# YEAR END PROCEDURES (2023)

Year End Procedures are extremely important for accurate accounting. Certain steps must be performed before and after you start your files for the New Year. All **Infinity POWER** products have been designed to allow you to process information over multiple years. When you create the **New Year's Data Files**, you can begin processing information in the new fiscal year and still recall information from prior years by simply changing the system date **(F3)**. This important feature allows you to continue processing information in a timely manner without interruption.

NOTE

It is highly recommended that the designated *Manager of the Computer System* or *System Administrator* be responsible for setting up **"New Year's Data Files."** This person *(if you operate under a network or multi-user environment)* should be the **ONLY** user logged into the system while these functions are being performed! Make sure that all users have closed all files, logged off the system properly, or turned off their systems, before executing the procedures to **"Start New Year's Files."** This person should also be sure a complete backup of the program and data directories has been made prior to completing this procedure.

Do not just rely on **"tape or CD-ROM"** backups. If you have a **"jump drive or an additional hard disk"** that you can copy your **"POWER"** directory to, you should do so before proceeding. Notice on the following screen that you can go to **"My Computer"** where your **Infinity POWER** application is loaded as shown:

This PC > OS (C:) > Apps

Name

- APPSJSF
- DPAuto
- DPCharge
- DPHelper
- POWER76
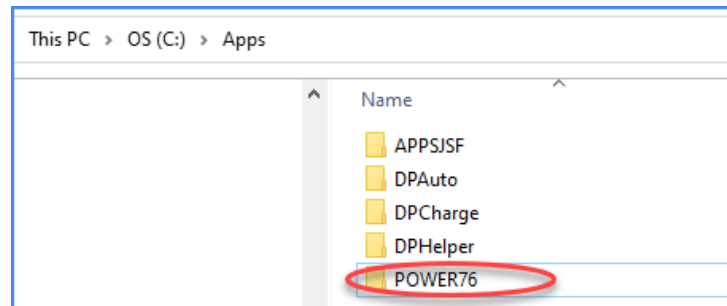
Right click on the folder and select **"Copy"** to ensure that you have copied the folder and all the contents. This will generally include all programs, forms files, security data files and the actual data files which are generally stored in folders underneath.

If not, you should copy this folder and the folder where any data files may be stored separately. Click **"Paste"** to copy them to the destination **"Jump Drive"** or separate **"Hard Drive"** where you want to make a separate backup before proceeding.

Additionally, any **"POWERServer"** that is running in the background should also be temporarily **"STOPPED"** while this function is being performed. Once completed, you may restart the **POWERServer** manually, or, if it has been set up as a **"Windows Service,"** you may reboot the server where it is installed. The **"reboot"** will automatically restart the **POWERServer**. The **POWERServer** utility has a **"user name"** and **"password"** in the **Advanced Security Administrator** module and is counted as another user in the software. It could be running background tasks *(i.e. DP/AUTO, DP/DashBoard/CRM, DP/SCAN)* that could be opening accounting data files while you are creating the **"New Year's Data Files"** and this could cause problems. Check your company's fiscal year end by pressing **F4** before proceeding.

Step 1: Backup All Data Files!

Make sure that annual *(year-end)* CD or tape backups have been performed and stored in a secure location. If you have any questions regarding the proper way to make backups, follow the previously mentioned steps to make a temporary backup to a **"Jump Drive"** or separate **"Hard Drive."** You should also make a CD/DVD or Jump Drive backup of your data files, if possible. Many users make the serious mistake of copying the data directory or files only. However, they will then miss their security directory, any custom report writer models, user defined fields and files, customized forms modifications and other files that are contained in the **"program directory."**

NOTE

If you are **changing your fiscal year end**, please call our **Technical Support Services Department** for assistance **(727-803-1550)**. A strict set of procedures must be followed to perform this change.

Further, **Data Pro Accounting Software** offers a special **"script"** that works in conjunction with the **DP/AUTO Event Triggering System** *(Part #450)*. As one of the scripts that can run quietly in the background, this special **"Backup"** script will automatically **"zip"** and compress your accounting data files on the hour and copy them to a **"backup folder"** on your hard drive or to a separate network drive for offsite FTP location. Having a running **"hourly"** backup of your data that exists for a ninety **(90)** day window, or more, can provide a special level of security that even most Cloud Hosting Service Providers do not offer.

As a **Cloud Hosting Service Provider**, even our standard Cloud backup systems will only maintain hourly backups for up to **14** days. But, you have to know that you need a **"restore"** done before that window lapses. With this special **DP/AUTO Backup Script** function, you can go back days, or even weeks, to restore specific data files to within one hour of when a problem may have originally started. That's real peace of mind!

Contact your **Data Pro Sales Representative** today to get more information at **1-800-237-6377** and press **1** to speak to a **Sales Representative** today!

Step 2: Change your Date.

Press the **F3** key to set your system date to **December 31, 2023** if your company is set for a **"calendar"** fiscal Year End. If your company uses a different fiscal Year End, set the date to the last day of your fiscal Year End. Remember to run the Year End procedures for **ALL** accounting modules within **EACH** company on your system that you are using.

NOTE

> You must start New Year's files for all modules that are being used.

General Ledger

1. Post **all integration files** currently on the system before beginning the New Year. If there are integration files that are not posted, and subsequently new data is entered into the New Year, the system will only post those transactions for the year the system date is set to when the integration files are posted **(Version 6.3 and lower)**. **Version 6.4** and higher allows for postings to occur from two fiscal years at the same time without issue. It is recommended, however, that you set your **General Ledger Master Configuration** to **"Automatically Post Integration Modules."** This will allow all transactions to flow from all integrated modules to the **General Ledger** automatically as each transaction is posted to the system. Therefore, no additional steps are ever necessary to be performed!
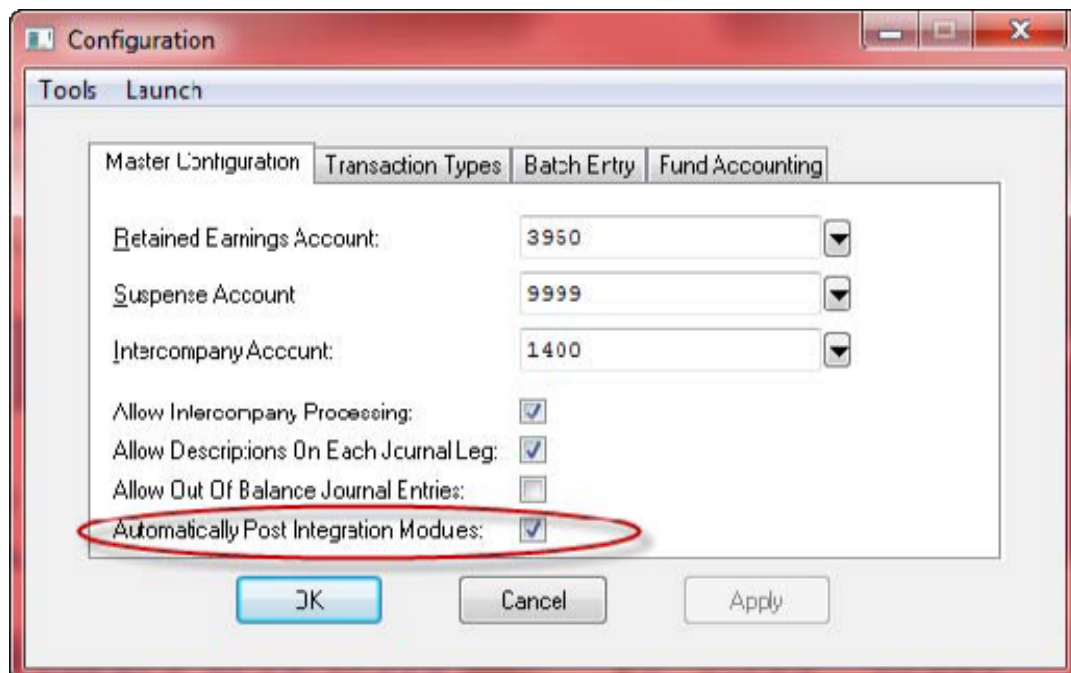
2.   Print the following reports:

YTD Financial Reports

YTD Audit Trails

YTD Journals

3.   **Start New Year's Files.** In addition to creating **New Year's Data Files**, the program will automatically clear out the revenue and expense account balances and transfer net income *(loss)* into the retained earnings account on the **Balance Sheet**. The retained earnings account is set up under the **Master Configuration**. The system date must be set to **December 31, 2023** for a calendar Year End or to the last day of your fiscal year for fiscal year end-based companies. You can go back and enter entries for the previous year, and then with your date set to the current year **1/1/2024** bring balances forward after entries are made. This will change your beginning balances in the current year to reflect these entries.

4.   The menu option to **"Start New Year's Files"** has been moved from within each module and can now be accessed by selecting **Systems**, **System Administrator** and **Start New Year's Files**. Choose all modules or select only specific modules to be started as shown below:
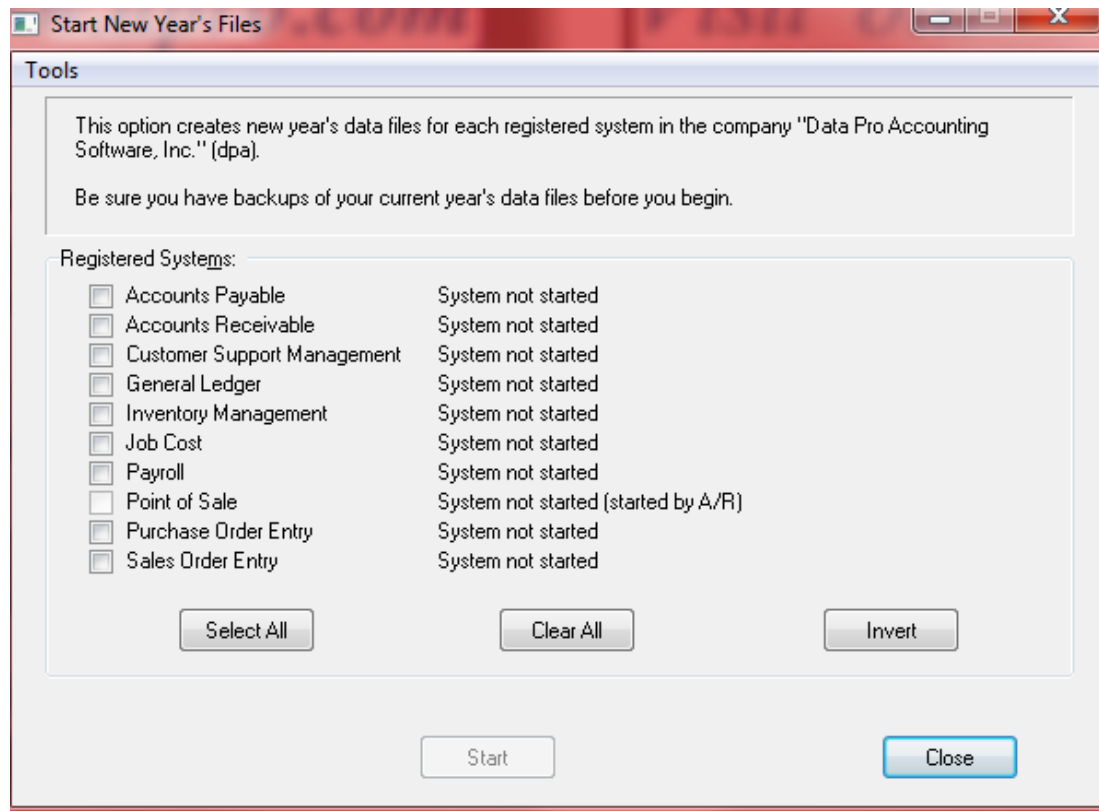
Accounts Payable

REMINDER: Due to Governmental **1099** reporting requirements, Accounts Payable **1099** information must be maintained on a **CALENDAR** year basis, despite your company's fiscal year end. Separate procedures are outlined for fiscal year endings that are either **12/31** or fall into other months of the year. Select one that is appropriate for your company.

If your Year End is 12/31/23:

1. Print the following reports:

    Vendor Aging Report

    YTD Voucher Register

    YTD Check Register

    Detailed Vendor Listing with History

    Other Management Reports

2. Print Vendor 1099's. Verify they are correct.

3. Start New Year's Data File *(date set to 12/31/23).*

4. The menu option to **"Start New Year's Files"** has been moved from each module and can now be accessed by selecting **Systems**, **System Administrator** and **Start New Year's Files**. All modules or select modules can be started.

5. Reconcile the **Accounts Payable Aging Report Account Summary** to balance to the General Ledger Account Balances on the **General Ledger Balance Sheet**. The total of the outstanding **"open items"** should balance completely to the balances shown on the Balance Sheet. If not, adjustment must be made either as Journal Entries in the General Ledger or corrections in the open items to insure these account balances reconcile.

6. With the system date set to **January 1, 2024**, **Clear Vendors' 1099 Accumulators.** By clearing the **1099** accumulators with the system date set to **January 1, 2024**, the accumulators for **2023** will **NOT BE CLEARED.** This will allow you to reprint your **2023** vendor **1099s** at your convenience.

If you did not print your vendor **1099s** shown in the steps above, print them when you are ready by simply changing the system date to **December 31, 2023** and executing the option to **Print 1099s**.

If your Year End is not 12/31/23:

1099s should be printed with the system date set to **December 31, 2023,** and **1099** accumulators MUST be cleared with the system date set to **January 1, 2024. Please Note: 1099** accumulators MUST be cleared with the system date set to **January 1, 2024** before the options *Write a Single Check, Make a Check Run, Record Manually Written Checks, Manually Pay Previous Vouchers* and *Void a Previous Check* can be executed for **2024**. Vouchers can be entered for **2024** before **1099** accumulators are cleared, but **"check processing"** should <u>not</u> be performed.

<div align="center">

<u>NOTE</u>

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   1099s cannot be reprinted once the **1099** accumulators have been cleared. You never know, you might have to reprint the **1099s** after the accumulators have been cleared. We recommend that you print the **1099s** to a text file. This will give you the option of reprinting of **1099s** as necessary.

If the **1099s** are printed to a text file, be sure to execute proper Backup Procedures on the file in case of hardware media failure. When your fiscal year ends, only perform **Steps 1** and **3** for the **Accounts Payable** module.

Purchase Order Entry

After you create the files for the New Year, you <u>**should not**</u> process in the prior year's data files. When this option is run, the system will <u>**only**</u> carry forward into the New Year those Purchase Orders that are still <u>**open**</u> or have a quantity on-order.

Accounts Receivable

1. Print the following reports:

  Aging Reports

  Year End Statements

  Print the Sales Code Summary (Current Amounts)

  Detailed Customer Listing with History

  Other Management Reports

2. Print Sales Code Summary*

3. Reconcile the **Accounts Receivable Aging Report Account Summary** to balance to the **General Ledger Account Balances** on the **General Ledger Balance Sheet**. The total of the outstanding **"open items"** should balance completely to the balances shown on the **Balance Sheet**. If not, adjustments must be made either as **"Journal Entries"** in the **General Ledger** module or corrections to the open items in the **Accounts Receivable** module to insure these account balances reconcile.

4.   Start New Year's Data File *(date set to 12/31/23).*

<u>NOTE</u>

*If integrated with the General Ledger module and you are posting in summary, print the **Sales Code Summary** report for the current period and answer **Y**(es) to the prompt *"Do You Wish to Clear Current Sales Amounts?"* This will create a **General Ledger Integration** file, if there are current amounts in Accounts Receivable.

Inventory Management

1.   Print the following reports:

Sales and Purchases

Detailed Transactions

Profit Summary

Suggested Order

Overstock

Quantity Report

Turnover Trend

Inventory Value Summary

Cost Layer

Price List

2.   The menu option to **"Start New Year's Files"** has been moved from each module and can now be accessed by selecting **Systems**, **System Administrator** and **Start New Year's Files**. All modules or select modules can be started.

Infinity POWER keeps the on-hand quantities in the Inventory Cost Layer file. This means that once you have started your physical count, **you cannot Start New Year's Files until counts are entered and updated.** Inventory is **"perpetual"** and changes cannot be made once New Year's files are created. Remember that the values printed on the **Inventory Value Summary** report should balance to the values **(amounts)** printed on your **Balance Sheet** for **Inventory Accounts**. If not, adjustments either to inventory counts in the Inventory module or adjusting **"Journal Entries"** in the **General Ledger** must be made to reconcile these values to balance.

Sales Order Entry

The only maintenance required is to execute the option *Start File for a New Fiscal Year*. **"Filled Sales Orders"** will **not** be brought forward into the New Year. Any **"Auto Cancel"** type Sales Orders with dates ending in the current fiscal year will also **not** be carried forward into the new fiscal year. **You cannot process new Sales Orders in the prior year once New Year's Files are created.**

Point of Sale

<u>NOTE</u>

If the **Point of Sale** module is interactive with **Accounts Receivable**, do not use this option; these two modules share the same data files. The **Accounts Receivable** procedures noted above should be followed instead.

1.   Print the following report:

   YTD Sales Journal

2.   Print & Clear Current Sales Code Summary *(if posting in summary)*

3.   The menu option to **"Start New Year's Files"** has been moved from each module and can now be accessed by selecting **Systems**, **System Administrator** and **Start New Year's Files**. All modules or select modules can be started.

Payroll

1.   Print the following reports:

   Check Register

   Pay Summary (Monthly, Quarterly and Annual)

   W-2's

   Unemployment Tax reports (Monthly, Quarterly and Annual)

   Detailed Employee Listing

   Other Department or Management Reports

2.   The menu option to **"Start New Year's Files"** has been moved from each module and can now be accessed by selecting **Systems**, **System Administrator** and **Start New Year's Files**. All modules or select modules can be started.

REMINDER: Due to Governmental **W-2** reporting requirements, **Payroll** must be maintained on a **CALENDAR** year basis, despite the company's fiscal year end. All accounting and historical information for **Payroll** will be maintained in the **Infinity POWER General Ledger** on a fiscal year basis. The **"New Year"** in **Payroll** must be started after the close of business on **December 31, 2023**. However, the **"New Year"** may be started and payroll processed before printing last year's **W-2s**. Unlike the **Accounts Payable** module, there are no accumulators in the new **Payroll** year that will require clearing. When your **W-2s** are ready to be printed, simply change the date to **December 31, 2023**, and print the **W-2s**.
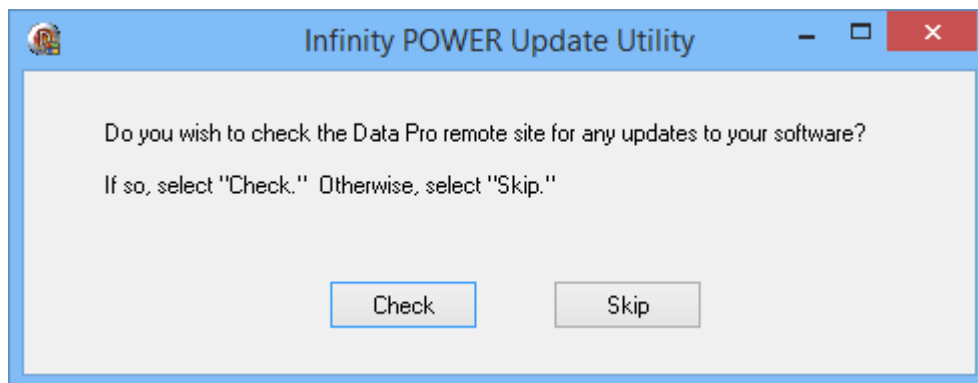
Make sure to run the **Version 7.6 "DP/Update"** option in the Windows Graphical **(GUI)** version of the software and download the latest Federal and State Tax Table Updates for **2024**. Make sure you do not have the **Payroll (PR)** module loaded at the time you run this feature. Otherwise, the download may not work correctly. Make sure you have another accounting module **(like Accounts Payable – AP)** loaded when you select this menu option.

| 12/31/2023 | Insert | AP | |
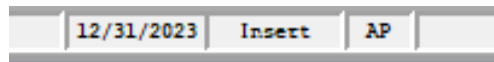
Select the **"Help"** option from across the top **Main Menu** and the following choices will appear:

On-Line Manual	F1
Register Product	
Check For Updates	
About	
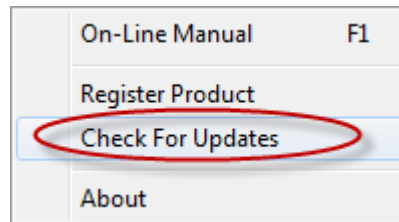
The **DP/Update** option will load and prompt you to check for the latest available updates for your system:

Infinity POWER Update Utility

Do you wish to check the Data Pro remote site for any updates to your software?

If so, select "Check." Otherwise, select "Skip."

Check   Skip

Job Cost Main Module

1.   Complete any billings *(to be performed before year end and before completing a project)*.

2.   Execute the option to **"Complete a Project"** for any projects that are finished.

3.   Print the following reports:

   Budget Comparison

   Estimate to Complete

   Billing Status

   Estimated Profit

   Transaction Detail (for Costs and Billing)

   Detail Project

   Collections Report (if integrated with Accounts Receivable)

4.   The menu option to **"Start New Year's Files"** has been moved from each module and can now be accessed by selecting **Systems**, **System Administrator** and **Start New Year's Files**. All modules or select modules can be started.

5.   **Bring Balances Forward.** The System Date **MUST** be set to the oldest month that you have already posted to during the new year. For example, if you have been working in the new year and it is now **May 2024**, when you return to the new year, after processing in the previous year, to **Bring Balances Forward,** you would set your date to **May 31, 2024**.

Year End Closing Entry Procedures

1.   After you have closed your files for the calendar year **2023** or your previous fiscal year, if you find it necessary to make further adjustments to any **Infinity POWER** module that is integrated to **General Ledger**, please follow these procedures:

2.   Post any integration files that may have already been created in the New Year, if you are not using the **"Automatically Post Integration Modules"** option in **General Ledger**.

3.   Set your system date to **December 31, 2023** for calendar Year End, or set the system date to the last day of your fiscal year for fiscal year end. Perform the necessary maintenance, then, execute the **General Ledger** menu option to post any integration files that were created, if you are not using the **"Automatically Post Integration Modules"** option in **General Ledger**.

4.   Set your system date to **January 1, 2024** for calendar Year End, or the first day of your current fiscal year, and execute the **General Ledger** menu option *"Bring Balances Forward."*

Check Reconciliation

1. For each separate bank account:

2. Print the following report:

    Check Register

3. Record cleared check entries.

4. Print Reconciliation report.

5. Remove cleared check entries.

6. Make sure the bank balances for each account match the balance on the Balance Sheet.

7. Make any necessary adjustments either to the bank account through Check Reconciliation so that the balances are adjusted both in Check Reconciliation, which will automatically flow to the General Ledger account.

Time Sheet Entry

The only maintenance requirement is to remove posted entries, if this function **has not** been performed on a regular basis.