

MICROSOFT DYNAMICS GP

RECEIVABLES MANAGEMENT YEAR-END CLOSING PROCEDURES

* Closing the **calendar** year will clear the calendar year-to-date finance charges and move them to the last year calendar field on the customer records. This should be done at year-end regardless of which version of Microsoft Dynamics GP you are running.

* Closing the **fiscal** year will transfer all amounts other than the calendar year-to-date finance charge amounts to last year. It is recommended that you close the year soon after year-end, but it is not required. Amounts posted to the new year will remain in the year-to-date column following year-end closing.

Steps to Perform a Year-End Close

1. Post all transactions for the calendar or fiscal year and complete the month-end procedures.
2. Make a backup.
3. Close the calendar year using the Receivables Year-End Closing window.
4. Close the fiscal periods for the sales series using the Fiscal Periods Setup window (optional).
5. Close the sales tax periods for the year using the Tax Year-End Closing window (optional).
6. Make a final backup.

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RECEIVABLES MANAGEMENT YEAR-END CLOSING CHECKLIST

Step 1: Post All Transactions for the Current Calendar or Fiscal Year

Before closing the year, post all transactions.

Note: The following areas of Microsoft Dynamics GP will be incorrect if you do not close the receivables year after you post all prior year transactions and before you enter any transactions for the new year.

- The Amounts Since Last Close view of the Customer Yearly Summary window
- SmartList Summary Objects
- Receivable Management Summary Reports

Step 2: Make a Backup

Make a backup of all company data. This is important to ensure that you will be able to recover quickly should a power fluctuation or other problem occur during the year-end closing procedure.

Step 3: Close the Calendar or Fiscal Year (See step 3 in list)

Use the Receivables Year-End Closing window to close the calendar and/or fiscal year for receivables transactions. Before performing the year-end close, you may want to change the GP user date to the last day of the calendar/fiscal year. This will not impact how the module is closed but will be used to update the "Last Close" field to serve as a visual of reminder of the last time the closing process was performed.

- Microsoft Dynamics GP >> Tools >> Routines >> Sales >> Year-End Close

Select the year you wish to close in the Receivables Year-End Closing window. If the calendar year coincides with your fiscal year, select **All**. If they do not coincide, close the calendar and fiscal years separately.

Mark the **Print Report** box. This report will list the amounts that were transferred to last year for each customer. The Year-End Closing Report is part of the audit trail and should be saved with your company's permanent records.

Step 4: Close the Fiscal Periods for the Sales Series (optional)

You can use the Fiscal Periods Setup window to close any fiscal periods that are still open for the year. This keeps transactions from accidentally being posted to the wrong period or year. If you later need to post transactions to a fiscal period you have already closed, you will need to return to the Fiscal Periods Setup window to reopen the period before you can post the transaction.

- Microsoft Dynamics GP >> Tools >> Setup >> Company >> Fiscal Periods

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Step 5: Close the Sales Tax Periods for the Year (optional)

Use the Tax Year-End Closing window to close the sales tax periods and to print the Tax Year-End Closing report. This procedure should be completed only after you have completed the year-end closing procedures for all sales and purchasing modules.

- Microsoft Dynamics >> Tools >> Routines >> Company >>Tax Year-End Close

Step 6: Make a Final Backup

Make a final backup of your company's data files and keep it in safe, permanent storage. This gives you a permanent record of the company's financial position at the time you closed the year and can be restored later, if necessary.

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RECEIVABLES MANAGEMENT YEAR-END CLOSING TIPS

- Even with the date-sensitivity of Release 7.x or later, you STILL need to close the calendar year at year-end, but you can close the fiscal year after you have entered and posted the new year's transactions.
- Closing the calendar year will clear the calendar year-to-date finance charges and move them to the last year field on the customer records.
- The calendar year-end close in Receivables will take place at the end of the calendar year regardless of when your fiscal year ends. If your calendar year coincides with your fiscal year, then you will close both at the end of the calendar year.
- The YTD Finance Charges do not automatically print on the statements in December and January. If you want them to print on the statements, you must modify them using the following procedures:
 - ◆ The procedure for getting the YTD finance charges on the December and January statements takes two different steps, one for each month.
 - *December* - Create a modified version of the statement and link the Customer MSTR Summary file to the report. In the Report Layout window, place the Finance Charges CYTD field (in the Customer MSTR Summary file) on the report. Save the report and print it. (To be used if statements are needed prior to calendar year close.)
 - *January* - Create a modified version of the statement and link the Customer MSTR Summary file to the report. In the Report Layout window, place the Finance Charges LYR Calendar field (in the Customer MSTR Summary file) on the report. Save the report and print it. (To be used if statements are needed after closing calendar year.)
- If you wait until after January to run the Calendar Year-End Close, any finance charges assessed during January will not update the year-to-date finance charges until after the calendar year-end close.
- Closing the fiscal year will transfer all amounts, other than the calendar year-to-date finance charge amounts, to last year.