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## General Ledger Year End Checklist

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The following Year-End checklist has been designed to conform to the features and functionality of the currently supported versions of the TRAVERSE Accounting Software (version 9.41 and version 10.x). Use of this checklist for earlier versions of your software may or may not be complete.

- \_\_\_ 1. Print the Chart of Accounts list on the Master Lists menu. Check the box to print the clear and consolidate information. Once the list is printed verify the following information:
  - The income statement accounts have an account type between 500 and 890.
  - The balance sheet accounts have an account type between 005 and 465.
  - The step and clear to account information.
- \_\_\_ 2. Use the Chart of Accounts function on the Setup and Maintenance menu to edit incorrect setup information found on the Chart of Accounts List if needed.
- \_\_\_ 3. Use the Period Conversion function in System Manager, Company Setup, to set up periods for your new year.
- \_\_\_ 4. Back up your data files. The next step makes changes to your data.
- \_\_\_ 5. Determine which years are available by opening the Year-End Maintenance function in the Periodic Processing menu and look at the years listed in the list box. Determine whether or not you need to add a new year for processing. If you need to add a new year, proceed to step 6, otherwise skip to step 7.
- \_\_\_ 6. Select Year-End Maintenance from the Periodic Processing menu, then select Add New to add a new year.  
**NOTE: When you set up the Account Mask for a company, TRAVERSE creates three years: current year, previous year, and next year. You may skip this step the first time you perform year-end in TRAVERSE.**
- \_\_\_ 7. Select Change Fiscal Year from the Periodic Processing Menu. Select the “New Year” in the Current Year field and click OK to change to the new year. You must be in the current year to perform the next step.
- \_\_\_ 8. Select the Update Current Year function on the Periodic Processing menu to do the following:
  - Transfer the ending balances from the “Old Year” to the “New Year” for GL accounts that have an account type from 005-465.
  - Calculate the net income or net loss amount from the balances of all accounts with account types from 500-890.
  - Update the balance for the retained earnings account with the net income or net loss if selected. Check the box to consolidate unclosed income (loss) to retained earnings, and select your retained earnings account.
- \_\_\_ 9. Continue to process information for both years. Use the Change Fiscal Year function on the Periodic Processing menu to switch between the “Old Year” and the “New Year”. Use the Update Current Year function on the Periodic Processing menu as needed to update the current year balances with changes made to last year balances. Check the box to consolidate unclosed income accounts to retained earnings.  
**NOTE: If you are using the Close Periods feature you can only post adjusting entries to periods that are open. You can reopen a period if needed.**
- \_\_\_ 10. Print financial statements for the fiscal periods adjusting entries were posted to.
- \_\_\_ 11. Back up your data files. The next step makes changes to your data.
- \_\_\_ 12. When all the adjustments have been made, use the Clear and Close Last Year function on the Periodic Processing menu to clear and close last year’s data. The clear-to account and the step number set up for an account are used to close the income and expense accounts. Closing entries are made to the GL Journal in the period you specify.

**NOTE: It is recommended that you run your clear and close to the extra period supplied by TRAVERSE. If you post your clearing and closing entries to your last “normal” period you will have 0 for a net income on your income statement for the full year.**

- \_\_\_ 13. Select the Period Conversion function from the Company Setup menu on the System Manager menu to make sure the last period is open. If any other periods are open for the closing year, it is recommended that they be closed at this time. You may reopen a period if needed in the future.
- \_\_\_ 14. Print financial statements for the fiscal periods that the adjusting entries were posted to.
- \_\_\_ 15. Use the Change Fiscal Year function on the Periodic Processing Menu to switch to your last year.
- \_\_\_ 16. Print the GL Journal or the Activity Report for the Period you entered your closing entries into for the source code CL to verify the closing entries.
- \_\_\_ 17. Use the Post to Master function on the Transaction Journals menu to post the closing entries to the GL Master.
- \_\_\_ 18. Print the Trial Balance from the Management Reports menu to verify income and expense account balances are zero for the closing year.
- \_\_\_ 19. Use the Change Fiscal Year on the Periodic Processing Menu to switch to your current year.
- \_\_\_ 20. Use the Update Current Year Function on the Periodic Processing menu to update the current year with the final account balances.

**NOTE: Do not check the box to consolidate unclosed income accounts to retained earnings; if you check the box, the beginning balance for the retained earnings account will be zero in the new year. This only applies after you have run the Clear and Close Last Year function and have posted closing entries to the master.**

- \_\_\_ 21. Select the Period Conversion function from the Company Setup menu on the System Manager menu to close the last period. The period you posted to for your clearing and closing entries should be closed, so nothing will be posted to that period.