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Year-End Planning for Sage X3

Join by phone:
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December 7th , 2022

Agenda

1. Year End Closing Check List

2. X3 Reports to Support Year End General Ledger Balances

3. Closing Last Fiscal Period & Year

4. Financial Reporting

5. Other Considerations

6. 1099 Generation and Reporting

7. Updating Default Parameters

8. Q&A
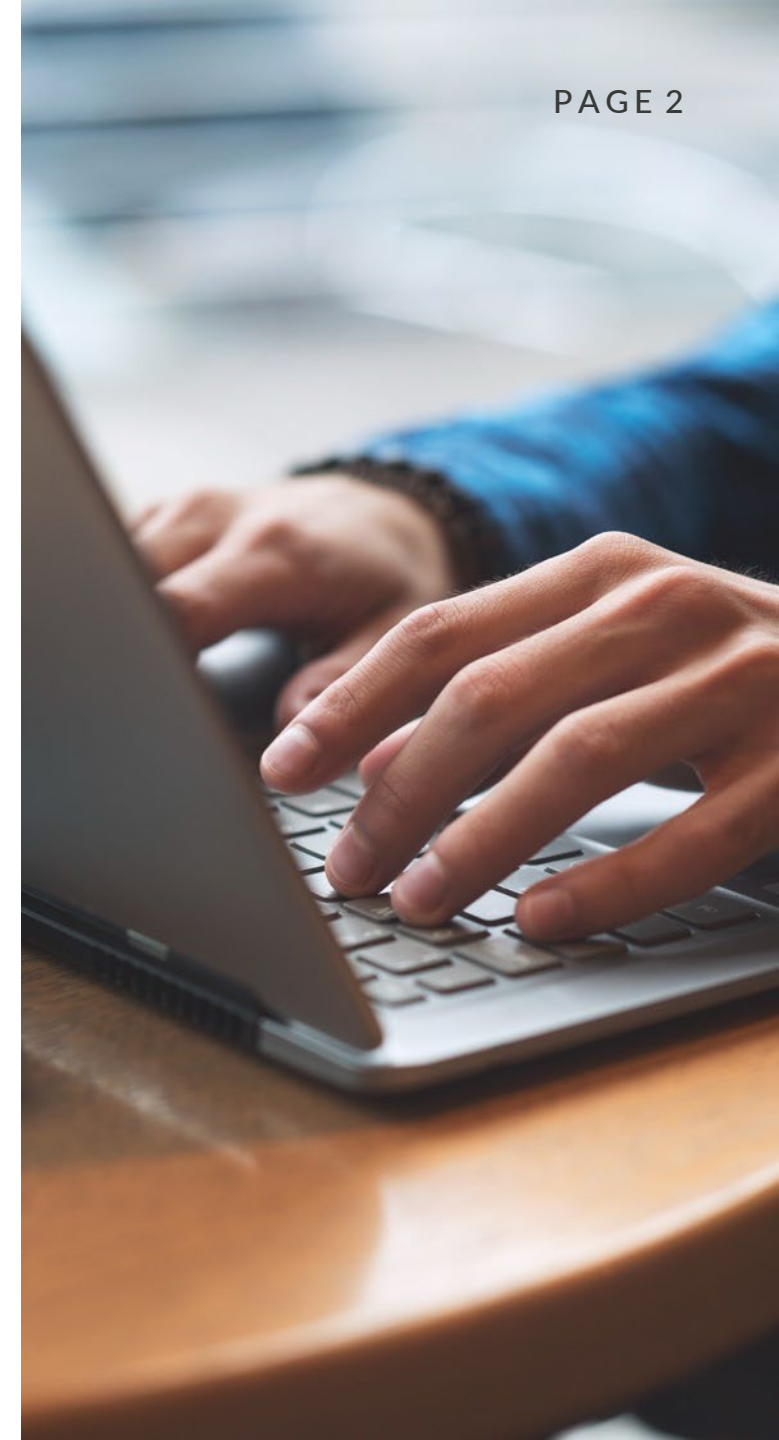
Year End Closing Checklist

Year-End Closing Checklist

Completion of operational and costing transactions. Examples include:

- ✓ Physical inventory counts are validated (GESSNL)
  - Stock > Counts > Counts
- ✓ All closed work orders have been costed (FUNWIPMFC)
  - Costing > Production Costs > Wip finalization
- ✓ All closed subcontracting orders have been costed (FUNWIPSCO)
  - Costing > Subcontract Costs > Calculate actual subcon. cost
- ✓ Stock accounting Interface completed with no errors (FUNSTOACC)
  - Stock > Periodic Processing > Valuation > Account interface
- ✓ WIP accounting interface completed with no errors (FUNWIPACC)
  - Costing > WIP > WIP posting

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Year-End Closing Checklist

Posting of AP/AR/Treasury transactions. Examples include:

- ✓ All customer shipments have been invoiced (FUNAUTINVD)
  - Sales > Invoices > Delivery invoice generation
- ✓ All sales invoices/credit memos posted (FUNCFMINV, BPCVAL)
  - Sales > Invoices > Invoice/Credit memo validation
  - A/P-A/R accounting > Invoicing > Customer BP invoice posting
- ✓ All purchase invoices/credit memos posted (FUNPIH, BPSVAL)
  - Purchasing > Invoices > Invoice Validation
  - A/P-A/R accounting > Invoicing > Supplier BP Invoice posting
- ✓ All payments posted (REMBAN)
  - A/P-A/R accounting > Payments > Bank Posting

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Year-End Closing Checklist

- Perform financial accounting processes including:

  ✓ Enter accrual entries and generate their reversal (CPTEXT)
  - Financials > Current processes > Reversals

  ✓ Generate recurring entries (VALABT)
  - Financials > Current processes > Recurring entries

  ✓ Invoices to receive – accrue non-inventory receipts (FUNPTH)
  - Financials > Closing processes > Invoice receivables

  ✓ Match RNI account (LETTRAGE) (LETTRAUTO)
  - Financials > Matching > Manual matching

  ✓ Generate multi-currency revaluation/translation entries (CNVECAR)
  - Financials > Closing processes > Conversion variance

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Year-End Closing Checklist

- Perform financial accounting processes including: (cont.)

  ✓ Enter depreciation entries if not using fixed asset module (GESGAS)
    - Financials > Journals > Journal entry
  ✓ Update any simulation entries to Actual or run the cancellation process (CPTANUSIM)
    - Financials > Current processes > Simulations > Cancellation
  ✓ Perform revenue recognition on open projects (GESREVRECV)
    - Financials > Closing processes > Revenue recognition

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Year-End Closing Checklist

- Close Fixed Assets: (2,500 assets are included with your license)

    - ✓ Set all fixed asset periods of 2021 to actual (GESCNX)
        - Setup > Fixed assets > Depreciation contexts
    - ✓ Review the status of contexts for any actions (SAISTACPY)
        - Fixed Assets > Processes > Status of contexts
    - ✓ Activate any inactive assets (GESFAS)
        - Financials > Journals > Journal entry
    - ✓ Calculate depreciation for all assets (FASCALC)
        - Fixed Assets > Processes > Depreciations

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Year-End Closing Checklist

- Fixed Assets (cont.)

  - ✓ Confirm all journal entries are posted (TRTCPTINT)
    - Fixed Assets > Processes > Account interface
  - ✓ Perform the close for December and 2021 (FASCLOTURE)
    - Fixed Assets > Processes > Account interface
      - ❖ Periods cannot be reopened
      - ❖ Generally Fixed Assets is closed before the GL or transactions will post to the first open general ledger period

- Bank Transactions
  - ✓ Reconcile bank accounts (BANREC)
    - A/P – A/R accounting > Bank Transactions > Bank Reconciliation

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Year-End Closing Checklist

- Restrict postings by module (ADPVAL)
  - Setup > General Parameters > Parameter Values
    - ACHXXXDAT - Purchase invoices
    - CPTXXXDAT - Journal & batch entries
    - TRSXXXDAT - Customer BP invoices, supplier BP invoices, entry of payments, entry of open item statements, entry of expenses lines and automatic payment proposal
    - VENXXXDAT - Sales invoices

- Or restrict by Document Type date range or Journal Code date range
  - Setup > Financials > Document Types (GESGTE)
  - Common Data > General Accounting tables > General > Journal Codes (GESJOU)

All > Setup > General parameters

Parameter values ⑦

Chapter	Legislation	Company	Site
TC			

Common Data

Group

CLO

Closing operati...

		Parameter	Description	Value
1	⋮	ACHENDDAT	Purchase end date	12/31/2022
2	⋮	ACHSTRDAT	Purchase start date	01/01/2022
3	⋮	CPTENDDAT	Accounting end date	12/31/2022
4	⋮	CPTSTRDAT	Accounting start date	01/01/2022
5	⋮	TRSENDDAT	A/P-A/R accounting end date	12/31/2022
6	⋮	TRSSTRDAT	A/P-A/R accounting start date	01/01/2022
7	⋮	VENENDDAT	Sales end date	12/31/2022
8	⋮	VENSTRDAT	Sales start date	01/01/2022
9	⋮			

Close Stock Status

- Close the Stock Status for the Period (GESPER)
  - Common Data > General accounting tables > Periods
    - ✓ Open - Any type of 'stock' transaction can be posted to the general ledger
    - ✓ Closed = No 'stock' type transaction can be posted to the general ledger
    - ✓ Balance Adjustment = ONLY adjustment type stock transactions can be posted to the general ledger (Ex. Purchase invoice adjustment)

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X3 Reports to Support Year End General Ledger Balances

General Ledger Reports

V11 & Prior	NA Report Name	V12 Report	Report Name
NA-CSHREQ	Cash requirements	CSHREQ	Cash requirements
NA-CUSSTA	Customer statement	CUSSTA	Customer statement
NA-SPAYHIS	Suppier payment history	SPAYHIS	Supplier invoice payment
NA-CINVAR	Customer invoice	BPCINV2	Customer BP invoice
NABPATB	Aged trial balance	BALAGEGRP and BALGEGRPDEV	Aged balance and Aged balance/Currency
NA-GLBAL	GL Detail account Balance	GLGRP and GLGRODEV GLANA1 and GLANA2 Note: no changes were added to the core reports	GL journal account detials and General ledger/currency Ana. GL/account and Ana. GL/dimension

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General Ledger Reports / Inquiries

Reports > Reports

- BALGRP - Trial Balance

- GLGRP - Account Detail

- GLANA1 - Account by Dimension

- GLANA2 - Dimension by Account

- GLGRPDEV - Journal Entry by Currency

- PIECE – Journal Entry Detail

- Financials > Inquiries >
  - Account Balances
  - Dimensional Balances
  - Entries (GL Detail)

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Business Partner Reports

Reports > Reports

- BALAGEGRP - Business Partner (Customer & Supplier) Aging (Current date)

- BALAGEHIST - Backdated Business Partner Aging (Point in time)

- GLGRPAUX - Business Partner Trial Balance with Matching Information

- BALAGEGRPDEV - Aging with Amounts by Currency

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Other Reports

- Stock Valuation Report (FUNSTVA) Stock > Periodic Processing > Valuation > Stock Valuation Report
  - Run at the company level to show stock by site in summary
  - Detail will show Lot, Location, Status etc.
  - If report needs to be backdated to the close date, run based on accounting date.

- New Stock Valuation Period Resync
  - Stock > Utilities > Stock Valuation Period Resync (FUNSYNPIT)
  - Point in Time (PIT) reporting for stock valuation added in V12 2018 R2
    - A new data model for tracking stock valuation by financial period
    - Historical tracking of changes to the Product-site valuation method
    - Upgrade script to populate new tables with existing stock values
    - Inquiry providing the stock valuation by period
    - Resynchronization tool to identify issues and recalculate balances by period
  - Other prerequisites:
  - Specify the accounting date and select either "Primary issue method" or "Secondary issue method" as the Cost method.
  - Historical values in the point in time data tables.
  - Note: Tables are automatically populated by the patch and upgrades processes.

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Other Reports

The Summary report provides a beginning balance (based on the start date), activity summary within the date range and ending balance (as of the end date).

Notice the new Valuation change column to the right. This indicates that within the date range, a change was made to the valuation method assigned to the product/site. Due to the grouping of the report, it may appear twice: once for the previous method and again in the current method.

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Stock Valuation Inquiry

Stock Valuation By Period

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View Queries

Reports > View Queries

- IMM001 - Fixed Asset Listing
  - Includes cost and current year depreciation
- YWIP requestor
  - RKL custom requestor to tie out WIP general ledger balance by work order

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Make Dashboard for Closing Queries

- ACH032 – Receipts not Posted

- ACH034 – Returns not Posted

- ACH040 – Receipt Lines not Invoiced
  - Does not consider partial invoices or returns.

- CPT002 – Unposted Purchase\BP Invoices

- CPT003 – Unposted Sales\BP Invoices

- CPT004 – Unposted Payments

- CPT009 – Shipments not Invoiced

- CPT013 – Entries to Reverse

- Others...

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Closing Last Fiscal Period and Year

Closing procedures

- Final Validation of Journal Entries (Temporary to Final)
  - ✓ Run Final Validation to change all remaining temporary 2022 entries to a status of final (CPTVAL)
    - Financials > Current processes > Final validation

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Closing procedures

- Review the Pre-closing report for blocking errors (CLOPER)
    - Reports > Reports

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Period Closure

- Close the Period (GESPER)
  - Common Data > General accounting tables > Periods
    - ✓ Stock close
    - ✓ Period close (final month will notify on screen)
   - Make sure January 2023 Year and Period is open!

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Closing the Year

- All users to log out of X3

- Turn off accounting tasks (VALPCE) – Usage > Batch server > Accounting task

- NEWPR is the journal and document type used to create the closing entries (Setup > General Parameters > GTECLO1 and GTEFRW1 Parameters)

- Confirm miscellaneous accounts on the chart of accounts (GESCOA) – Setup > Organizational structure > Chart of Accounts
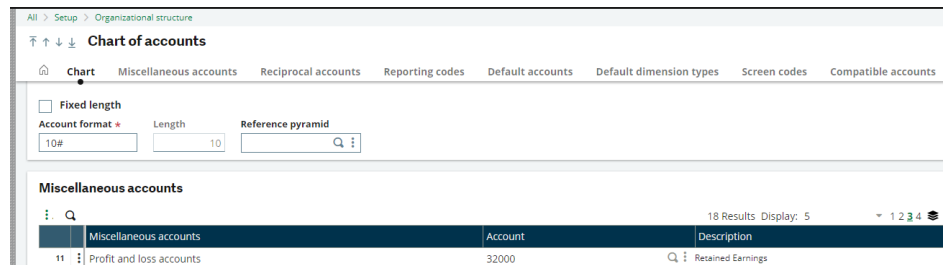
- Line 11 should be retained earnings
- Other lines not used but may need values to avoid errors from generating (realized gain loss)

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Closing the Year

- Journal entries created:
  - Entry created to close P&L accounts to retained earnings
  - NEWPR Entry Establishing opening balances for Balance Sheet accounts

- If not ready to close year, Year End Simulation can be used (SIMULFINEX)
  - Financials > Utilities > Closing > Year end simulation
  - No entry but rolls balance forward

- Years can be re-opened to enter any audit adjustments (OPNFIY)
  - Financials > Utilities > Closing

Financial Reporting

Financial Reporting Considerations

- Use SEI or FDE to verify report balances at year end (GESTXW)

- Confirm roll forward of ending balances to beginning balances for balance sheet accounts

Other Considerations

Other Considerations

- Budgets – New budget codes can be created or 2023 balances can be imported to existing budget codes. (BUDGET)

- Operational Budgets – Carry-over budgets should be calculated if necessary. (BUOREP)

- New standard costs (COPYCOUT, GESICD, CALCSTIM)
  - System will use existing standard until 2023 standard is created
  - Copy current raw material standard costs to simulated costs
  - Update raw material simulated standard costs
  - Perform a 2023 BOM cost rollup on finished good simulated costs
  - Copy 2023 simulated costs to 2023 standard costs

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1099 Generation and Reporting

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Processing 1099s for year 2022

- Sage X3 1099 updates released mid-late December

- Sage X3 only supports the tracking of 1099-NEC (Nonemployee Compensation), 1099-MISC (Miscellaneous Income), 1099-DIV (Dividends and Distributions) and 1099-INT (Interest Income) and the printing of 1099-NEC and 1099-MISC plus the 1096 forms for NEC and MISC.

- The 2022 1099 update will be included in 2023 R1 (v12p33) plus a cumulative patch will be available for 2019 R5 (v12p20) and above.
    - Form 1099-DIV has a new box, 11. The "FATCA filing requirement" checkbox has been assigned box number 11. Subsequently, box numbers 11 through 15 have been renumbered 12 through 16, respectively.
    - Form 1099-MISC new box, 13. The "FATCA filing requirement" checkbox has been assigned box number 13. Subsequently, box numbers 13 through 17 have been renumbered 14 through 18, respectively
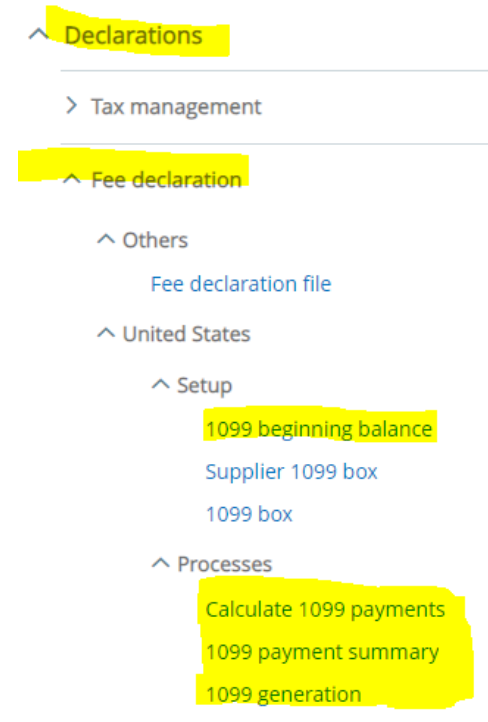
Need Help with 1099s?

We currently have a sign-up sheet for anyone requiring 1099 assistance this year.

Please click on this link: 1099 2022 - Sage X3 to add your company to our list.

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Printing 1099s

- Step 1: Calculate 1099 Payments (BPS1099CLC)
- Step 2: Amounts subject to reporting can be edited using 1099 Payment Summary (BPS1099SUM)
- Step 3: 1099 Generation (BPS1099GEN)
  - Print 1099
  - Print 1096

- Forms need to be purchased
- Electronic filing with IRS not supported

Updating Default Parameters

Default Date Parameters (ADPVAL)

- Change date ranges after the new year begins
- These dates default to the criteria screens of reports and inquiries
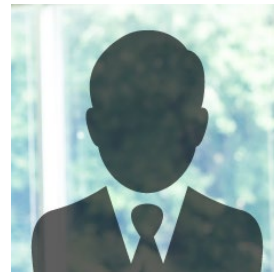- Can be set at the folder, company or user level

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Do You Have Questions?

X3 Customer Account Managers

- Gia Lane
- Customer Account Manager – East Coast
- Direct: 717-735-1492
- E-mail: glane@rklesolutions.com

- Mike Share
- Customer Account Manager – West Coast
- Direct: 717-735-9131
- E-mail: mshare@rklesolutions.com

Year-end Deals & Reminders

#FloQast

At a time like this, FloQast can be used as a powerful tool to help add visibility into the team's workload, allowing the team to do more with less. Benefits include:

- Integrates to Sage and Excel to bridge the gap between the GL + checklists/workbooks
- Quick implementation.. 3-5 weeks on average!
- 26% reduction in time to close
- 39% increase in accuracy of close data

LeaseQuery.

Schedule a demo, and sign up with LeaseQuery before year-end and get 50% off implementation (that's a $2,500 savings)!

Avalara

Now through December 31, 2022, RKL has partnered with Avalara to extend to you Avalara's Standard Sales Tax Risk Assessment (a $4,500 value) **for free.**

Find out more

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Ask your RKL representative for more info on any of these year-end promotions

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Thank you and Happy Holidays!

RKL eSolutions HelpDesk is a great place to ask questions!

Support@rklesolutions.com
717-735-9109