

## Month End Reporting

Before running month end procedures on each ledger, key reports must be produced to reconcile various balances within the nominal ledger. These reports cannot be reproduced after month end processing, as the month end update clears the relevant information.

It is recommended that a copy company is taken and the month end reports run from the copy to avoid delays in the live system. Refer to General Factsheet FS02 "Copying and Deleting Companies" for more information.

A high volume of reports are produced by the month end procedures, and to avoid shutting users out of the system for long periods, or delaying the month end, reports can be "batched" for printing at a later time.

Alternatively, the reports can be generated but sent to printer number 95, 96 or 97, which stores them on disk, for recalling when convenient, through the Report Controller. The stored reports can be set for automatic purging, or should be periodically purged to reduce the use of disk space.

Further information on running the actual month ends can be found in the Sales Ledger, Purchase Ledger and Nominal Ledger course notes.

Reports to be run are as follows:

## 1. SALES

### **Reports to be Printed before Month End**

At **close of business** on the last working day of the month, or first thing in the new month, **before any transactions are processed**, the following should be run and reconciled.

#### **Aged Debtors Analysis**

The report may be printed at other times, but only reflects the Debtor Status at the time it is run. Several different sequences are available by parameter selection. The report will show each Customer's Aged Debt by current month, month 1, 2 & 3+. It also provides the percentage of debt still outstanding for each period.

**Must be run before processing month end and the total outstanding debtors should agree with the Sales Ledger Control account in the Nominal Ledger.**

#### **Statements**

**MUST** be produced before the Month End, which updates transaction ageing.

#### **Audit & VAT Analysis**

**Required for Audit, and Customs and Excise VAT purposes.** Must be run in **Full** at Month End, and reports on both paid and outstanding transactions for each customer. A VAT Summary provides VAT Return information. **Use to reconcile the Debtors and VAT values against the Sales Ledger Control and VAT Output in the Nominal Ledger.**  
**The Month End clears the report data.**

#### **Audit & VAT Analysis by VAT Code**

This is an optional report listing Invoices and Credit Notes against a specific VAT Code.

#### **Day/Month Book**

Report must be run in Document Reference sequence for ALL transactions at Month End. It provides a report of every transaction processed during the Accounting Period. It is recommended that it also be printed in Customer sequence. **Month End clears the report data.**

#### **Transaction Batches Print**

Report is used for reconciliation purposes, and lists all current period transactions in Batch Number sequence. This process does not include any future Period Transaction Batches. **Month End clears the report data.**

#### **Multi VAT Check**

Report validates VAT calculations on all multi VAT rate transactions, and is run from System Management (Housekeeping), Ledgers, Multi-Vat Check Sales Ledger. **Month End clears the report data.**

### **POS WIP and Workshop WIP Reports**

To identify what requires Invoicing.

### **Workshop Control Batched Invoice Print**

To Invoice all batched Advice Notes, Workshop Jobs and repeatable Jobs, to ensure invoices are generated in the correct accounting period, and stock correctly adjusted.

### **Workshop Report – Jobs Invoiced This Month**

All Workshop Jobs Invoiced in the current Sales Ledger Month. **Month End clears the report data.**

### **Parts Stock Valuation**

Valuation for Parts and *Serial Items* at the **time when processed**. As Parts and Sales systems continually update stock, the reports should be processed on the last day of the month, for a true month end figure. Prior to running, ALL Batch invoicing should be completed, and available GRNs or Supplier Invoices for the month processed. No variances should exist between the valuation and the values in the Nominal Stock Accounts.

**Stock Valuation Reports CANNOT be backdated**

Stock valuation reports produced do not reflect any differences between GRN and actual purchase invoice costs. Therefore GRN costs should not be entered as zero, but should reflect a reasonably accurate cost.

### **Wholegoods Stock Valuation**

Run from the Inventory Historical Cost Report, and provides a valuation of all Wholegoods Stock, at the time the report is run. It includes an age analysis of the stock holding, and a nominal reconciliation.

**Stock Valuation Reports CANNOT be backdated**

The report does not reflect any differences between estimated and actual purchase invoice costs. Therefore GRN costs should not be entered as zero, but should reflect a reasonably accurate cost.

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## 2. PURCHASE LEDGER **Reports to be Printed before Month End**

### **Aged Creditors Analysis**

The Aged Creditors Report may be printed at any time, but only reflects the Creditor Status at that the time it is run. Several different sequences are available by parameter selection. The report will show each Supplier's Aged Credit by current month, month 1, 2 & 3+. It also provides a percentage outstanding for each period and shows the number of months credit taken.

**Must be run before processing Month End, and the total should agree with the Purchase Ledger Control Account in the Nominal Ledger.**

### **Audit & VAT Analysis**

**Required for Audit and Customs & Excise VAT purposes.** Must be run in **Full** before Month End, reports on both paid and outstanding transactions for each Supplier. A VAT Summary provides VAT Return information. **Use to reconcile the Creditors, less the late cleared transactions total, and VAT, against the Purchase Ledger Control Account(s) and VAT Input account in the Nominal Ledger.** Other control accounts for specific suppliers or *where the Foreign Currency Module is in use*, should also be reconciled. **Month End clears report data.**

### **Audit & VAT Analysis by VAT Code**

This is an optional report listing Invoices and Credit Notes against a specific VAT Code.

### **Day/Month Book**

Report must be run in Document Reference sequence for ALL transactions at Month End. It provides a report of every transaction processed during the Accounting Period. It is recommended that it also be printed in Supplier sequence. **Month End clears the report data.**

### **Transaction Batches Print**

Used for reconciliation purposes, and lists all current period transactions in Batch Number sequence. This process does not include any future Period Transaction Batches. **Month End clears the report data.**

### **Multi VAT Check**

Report validates VAT calculations on all multi VAT rate transactions, and is run from System Management (Housekeeping), Ledgers, Multi-Vat Check Purchase Ledger. **Month End clears the report data.**

**When processing the Purchase Ledger Month End, an option to run the Nominal Ledger Month End at the same time is available but NOT recommended. If selected, it is essential that ALL reports are produced on BOTH ledgers before starting the Purchase Ledger Month End.**

## Other Key Reconciliation and Management Reports

- **Work In Progress - Workshops**

Parts booked to Workshop Jobs that have not been invoiced, **(WIP)**, will overstate a Nominal Stock Account Value. A Work in Progress report will provide a value for these items, which should be reconciled to the value shown on the Stock Valuation Report. The Work in Progress values do not need to be entered monthly, by journal to the Nominal Ledger, unless monthly management accounts are required. However, at Year End, any Work in Progress values should be entered by journal to the Nominal Ledger to ensure accurate Year End accounts. The report can also ensure that only genuine Work in Progress is left outstanding, and that all batched jobs are Invoiced.

- **Work In Progress – Point of Sale**

Parts booked to POS Advice Notes that have not been invoiced, **(WIP)**, will overstate a Nominal Stock Account Value. A Work in Progress report will provide a value for these items, which should be reconciled to the value shown on the Stock Valuation Report. The Work in Progress values need not be entered monthly by journal to the Nominal Ledger, unless monthly management accounts are required. However, at Year End, any Work in Progress values should be entered by journal to the Nominal Ledger to ensure accurate Year End accounts. The report can also ensure that only genuine Work in Progress is left outstanding, and that all batched Advice Notes are Invoiced.

- **Parts Accrual Accounts**

Parts Accruals should be reconciled to their Nominal Account. When received into stock, the estimated value of goods is posted as a CREDIT to the Accruals Account, and subsequently reversed out when the Supplier Invoice is entered (confirmed). Any balance remaining in the Accruals Account should represent the estimated value of Stock received, but not as yet “confirmed”, awaiting Suppliers’ Invoices. Nominal Account should agree to the sum of Stock Orders waiting Suppliers’ Invoices, less Stock Returned awaiting Credit.

- **Warranty Reconciliation**

The Warranty Invoice Types relate to Warranty Due Nominal Control Accounts (e.g. 1061700). The values on these Control Accounts should agree with the totals on the Outstanding Warranty Claim Report, when produced in Invoice Type sequence. Any discrepancy on this reconciliation could be attributed to posting a Warranty Receipt whilst the Sales and Purchase Ledgers are in different periods, or failing to raise the Warranty Claim when prompted.

- **Wholegood Accrual**

This reconciles entries in the Wholegoods Accruals Accounts defined, against the Wholegoods Stock, taking account of Supplier’s Invoices received. A report of un-reconciled entries is produced, which should relate to any discrepancy on the Accruals Values.

### **3. NOMINAL LEDGER**

Before starting the Nominal Ledger month end, standard journals and Asset depreciation must be processed for the current accounting period. Month end processing will NOT start until these tasks have been completed.

Where foreign currencies are used, current exchange rates should be updated and the Currency Revaluation Report run, with the "What If Report Only?" option set as NO. This will generate postings based on the criteria selected.

The Nominal Suspense (Dump) account should be examined and any transactions showing must be re-posted to the correct account. Transactions in this account normally occur due to missing or incomplete mapping entries, or missing Nominal accounts. The missing account number or a code defining the mapping error is shown as part of the transaction narrative. Either, the correct mapping can be created or amended in System Management or the correct Nominal account can be inserted in the transaction narrative in the Dump account, commencing in position 16. When this has been completed, re-posting can be initiated through Nominal Additional Facilities, Re-post Dump Account Contents.

The Nominal month end will give a warning if there are transactions in the Dump account, but will allow the process to continue. If the month end is processed it will not be possible to use the Re-post option to clear any balances on the Dump account, which will have to be offset by entry of a Journal.

Reports to be run on the Nominal ledger are as follows:

- **Trial Balance**

Can be produced for both Current and Deferred periods. Dependent on parameters selected, the report can list all Accounts, or only those without Zero balances, or only the Summary Accounts. A detailed Transaction report can also be selected. Under normal circumstances, the total at the end of the Trial Balance should equal zero. Any value other than this must be investigated.

- **Ledger Audit**

Lists all accounts, balances and transactions for the specified period. Current or Previous period, or a range between specific dates, transactions may be printed. It is recommended that at Month End, a report for Current Month, with Narrative be printed. This can be used for audit purposes.

- **Document Audit**

Lists all transactions, in document number sequence, for the specified period. It can be run for deferred transactions as well as current. If the Trial Balance identifies a discrepancy, it is recommended that the Document Audit is run for the date range, selecting only 'Out of Balance' transactions.

- **Department Financial Statement**

A report of Nominal Accounts, by Department (sixth character of the Nominal Code), monitoring Departmental performance against Last Year and Budget.

- **Company P & L and Balance Sheet**

The Profit and Loss Statement shows the Current Month and Year to Date values, a rolling twelve months' balance, and Last Year Current Month and Year to Date values. Percentage Ratios are also included. The Balance Sheet displays the Current and Previous Month Year to Date values, for management comparison.

- **Generated Nominal Reports (Optional)**

If any reports have been created using the Report Generator, they should be processed to reflect the situation at Month End. It is anticipated that specific Management Accounting Reports may be produced in this manner. For these to relate to the Nominal Accounts, they **MUST** be processed at the same point of time.

After all reports have been run the Nominal Ledger month end update can be run. All other terminals should be logged off from the system. If the Purchase Ledger month end has not already been processed for the current period, the Nominal month end will not run.

**It is strongly recommended that a back up be taken prior to running ANY month end.**

## Nominal Year End Update

(Nominal Ledger, Additional Facilities, Financial Year End Update)

The Financial Year End transfers the balances on the Profit and Loss Accounts to the Balance Sheet and gives the option to transfer budgets.

This option must be run **immediately after** the final Month End in the accounting year.

**Month End processing in a new accounting year cannot be carried out until this process has been completed for the previous year.**

All users **MUST** be logged off and a data copy **MUST** be taken prior to running the Financial Year end.

### Month End Check List

<i>Action or Report</i>		Jan	Feb	Mar	Apr	May	Jun
		Jul	Aug	Sep	Oct	Nov	Dec
<b>Copy Company</b>							
<b>Back-up Tape (syscopy)</b>							
<b>Sales</b>	Aged Debtors Analysis						
	Audit & VAT Analysis						
	Audit & VAT Analysis by Individual VAT Code if required						
	Day / Month Book by Reference						
	Transaction Batches Print						
	Multi VAT Check						
	Statement Print						
	Parts Stock Valuation						
	Wholegoods Inventory Historical Costs						
	Part Sales Analysis - Optional						
Jobs Invoiced This Month - Optional							
<b>Others</b>	Workshop Work In Progress						
	Point of Sale Work In Progress						
	Parts Accruals – Goods Received						
	Parts Accruals – Goods Returned						
	Wholegoods Accruals						
	Wholegoods Prepayments By Customers						
	Wholegoods Prepayments To Suppliers						
	Wholegoods Outstanding Bonus						
	Wholegoods Outstanding Advice Notes						
	Warranty Reconciliation						
<b>Purchase</b>	<b>Copy Company</b>						
	<b>Back-up Tape (syscopy)</b>						
	Aged Creditors Analysis						
	Audit & VAT Analysis						
	Audit & VAT Analysis by Individual VAT Code if required						
	Day / Month Book by Reference						
	Transaction Batches Print						
	Multi VAT Check						
<b>Cash Book</b>	Standing Orders / Direct Debits						
	Bank Reconciliation						
	Unpresented Items						
	Cash Book VAT Report						
<b>Nominal</b>	Foreign Currency Revaluation						
	Fixed Asset Depreciation						
	Standard Journal Posting						
	<b>Copy Company</b>						
	<b>Back-up Tape (syscopy)</b>						
	Suspense (Dump) Account						
	Trial Balance						
	Ledger Audit						
	Document Audit						
	Departmental Financial Statement						
Company P & L and Balance Sheet							