Financial
Support
Services
Unit

2009/2010 Financial Guideline 01

Processing the Financial Year-End for 2008/2009 Using the TAS Books 2 Accounts Package

Guideline for Accounts Personnel

The TAS Books 2 year-end must be run before any transactions can be entered in the new financial year. The program will not allow input of any data which is dated after the last day of the financial year until the year has been rolled forward.

All of the data for the new school year should be held without entering on to the system until the year-end has been processed. It is inappropriate to enter data for more than one school year without first processing the year-end.

The new TAS Books 2 user manual also contains a year-end section but schools with queries should contact the FSSU for advice on year-end procedure.

Once you have completed your management accounts for the school you do not have to wait for your auditors or accountants to complete their work before running the year-end

After processing the year-end <u>do not unreconcile</u> bank entries for the previous years as this may cause a problem with your accounting records. <u>Never delete</u> transactions for a previous year.

<u>Ensure that all bank reconciliations are properly completed before attempting to run the year-end procedure.</u>

<u>WHAT DOES THE YEAR-END PROCESS DO?</u>

- o Clears the balance on all income/expenditure accounts to zero so that you have a fresh/blank profit and loss report for the next financial year.

- o Transfers the current years figures to 1 year past, 2 year past etc.

- o Transfers the balance on the fixed assets/current assets/liabilities/owners equity accounts into the Balance Brought Forward (BBF) box – opening balance.

- o Moves budgets from Future to Current – any budget information that you have entered for the following year can be carried forward into the next year during the year-end run so that you do not lose any of your work.

- o Transfers the profit for the year balance into profit brought forward account.

PROCESSING THE YEAR-END

o **TAKE 2 BACKUPS:** Put one backup on a memory stick. Put the other backup on a different memory stick or on a disk. Enter the year-end date on the file name of the backup.

o **Run a 147** – Transfer profit to balance sheet. Start at four year past, working forward to current year.

o <u>The following reports must be compiled at the end of the school year before running the year-end.</u>

<u>CASHBOOK REPORTS:</u>

REPORT	TAS MENU
Bank Reconcilation as at year-end	433
Cashbook Summary Report as at year-end	433
Outstanding lodgement/payments at year-end	442

Note: The above cashbook reports should already be on file if you have been reconciling your bank each month. Ensure that you have reconciled all of your active bank accounts at the end of month 12 and printed all of the the necessary reports before proceeding with the year-end.

<u>NOMINAL LEDGER REPORTS:</u>

REPORT	TAS MENU
Trial Balance Periods 1 to 12	134
Income & Expenditure Periods 1 to 12	142
Income and Expendture Actual V Budget	142
Balance Sheet Periods 1 to 12	142
Nominal Activity Report Periods 1 to 12	132

Note: Once you have rolled the year forward into the next year, the **budget** reports for the old year will no longer be available. Therefore it is important to print out the Income and Expenditure report showing the **budget** before closing the year.

PURCHASE LEDGER – ONLY RELEVANT TO THOSE RUNNING THE P/L

REPORT	TAS MENU
Purchase cash daybooks from Periods 1 to 12	341
Aged Creditors as at year-end	342
Unallocated cash report for all suppliers	345

SALES LEDGER — ONLY RELEVANT TO THOSE RUNNING THE S/L

REPORT	TAS MENU
Sales cash daybooks from Periods 1 to 12	241
Aged Debtors as at year-end	242
Statements for all debtors as at year-end	243
Unallocated cash report for all debtors	245

MANUAL CALCULATIONS

PROCESS	MENU
Accruals and Prepayments	Manual Exercise
Capital Expenditure File	Manual Exercise

Note: The accruals and prepayments should be calculated and posted to TB2 using general journals menu **121** before closing the year.

RUN YEAR-END PROCESS USING MENU **192.**

Budget Figures section: There are three options available but they are only relevant if you have entered your budget numbers in TB2. If you have not entered budgets in TB2 then you may skip this section. Leave the default setting and proceed with the year-end.

The three options are as follows:

- **Copy future to Current**: If you have entered the budget figures for the following year these will be carried forward into the next year as current year budget numbers, so all work will be retained.

- **Copy Revised to Current**: If you have entered any budget numbers in the revised column then you can choose to carry these forward into the current column during the year-end process.

- **Retain existing figures**: If you have no budget information for future years available, you can retain all of your budget numbers if you wish.

Option 1: Copy Future to Current

Choose the most appropriate option for you.
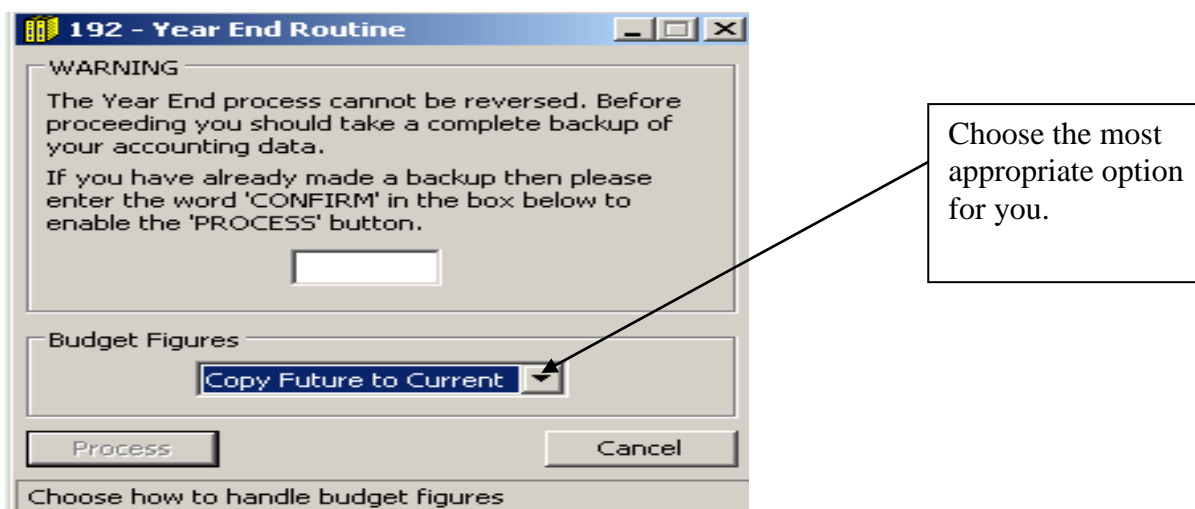
If you have entered next year's budget in the Future Budget Column of your **111** menu then it is vital that you choose this option. Your budget for next year will be carried forward to original.

111 - Maintain Chart of Accounts

Account Number & Name
Number & Dept: 3010   100
Description: Capitation

General | **Budgets**

Budget Values

	Future Budget	Current Actual	Revised	Original Budget
BBF				
Sep	-28000.00	-26992.76		
Oct				
Nov				
Dec				
Jan	-29000.00	-28256.77		
Feb				
Mar				
Apr				
May	-25000.00	-24562.19		
Jun				
Jul				
Aug				
TOTAL	-82000.00	-79811.72		

Save   Delete   Cancel

Enter the Nominal Department for this Nominal Account

In this example the budget for capitation has been entered for next year (future) and the year-end is about to be run. By choosing the above option – *Copy future to Current* this is the result.

The Future budget is successfully copied over to the new financial year as the current year's budget.

111 - Maintain Chart of Accounts

Account Number & Name
Number & Dept: 3010   100
Description: Capitation

General | **Budgets**

Budget Values

	Future Budget	Current Actual	Revised	Original Budget
BBF				
Sep				-28000.00
Oct				
Nov				
Dec				
Jan				-29000.00
Feb				
Mar				
Apr				
May				-25000.00
Jun				
Jul				
Aug				
TOTAL				-82000.00

Save   Delete   Cancel

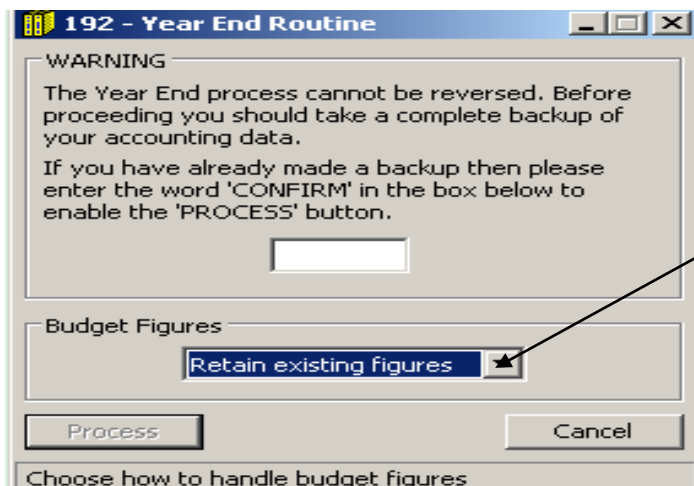Enter the Nominal Department for this Nominal Account

Future budget is carried into the new financial year as the current year's budget.

Option 2: Copy Revised to Current.
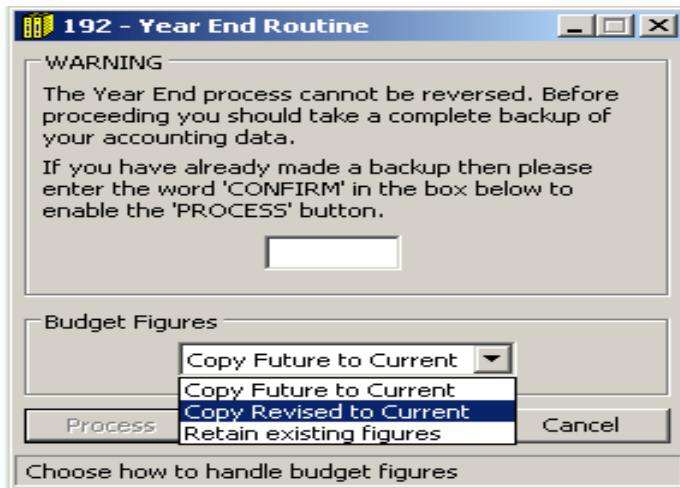
Note: Option 2 applies only if you have entered budget numbers under the Revised column on menu **111** and now want to use those numbers for the following year.

Option 3: Retain existing figures.

Option 3: You may choose to retain existing budget numbers and carry forward to following year.

Note: If you do decide to choose option 3 then you will be able to keep all of your current year budget numbers. They will be carried forward to the following year as an original budget again. These numbers can be used as a starting point for your new budget since all budget numbers In TB2 can be edited.

Once you are satisfied that you have chosen the budget option that is most suitable the next step is to close the year.
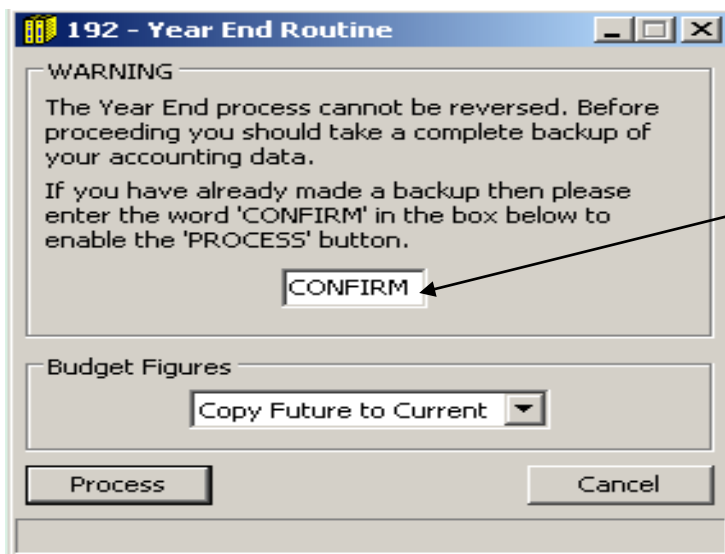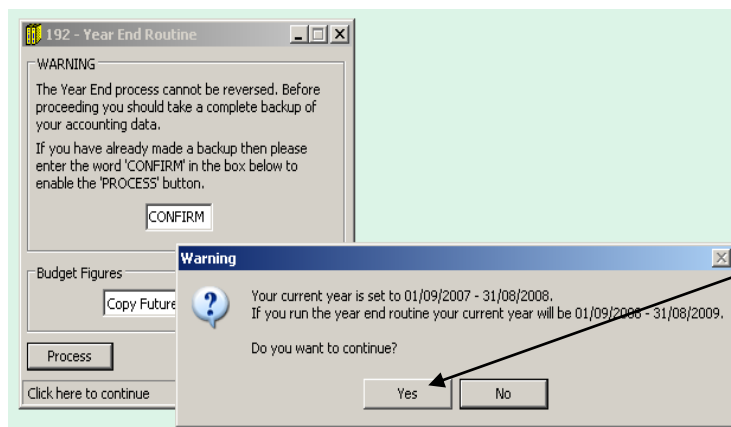
Step 2: Type the word CONFIRM in the box

Empty box: Type in CONFIRM.

Process: Click this button once.

Warning message appears stating the current year and asking if you wish to proceed with the year-end process.
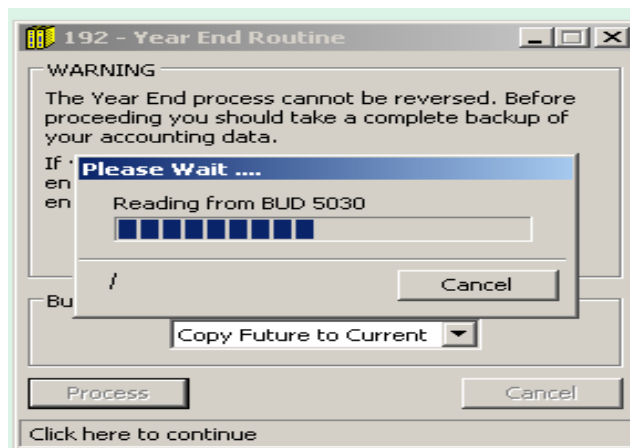
Please double check that the proposed current year dates are correct.
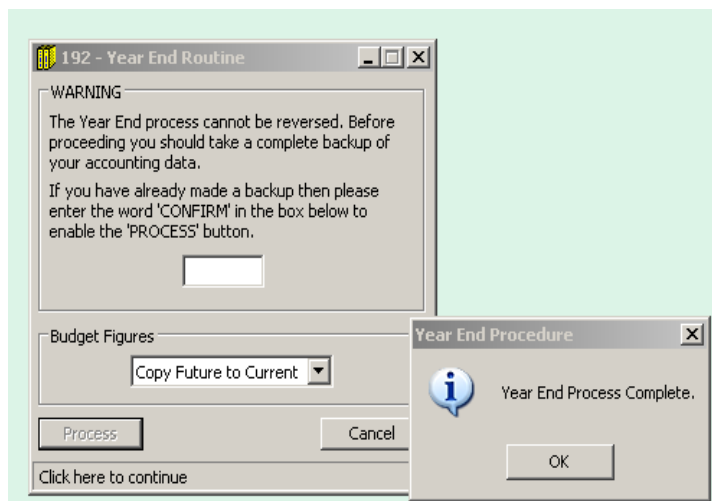

If you click here now you will close the year.

Only click **Yes** if you are satisfied that the dates for the new year are correct.

The year-end close will now be processed and the screen below will appear. This process will take approximately three minutes.
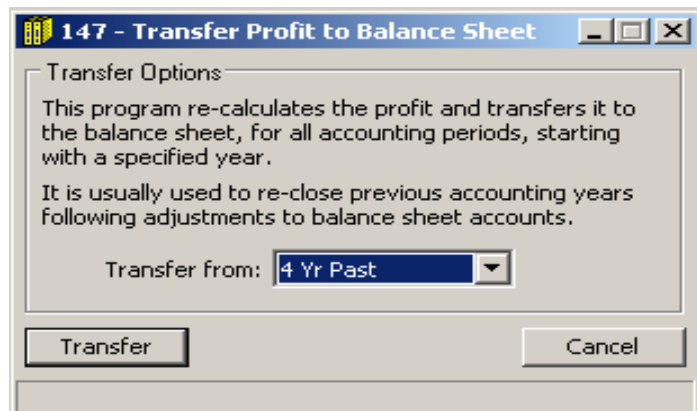
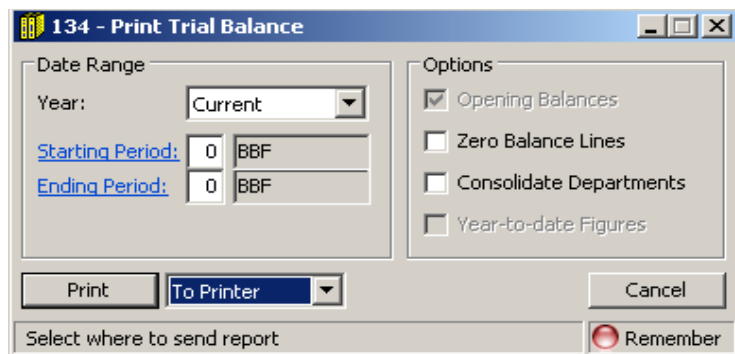Once the process is complete you will be alerted by the message below.

Click OK.

COMPLETING THE YEAR-END

Note: It is crucial to Run another **147**. This will reduce the risk of any problems with your first bank reconcilation in the new year.

Print the Final Report of the year-end process:

Run Program **134**

Year: Choose Current.

Starting period: Enter 0.

Ending Period: Enter 0.

Options: Select your requirements.

Print: to printer.

Keep this report with your other year-end reports.

Take another backup. Label the backup "Post year-end" and date it.

Take an addittional backup for your accountant if requested.

Put your year-end backups in a secure location, preferably a safe. Ideallly store your backup off site.

Your new financial year-end is now complete and you may start processing transactions for the new year.

PREVIOUS YEAR ADJUSTMENTS

TAS has what is known as a "soft" year-end in comparison with other accountancy packages of a similar price. When you enter any postings outside of the ledger date you will receive a message stating "This posting is not in the current period". Simply click ok to this message.

The bank account should not be adjusted for the previous year as this could cause a difference on the bank reconcilliation. All adjustments to the bank account should be made in the current accounting period.

> ➤ Previous year adjustments are usually posted in the form of a Nominal Ledger Journal e.g. depreciation, accruals and prepayments.

> ➤ When you have made all your adjustments for the previous year rerun the **147** as processing this will update the retained profit for the previous year.

> ➤ These adjustments will not affect your current year transactions or reports.
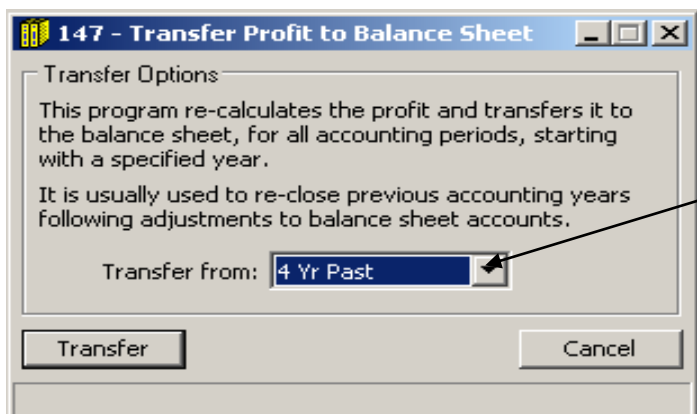
Always run the 147 starting at 4 Yr Past when you have finished posting into a previous year.

Note: Year-end adjustments should be dated the last day of the last financial year. E.g. adjustments for the year-ended 31st August 2009 should be dated 31/08/2009 and **not** 01/09/2009.