MYOB EXO Business

2015 EOFY

Good Practice Guide

Momentum Software Solutions

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Momentum Software Solutions Customer Support

As a valued customer of Momentum, we provide support for all MYOB EXO Business and Employer Services modules.

You can lodge a Support Request.

Via email:-

support@momentumss.com.au

Via our website:-

http://www.momentumsoftwaresolutions.com.au/support

Or contact our Help Desk:-

07 5479 1877

There is easy access to information on hardware, network and operating system requirements for efficient operation of MYOB EXO Business software. You can download minimum hardware and network requirements from our website at:- HERE

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OVERVIEW

This document is intended as a guide for MYOB EXO Business users running end of year procedures in MYOB EXO Business Software.

The end of year process in MYOB EXO Business is a very straight forward process. This paper sets out the steps required to achieve a successful year end procedure.

Even though this paper talks about the Year End process it should be noted that once the Year End Process is complete the user can still post transactions to the previous financial year. Rolling over the year end still gives the user access to the previous year's transactions for reporting and for data entry.
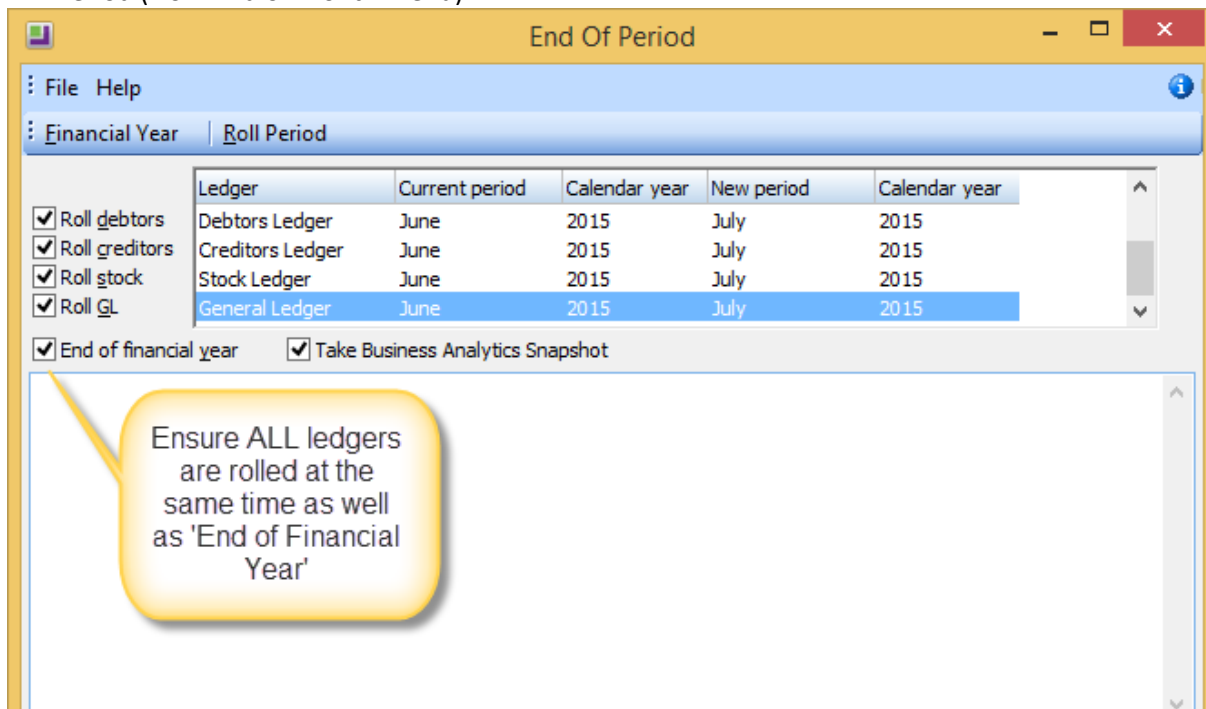
As much as possible, try to arrange your processing so that you can complete all outstanding transactional processes for the month, in particular the allocation of Payments and Receipts and posting of Banking Batches. If you require additional advice to help your regular transaction processing, please contact Momentum support.

NB: MYOB and Momentum recommend that a database backup is completed and verified before performing the year end roll over procedure. Verification involves checking that the backed up database can be read.
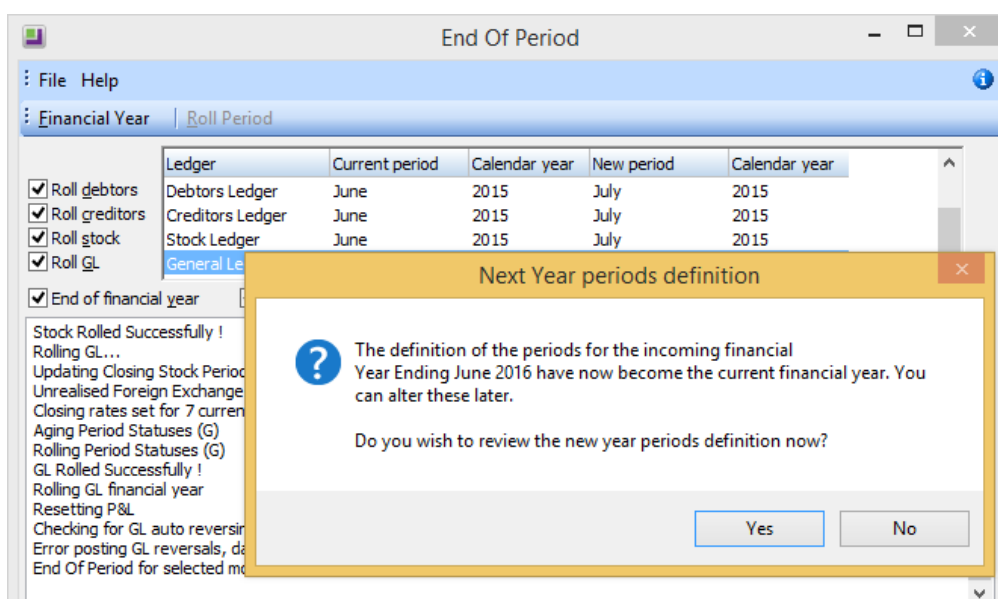
End of Period Checklist

1.   End of Year Roll

In order to be able to create transactions in the NEW YEAR, you must perform the Roll End of Period (from End of Month Menu).

Then select the "Roll Period" button.

You can review these by selecting the 'Yes' Button.

You can drill into each of the months and make any adjustments if necessary.
Once you have confirmed the New Financial Year is correct, then close this screen and return to the 'End of Period' screen.
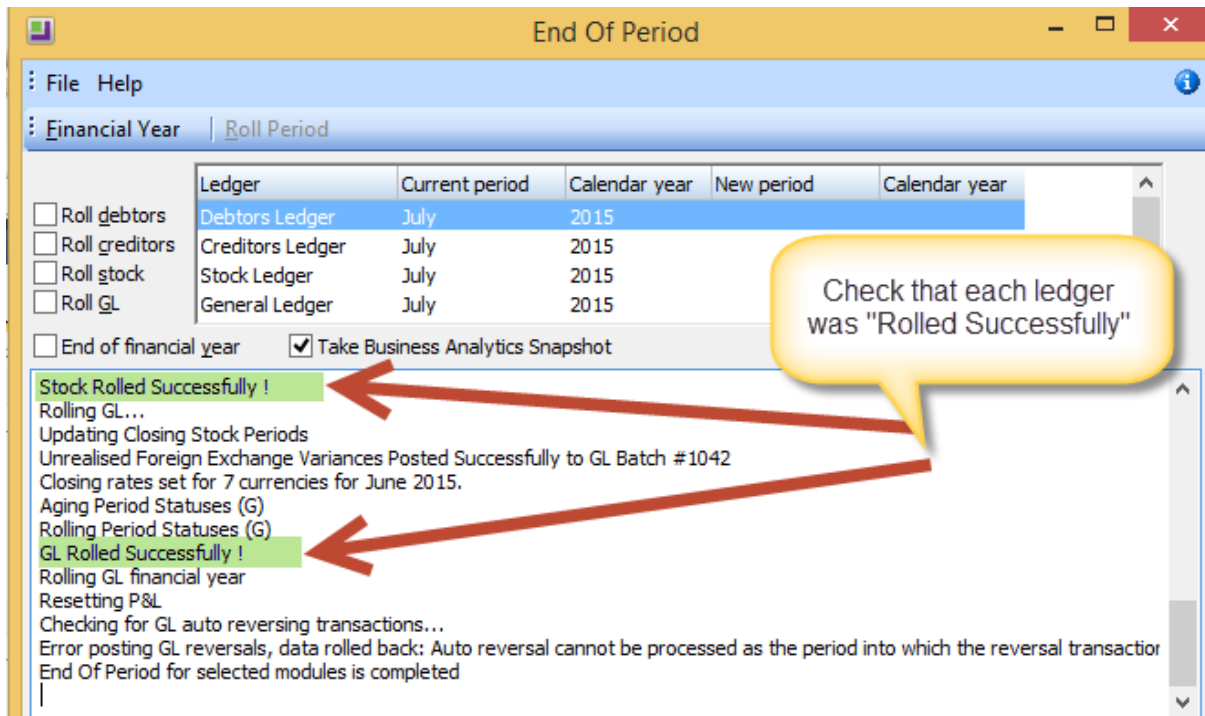
If you find that any ledger rolled was "Unsuccessful" please contact the Momentum Support Desk Immediately for assistance.

If you transact in Foreign Currencies, you must run the Exchange Rate Variance Calculator from within Month End. It is important to have updated your exchange rates first and allocated all payments and receipts. Print the reports and Post to General Ledger.

NOTE : Only do this ONCE. It will create AUTO REVERSING JOURNALS for unrealised foreign gains and losses and should only be run immediately prior to rolling month end.
Before rolling, take a backup of your data using the Momentum Easy Backup Tool.

2. Update Exchange Rates

You can maintain exchange rates at **EXO Business Config > Administration > Finance > Currencies**
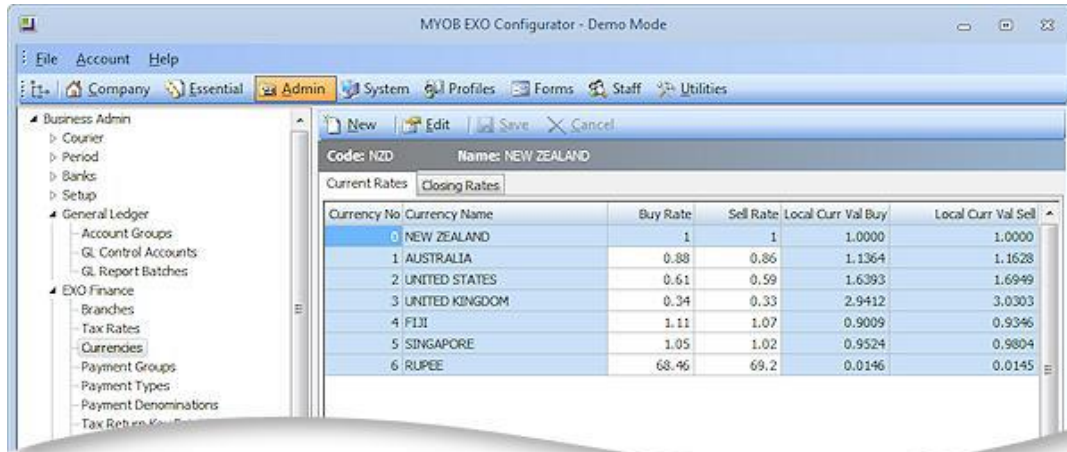
Exchange for all currencies except the local currency can be edited directly on the Current Rates tab. The **Buy Rate** for each currency is the exchange rate used when purchasing from Creditors; the **Sell Rate** is the exchange rate used when selling to Debtors. The **Local Curr Val Buy** and **Local Curr Val Sell** values show the inverse values of the **Buy Rate** and **Sell Rate** respectively. It is expected that users will update currency exchange rates frequently. When editing rates, users are warned if they attempt to change rates by more than a pre-defined limit (set by the **% Change Alert** property on the Details tab).

To edit all properties of an existing currency rate, double-click on it or select it and click **Edit**. The Details tab is displayed:
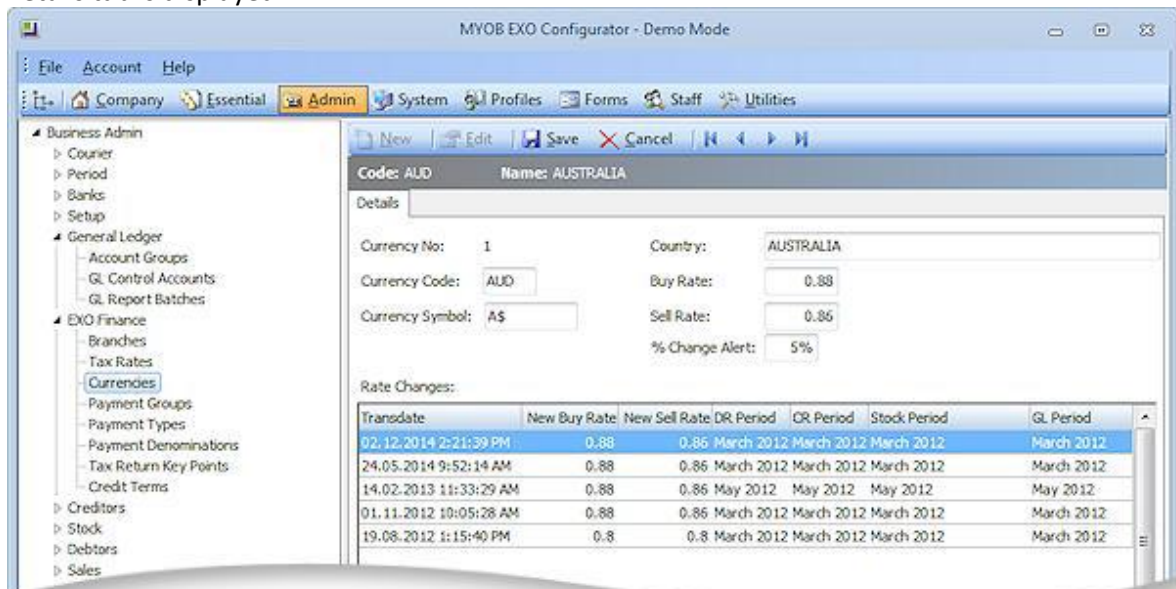
The Details tab also contains a history of all rate changes for the currency.

3. Process Foreign Currency
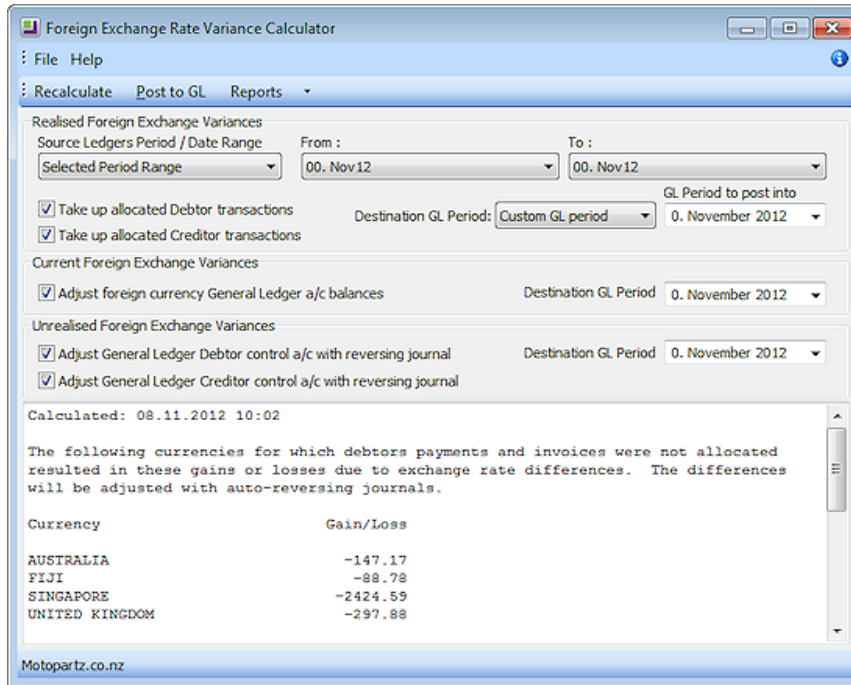
Click the Reports >
Detailed Report option to generate a detailed report that shows the allocation of payments to invoices in each ledger, with the adjustment made to take up the difference.
Because allocation of payments is all-important in the calculation of variances, the Unallocated Payments Report highlights unallocated payments so that these can be redressed prior to recalculation and posting.

NOTE: The Exchange Rate Change History, Exchange Rate Debtor Gains and Exchange Rate Creditor Gains reports are available as standard Clarity reports.

4. Complete Customer Invoicing

5. Allocate Unallocated Payments and Receipts

A Debtors Payment Listing can be printed showing only Unallocated Payments. This will highlight any payments that should be allocated.

When processing allocations, ensure you are selecting the correct 'Allocation Age'

6. Post Ledgers to GL

All three source ledgers (Debtors, Creditors and Stock) can be posted at the same time. One batch is created for each ledger. Batches are created on combination of Period and ledger ie one for each period and ledger combination. The Description filed for the batch indicates the ledger for which the batch has been created.

7. Post any Unposted Banking Batches

8. Run Debtors Aged Balances report

9. Run Debtors Reconciliation report

10. Run Creditors Aged Balances Report

11. Run Creditors Reconciliation Report

12. Run Stock Valuation Report (if running periodic stock method)

13. Post Closing Stock to GL – Periodic
14. Run Reconcile Inventory report

15. Run WIP Valuation Report (if applicable)

16. Post Closing WIP to GL – Periodic

17. Print Debtor Statements "This Period"

18. Run (and save) a Stock Valuation Report

If you have inventory EXO Business standard reports does not have a Stock Valuation Report that can be run retrospectively. We recommend you run this report at year-end (once you've completed entering stock transactions (sales, purchases, adjustments) and print or save to PDF. The report is often requested by Accountants at tax time.

NB: Momentum have developed a Custom Stock Valuation (Retro) report. Contact Momentum if you're interested in this report.

19. Roll End of Period –
Note: don't forget to tick the End of Financial Year button

20. Print Debtor Statements "Last Period" – if not already printed.

21. Process accrual journals

22. Enter all Expenses (Cashbook)

23. Enter any Creditor invoices received post Month-End Roll

24. Complete Bank Reconciliations

To ensure the accuracy of your business records, you should have your bank reconciliation completed for the month, so that you know your bank account balance is matched up with your bank's records.

25. Run Month End Reports

26. General Ledger Trial Balance

Use this report to identify incorrectly entered amounts. When reviewing this report, check for:
- Entries that seem unusually large or small for the account.
- Debit balances for accounts that normally have credit entries, and vice versa.
- Unusually high or low balances.
- Unusually high or low number of entries for a specific account.

27. Profit and Loss

Displays your profit and loss figures.

28. Balance Sheet

Lists account balances as at the end of the selected month, along with the budgeted amounts for them. If changes need to be made to the amounts you've budgeted for the coming months, adjust your budget.

29. Other Processes

Perform End of Year in Fixed Assets Module (if installed)

NOTE:- If you are using FIXED ASSETS you must also run a YEAR END ROLLOVER in this module. This process must be done after the Depreciation for the end of the last period in the financial year has been run and before processing depreciation for the first period of the new financial year.

Setup New Year & Periods in EXO Analytics (Management Report)

If you use EXO Analytics you will need to setup the new Year, Months, Day Plan & Budgets. Go to EXO Analytics -> Setup
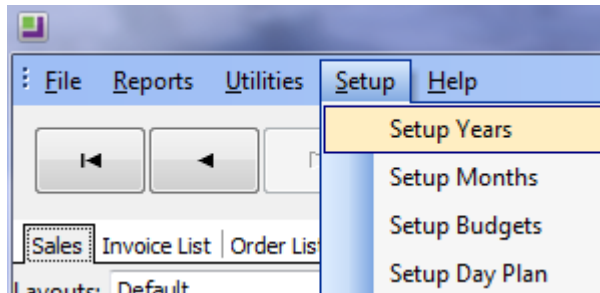
Note: The setup can also be done in the EXO Configuration Module. Go to ExoConfig -> Admin -> Analytics

You will also need to complete this step if you use Sales Budgets in EXO CRM

Hints

- Print Reports to File and then save to disc (as doc or pdf files) – it's quicker, can be emailed to your accountant, is backed up, saves paper and printing ink so saves $.
- Arrange your workflow in a systematic way so that your processes match your business activity – eg Pay your suppliers each week on a certain day of the week. ie do four payment runs a month on Tuesdays. This helps with cashflow, suppliers know not to call you before Thursday as they get used to being paid on Tuesday. Debtor collections each Monday, Bank reconciliation every day (or at least every week), Purchasing each Friday, Payroll each Thursday. Golf on Wednesday.
- Use your TEST SYSTEM to work through problems. Backup your live data to TEST using EasyBackup and test your process.

End Of Financial Year

1. **Reconcile GST Accounts**

2. **Reconcile Clearing Accounts**

3. **Reconcile your payroll to the general ledger ie, wages expense, tax, super liability accounts.**

4. **Enter EOFY Adjustments**

Note: It is advisable to run EOM reports at month end, save all to pdf and file on server in a separate folder for each month.

Information & FAQ's about End of Year in EXO Business & Payroll

In addition to the normal End of Month procedures, MYOB EXO Business will also perform the following:

- Zeros off the Profit & Loss accounts and posts the resulting Profit or Loss to the retained earnings account as defined in the GL Control account screen.

- Copies This Year total to the Last Year total on all debtor accounts

- Zeros This Year totals on all debtor accounts

- Copies This Year total to the Last Year total on all creditor accounts

- Zeros This Year totals on all creditor accounts

- Copies This Year totals to the Last Year total on all stock items

- Zeros This Year totals on all stock items

- The system will still allow you to post transactions into the previous financial year just like any other month but in addition it will Create an End Of Year Adjustment for any transactions that will change the previous Year Profit figure.

Note: Normal end of year adjustments to Balance Sheet accounts do not create an adjustment entry.

Q) Can I roll the ledgers separately?
A) No, we strongly recommend all ledgers be rolled simultaneously. Financial integrity issues can occur if they are not.

Q) Can I roll the June Period now, and the year later?
A) No, You cannot process July transactions in the new financial year unless you roll the financial year. If you attempt to do so, financial integrity issues can occur.

Q) Can I process transactions back into June or prior months?
A) Yes, EXO will allow that, and will post adjustments to the End of Year profit figure where appropriate. We recommend this be monitored carefully, and periods should be locked once reconciliations are complete.

Q) My Accountant doesn't complete my year end journals until months from now. What happens with those?
A) That's OK. Transactions can be processed into the Prior Financial Year, and if they effect profit EXO creates an Adjustment to the profit figure that was created when you rolled.