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## Year End General Ledger Routines

This procedure explains the steps to follow at the financial year end.

This action will be dealt with by the banking and accounting team.

A new accounting year will be opened and the previous year closed. All accounts and cost centres will be reviewed to ensure they are accurate and any discrepancies will be resolved by posting journals. The closing balances will be brought forward into the new accounting year.
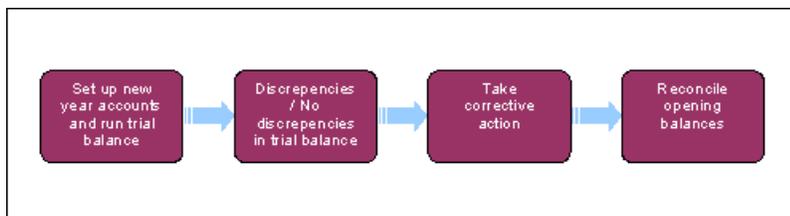


### Set up new year accounts and run trial balance

1. To set up the new financial year in Sage, from the left hand home navigation menu select **Financials**, **Closing Processing**, **Fiscal Year End** and then **Select** to open the new year accounts. Once selected this will automatically take all existing account codes and cost centres forward into the new period.

   ⚠ Do not close the old year accounts at this stage.

   The trial balance is taken for the year due to be closed.

2. From the left hand navigation menu select **Reports** and then **Trial Balance**.

   You will then be presented with the report. An example of this report is shown below.



   ℹ You can view the trial balance on the screen, print it or export it to Excel.

3. Review the trial balance for any large or unusual values.

4. Ensure that the trial balance matches the published accounts.

*i* This can only be done after the audit has been agreed. This is completed in conjunction with the National Audit Office (NAO) and all audit adjustments processed.

## Discrepancies in trial balance

5. If discrepancies are found in the trial balance or published accounts, as a result of internal review or NAO audit, analysis will need to be completed to enable you to determine what corrective action is necessary. To aid in this, for each balance you can right click (or select shift and F10) and select **Account**. You will then be presented with a detailed view of the transactions that make up the balance. An example of this view is shown below.



*i* You may also find the following tools useful:

- **BaNCS Enquiry** - this enables you to look at transactions on the BaNCS accounts.
  For more information refer to BaNCS enquiry.

- **Siebel Enquiry** - required in cases where you do not understand a BaNCS transaction.
  For more information refer to CMS Financial Enquiry (the banking and accounting team).

## Take corrective action

6. Having identified where the discrepancy lies, corrective action is necessary. To correct the discrepancy you will either need to take one of the following actions:

- Post a BaNCS journal

- Post a General Ledger journal

- Post an RM journal

For more information refer to BaNCS Journals, General Ledger Journals and RM Journals.

7. Once you have completed any corrective action necessary, re-run the trial balance to make sure that the trial balance matches the published accounts.

## No discrepancies in trial balance

8. Once the trial balance is free from discrepancies you can close the previous year's accounts in Sage. From the left hand navigation menu select **Financials**, **Closing Processings** and the **Fiscal Year End**.

9. Once the accounts are closed Sage will transfer the balances to the new financial year.

## Reconcile opening balances

10. Follow **step 4** to run an opening trial balance in the new year. Check the opening balances against the previous year's published accounts closing trial balance to ensure they match.

11. If the opening and closing balances and published accounts do not match it will be necessary to identify the precise nature of the problem. Go back to **step 6**.

BaNCS Enquiry

BaNCS Journals

General Ledger Journals

Month End Financial Accounts - Produce

RM Journals

Sage Administration