

Year End month. In this example, the current month is January and the Financial Year End is now March, so amend each Month number from '1' to '10', ending 31 January.

- Process months 10, 11 and 12 as normal. After the month end for period 12, the system will show the month as 13. The Year End routine should then be performed to bring the system into month 1.

For a Shorter Financial Year

The months to be included in this shorter financial year would be processed as normal with the following exceptions:-

Do not process any transactions for months not to be included in the current financial year.

Run a VAT return clearing out all the figures. This may mean manually adding two sets of figures together for the next VAT return.

NB. The following example assumes your year will end after month 9, please adjust accordingly if your month will end in any other period.

Example

After running the month/period end on the last period of the original financial year, run months 10, 11 and 12 without processing any transactions. After ending month 12, the new month shows as month 13. NB if you are running 13 Period Accounting the Nominal Ledger, Cash Book and Fixed Assets modules should be processed to month 14.

A Year End should then be performed setting the month to 1.

Go into the Accounting System Manager, System Parameters, This Company's Details and alter the Financial Year Start to the new Financial Year Start month.

Go into the Accounting System Manager, System Parameters, Month Numbers and set the period for the ledgers to 1 with the correct month end date.

Points to Note

As a result of changing the Financial Year, reporting carried out via Ledger Month may include transactions which were entered with the original financial year setup, and will therefore not be accurate. The original transactions will have the original Ledger Month attached and not the new Ledger Month. To overcome this we recommend reporting by Date Range to ensure accurate reporting.

The procedure we recommend for a Longer Financial Year requires running a Year End, which will clear Year to Date figures and move the figures to the column 'Last Year'. This means that for reporting purposes, figures will span the 'Last Years' and 'This Years' columns in Line100.

Financial Reporting will be affected by a change in financial year. For example, Balance Sheet and Profit & Loss reports which use such columns as Period Last Year To Date, Year to Period Last Year, Year to Period This Year, ie, all columns which are reporting on periods within a year will be affected.

Users of the Fixed Asset module should note that changing the financial year will not have a retrospective effect on existing assets. This means that depreciation will continue to be calculated based on the original setup. We would therefore recommend that when changing the financial year, original assets are disposed of and setup again with the new financial year setup.