

**Volume 3  
Issue 4  
Nov 2004**

**Headline News**

**Are You Current?**

Remember, as of December 1, 2004, v3 will no longer be supported by Best Software. You must install v4.1 or later in order to receive telephone support through Best. In addition, tax table updates for v4 will be discontinued effective December 31, 2004. You can still print 2004 W-2s and process your first 2005 payroll using v4, but you must install v5 in order to receive 2005 tax table updates and maintenance improvements. Call us to order your updates.



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**Year-End Tips For BusinessWorks Gold**

**A**s we approach the end of the year, it's wise to begin planning for the additional processing tasks required to close your fiscal year, and begin setting the stage for 2005. Timing is the critical factor associated with many of these tasks; they must be completed in a certain order or you risk the loss of valuable data. In this article we'll offer some tips to consider, and outline many of these time-sensitive tasks to ensure that when it's time to close your BusinessWorks Gold year, you're well prepared.

**Backup, Backup, Backup**

You know the importance of performing routine backups. Perhaps no other backup is as critical as the final backup you perform before closing any BusinessWorks Gold modules for the year. This is an essential step, and the backup you produce should be kept indefinitely on a zip drive, tape, or CD drive (not floppies). Here is a refresher course in the backup procedure:

1. Select *Backup* from the Launcher's File menu (or from the Resources Bar's Utilities group) to open the Database Backup Wizard; then click *Next*.
2. Select the company you wish to backup and click *Next* again.

3. From the Select Backup File Name window: Select the location and file name for your backup and click *Next*. Suggestion: Use a file name that you will easily recognize as your year-end backup, for example, "2004\_Archives.zip."
4. Click *Finish* and select *Yes* to begin your backup. When the backup is complete, click *Close* or *Back* to back up an additional company.

**The Order Is Important**

Year-end processing is a vitally important step in keeping your data accurate. Many modules keep buckets of data by year (year-to-date or prior-year). This data is initialized during year-end processing. Many other housekeeping tasks are performed during each module's year-end closing. Always close the modules in the following order:

Accounts Receivable, Inventory Control, Order Entry, Payroll, Accounts Payable (or Cash Management if you do not have Accounts Payable), Job Cost, and finally the General Ledger module.

The order you close your modules is important, as some modules write data to the General Ledger module. The General Ledger module should always be closed last.



Careful planning will assure a smooth year-end process with no unwelcome surprises.

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## Year-End Tips Continued

### Hints About Adjusting Entries

There are always adjusting entries to make during the year-end processing cycle. Remember that after closing the fiscal year, you can post adjusting entries to all modules except Payroll.

Typically, your accountant will provide you any year-end adjustments, such as fixed asset depreciation allowances, and other journal entries. Once you have the adjustments, you will be able to complete your year-end close for the General Ledger for the year, so start early to ensure you get the proper data to your accountant in time.

If a prior-year transaction affects General Ledger revenue or expense accounts, BusinessWorks automatically rolls the values into the retained earnings account. No additional action is needed on your part.

It may seem obvious, but be sure to make the adjusting entry in the correct module. For example, when adjusting your cash account, you'll want to make the adjustment through the Cash Management module. Making the adjustment directly in the General Ledger will make your bank reconciliation more difficult.

### Prior/Future Transactions

BusinessWorks allows **Prior Month Postings**. For General Ledger you may post up to 24 months prior; for Accounts Receivable, Accounts Payable, Inventory Control, and Order Entry 12 months prior; and for Payroll prior months in the current quarter only.

**Future Month Posting** is also allowed in most modules: twelve months into the future for General Ledger, and one month into the future for Accounts Receivable, Accounts Payable, Inventory Control, and Order Entry. Payroll does not allow future month posting.

### Payroll Tips

With Payroll in particular, it pays to plan. Many year-end activities must be completed before or during the last payroll of the year. Review this module's closing procedures to be certain you thoroughly understand the process and the timing considerations. With this module in particular, please call us with your questions before proceeding.

Although BusinessWorks Gold saves five years of payroll history, the Payroll module does not retain the totals needed for adjusting W-2s after closing the year. Therefore, it is essential that you verify your W-2 figures before closing December.

If you have not printed and verified W-2s and you need to process January's payroll, you should copy your data to a temporary company prior to performing a December close. If you're uncertain how to perform this task, just give us a call.

It's always a good idea to backup your data just before you print checks or process hand-checks. This is especially important before printing those last checks of the year, and the first checks of the new year. If you encounter a



Make a list of year-end activities to help you stay on track for a stress-free and accurate year-end process.

problem, you can restore your backup, correct the problem, and reprocess the checks.

Have you ordered your W-2 and 1099 forms? Be sure to order plenty of extras. Many times a mistake is not discovered until you have printed W-2s. It pays to order at least twice the quantity that you expect to print. Be certain you buy a supported form, or that you can make any necessary form layout changes. Best sells supported forms directly to BusinessWorks Gold users at [www.best.checks-and-forms.com](http://www.best.checks-and-forms.com).

A checklist helps ensure no steps are overlooked and each is performed in order. BusinessWorks Gold provides an End-of-Year Checklist for Payroll. Reviewing it early will help you plan for the actual close. Find it on the **Launcher Checklists** menu. As you complete each listed activity, click the box next to it to check it off the list.

Printing end of the year payroll reports is crucial, since the year-end close will zero year-to-date totals and remove all employee check detail. The Payroll Year-End Checklist provides suggestions of the most important reports to print and save.

Check the Best Online Support and Services Web site for 2005 tax table updates. See our Headline News article on page 1 for special considerations regarding supported version levels. Be certain you have printed W-2s and closed Payroll for December before installing the new year's tax tables.

### Accounts Payable

Once you close the calendar year, you lose all 1099 information. For this reason, do not close the calendar year before printing 1099 forms. If you have 1099 vendors, you must produce the 1099 Worksheet and print 1099 forms at the end of the calendar year—even if your fiscal year does not coincide with the calendar year.

### Inventory Tips

Do you keep a perpetual inventory? Be certain to perform a year-end physical count and make any necessary adjustments.

Do not perform year-end processing or even a month-end close in the **Inventory Control Module** during any phase of the **Physical Inventory** process. BusinessWorks does not retain book quantity information for a relative inventory update after the close.

### Calling In The Experts

Year-end is a busy time for most businesses and frequently internal accounting lands on a back burner. Nevertheless, do not neglect this procedure, as its delay can have far-reaching impacts on your data. With a little planning, information (like that contained in this newsletter), and a minor time commitment, year-end processing can proceed smoothly.

Be certain to phone us if you find data corruption or errors while processing or printing any reports. If any part of the year-end processing makes you uneasy, or you have questions, give us a call. We are available to assist in any part of the year-end processing, such as producing W-2s and 1099s and helping you to archive last year's data. ☆