

PERFORM YEAR-END CLOSING PROCEDURES

OVERVIEW

After all transactions and year-end adjusting entries are posted in *Microsoft Dynamics GP* and all reports are printed, the next step is to close the general ledger for the current year. The year-end closing process in *Microsoft Dynamics GP* closes all income statement accounts to the retained earnings account and sets up the new fiscal year for the company.

QUICK REFERENCE TABLE

Step	Box or Other Location	Procedure
A	Navigation Pane buttons	Click <i>Administration</i> → <i>Setup</i> → <i>Company</i> → <i>Fiscal Periods</i> .
B	Year (Fiscal Periods Setup window)	Type the four digits of the new fiscal year.
C	Calculate button	Click the Calculate button; when calculations are done, close the window.
D	Navigation Pane buttons	Click <i>Financial</i> → <i>Routines</i> → <i>Year-End Closing</i> . Note: This is in the Financial Section of Routines.
E	Close Year button (Year-End Closing window)	Click the Close Year button.
F	Year-End Closing Journal (not shown)	Review the Year-End Closing Journal for completeness and accuracy.

Fiscal Periods Setup Window **A** *Administration* → *Setup* → *Company* → *Fiscal Periods*

Fiscal Periods Setup

C

Year **B** 2017 01/01/2017 Historical Year
 12/31/2017

Number of Periods

Series Closed									
Period	Period Name	Date	Financial	Sales	Purchasing	Inventory	Payroll	Project	
1	Period 1	01/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Period 2	02/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Period 3	03/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Period 4	04/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Period 5	05/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Period 6	06/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Period 7	07/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Period 8	08/01/2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Year-End Closing Window **D** *Financial* → *Routines* → *Year-End Closing*

Year-End Closing

Retained Earnings Account

Starting Journal Entry Year

Remove Unused Segment Numbers
 Maintain Inactive Accounts

With Budget Amounts
 All Inactive Accounts

Last Closing Date

Process complete.

E

DETAILED INSTRUCTIONS

A. Click *Administration* → *Setup* → *Company* → *Fiscal Periods*

Before the general ledger can be closed for a fiscal year in *Microsoft Dynamics GP*, you must first set up the next fiscal year.

- ▶ Click *Administration* → *Setup* → *Company* → *Fiscal Periods* to open the *Fiscal Periods Setup* window.

B. Type the four digits of the new fiscal year

When you open the *Fiscal Periods* window, the current year appears in the *Year* box in the upper-left corner. You must type the four digits of the new fiscal year in the box. For example, if you are closing the year ended 12/31/17, type [2018].

- ▶ Type the four digits of the new fiscal year.

C. Click the **Calculate** button; when calculations are done, close the window

- ▶ Click the *Calculate* button.

After you click the *Calculate* button, notice that *Microsoft Dynamics GP* calculates the twelve periods of the next fiscal year. The twelve periods are shown in the scrolling window below.

- ▶ When the new fiscal period's calculations are done (each month's starting date is correct), close the window.

D. Click *Financial* → *Routines* → *Year-End Closing*

The final part of *Microsoft Dynamics GP*'s year-end closing procedures is to close the general ledger for the current fiscal year.

- ▶ Click *Financial* → *Routines* → *Year-End Closing* to open the *Year-End Closing* window. **Note:** This is in the *Financial* section of *Routines*.

E. Click the **Close Year** button

- ▶ Click the *Close Year* button to complete the year-end closing process for the general ledger for the current fiscal year. Depending on the speed of your computer, this process may take several seconds. A progress window is provided.

F. Review the Year-End Closing Journal for completeness and accuracy

After the year-end closing process is complete for the general ledger, *Microsoft Dynamics GP* creates a report that you can view on the screen. This report shows the journal entry that was posted to close all revenue and expense accounts to retained earnings at year-end.

- ▶ *When the Report Destination window appears, print the report to the screen for your review.*
- ▶ *Close the report after your review.*
- ▶ *Close the Year-End Closing window.*