final AR and OP Sales Journals are updated as well as Cash Receipts and prior to doing either of those postings for the next month. If you do not wish to utilize these reports, it is not necessary to run Month End in Accounts Receivable.

### **Accounts Payable**

1. This module usually has a delay as you will want to wait for your final December invoices to arrive prior to running full Year End Processing. However, you do want to clear the 1099 buckets in the event that you chose to print 1099 forms at the end of 2010.
2. When you have done your final check run for 2009 but before printing any checks in 2010, if you want to print 1099's for 2009, make a copy of your Accounts Payable company. This is done in the same way that you did the General Ledger copy company above.
3. To clear the 1099 buckets, from the main Accounts Payable menu, select Period End Update. Again answer Y to the first two questions. On the second screen, you will answer “N” to all of the questions except the last question, “Clear 1099 payments?” where you will answer “Y”. This will allow you to start accumulating 1099 amounts for 2010.
4. Around January 15<sup>th</sup> or 20<sup>th</sup>, when you are confident that you have received all of your December 2009 invoices, you will return to Accounts Payable Period End Processing and answer “Y” to “Month and year-end processing?”. However, you will answer “N” to all other questions on the screen.
5. When you have finished running Year End, from the Accounts Payable main menu, select Code File Maintenance Menu, then AP Parameters Maintenance. Change “Current Accounts Payable calendar month and year (MMYYYY)” to “012010”.
6. As a side note, you should be running Month End Processing in Accounts Payable on a regular basis moving forward. This will allow you to keep the figures in the Vendor Masterfile – Purchase History Lookup accurate. Month End should be run around the 15<sup>th</sup> or 20<sup>th</sup> of the following month. This will allow you to enter invoices for both the current month (say January 2010) and the following month (say February 2010) prior to the close. To keep the General Ledger in sync, however, you will want to make sure to separate out the batches by month – with the January invoices having an 01/??/09 posting date and the February invoices having an 02/??/09 posting date. Most people run their Purchase Order Month End Processing at the same time. [You will want to do the same thing for your December 2009 vs January 2010 invoices].

### **Inventory Control and Order Processing**

1. So long as “Post by IC Period or Month” flag in your Inventory Control Parameters is set to an “M”, it is not necessary to run Month or Year End Processing in either of these two modules.

Please note that running Period End Processing is not a time consuming process. It should only take a few minutes per module.

Please contact the Thoroughbred Support/Services department if you have any questions as you are working through this process by calling (800) 524-0430 x1-4131 or sending an e-mail to [services@tbred.com](mailto:services@tbred.com).