Year-end Checklist

Tasks to complete before starting the
Year-end Wizard

Available in all versions

Quick Reference Guide

Sage Advisor

Why do I need to close my year?

> Sage 50 allows you to keep two years of your company's information open at one time. When you are approaching the end of your second year, you can use the Year-end Wizard to guide you through closing your first open fiscal and/or payroll year.

What should I do before starting the Year-end Wizard?

✓ **Post and print all journals if you are using batch posting** – The Year-end Wizard will not allow you to close the year until all transactions have been posted. To post all your journals, select Tasks, System, and then Post. Make sure 'All Journals' is selected and click OK.
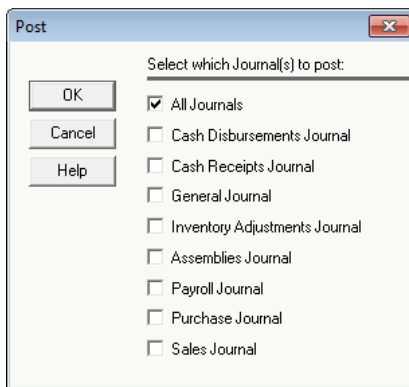
✓ **Print yearly reports** – We recommend that you print these reports so you have a hard copy of your historical company information, especially if you get audited.

- o **Accounts Receivable** - Aged Receivables, Cash Receipts Journal, Customer Ledgers, Invoice Register, Sales Journal, Taxable/Exempt Sales

- o **Accounts Payable** - Aged Payables, Check Register, Purchase Journal, Purchase Order Journal, Vendor Ledgers

- o **Payroll** - Payroll Check Register, Quarterly Earnings, Tax Liability, Yearly Earnings (Available in Sage 50 Pro Accounting and higher)

- o **General Ledger** - General Journal, General Ledger, General Ledger Trial balance

- o **Financial Statements** - Balance Sheet, Cash Flow Statement, Income Statement

- o **Inventory** - Inventory Profitability Report, Inventory Unit Activity Report, Inventory Valuation, Item Costing Report (Available in Sage 50 Pro Accounting and higher)

o **Jobs** – Job Ledger, Job Profitability, Job Register (Available in Sage 50 Pro Accounting and higher)

✓ **Print and finalize payroll forms** - Tax returns should be filed and completed for the year that you are closing. Be sure to correct any mistakes in employee earnings or W-2 information. To access the following payroll tax forms, select the Employees & Payroll Navigation Center, Forms, and then Federal Forms.

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- o W-2/W-3 forms
- o 1099s
- o 941
- o 940
- o State Forms

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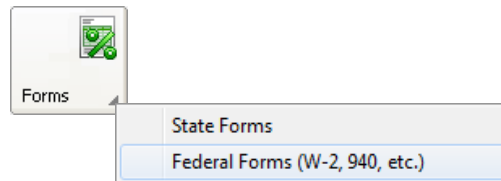
✓ **Print all open invoices, unprinted vendor and payroll checks** – Click here for the steps to find and correct any unprinted items.

✓ **Clear the 'Waiting on Bill' check box in the Purchases/Receive Inventory window for any outstanding vendor purchases** - The Year-end Wizard will not allow you to continue if you have 'Waiting on Bill' purchases. You can easily find your 'Waiting on Bill' purchases by going to the Vendors & Purchases Navigation Center. Select Enter Bills, then View and Edit Bills. Open the purchase and uncheck 'Waiting on Bill'. Save the purchase.

✓ **Make adjusting entries** - Usually in the last accounting period of a fiscal year, you need to make adjusting entries. These might include the following:
   - o Writing off customer bad debts
   - o Recording depreciation expenses
   - o Managing outstanding notes payable and receivable items
   - o Recording or adjusting interest expense or income

Did you know?
- ● **During the close process, you are required to back up your company data.** You can save the backup in the default location, or on a CD or flash drive. Save the backup with a name you will recognize in the future. We recommend that you include the words Year-end and the year you are closing in the filename.

- To ensure the close-year process runs smoothly, we recommend that you **leave the 'Run Data Verification' check box selected** in the Year-end Wizard.

- **Once you close the year, the information for that year is no longer visible**. If you need to view closed- year information, you can do so by restoring the company backup for that year into a **new** company. Make sure you do not overwrite your current company.

- You should **start the year-end close process at the end of your business day** because the process may take awhile to complete. Make sure you leave your computer running and other applications are closed.

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