



Financial Year-End Checklist

Below are instructions to guide you through preparing your financial year-end information.

- Step 1: Complete all transactions for the year

Before you run your final financial reports, all transactions must be completed for that year.

- Step 2: Fixed Asset year-end procedures

The following information applies only if you are using FAS for Peachtree with Peachtree Complete Accounting or Peachtree Premium Accounting.

Install the latest Peachtree Fixed Assets Tax Update Service

Periodically, the IRS changes or modifies fixed asset regulations and depreciation limits for the calendar (tax) year. In addition, the form 4265 Depreciation and Amortization schedule changes each year. The Peachtree Fixed Assets Tax Service provides updates for these changes to ensure compliance with the IRS.

Calculate and post fixed assets depreciation amounts

Depreciations must be calculated and posted to the General Ledger before closing the fiscal year in Peachtree. Final depreciation amounts for the current tax year must be included in the Peachtree General Ledger and financial statements before closing the fiscal year.

Depreciation should be calculated in FAS for Peachtree every accounting period.

- Step 3: Reconcile General Ledger accounts to bank statements

You cannot reconcile accounts (for example, checking or credit card accounts) whose bank statements are dated in a closed fiscal year. Therefore, it is recommended that you reconcile these accounts prior to closing the fiscal year.

If you choose to not reconcile accounts using previous bank statements, the items will be available to clear in the new fiscal year. However, the account reconciliation will be difficult to manage and audit.

- Step 4: Print year-end reports to keep an historical copy of your information

Print reports to keep an historical hard copy of your accounting information (depending on your company requirements, not all these reports may be needed). These reports will act as a hard copy of your historical Peachtree information; they can be helpful during audits.

List of recommended reports:

Accounts Receivable—Sales Journal, Cash Receipts Journal, Customer Ledgers, Customer Statements, Aged Receivables, Taxable/Exempt Sales, Invoice Register

Accounts Payable—Check Register, Aged Payables, Vendor Ledger, Purchase Order Journal, Purchase Journal, 1099 forms

General Ledger—General Ledger Trial Balance, General Journal, General Ledger report

Financial Statements—Balance Sheet, Income Statement, Cash Flow Statement

Payroll— Payroll Check Register, Quarterly Earnings Report, Yearly Earnings Report, Payroll Tax Reports, State Quarterly and Yearly Forms and Federal Forms (940, 941, W-2, and W-3).

Inventory—Inventory Valuation Report, Item Costing Report, Inventory Unit Activity Report, Inventory Profitability Report

Jobs—Job Ledgers, Job Profitability Report, Job Register

Notes:

- For releases prior to 2009, the General Ledger, Financial Statements, and Payroll Reports cannot be printed for a closed payroll or fiscal year.
- For releases 2009 and higher, the Payroll Reports cannot be printed for a closed payroll year.

- Step 5: Review reports and make adjustments as necessary

Usually in the last accounting period of a fiscal year, you need to make adjusting entries. These might include the following:

- Write off customer bad debts
- Verify that fixed-asset purchases and dispositions have been properly recorded
- Record depreciation expenses
- Record a physical inventory count and compare to Peachtree quantity on hand
- Manage outstanding notes payable and receivable items and recording- or adjusting-interest expense or income

Once the above adjustments have been made (if necessary), you are ready to begin closing the fiscal year. The type of adjustment required depends on where in Peachtree the correction needs to be made.

- General ledger adjustments are entered in the General Journal Entries window
- Inventory adjustments are entered in the Inventory Adjustments window
- Payroll adjustments can be made through Payroll Entry
- Accounts receivable adjustments can be made through Sales/Invoicing or Receipts
- Accounts payable adjustments can be made through Purchases or Payments

After you have made the necessary adjustments, reprint any affected reports so that you have a correct copy.

Barbara Hayes (Bobbi)

340 North Avenue East

Cranford, NJ 07016

Tel: (908) 272-7000 x3749

Fax: (908) 272-7101

Email: bhayes@mspc-cpa.com

Web: www.mspc-cpa.com



Certified Consultant