

CLOSING YOUR ACCOUNTING YEAR IN PEACHTREE



As the calendar turns to 2010, many accounting software programs require users to update their accounting records and move into the next accounting year. If you are receiving the persistent “You are nearing the end of your accounting period” pop-up, please follow the instructions below to turn the page on 2009.

Peachtree only allows for two years to remain “open” at any given time. If you are in period 24, you will have to close the accounting year in order to enter transactions next year. Generally, that means you are closing 2008 (2 years ago). You should **not** be closing 2009 or that will permanently prevent access to certain current data.

Before starting the Year-End Wizard

Since the close process may take quite a while to complete, we recommend that you start the process at the end of your business day, making sure you leave the computer running. Also, make sure that all other applications are closed before you begin.

Before you launch the wizard, there are a number of tasks you should perform. These include printing out any unprinted items such as invoices and payroll checks. Additionally, you need to clear the *Waiting on Bill from Vendor* check box in the Purchases/Receive Inventory window for any outstanding vendor purchases. See below for recommendations of reports to keep in your electronic archives.

The Year-End Wizard

The Year-End Wizard guides you through the process. Simply select Tasks, System, Year-end Wizard. Peachtree requires you to make a backup, and we recommend that you uniquely name the backup and consider putting it on removable media (CD, flash drive, external memory, etc.) for future reference.

You are also prompted to run year-end reports, which you can do on paper, export to Excel, or to a PDF file. We maintain copies of all reports needed to prepare your financial statements and income tax returns; however, we recommend you retain a backup file of your Peachtree data for 7 years. Additionally, we recommend you save a PDF copy of the following reports for 7 years:

- **General Ledger** for the year you are closing
- Under general ledger, **General Journal** for the year you are closing
- Under accounts payable, **Check Register** for the year you are closing
- Under accounts receivable, **Cash Receipts Journal** for the year you are closing
- Under payroll, **Payroll Journal** for the year you are closing

The procedure of closing a year also allows you to purge inactive accounts or customers/vendors. This decreases the size of your data file and removes some of the clutter that may be in your records. We recommend purging certain old data but you are not required to do so during the year-end close process.

Questions?

If you have any questions concerning the Year End Closing or your Peachtree data file, feel free to contact one of our Peachtree Accounting software specialists:

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