Accounts Payable Year-end Close Option - For Fiscal Year-end Companies

Fiscal Year-end Companies who want to track AP payments for their Fiscal Year and also for the Calendar Year for the IRS Form 1099 Reporting have the capability to do so in Deneb2000.

Deneb's Accounts Payable programming updates the Vendor's Master File ' Calendar YTD Paid' and ' Fiscal YTD Paid' fields when you post activity. The Calendar YTD Paid amount is used to create the IRS 1099 MISC Tax form for the entire calendar year.   The Fiscal YTD Paid amount is used to tie into the AP & General Ledger reporting for only the Fiscal Year's date range.

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If your Company is setup on a Calendar Year, then if you have closed your previous years (after all December entries are finished and posted in January of the next year) the current YTD totals for your 1099's will be correct.

For this process, and the dollar amounts to be 100 % accurate, the following steps are required:

- Do not close the month or year for Accounts Payable on 12.31.xx (current year) if you expect to have any additional Dec. invoices to post.
- Do not make 'December' payments in January, as they will appear as a December cash transaction in the month of January. If you need to record a manual check for a December or earlier invoice, then use Unpaid Processing (Mark Invoice as Paid by Hand) to record the cash side of the transaction with a December fiscal date.
- During the physical month of January, all December invoices should be entered with a December transaction date and a December fiscal code **and without a check number!**
- During the physical month of January, all January invoices should be entered with a January transaction date and a January fiscal code.   * (see note on page 2 of this document)
- **Remember - December AP must be closed before February AP can be entered.**

If you leave the Accounts Payable module open until mid-January, after following the above procedures you are ready to close the month for December and the Calendar Year.

- ➢ Print all Month-end Reports for December.
- ➢ Close the December month.

- ➢ For Year-end, Create the 1099 File.
- ➢ Print the 1099's.
- ➢ Print all Reports [to include the 'Monthly Summary Purchase List' - If you plan on clearing Option 4 below]
- ➢ Clear the Year-end Data:
- ➢   Option 1 - Fiscal year end   [This clears only the Vendor's Master File field "Fiscal YTD Paid".
- ➢   Option 2 - Calendar year end   [This clears only the Vendor's Master File field "Calendar YTD Paid".
- ➢   ** ** Option 3 - Fiscal and Calendar year end   [this clears both Vendor's Master File fields for YTD Paid.
- ➢   Option 4 - Clear Monthly Purchases [These amounts are only used for the Monthly Purchase Report].

** Most Calendar year end Customers use this option since they are not tracking data for Fiscal Year end totals.

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* Note: AP Purchases by the Month - displayed on the Vendor's Master File, are updated when Invoices are posted in Accounts Payable. The month field update is based on the Invoice Date. When the last month of the year is kept open, and invoices are entered for the first month of the new year, the program stores these invoice dates and amounts. When the year-end clear program is finally run, it moves these amounts to the first month.

Matching the Accounts Payable Open Vendor Invoices as of the Fiscal or Calendar Year End to the General Ledger Accounts Payable Balance can be accomplished by printing a History Accounts Payable Aging Report with the appropriate Year-end date as the cut-off date.

IMPORTANT: If your Vendor Files have not been previously closed on the appropriate dates, and have incorrect amounts in all of the Invoice and Payment fields, see the 'Deneb2000 Accounts Payable 1099's Document - Rev. 01.31.18, for details on how to properly recalculate your Vendor amounts from the AP History Files. This process can be completed at any time (not just at year-end).