Year-end finalisation (EOFY) in Reckon Accounts 2023

Post upgrade notes

After upgrading to Reckon Accounts 2023, any STP submission eg. pay run, update event, EOFY finalisation etc must comply with STP Phase 2 requirements

This means that in order for you to export any STP Lodgements post-upgrade, you are required to update your **Employees** to contain the <u>mandatory</u> **Income Type** and other supporting setup.

Therefore, it is highly recommended that you update both Employees and Payroll Items to be in the STP Phase 2 format manually or with the use of the **Migration Assistant <https://help.reckon.com/article/u1y9erflg2-stp-phase-2-migration-assistant>** before your first pay for 2023/24.

> See **STP Phase 2 – Employer Checklist of key changes – Reckon Help and Support Centre <https://help.reckon.com/article/w5r2a36yb8-stp-phase-2-employer-checklist-relating-to-reckon-accounts#have_you_changed_your_payroll_solution_during_a_financial_year>** .

> If you are using **Lump Sum E** payroll items, you must assign a **Financial Year** to it by editing the payroll item from the Payroll Item List to successfully perform an STP Lodgement.
>
> See **STP Phase 2 - Disaggregation of Gross - Reckon Help and Support Centre <https://help.reckon.com/article/g3wrmfjnq6-stp-phase-2-disaggregation-of-gross#updated_lump_sum_e>** for more information.

Year-end finalisation (EOFY)

> The following are recommended steps suggested by one of our Accredited Parter.

Step 1: Reconcile RESC

Once the final pay has been processed, the user needs to begin the reconciliation process. The following reports will need to be generated and checked:

Super Report by Employee

1 Go to **Reports > Employees & Payroll > Super Report by Employee**

2 Click **Modify Report**

3 Under Display:

   a Change **Dates** to **Last Payroll Year**

   b On Columns, place a tick on **RESC Amount**

4 Click OK

5 Take note of the **RESC Amount** total

Payroll Summary

1 Go to **Reports > Employees & Payroll > Payroll Summary**

2 Under Display:

   a Change Dates to **Last Payroll Year**

   b Change Display Columns to **Total only**

   c Clear **Hours**

   d Clear **Rate**

3 Click OK

4   Review **Deductions from Gross Pay**.

5   Take note of any pre-tax deductions that are paid directly to the employee's super
    fund. These should total the RESC amount in the **Super Report by Employee** report.

What if the totals don't match?

It is most likely that some pays may need to be refreshed. Extend the **Payroll Summary** report
to display each employee's payroll totals.

On the report header, change the Columns to **Employee**

Compare each employee's RESC total from the **Super Report by Employee**, with each employee's **Deductions from Gross Pay** to determine which employee's pays require reviewing.

Should an employee have amounts in the Payroll Summary report, which do not match the Super Report by Employee, then review the Super Report by Employee for that employee.

Check that there are identical amounts in both the **Amount** column and the **RESC Amount** column for each pre-tax superannuation deduction. These amounts can be identified by the **Contribution Type** in the Super Report by Employee.

Step 2: Reconcile Payroll to the General Ledger

Ensure that the payroll processed matches (reconciles) to the general ledger totals.

This check is important to ensure that only payroll entries have been posted to these accounts. Sometimes similar accounts like work cover, training, or work experience are posted to payroll accounts, and these should be reallocated.

Payroll Summary

On the report header, change the Columns back to **Total only**

Depending on how many payroll items are being used, you may want to export this report for totalling (allowances) etc.

Profit & Loss Report

1   Go to **Reports > Company & Financial > Profit & Loss Standard**

2   Click **Modify Report**

3   Under Display, change Dates to **Last Financial Year**

4   Ensure that the totals from the **Payroll Summary** report can be verified and matched in the **Profit & Loss** report

What if the totals don't match?

It is possible that the superannuation expense account doesn't match the payroll reports. This could be due to the superannuation payroll item being set up incorrectly.

To check this:

1   Go to **Lists > Payroll Item List**

2   Click on the **Payroll Item** button and select **Customise Columns**
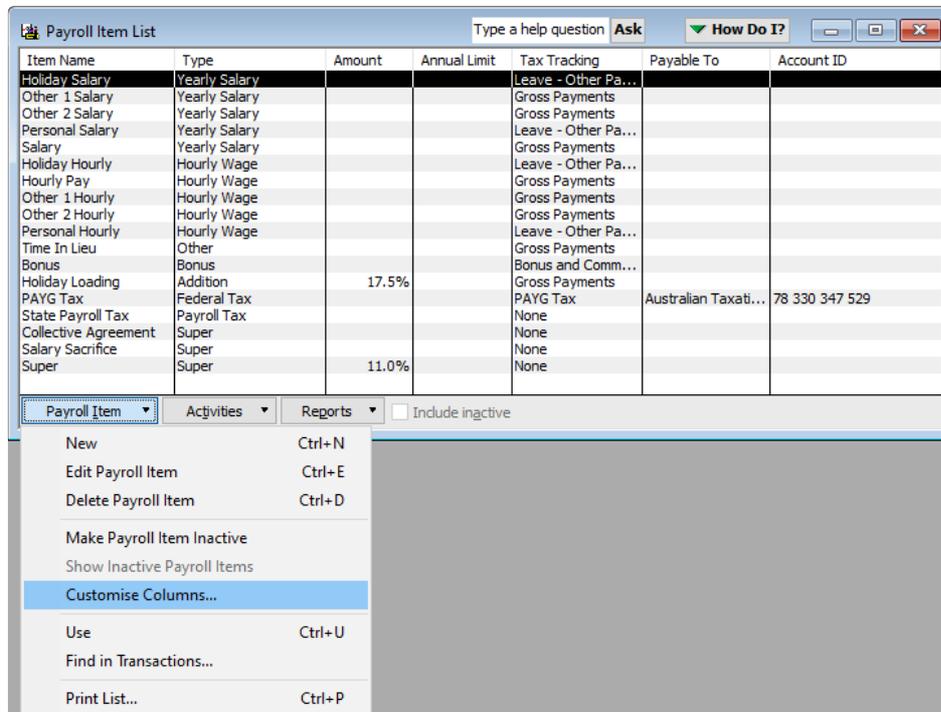
3   Select the **Expense Account** from the Available Columns

4   Click on **Add** to include it on the Chosen Columns

5   Repeat Step 3 and 4 for the **Liability Account**

6   Click OK
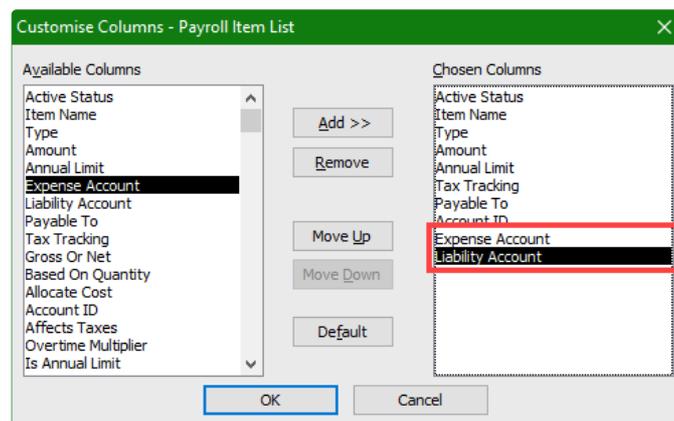
7   Review the accounts which the payroll item is posting to

A common error is that the superannuation expense account is selected in both the payroll item liability and expense accounts for superannuation.

Selecting the correct account will reallocate the relevant transactions retrospectively.

This method is also useful for identifying all other misallocated payroll items which could also be reporting incorrectly in the **Profit & Loss** Report.

Step 3: Reconcile report totals with Reckon GovConnect

1 Go to **Employees > Process Single Touch Payroll**

2 Select **Finalise Year** as the Pay Event with the correct **Financial Year**

3 Click on **Select All** then, **Export**

4 Upload the export file (JSON) into the **Reckon GovConnect**

Currently, there is no printable report from Reckon GovConnect.

WORKAROUND

1 Review the **Detail** of the uploaded file and highlight all the data, including the headers.

2 Copy the highlighted data and paste into Excel

3 Total each column and compare these totals to the **Payroll Summary** report totals

4 Check overall totals as well as totals for each employee

#	Employee Name	Gross Pay	PAYG	Leave	Overtime	Allowances	Bonuses & Comm.	Directors Fees	Salary Sacrifice	Lump Sum	ETP	Deductions	Super	RESC	Final Event	Detail
1	First Last	$4,000.00	$1,317.00	$0.00	$0.00	$0.00		$0.00	$0.00	$200.00	$0.00	$0.00	$0.00	$440.00	$300.00	Yes	Detail
2	Given Last	$5,000.00	$1,787.00	$0.00	$0.00	$0.00		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$550.00	$450.00	Yes	
		$9,000.00	$3,104.00	$0.00	$0.00	$0.00		$0.00	$200.00	$0.00	$0.00	$0.00	$0.00	$990.00	$750.00		

5 Check that each employee displays 'Yes' in the **Final Event** column

Related Articles

EOFY Finalisation - Reckon Accounts

Reckon Accounts Hosted - Reckon Cloud POS

Processing EOFY - Reckon One

Reckon **R** **<https://www.helpdocs.io?ref=hd>**

Powered by HelpDocs **<https://www.helpdocs.io?ref=hd>**