

Year End Procedure

VETSCOPE END OF YEAR PROCEDURE

For many practices the end of December will be the end of the financial year. Here are some year end guidelines, but if in doubt please seek the advice of your accountant. If your year end is not December, simply substitute the month name for December.

CREATE NEW PERIODS FOR THE NEW YEAR

Create new VAT Periods and Financial Periods for the upcoming year if not already present. To do this:

1. From the Standard Buttons tab, click on VAT and the Financial Periods button.
2. To create new VAT periods, click on the “New VAT Periods” at the top of the screen and follow the instructions.
3. To create new Financial periods click on the “New Financial Periods” button on the top of the screen and follow the instructions. Ensure that you **do not** over-write any existing VAT or Financial period number.
4. Use the Set year button to switch on and off periods being used. Enter a range of years by putting 2 full stops between the start year and the end year (eg. YYYY..YYYY)

VAT

The example below is based off on VAT returns being bi-monthly, however, if your VAT is annually or quarterly the procedure below is similar, just the name of the periods will be different.

VAT ON CASH RECEIPT BASIS:

1. Post the VAT on or as close to the end of period as possible (usually 31st December).
2. It is not necessary to print the VAT report at this stage as it is likely to change with the addition of late supplier invoices.
3. When asked to close the VAT period, choose NO if you expect to enter additional Supplier invoices. When asked to move to the next VAT Period choose Yes.
4. If necessary, the default VAT period can be changed via the Accounts Setup Tab. This is done by selecting the period in the Current VAT Period section on the bottom left of the screen.
5. Continue to enter Supplier invoices belonging to Nov/Dec making sure the VAT Period and the Financial Period match the date of the entered invoices.
6. When finished entering Supplier invoices for Nov/Dec, print the VAT report. At this point you will be asked to close the VAT period and you should choose Yes to close the period. As you should already be in the Jan/Feb Period, there is no need to move on to the next period.

VAT ON INVOICE BASIS

1. Move the default VAT period to Jan/Feb (new year) via the Accounts Setup Tab. This is done by selecting the period in the Current VAT Period section on the bottom left of the screen.
2. Continue to enter Supplier invoices belonging to Nov/Dec making sure the VAT Period and the Financial Period match the date of the entered invoices.
3. When finished entering Supplier and Client invoices for Nov/Dec, post the VAT for



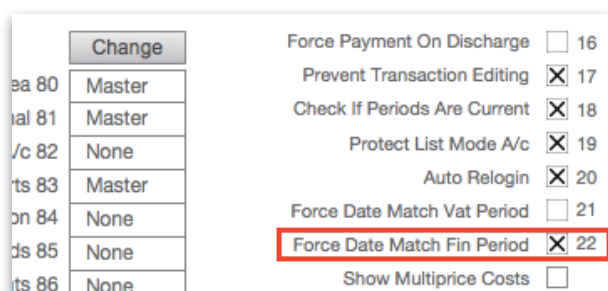
Nov/Dec and close the period. As you will already be in the Jan/Feb (new year) Period, there is no need to move on to the next period.

4. Print the VAT report for Nov/Dec.

FINANCIAL PERIOD

It is a good idea that the date of any transaction matches the financial period. There is a facility in VetSCOPE to ensure that this is the case. To force the date and the financial period to match in each entered transaction:

1. Click on the Password tab on the top of the screen.
2. In the Password Options screen, tick the box that says “Force date to match fin period”(see below picture).



It is particularly important at the end of the year that all December transactions are marked down to the December financial period and all the January transactions are marked as financial period January.

Once you ensure that all transactions are entered into the correct financial period then the period may be posted at any stage. In fact it is even possible to post the same financial period several times to take into account newly entered transactions.

JOURNALS

Your accountant may require that you enter Journals at the end of the year. A Journal allows for the movement of balances from one analysis code to another. To enter a Journal:

1. From the Standard Buttons tab, click on the Reports button.
2. Once in the Reports Screen, click on the Nominal tab.
3. In the Nominal tab, click on the Enter Journal button.
4. The Enter Journal window will now appear. Analysis codes can be selected in the Code column and the relevant amounts can be entered in the Amount column.
5. To enter a debit amount; include a minus sign (-) in front of the figure.
6. A Journal has to balance to zero. Furthermore, ensure that the correct Financial Period is selected at the top of the window.
7. Once complete, click on Enter. The Journal is then automatically posted into the selected financial period.

Closing balances are not carried forward into the new year. We recommend that an opening trial balance journal is entered with the assistance of your accountant for the new financial year.

BAD DEBTS

Unfortunately, it may be necessary to write-off some bad debts incurred in the year. This is done using a credit note and the bad debt analysis code. Before creating the credit note; ensure that there is an analysis code set up for bad debts and if not; set one up.

Creating an Analysis Code for Bad Debts

To set up an analysis code for bad debts:

1. From the Standard Buttons tab, click on the Analysis Codes button.
2. Once in the Analysis Codes screen, ensure there isn't a bad debts code set up already. Click on Find, then click into the Analysis Description field and type in "bad debts" or similar wording. Press Enter on the keyboard.
3. If you receive a message stating the "No records match this find criteria" then a new code will have to be created.
4. Find a blank line by scrolling down. Click into the Analysis Code field and type in a new code in the 1000-1999 range (for example 1900).
5. Click into the Analysis Description and type in "Bad Debts". Choose the default VAT rate as being "Home Sales @ xxx" where xxx is the most common rate charged by the business.

Writing Off Bad Debt

To write off a bad debt for a client:

1. From the Standard Buttons tab, click on the Accounts button.
2. On the left hand side column of buttons, under the Client heading, click on Credit Note.
3. When the search window appears, type in the name of the bad debt client and click Enter. Click on their name when it appears in the list.
4. Once in the Client Credit Note window; enter the amount of the debt in the total field and choose the analysis code for bad debt from the analysis field.

If the debt is large and the customer has been invoiced at different VAT rates it may be necessary to create different lines for the different VAT rates. The VAT on these credit notes will be automatically deducted off your next VAT return.

Changing Settings on the Bad Debt Client's Account

Once a bad debt client's account has been written off, there are some changes to be made to their account.

1. From the Standard Buttons tab, click on the Clients / Suppliers button.
2. From the Clients / Suppliers screen, search for the bad debt client.
3. Once the bad debt client details are on the screen, click on the Account tab.
4. In the bottom of the account tab (see below picture):

In the "Charge Interest?" section, click in the No box to put a X in it

In the Hold Account section, click in the Yes box to put a X in it



Charge Interest? No Hold Account Yes

5. If you have a Colour Code in place for Bad Debt Clients, click on the History tab to apply the colour.

REPORTS

VetSCOPE will allow the printing of all reports (with the exception of the Aged analysis report – see backup section below) retrospectively.

Please check with your accountant as to what reports they require as accountants differ in their requirements. Here are some common requests:

Detailed Client Transactions in Excel

1. From the Standard Buttons tab, click on the Reports button.
2. Once in the Reports Screen, click on the Print Transactions button in the lower right of the screen.
3. When asked to enter the search criteria, click into the Date field and enter in either the full year (YYYY) or a date range (DD/MM/YY..DD/MM/YY) and press enter on the keyboard.
4. When prompted whether to create a summary or detailed report, click on Detailed.
5. When prompted to sort by Financial Period, yes or no can be selected depending on your accountant's preference.
6. Once the report preview appears, press Enter on the keyboard. You will then be prompted whether to output the report to Excel; click yes.
7. Once the report opens in Excel, save down the Excel file and close it.
8. When the prompt to print from VetSCOPE appears, click No.

Detailed Nominal in Excel

1. From the Standard Buttons tab, click on the Nominal Details List button.
2. Click on the Find button at the top of the screen.
3. Click into the Date field and enter in either the full year (YYYY) or a date range (DD/MM/YY..DD/MM/YY) and press Enter on the keyboard.
4. Once the search results are on the screen, click on File at the top left of the screen.
5. From the pulldown selection, select Save / Send Records As and Click on Excel.
6. In the Save Record window that appears, enter in a title for the Excel file and the location you want to save it to.

Client Control Account Report

1. From the Standard Buttons tab, click on Reports.
2. Once in the Reports Screen, click on the Control Account button in the lower right of the screen.
3. There will be the option to print the control account for either all periods or the current year. Click whichever is preferred.
4. Once the report preview appears, press Enter on the keyboard. You will then be prompted to print the report.

BANK RECONCILIATION

Perform a Bank Reconciliation as normal at the end of the year. We recommend that a list of lodgements, and the outstanding receipts / payments at the period end be printed and added to the physical year end file.

Lodgements for the Year

1. From the Standard Buttons tab, click on Reports.
2. Once in the Reports screen, click on the Bank tab.
3. From the Bank tab, click on the Print Lodgements / Payments button.
4. When prompted to select either Lodgements or Payments, click on Lodgement.
5. There will be a prompt to select either a detailed or summary report, click on whichever is preferred.
6. In the select lodgement window, click into the lodgement date field and enter in either the full year (YYYY) or a date range (DD/MM/YY..DD/MM/YY). The bank account and method of payment can be selected if needed. Click Enter once complete.
7. There will be a prompt for additional text to be added to the report. Wording can be added or just left blank. Click on the OK button.
8. A preview of the lodgement report will appear. Press Enter on the keyboard to print. When the prompt to print appears, click on Yes.

Unreconciled Receipts and Payments at Year End

1. From the Standard Buttons tab, click on Reports.
2. Once in the Reports screen, click on the Bank tab.
3. Click on the Bank Rec (Outstanding) button.
4. In the select date window that appears, enter in <=DD/MM/YYYY (date of the current day). This will show all unreconciled receipts and payments from the current day and prior. Click OK.
5. In the Select Bank Account window, select the relevant bank account and click Enter.
6. There will be the option to select whether to include or exclude unlodged receipts. Click whichever is preferred.
7. Once in the Outstanding screen, if needed; columns can be sorted by clicking on their titles (i.e. Paid By).
8. Click on Print at the top of the screen.
9. Once the report preview appears, press Enter on the keyboard. When asked to print the report, click Yes.

BACKUP

Make a backup for the end of year data and mark it as VetSCOPE YE DDMMYY (i.e. VetSCOPE YE 3112YYYY) and keep a copy safely off site. With this backup it will be possible to run an Aged Analysis report for the end of year.