



Year-End – Closing Fiscal Year

Purpose of this document

The closing fiscal year is a process that is run at the end of each calendar or fiscal year to transfer the balances from the revenue and expense accounts to the respective net asset (fund balance) accounts. The transferred entries are marked as closing entries in the G/L Entry Table in compliance with GAAP. Once marked, these entries can be excluded in order to run revenue and expense reports across multiple fiscal years. Ceres allows the user to run the Close Income Statement process an unlimited number of times. The process to close the fiscal year requires multiple steps which are outlined in the document.

Ceres Object release 5.00.00 is required for the functionality described in this document

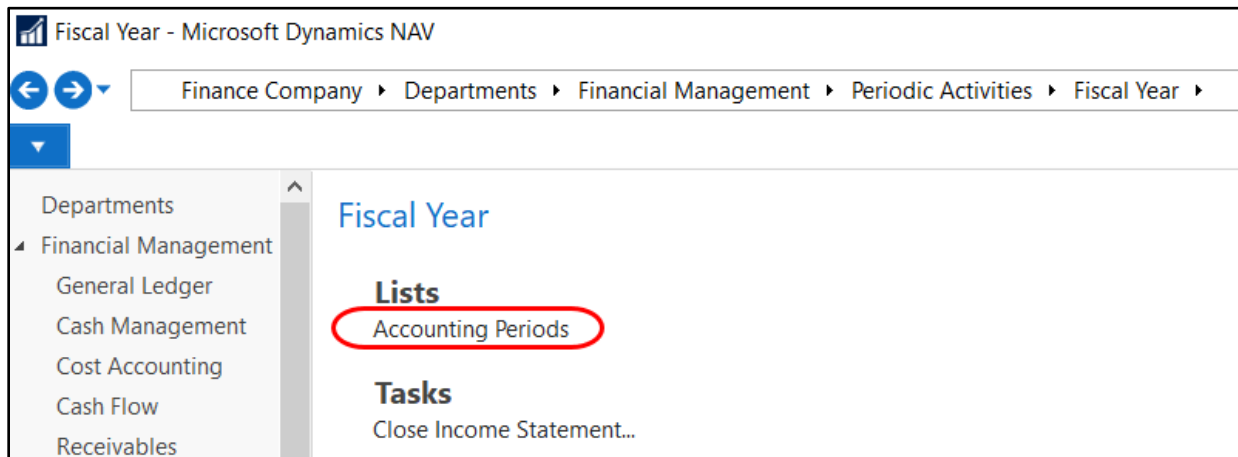
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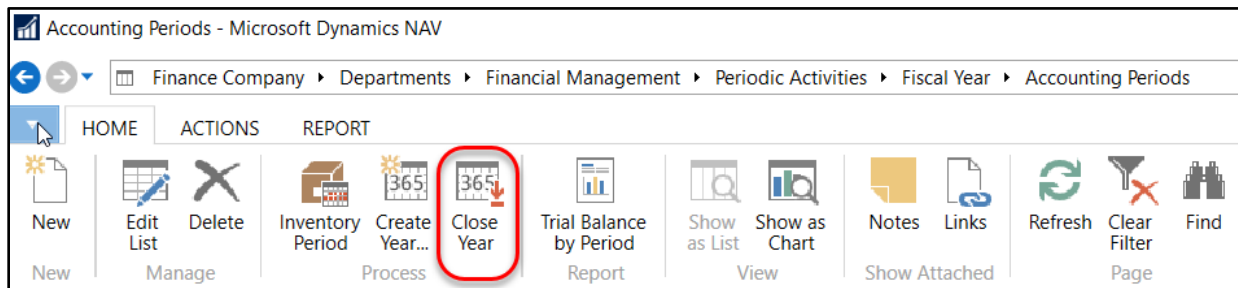
Accounting Periods

The first step in the Year End Process is to close the Accounting Periods. This process sets each period within the fiscal year as closed. This allows the user to begin the closing process. The close process does not stop a user from posting entries to a closed period. Allowable posting dates are controlled by updating the Allow Posting From and Allow Posting To fields in the General Ledger Setup and/or User Setup.

1. To close the Accounting Periods, go to Departments → Financial Management → Periodic Activities → Fiscal Year → Lists → Accounting Periods.




2. From the Accounting Periods Page, select Home → Close Year.



- A dialog box will display indicating which fiscal year you are closing. Select Yes to proceed. This will automatically update the Closed field for each month within the fiscal year.

Microsoft Dynamics NAV

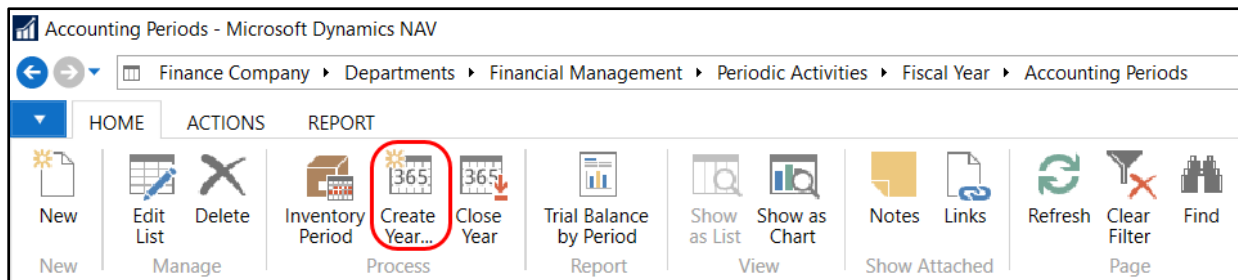
 This function closes the fiscal year from 07/01/19 to 06/30/20. Once the fiscal year is closed it cannot be opened again, and the periods in the fiscal year cannot be changed.

Do you want to close the fiscal year?

Yes
No

Accounting Periods					
Starting Date	Name	New Fiscal Year	Clos...	Date Locked	Inventory Period Closed
7/1/2019	July	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8/1/2019	August	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9/1/2019	September	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10/1/2019	October	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11/1/2019	November	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12/1/2019	December	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1/1/2020	January	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2/1/2020	February	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3/1/2020	March	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4/1/2020	April	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5/1/2020	May	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6/1/2020	June	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7/1/2020	July	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- Normally when you close a year, you should create a new year right away. From the Accounting Periods Page, select Home → Create Year. This will automatically enter the data for the next fiscal year. If it is correct, select OK to proceed or adapt the data as needed and select OK.

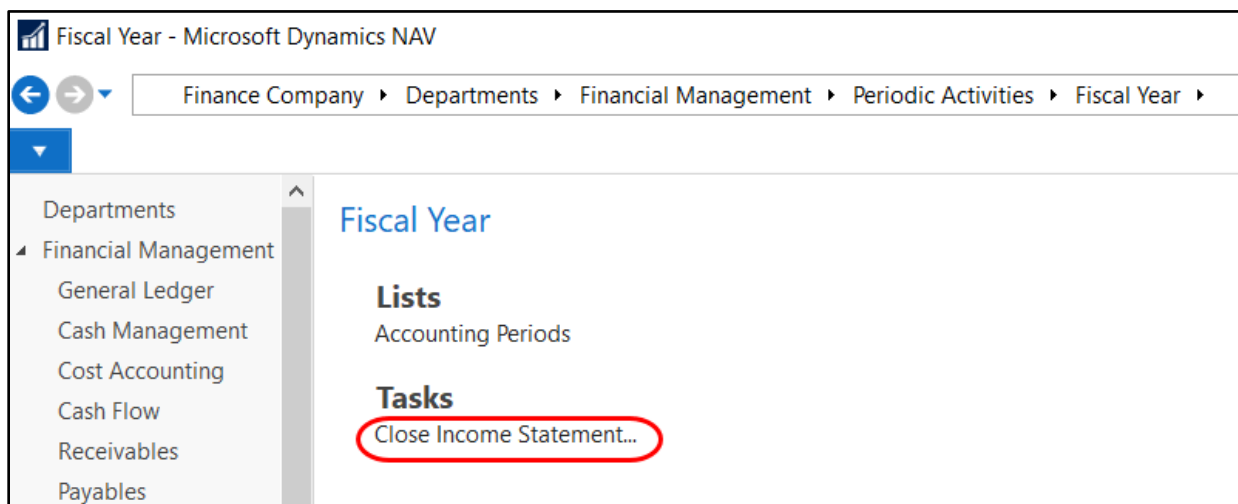


Close Income Statement

The Close Income Statement process creates Closing Entries to transfer the Revenue and Expense balances by Dimension, Fund, and Branch Code to the applicable Net Asset Account. This process creates a Journal Entry that must be reviewed and posted before the closing is complete.

You can review or delete the closing entries from the Journal and rerun the Close Income Statement process as many times as necessary. Once you post the closing entries you can post additional transactions to the closed fiscal year, such as audit entries. You can then reclose the income statement which will only close the new entries. Balance Sheet Accounts do not generate closing entries.

- To create closing entries, go to Departments → Financial Management → General Ledger → Periodic Activities → Fiscal Year → Tasks → Close Income Statement.



2. A Close Income Statement Page will display. On the Option FastTab update the fields as necessary.

Edit - Close Income Statement

ACTIONS Finance Com... ?

Clear Filter Page

Options

Fiscal Year Ending Date: 6/30/2019

Gen. Journal Template: GENERAL

Gen. Journal Batch: YRCLOSE

Document No.: GJ-08386

Retained Earnings Acc.: 300000

Posting Description: Close Income Statement

Close by

Business Unit Code: ☐

Dimensions: DEPARTMENT;GL BRANCH;GR... ...

Fund No.: ☐

Branch Code: ☐

Inventory Period Closed: ☐

Schedule... OK Cancel

Fiscal Year Ending Date - Confirm that this is the correct fiscal year you want to close. If not, input the correct date. Please note that you can only select a fiscal year that is closed.

Gen. Journal Template - Select the Journal Template you want to use for your closing entries.

Gen. Journal Batch - Select the Batch you want to use for your closing entries. It's recommended you create a Batch just for your closing entries, such as YRCLOSE.

Document No. - Input the Document No you want to use for your closing entries. This field will automatically fill in if a No. Series is linked to the Journal Template.

Retained Earnings Acct.: Input your Retained Earnings (Net Assets) G/L Account. Once the entries have been created, you can split them across multiple Retained Earnings (Net Assets) G/L Accounts.

Posting Description - Enter a description for your closing entries. This field will default to Close Income Statement but can be overridden.

Close by Business Unit Code: Place a checkmark in this field if you want to create a closing entry for each Business Unit. Generally, this is used when creating closing entries in the consolidated company.

Dimensions: On the ellipsis button to the right of the field and then select the Dimensions you would like to create closing entries for.

Fund No.: Place a checkmark in this field if you want to create closing entries for each Fund.

Branch Code: Place a checkmark in this field if you want to create closing entries for each Branch (Responsibility Center).

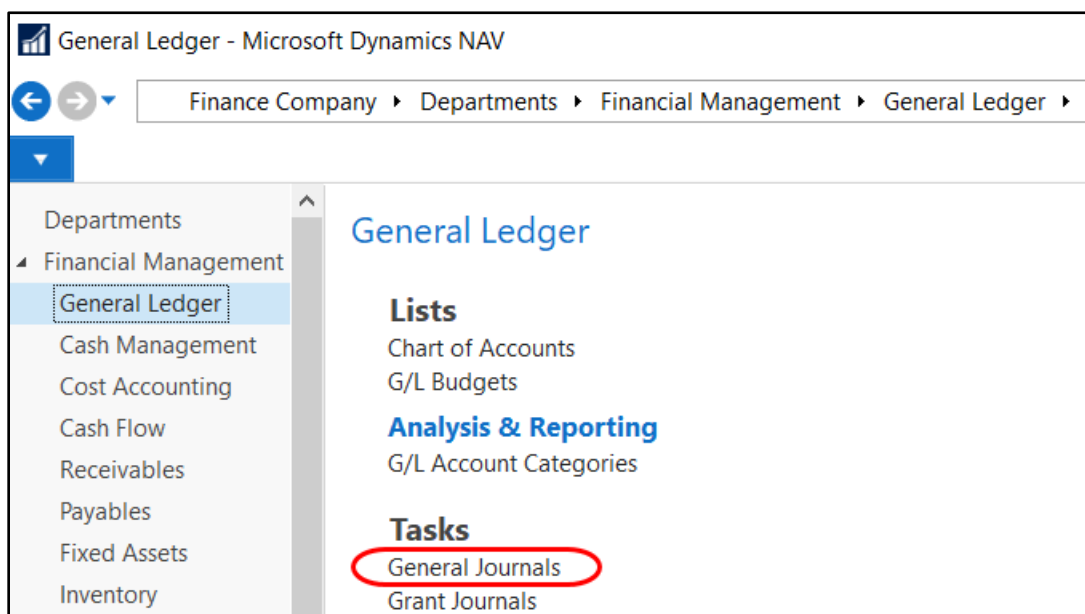
Inventory Period Close: A checkmark in this field indicates that the inventory periods with ending dates equal to or greater than the last date of the accounting period is closed.

3. Click OK to proceed with the Close Income Statement process.

Post the Closing Entries

Once the closing entries have been created, they should be reviewed and then posted. Posting the entries transfers the balance from the Revenue and Expense Accounts to the Net Asset Accounts.

1. To post the closing entries, go to Departments → Financial Management → General Ledger → Tasks → General Journals.



2. Select the Journal Template and Journal Batch you selected above when you ran the Close Income Statement process. In this example, the closing entries were written to the YRCLOSE Batch in the General Journal Template.

General Journal Batches

HOME ACTIONS REPORT Finance Company - Master Ceres 50 Testing...

New View List Edit List Delete Edit Journal Detail Trial Balance Trial Balance Show as List Show as Chart Notes Links Refresh Clear Filter Find

General Journal Batches Type to filter (F3) Name No filters applied

Name	Description	Bal. Account Type	Bal. Account No.	No. Series	Posting No. Series	Reason Code	Copy Tax ...	Allow Tax ...	Sug... Bala...
DEFAULT	Default Journal	G/L Account		GJNL-GEN			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FUND	Self Balancing	G/L Account		GJNL-GEN			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IMP JE	Journal Entry Import Batch	G/L Account		GJNL-GEN			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
YRCLOSE	Close Fiscal Yr	G/L Account		GJNL-GEN			<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Review the closing entries. You may need to split out the Net Assets entry by Fund No to post.

Edit - General Journal - YRCLOSE-Close Fiscal Yr

HOME ACTIONS NAVIGATE

Delete Post Preview Posting Post and Print Dimensions Reconcile Apply Entries... Refresh Find

Batch Name: YRCLOSE

Posting Date	Document Type	Document No.	Account Type	Account No.	Account Name	Description	Department Code	Project Code	Fund No.	Amount	Bal. Account Type
C6/30/2019		GJ-08386	G/L Account	820000	USDA Contributed Fo...	Close Income Statement	000		UR	4,700.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	820000	USDA Contributed Fo...	Close Income Statement	4820		UR	-2,567.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement			001	-26,565.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	000		001	-9,290.80	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	4000		001	56,786.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	1000		TR	-1,340.80	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement			UR	66,587.92	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	1000		UR	465.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	1000		UR	1,340.80	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement			UR	9,624.80	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	4000		UR	454.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	899500	Donated Food Cleari...	Close Income Statement	1000	FBOY	UR	1,200.00	G/L Account
C6/30/2019		GJ-08386	G/L Account	899600	Purchases Clearing	Close Income Statement			PR	-596.55	G/L Account
C6/30/2019		GJ-08386	G/L Account	899600	Purchases Clearing	Close Income Statement	1000		TR	-1,095.49	G/L Account
C6/30/2019		GJ-08386	G/L Account	899600	Purchases Clearing	Close Income Statement			UR	596.55	G/L Account
C6/30/2019		GJ-08386	G/L Account	899600	Purchases Clearing	Close Income Statement	1000		UR	1,095.49	G/L Account
C6/30/2019		GJ-08386	G/L Account	300000	Operating Net Assets	Close Income Statement				-123,762.47	G/L Account

4. Select Post, or Post and Print to post the closing entries.

- To review the posted entries, go to Departments → Financial Management → History → General Ledger → History → G/L Registers. Scroll to be bottom of the G/L Register List or filter for a Source Code of CLSINCOME.

G/L Registers

Show results:

Where No. is Enter a value.

And Source Code is CLSINCOME

+ Add Filter

No.	Creation Date	User ID	Source Code	Journal Batch Name	From Entry No.	To Entry No.	From Tax Entry No.	To Tax Entry No.
2913	7/26/2019	ESOPRO\KJK	CLSINCOME	YRCLOSE	55386	55440	0	0

- To display the closing entries that were posted, select Home → General Ledger Entries. Please note that all closing entries will be preceded with C in the Posting Date field

View - General Ledger Entries - 800100 Interest income

HOME ACTIONS NAVIGATE Finance Company - Master Cer

Navigate Show as List Show as Chart Notes Links Refresh Clear Filter Find

Process View Show Attached Page

General Ledger Entries

Type to filter (F3) Posting Date Filter: 55386..55440

Posting Date	Document Type	Document No.	External Document No.	G/L Account No.	G/L Account Name	Description	Fund No.	Department Code	Project Code	Amount
C6/30/2019		GJ-08386		899500	Donated Food Clearing	Close Income Statement	001			99,261.92
C6/30/2019		GJ-08386		820000	USDA Contributed Food	Close Income Statement	001			36,031.99
C6/30/2019		GJ-08386		811000	Distributed Food	Close Income Statement	UR			-6,842.31
C6/30/2019		GJ-08386		808000	Gain or Loss on Sale of Eqpt	Close Income Statement	UR			50.00
C6/30/2019		GJ-08386		800200	Dividend income	Close Income Statement	UR			275.00
C6/30/2019		GJ-08386		800100	Interest income	Close Income Statement	001			-2,275.00
C6/30/2019		GJ-08386		690000	Bad Debts	Close Income Statement	001			-103.63

Reclosing the Year

The fiscal year can be closed multiple times throughout the year. It's common practice for some food banks to run the Close Income Statement function shortly after their yearend and then again after the audit adjustments have been entered.

Reclosing the Year is as simple as rerunning the Close Income Statement function. Ceres will create closing entries for any new transactions or entries that have not been closed previously. Before running the Close Income Statement function, you should always check to make sure that no closing entries exist in the Journal. If so, either delete or post the entries before you rerun the Close Income Statement function.

Related Topics

1. Account Schedules
2. Chart of Accounts Overview
3. Fund Overview
4. GL Dimensions and Dimension Values
5. General Journal Overview