

NETSUITE PERIOD & YEAR END CLOSE



December 14, 2021

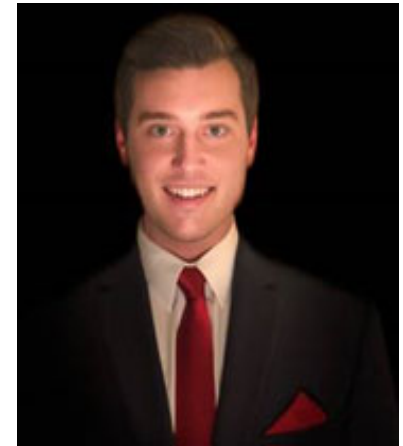
Today's Speakers



Jack White and Max Emond

NetSuite Consultant

Jack and Max are senior associates at RSM. They have nearly 7 years of NetSuite experience, working on a broad variety of clients. Jack and Max primarily focus on the life science and technology industries. They have supported large multi-subsidary and international clients as well as small pre-revenue organizations.



Agenda

- **Part 1**

- Accounting Period Setup
- NetSuite Period Close
- Period Close Best Practices
- Additional Features and Settings

- **Part 2**

- Live Demo
- Questions and Answers

Accounting Period Setup

- Setup > Accounting > Manage Accounting Periods
- Period Creation
 - Setup Full Year
 - Period Formats: Calendar Months, 4 Weeks, 4-4-5 weeks
 - Adjusting Period
 - New Year, Quarter, or Base Period Only
- Allow Non G/L Changes
 - Per Period, By Editing After Periods Are Closed
 - Per Role, by Adding Allow Non G/L Changes Permission (Setup)

NetSuite Period Close: Basics

- Period Status: Unlocked vs. Locked vs. Closed
 - **Unlocked:** Any user can post transactions
 - **Locked:** Only users with Override Period Restrictions permission (setup) can edit or create transactions
 - **Closed:** No users, including Administrators, can post or make changes to transactions
- Close all Prior Periods
 - All prior periods must be closed in order to close current period
 - All prior periods do not have to be closed in order to lock the current period

NetSuite Period Close: Basics

- Reopening a Period
 - Periods previously closed can be reopened if adjustments are needed
 - Reopening a period will also open any subsequent periods
- Audit Trail
 - System notes are tracked on each task of the period close checklist
 - A justification is required to reopen a closed period and is tracked within the system notes
- Saved Search Audit Trail/System Notes

NetSuite Period Close: AP & AR












- AR
 - Review AR Aging
 - Customer Record Management
- AP
 - Review AP Aging
 - Vendor Record Management
 - 1099 Processing
 - Tax ID's
 - GL Account Setup
 - 1099 Saved Search
- Lock All
 - Non AP or AR transactions
 - Journal Entries
 - Item Fulfillments



NetSuite Period Close: Checklist

- Depending on the features enabled in each account, the following tasks may be available

- Resolve Date/Period Mismatch
- Review Negative Inventory
- Review Inventory Cost Accounting
- Review Inventory Activity
- Revalue Open Foreign Currency Balances
- Calculate Consolidated Exchange Rates
- Eliminate Intercompany Transactions
- GL Audit Numbering

| GO TO TASK | TASK |
|---|--|
|  | Lock A/R |
|  | Lock A/P |
|  | Lock All |
|  | Resolve Date/Period Mismatches |
|  | Review Negative Inventory |
|  | Review Inventory Cost Accounting |
|  | Review Inventory Activity |
|  | Revalue Open Foreign Currency Balances |
|  | Calculate Consolidated Exchange Rates |
|  | Eliminate Intercompany Transactions |
|  | Close |

Period Close Best Practices

- Complete Tasks Before Using Checklist
 - There are a few tasks in Period Close Checklist that can be completed independent of the checklist:
 - Review Negative Inventory
 - Revalue Open Foreign Currency Balances
 - Manual Elimination of Intercompany Activity
 - Make sure that all your entries for the period are posted. Ensure that no entries for the period are waiting for approval.

Automatic Close

- You are not required to perform a formal year-end closing. NetSuite automatically closes year-end after you close all of the periods in your year.
- NetSuite does not post the balance to retained earnings because doing so would zero the past income statements and prevent them from being viewed.
- On your balance sheet, the retained earnings account and the net income account together make up your cumulative retained earnings balance at any point in time.
 - Net income from the current fiscal year-to-date is displayed in the net income account.

Additional Features & Settings

- Multiple Calendars in OneWorld
- Multi-book Enablement Features
- GL Audit Numbering
- Accounting Period Window Setting (Accounting Preferences)
- Role Permissions
- Allow (disallow) transaction date outside of posting period setting
- Quick Close feature (make sure it's enabled in Accounting Preferences)



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QUESTIONS AND ANSWERS

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