SAGE 50 Year-end activities

Backup data

To do a backup open your data file.

1. Make sure you are logged into the company you wish to backup
   - If you have Sage 50 Premium or Quantum be in single user mode under sysadmin
2. Click on **File**, **Backup**.
   - You can also click on the **Backup** icon (looks like a file cabinet) from the toolbar on the top of the Home screen.
3. In the 'Sage 50 - Backup' window, enter the file name.
   - It would be a good idea to include the date as part of this name (ex. UC141222)
4. Select the folder where you want to save the backup
   - Please **DO NOT** put the file location within the .SAJ folder as this is the folder that the software backs up.
   - The last-used backup file path is saved and becomes the default for the next backup.
   - Do not overwrite an existing backup unless you know for sure that is what you want to do.
5. Click **OK** to start the backup.

How to enable automatic backup?

1. Go to **Setup**, **Settings**, **Company**, **Backup**
2. Put a check mark for **Automatically back up this file**
3. It is recommended to change the backup frequency from **Monday** to **Daily**
4. Click **Browse** to select the folder where you want the backup files to be written to. If you are using the Sage Drive option, create a new folder called Sage Drive Backups on the C:\\ drive or the server and point the backup location to this location.
5. Optional:
   1. Put a check mark for **Remove the oldest backup file when the total number of files exceeds.**
   2. Enter a number on the text box beside it.
   3. This will be the limit of the number of backup files in the folder selected.
   4. If the box is left unchecked, backup files will be continually written to the backup folder selected.
6. Click **OK**.

How to advance the fiscal or calendar year

- What is the fiscal or calendar year/year-end procedure?
- Sage 50 recognizes two distinct year-ends: the end of a calendar year and the end of a fiscal year.
- How do I start a new fiscal year?

Situation I: Fiscal year is also the calendar year (1 Jan - 31 Dec)

Select **Setup**, **Settings...**, **Company**, then **Information** to check the Current Year Dates

If the current fiscal year coincides with the calendar year (January 1 to December 31), then the program will automatically start both at the same time as one year.

1. Select **OK** to close the Settings window.
2. Select **Maintenance**, then **Check Data Integrity...** or in Sage 50 First Step, select **Tools**, **For My Accountant**, then **Check Data Integrity...**.
3. Make sure Integrity Summary window mentions Data OK at the bottom.

If data integrity is not OK, then look at Article ID 10222: How to solve "Data inconsistencies have been detected" in the Integrity Summary window. If the company is still in History mode, then look at Article ID 12127: How to exit history mode?

1. You can start the new year by changing the date of the session to the first day of the new fiscal/calendar year. See Method II in Situation II below.
2. Or you can click **Maintenance**, **Start New Year...**

If the option is not available, see Article ID 14656: The Start New Year option is greyed out from the Maintenance menu.

1. On Sage 50 - New Fiscal and Calendar Year window, select **Yes** to make a backup.
2. When the backup is completed, select **OK** on the Sage 50 - Information window that tells you the years were created successfully.
3. On the second Sage 50 - Information window, select **No** when asked if you want to clear the old data.
4. Close the **Checklist** window.
5. Close the **Daily Business Manager** window.
6. Now the new fiscal/calendar year has been started.
7. Repeat steps 3 and 4 to verify the data integrity again.

Option II: If you need to start the new fiscal year only: Rolling your fiscal year forward.

If you would like to see a video version follow Article ID 36175: <u>Video: How to start a new fiscal year</u>

1. Make a **backup** of your data.
2. Verify the fiscal year information first: Select **Setup**, **Settings**, **Company**, then **Information** to view the details.
3. Confirm the current fiscal start and end date.
4. If using Sage 50 First Step: Select **Tools**, **For My Accountant**, **Maintenance**, then **Check Data Integrity**.
5. Make sure it shows **Data OK** at the bottom.
6. If using Sage Pro, Premium or Quantum: Select **Maintenance**, then **Check Data Integrity**.
7. Make sure it shows **Data OK** at the bottom.
8. Print out any year-end reports you need.
9. If using Sage 50 First Step: Select **Tools**, **For My Accountant**, then **Start New Year**.

   Note: If using Sage Pro, Premium or Quantum: Make sure you are logged in as single user and have administrative rights.

10. Select **Maintenance, Start New Year**.
11. Select **OK.**
12. When prompted to clear old lookup data, select **No**.
13. Close the **Check List** and the **To do** list that can appear depending on the settings.
14. If using Sage 50 First Step: Select **Tools**, **For My Accountant**, **Maintenance**, then **Check Data Integrity**.
15. Make sure it shows **Data OK** at the bottom.
16. If using Sage Pro, Premium or Quantum: Select **Maintenance**, then **Check Data Integrity**.
17. Make sure it still shows **Data OK** at the bottom.
18. You should check **Setup**, **Settings**, **Company**, then **Information** again to make sure you have moved your dates forward. The current dates should match the new dates.
19. Sage 50—Canadian Edition has automatically moved your net loss/profit into retained earnings.
20. If you still need to make any adjustments in the prior year, Sage 50 allows you to do this by changing the transaction date to the prior year.

Method II: It is possible to move into the New Year by changing the session date to the first day of the calendar/fiscal year

1. Select **Maintenance**, then **Change Session Date...**.
2. If in Sage 50 First Step, select **Tools**, **For My Accountant**, then **Change Session Date...**.
3. Enter the first day of the new calendar/fiscal year (or click on the drop down menu, the last option is the first day of the New Year).
4. On Sage 50 - New Fiscal and Calendar Year window, select **Yes** to make a backup.
5. When the backup is completed, select **OK** on the Sage 50 - Information window that tells you the years were created successfully.
6. On the second Sage 50 - Information window, select **No** when asked if you want to clear the old data.
7. Close the **Checklist** window.
8. Close the **Daily Business Manager** window.
9. Now the new fiscal/calendar year has been started.
10. Repeat steps 3 and 4 to verify the data integrity again.

Note: If an accountant's copy backup is restored in the accountant's edition, the company file is very restricted. A new year can not be started.

How to create an accountant's copy?

1. Open the company file in Sage 50.
2. Select **File**, **Accountant's copy**, then **Create Accountant's copy.**
3. Enter the **File Name.**
4. Either use the default Location (C:\ Program Files (x86)\Sage 50 Accountant Edition\DATA\Accountant\Filename)or Browse to the desired location.
5. The location must have full read/write permissions.
6. Select **OK**.

    Note: While your accountant is working on this file, do NOT do the following:

    o Delete or renumber an account.
    o Delete or rename a project.
    o Delete or renumber a department.
    o Delete or rename a tax code.
    o Delete or modify any currency information.
    o Changes to any of the above mentioned items may prevent some of your accountant's entries from importing.
7. Transfer this .CAB file to your accountant to work on your company file. The file may be emailed, sent to a dropbox, or put on flash drive, cd etd.
8. Your accountant can use this file to make General Journal entries while you continue to work with your company data.

Note: Follow Article ID 13367 How to restore from a revised Accountant's copy on how to restore a revised accountant's copy for when your accountant returns the file to you.

Sage 50 Cloud subcribers:

1. If your file is shared on Remote Data Access, you can create a new user with limited access as needed and share the file with the SAN (Sage Accountants Network - Accountants Edition)
    o see How do I set up a new user ID or role for my company? to create a new user for your accountant
    o share your file with them on Remote Data Access - How to share a company data file using Remote Data access (RDA)
    o They can then download it by following How do I download a company file shared with Remote Data Access (formerly Sage Drive)?

2. If the file is not shared or you do not want to share it on RDA, then follow the directions under '**Non Sage 50 Cloud subscribers:**' above

How to restore from a revised Accountant's copy

Note: Before performing either method, it is recommended to make a backup of your company data. Follow Article ID 38081 <u>How to restore from a backup</u>

Method I: .CAB file

1. The accountant should have returned a .TXT file (not a .CAB file).
2. Please contact your accountant and request to reopen the modified company file.
3. Request your accountant to go to the **Accountant Edition** menu (next to the Help menu).
4. Select **Accountant's Copy**, then **Export Entries for Client**.
5. Follow the instructions to export a .TXT file.
6. Request the accountant to email this .TXT file.
7. Once you have the .TXT file, go to Method II.

Method II: .TXT file

If you have a .TXT file, then follow these steps:

1. Open your company file as normal (ignoring the accountant's .TXT file) in Sage 50.
2. Select **File**, **Accountant's Copy**, then **Import Entries from Accountant**.
3. Follow the instructions on screen. One of the screens will ask you to browse.
4. Select **Browse**.
5. Browse to where the .TXT file is.
6. Select **Open**.
7. Follow the next screens until the import is complete.

If I roll to the new fiscal year can I still post into the previous year?

What can be done after starting a new year:

- Sage 50 allows you to post transactions to the current fiscal year and one prior fiscal year.
- **When posting to the prior year, you can't change the session date, but you can change the date of a transaction as far back as the first day of the previous fiscal year, and post the entry.**
- This entry will affect the prior year and will automatically roll the balances forward to the new year.Follow Article ID 13199 How will posting to a prior year affect the company?, in Related Resources.
- The date should be changed manually in the module you want to post the entry in.
- Notice that in the payroll module:
  - The **Payroll Cheque Run** will not allow payroll to be generated in the previous calendar year.
  - Therefore, individual cheques will have to be issued.
  - Payroll taxes will only calculate automatically in the current calendar year.
- Check the Company settings to verify that the system doesn't deny the posting of transactions before a certain date. Make sure you are in single user mode and connected as the sysadmin user while doing this.
  - Go to **Setup, Settings**, **Company**,**System**
  - Ensure that the date in the **Do not allow transactions dated before** box is the beginning of the previous fiscal year in order to allow transaction up to the beginning of that previous fiscal year.
  - If not, change it.
  - Select **OK**.

What is the Year End Review (PIER) report?

- The Year End Review (PIER) report will identify CPP/QPP and EI discrepancies so that you can review and revise your payroll records before you produce employee T4 slips.
- The PIER report recalculates the EI and CPP based on the Insurable Earnings and Pensionable Earnings and compares it to the actual EI and CPP taken off. This report is based on the Canada Revenue Agency's (CRA) **Pensionable and Insurable Earnings**

Review (PIER). The CRA checks the T4 slips you file to make sure that the CPP/QPP and EI amounts you reported are correct. Employee CPP/QPP and EI amounts are recalculated based on the pensionable and insurable earnings you reported. Any discrepancies between reported and calculated amounts for an employee are noted on a PIER listing.

- If you receive a PIER listing from the CRA, you must explain all discrepancies and remit the balance due (including your employee's share)
- The Over / Under values on a Sage 50 PIER report are only valid when you offer the number of paycheques to the number of payperiods the employee is set to
- Comparing the value of (Total Gross Pay for the year - 3500 exemption) X 4.95 percent on CPP to the PIER report is only valid once you create the number of paycheques matching the number of payperiods the employee is set to

Sage 50 can display the PIER report. To do that:

1. Click on **Reports, Payroll, Year End Review (PIER)**.
2. Select employees and the calendar year.
3. (Optional) You can checkmark **Show only employees with CPP/QPP or EI discrepancies greater than $** a certain amount.
4. Press **OK** to see the report.

Can I create a copy of some years only?

1. Make a backup (or Save As 'Test') of your current data file.
   - Refer to Related Resources "What is the difference between Backup, Save As and Save a Copy?" (34432)
2. Restore from a backup from the end of the last year that should be included.
3. In the file restored, click on **Maintenance**, **Clear Data**, and select **Clear Financial History...**
4. Select the last year that should not be included.
5. Click on **OK**.
6. Create a backup of this file. The backup will only include the desired years.

For example:

- I have years from 2007 to 2013 in my Sage 50
- I would like to create a copy of the years 2010 and 2011 only

1. Restore from a backup from the end of the year 2011.
2. In the file restored, click on **Maintenance**, **Clear Data**, and select **Clear Financial History...**

3. Select the year 2009. (Last year at the bottom of list)
4. Click on **OK**.
5. Create a backup of this file. The backup will only include the years 2010 and 2011.

Sage 50 Canada Financial year-end checklist

		Task	Due Date	Assigned to / Completed by
1	☐	Check Data Integrity: Click **Maintenance, Check Data Integrity.**		
2	☐	Back up your company files: Click **File, Backup.**		
3	☐	Reconcile Accounts - Do this at month-end, or when you receive your bank or credit card statement.		
4	☐	Print Year-End Reports - Print reports as of the last day of the year. (Print the ones that apply to your company business needs) • Income Statement - Month-to-date • Income Statement - Year-to-date • Balance Sheet • Transactions By Account (past month) • All Transactions (past month) • Chart of Accounts • Purchase Transaction Details • Payment Transaction Details • Vendor Aged (Summary and Detail) • Sales Transaction report • Receipt Transaction Details • Customer Aged (Summary and Detail) • Payroll Transaction Details (Past month) • Inventory (Quantity and Summary) • Item Assembly Transactions (Past month) • Adjustment Transactions (Past month) • Project Report		

5	☐	Print budget reports - Print the comparative Income Statement showing actual and budgeted amounts.		
6	☐	Prepare this year's budget - Update this year's budget using last year's comparative Income Statement.		
7	☐	Make year-end adjustments • Ensure that the 'Do not allow transactions dated before' option is not set. • Process your adjustments with a date in the previous fiscal year.		
8	☐	Click **Maintenance, Start New Year, Fiscal Year, OK.**		

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