

Change Financial Year

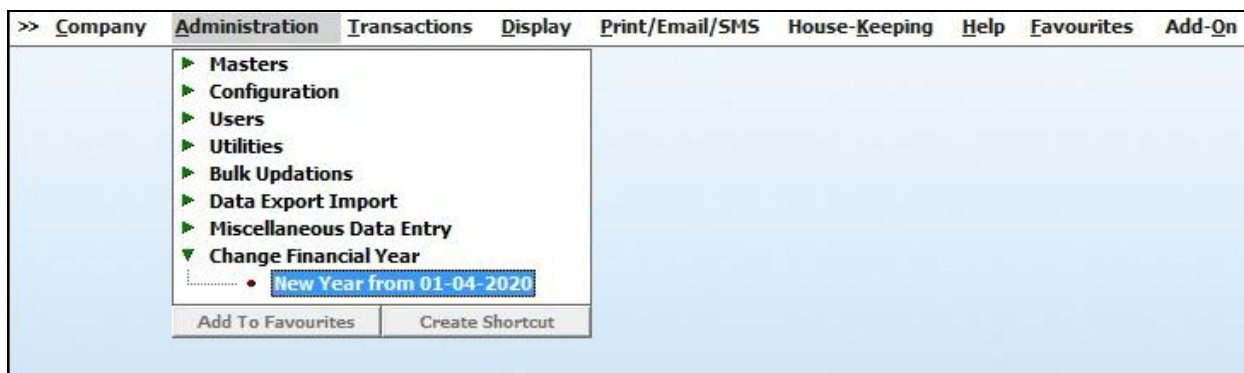
Generally, in India, an accounting period from 1st April to 31st March is followed. Hence, on 31st of March, closing of the accounts is done, new books are started for new financial year and the balances are carried forward to new financial year. Although new financial year is created and new entries starts getting posted to new year, we need to go to previous year frequently to finalize the accounts and post year end entries. In such cases we need to carry over balances again to New Year. So, changing financial year consists of two parts:

- a) Creating New Financial Year and carrying balances of previous year.
- b) Switching back to previous year, make/change some entries and carrying over balances again to next year (New Financial Year).

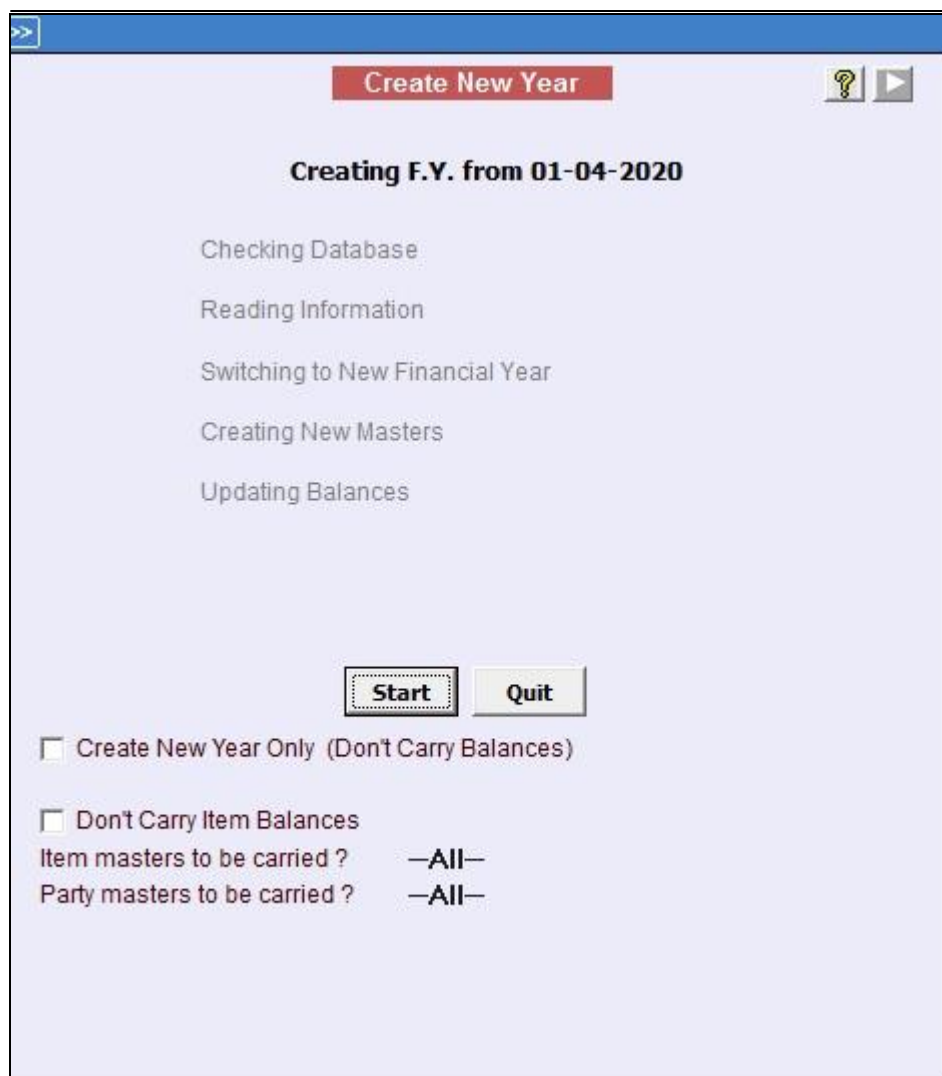
We will now discuss the above mentioned points in detail.

a) Creating New Financial Year and carrying balances of previous year

To create New Financial Year, click **Administration** → **Change Financial Year** option. Given here is a screenshot of *Change Financial Year* menu.



Select **New Year from 01-04-XXXX** option to create a new financial year. On clicking this option, a *Create New F.Y. message* box appears. Click the *Ok* button in the message box to create a new financial year. On clicking the *Ok* button a *Create New Year* window appears displaying different actions that will be taken at the time of creating a new year. Given here is a screenshot of *Create New Year* window.



At the bottom of the *Create New Year* window, following options appear:

- **Create New Year Only (Don't Carry Balances)** - Enable this option, if you want to create financial year only and do not want to carry balances to the next year. With this option you can instantly create a new financial year and start with the work (especially billing). However, later at any time, you can carry previous year balances to current financial year by going back to previous financial year and again going to **Administration** → **Change Financial Year** option.
- **Don't Carry Item Balances** - Enable this option, if you don't want to carry item balances to next financial year. This is required when Item balances are actually not maintained and carrying of current Item balances to next year is not required.

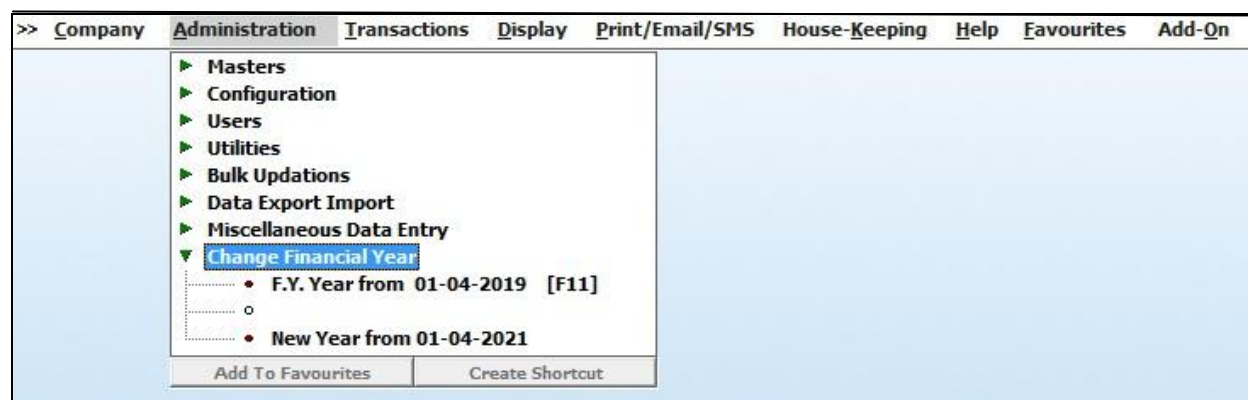
- **Item masters to be carried-** Select Item masters to be carried from the list. There are three options in the list:
 - All – Select this option if you want to carry all Item masters.
 - Closing Bal. – Select this option if you want to carry those Item masters only which are having some closing balance.
 - Moved/Closing Bal. – Select this option if you want to carry those Item masters for which any transaction has been taking place during the year or are having some closing balance.
- **Party masters to be carried**–Select Party masters to be carried from the list. There are three options in the list:
 - All – Select this option if you want to carry all Party masters.
 - Closing Bal. – Select this option if you want to carry those Party masters only which are having some closing balance.
 - Moved/Closing Bal. – Select this option if you want to carry those Party masters for which any transaction has been taking place during the year or are having some closing balance.

Click the *Start* button to start the process of creating/changing new financial year.

While changing financial year, a *Bank Reconciliation* message box appears. Click the *Yes* button in the message box, if you want to carry forward un-cleared entries to next financial year. Otherwise, click the *No* button.

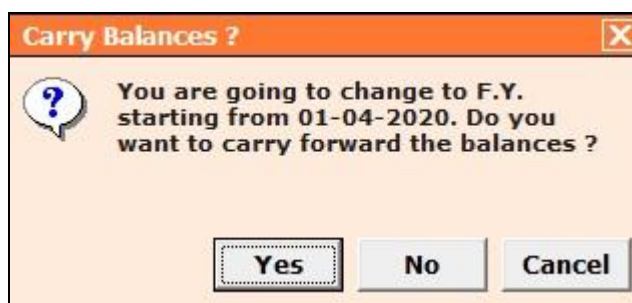
b) Switching back to previous year, make/change some entries and carrying over balances again to next year (New Financial Year)

To switch back to previous year, click **Administration** → **Change Financial Year** option. Given here is a screenshot of *Change Financial Year* menu.



Select **F.Y. from 01-04-XXXX** if you want to switch to a previous financial year. There can be various reasons for which you want to switch to a previous financial year such as to check any entry, to modify a record and so on. On clicking this option, a *Change F.Y.* message box appears asking for your confirmation to change the financial year. Click *Yes* button in the message box, if you want to switch to the previous financial year.

Once you have switched to a previous financial year and made the required changes in it, click the **Administration → Change Financial Year → F.Y. from 01-04-XXXX** option to switch to the current financial year again. If you have made some changes in the previous year's records then while switching to current financial year, a *Carry Balances* message box appears asking your confirmation to carry forward the balances to the current financial year. Given here is a screenshot of *Carry Balances* message box.



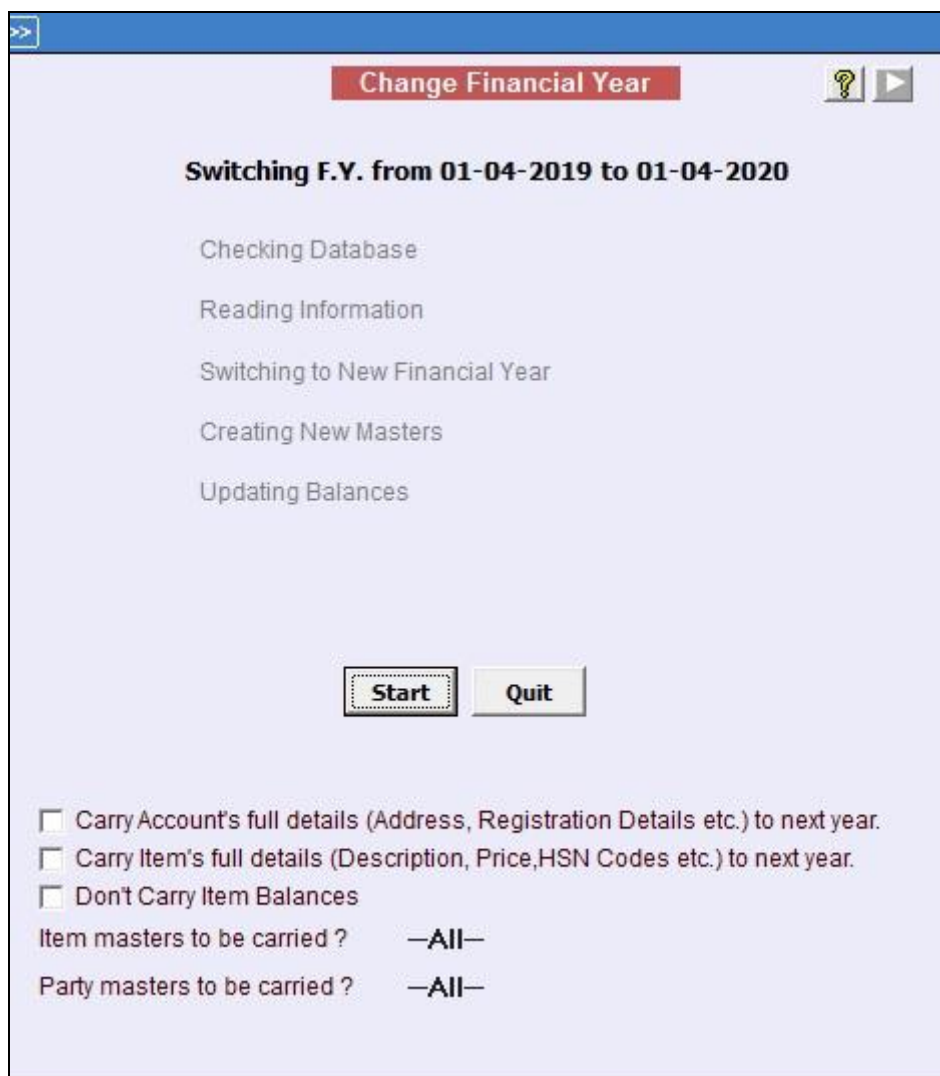
Click *Yes* button in the message box to carry balances to the current financial year. On clicking the *Yes* button in the message box, a *Carry Balances* message box appears asking you to carry forward balances of all the Masters or only those Masters in which any change has been made. Given here is a screenshot of *Carry Balances* message box.



In the message box, there are two options. The options are:

- **All Masters** - Select this option if you want to carry balances of all the Masters.
- **New & Changed Masters** - Select this option if you want to carry balances of only those Masters in which some changes have been made.

On selecting any of the option, a *Change Financial Year* window appears. Given here is a screenshot of *Change Financial Year* window.



Click the *Start* button to start the process of switching to another financial year.

At the bottom of the *Change Financial Year* window, there are various options. The options are:

- **Carry Account's full details (Address, Registration Details etc.) to next year** - Select this option if you want to carry Account master's full details such as Address, Registration Details etc. to next financial year.

- **Carry Item's full details (Description, Price, HSN Codes etc.) to next year** - Select this option if you want to carry Item master's full details such as Description, Price, HSN Codes etc. to next financial year.
- **Don't Carry Item Balances-** Enable this option, if you don't want to carry item balances to next financial year. This is required when Item balances are actually not maintained and carrying of current Item balances to next year is not required.
- **Item masters to be carried-** Select Item masters to be carried from the list. There are three options in the list:
 - All – Select this option if you want to carry all Item masters.
 - Closing Bal. – Select this option if you want to carry those Item masters only which are having some closing balance.
 - Moved/Closing Bal. – Select this option if you want to carry those Item masters for which any transaction has been taking place during the year or are having some closing balance.
- **Party masters to be carried-** Select Party masters to be carried from the list. There are three options in the list:
 - All – Select this option if you want to carry all Party masters.
 - Closing Bal. – Select this option if you want to carry those Party masters only which are having some closing balance.
 - Moved/Closing Bal. – Select this option if you want to carry those Party masters for which any transaction has been taking place during the year or are having some closing balance.

While switching to another financial year, a *Bank Reconciliation* message box appears. This message box appears if you have enabled the *Bank Reconciliation* feature in *Features / Options* and in any Bank account; you have more than 50 percent of the entries for which clearing date has not yet entered. If you click the *No* button in the message box then the un-cleared entries will not be carried over to next financial year. Otherwise, if you click the *Yes* button then all the un-cleared entries of the previous year will be carried over to the next financial year.

Hope the document has helped you in solving queries related to changing financial year.

<<<☺ Thank You ☺>>>