



FINANCIALS

In This Document:

- Learn how to finalize, close, and reopen financial periods in Soluno®.
- Understand how to close your fiscal year.
- Explore how to add and review journal entries.

OVERVIEW

To run financial reports, make/adjust journal entries, and close your financial periods, go to the **FINANCIALS** icon in the main tool bar.



The first four tabs in **FINANCIALS** are for your core financial reports. These tabs are covered in the *Reporting: Financials* document.

This document will be focussing on the last four tabs on the Financials screen; [Close Period](#), [Journal Entry](#), [General Journal](#), and [GL Opening Balance](#).



CLOSE A PERIOD

Soluno offers a great deal of flexibility when it comes to closing out a period; you do not have to close a period in order to create financial reports; you can close periods at any frequency, not just month-by-month; you can close a period and end a fiscal year in a single step.

Closing a period is the final stage of a firm's workflow. This process will finalize your financial statements and begin your next accounting period. Therefore, before you begin the process you should ensure that all work in the period is complete.

DO NOT CLOSE A PERIOD IF...

- There is uncompleted billing for the period.
- There are outstanding bank payments, transfers, and checks that must be entered or altered in that period.
- Bill adjustments still need to be made.
- Your operating and trust bank accounts have not been reconciled.
- Your general ledger accounts have not been reconciled.
- Additions and adjustments to journal entries and general ledgers have not been entered yet.

Once you have completed all the tasks above, you can move on to the **CLOSE PERIOD** tab in the Financials section. Soluno will display a caution message informing you that once finalized, the system will prevent you from making any additions or changes that will affect the accounting for that period.

General Ledger Balance Sheet Trial Balance Profit and Loss **Close Period** Journal Entry General Journal

Closing a period finalizes all accounting activities. Once a period is closed you can no longer make accounting changes to the period; correcting non-accounting information is allowed.
If you also close the fiscal year, the income and retained/revenue accounts will be netted out into equity.

Period to finalize

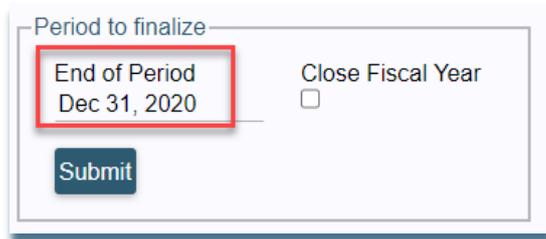
End of Period
Dec 31, 2020

Close Fiscal Year

Submit

▶ Previous Periods

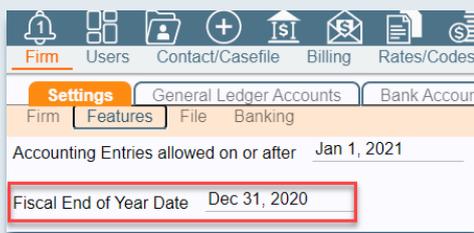
In the **PERIOD TO FINALIZE** area, identify when the **END OF PERIOD** will occur. This date will default to the end of the current open period; however, you can manually override this as needed by double-clicking into the field.



CLOSE FISCAL YEAR: If the accounting period and fiscal year are both ending, select the Close Fiscal Year option. Soluno will close the period and also update the fiscal year and the End of Fiscal Year Date.

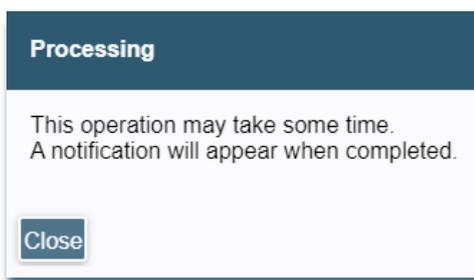
Note: If you also close the fiscal year, the income and retained/revenue accounts will be netted out into equity.

To find or change your Fiscal End of Year Date, go to **ADMINISTRATOR SETTINGS** → **FIRM** → **SETTINGS** → **FEATURES**.



Click on the **SUBMIT** button once you have selected all the necessary information.

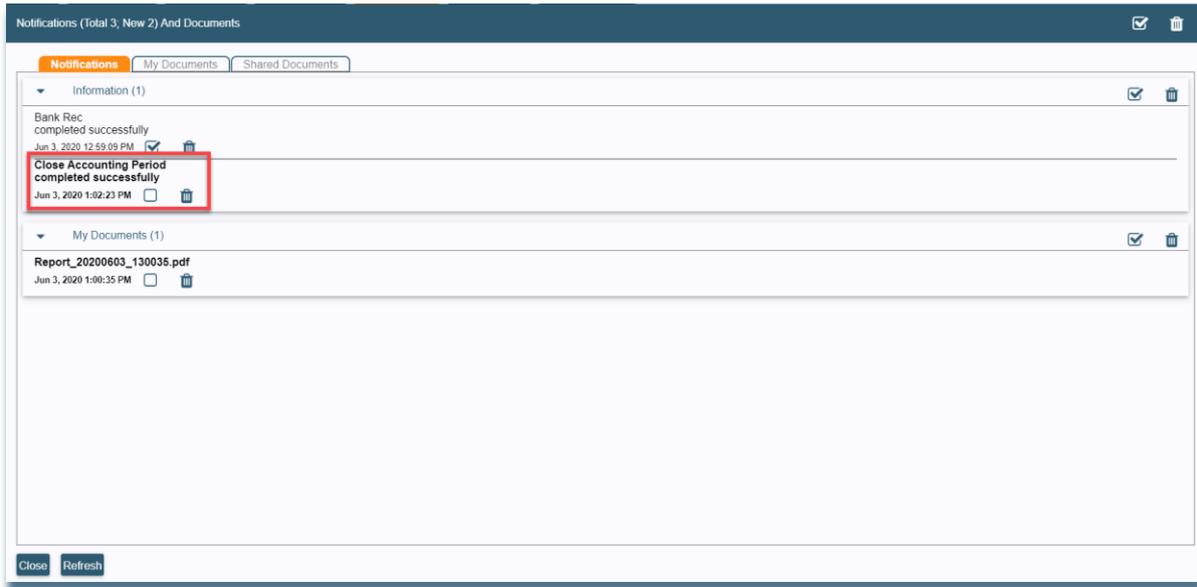
The system will display a status message as your request is processed.



Once processing has been completed, Soluno will inform you via the **NOTIFICATION** icon. Click on this icon to review the message.



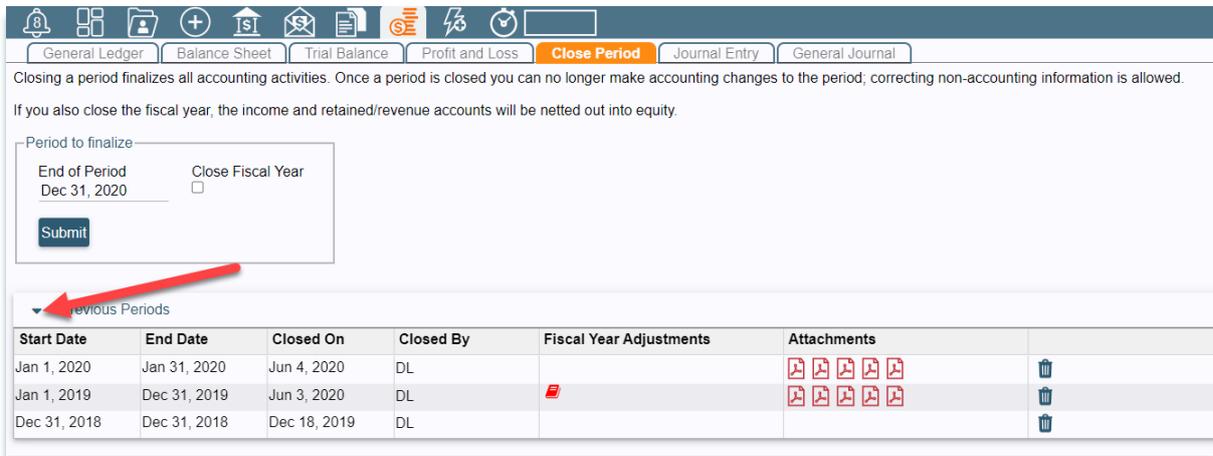
To confirm the period has been closed click on the Notifications icon to bring up the **NOTIFICATIONS AND DOCUMENTS** window. Select the **NOTIFICATIONS** tab and scroll to the bottom of the list.



Here you will see the notification that the period has been successfully closed.

PREVIOUS PERIODS

The Previous Periods list can be found on the Close Period tab on the Financials screen. You can view the list by clicking on the expandable heading beneath the Period to Finalize area.



This section lists all the periods you have closed successfully and any related attachments (financial documents) for each period. Let's break down the information displayed.



START DATE & END DATE: These indicate the duration of the period.

CLOSED ON: This shows the date that the period was closed. This may not coincide with the End Date for the period.

CLOSED BY: This field displays the initials of the user who closed the period.

FISCAL YEAR ADJUSTMENTS: If the Close Fiscal Year option was selected for the listed entry, this column will contain the year-end adjusting entries that were generated. To review them, click on the **BOOKS** icon.



ATTACHMENTS: Any financial reports associated with a closed period, are listed here. The general ledger, detailed general ledger, balance sheet, trial balance, and profit and loss reports will automatically be generated in .pdf form. Click on an icon to view the associated report.

| Start Date | End Date | Closed On | Closed By | Fiscal Year Adjustments | Attachments | |
|--------------|--------------|--------------|-----------|-------------------------|-------------|--|
| Jan 1, 2020 | Jan 31, 2020 | Jun 4, 2020 | DL | | | |
| Jan 1, 2019 | Dec 31, 2019 | Jun 3, 2020 | DL | | | |
| Dec 31, 2018 | Dec 31, 2018 | Dec 18, 2019 | DL | | | |

RE-OPEN A PERIOD

Re-opening a closed period in Soluno is simple. Go to the Previous Periods list and select the period you wish to open. Then click on the **DELETE** icon on the far right of the row.

| Start Date | End Date | Closed On | Closed By | Fiscal Year Adjustments | Attachments | |
|--------------|--------------|--------------|-----------|-------------------------|-------------|--|
| Jan 1, 2020 | Jan 31, 2020 | Jun 4, 2020 | DL | | | |
| Jan 1, 2019 | Dec 31, 2019 | Jun 3, 2020 | DL | | | |
| Dec 31, 2018 | Dec 31, 2018 | Dec 18, 2019 | DL | | | |

Once you click on the Delete icon you will receive a warning informing you that re-opening the selected period will automatically delete all periods created on and after the original closing date.

Re-open Period

This operation will delete this closed period along with any newer periods.

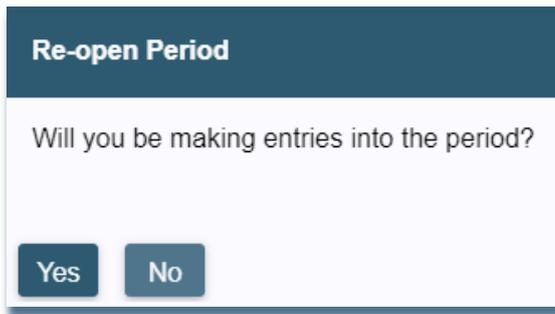
Continue?

Example: You wish to re-open last month's period and you have not closed a period since then. Confirming this action will simply delete the selected closed period.

Example: You wish to re-open a closed period from the beginning of the year. You have closed 4 other periods since then. Confirming the action will delete the selected closed period in addition to the 4 periods you closed afterwards.

Click **YES** if you wish to confirm the action.

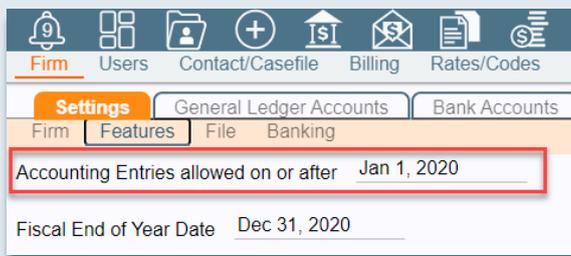
The system will then ask if you will be making entries for the period you are re-opening.



Select **YES** to reset the **ACCOUNTING ENTRIES ALLOWED ON OR AFTER** date associated with the period. Select **NO** and the date will remain the same.

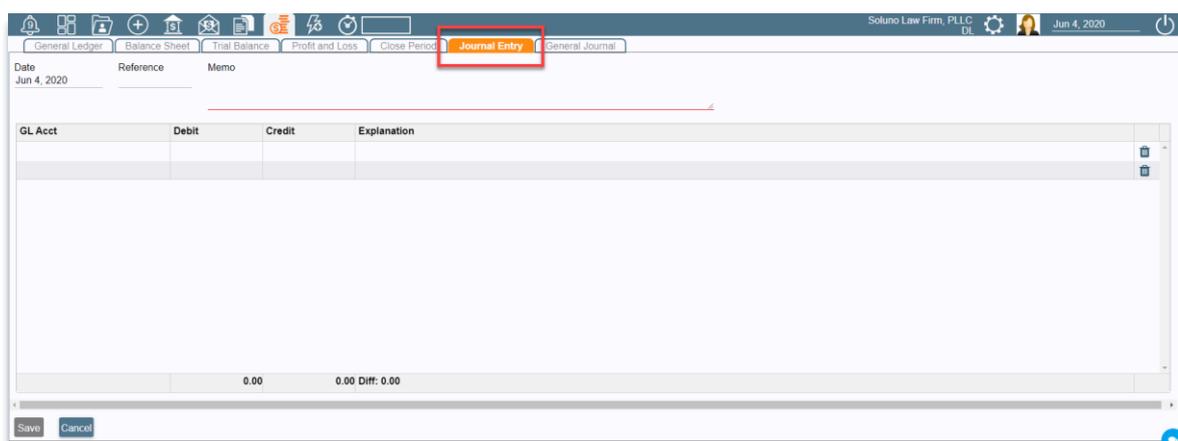
ACCOUNTING ENTRIES ALLOWED ON OR AFTER is a date set by administrators to prevent backdated entries. Such entries would affect existing financial statements.

To find or change the dates for which you can enter accounting information, go to **ADMINISTRATOR SETTINGS → FIRM → SETTINGS → FEATURES**.



JOURNAL ENTRY

If you wish to create journal entries to adjust one or more general ledger accounts, click on the **JOURNAL ENTRY** tab.



Select the date of the entry. The **DATE** section will default to the current date, but you can change it by typing it in or clicking in the field to use the calendar. A reason for the entry and any other pertinent information must be input in the **MEMO** field. You also have the option to enter a **REFERENCE** code to help recall the entry easily.

Now you will need to add your entries.

Select the general ledger account you need to adjust by typing or clicking within the **GL ACCT** field.

| GL Acct | Debit |
|-----------------------|----------------|
| bank | |
| 1100.t2 bank at Chase | Current Asset |
| 2500 Bank Loan | Long Liability |
| 5100 Bank Charges | Expense |

Next, enter the **EXPLANATION** for the entry (the Explanation often mirrors the memo field).

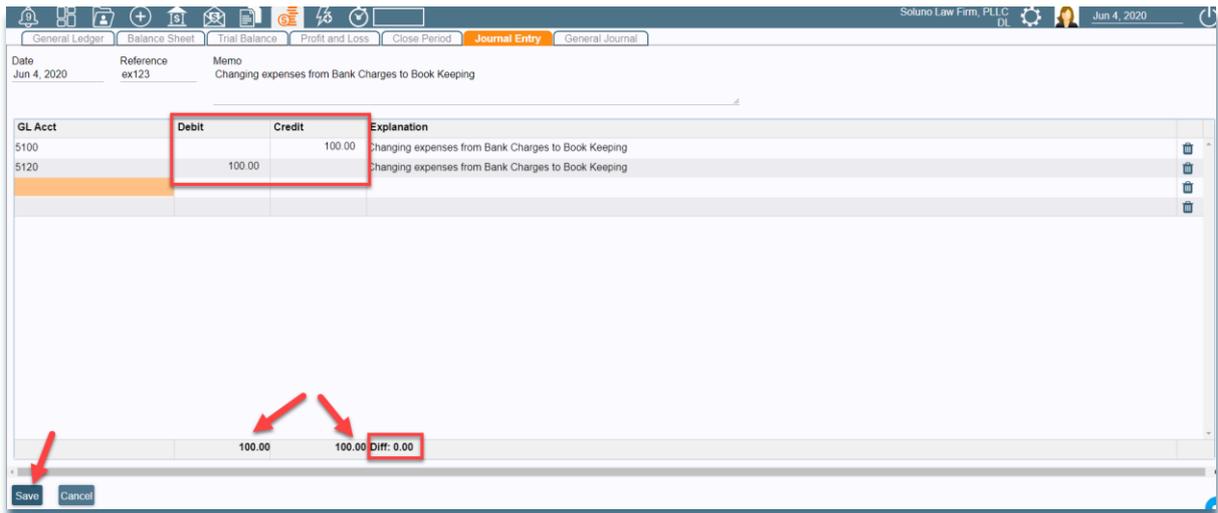
Determine whether you are debiting or crediting the account by entering the adjustment amount in the corresponding column. The totals of the debit and credit columns are displayed at the bottom of the table.

In the following example we are moving some expenses from bank charges to bookkeeping expenses.

| GL Acct | Debit | Credit | Explanation |
|---------|-------|--------|---|
| 5100 | | 100.00 | Changing expenses from Bank Charges to Book Keeping |
| | 0.00 | 100.00 | Diff -100.00 |

No matter how many entries you add, the journal must be balanced in order for the system to process the adjustments. In the example above, the **DIFF** (difference) indicator shows that the entry is not currently balanced and therefore the **SAVE** button is not active. An additional entry must be added to balance the accounts.

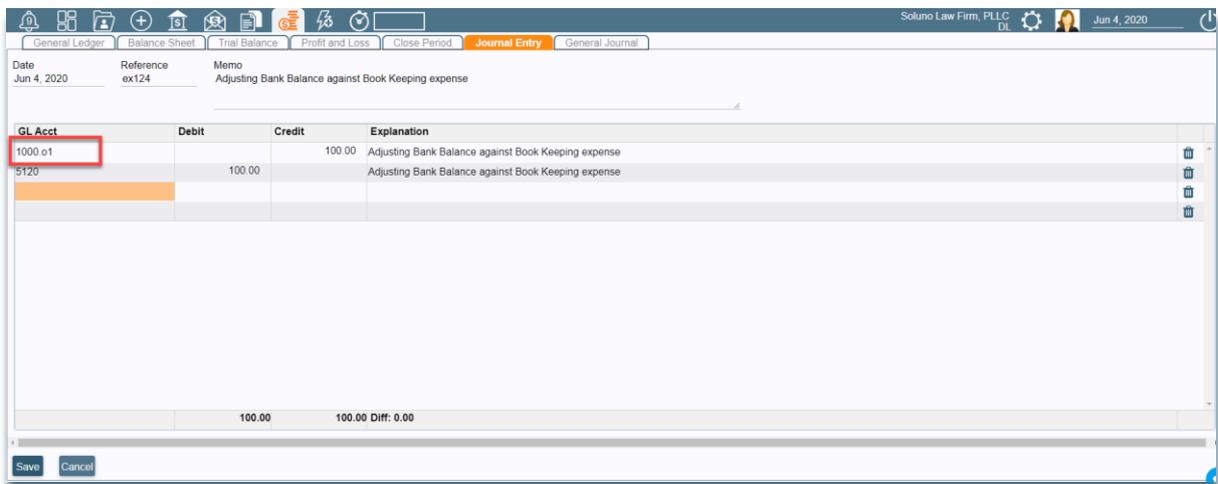
Once the entries are balanced and the Diff amount is 0.00, the system allows you to **SAVE** the entry.



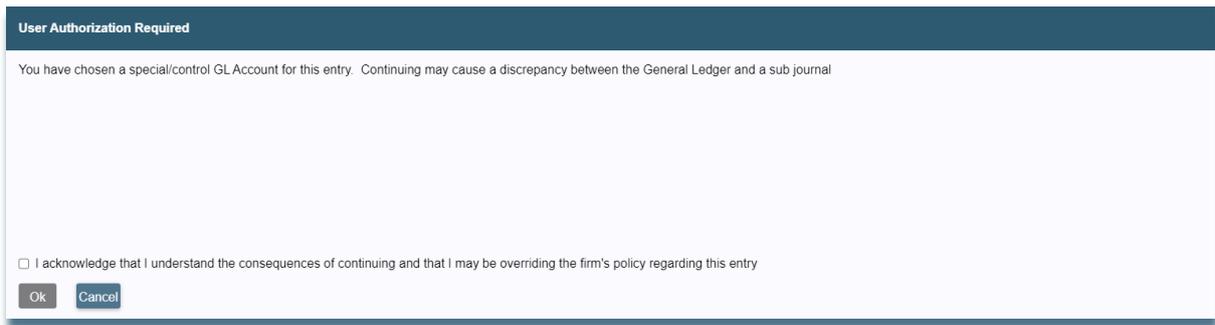
JOURNAL ENTRIES FOR CONTROL ACCOUNTS

There are many general ledger accounts that are control accounts. These facilitate data entry and ensure that the different values in a set of books always match. Adjusting balance entries to these control accounts can significantly impact the data's validity.

In the example below, the user is attempting to enter a journal entry to an operating bank control account.



Even though the entries are balanced, Soluno will issue a warning when the **SAVE** button is clicked. The system requires you to acknowledge the effects and consequences of this action before continuing.



Note: If you proceed with this entry the operating bank General Ledger account will not balance with the Operating Bank Journal report.

In this example, the correct way of adjusting the operating bank general ledger account is to enter a receipt to the GL account as well as to post a payment against the Bookkeeping GL account. **We strongly recommend** that you contact Soluno Support if you encounter a situation like this so that we can provide an alternative solution.

EMAIL: support@DevlosSoftware.com

TOLL-FREE PHONE: 1 (844) 338-5674 (Option 1)

WEBSITE: www.Soluno.legal

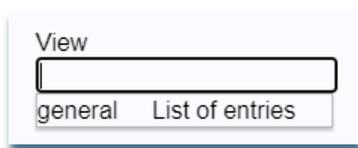
GENERAL JOURNAL

The **GENERAL JOURNAL** report shows all journal entries posted to Soluno. To run a General Journal report, go to Financials and select the General Journal tab.

Note: This report runs very similarly to other reporting functions. For a full overview of how to navigate report screens, consult the *Navigating Reports* document.



There is only one **VIEW** available in General Journal. Select it by clicking into the View field.



For a list of all Journal Entries with no date constraints, associated reference tags, or GL accounts, click the **PLAY** Icon.



You can also apply one or more filters to specify the entry listings.



The 'View Parameters' dialog box contains four input fields: 'Start Date', 'End Date', 'Reference', and 'GL Acct'. A blue drop-down arrow icon is located to the left of the 'Start Date' field.

To filter the journal entries by a date range, you can fill in the [START DATE](#) and/or [END DATE](#) fields. You can also click the [BLUE DROP-DOWN](#) icon to select from a list of pre-set date ranges.



The dropdown menu shows a list of date series with their corresponding start and end dates. The 'Start Date' field in the background is highlighted with a red box.

| Date Series | Start Date | End Date |
|--------------------|--------------|--------------|
| All Dates | | |
| Today | Jun 4, 2020 | Jun 4, 2020 |
| Up To Today | | Jun 4, 2020 |
| Week (Current) | May 31, 2020 | Jun 6, 2020 |
| Week (Previous) | May 24, 2020 | May 30, 2020 |
| Up To Last Week | | May 30, 2020 |
| Month (Current) | Jun 1, 2020 | Jun 30, 2020 |
| Month (Previous) | May 1, 2020 | May 31, 2020 |
| Up To Last Month | | May 31, 2020 |
| Quarter (Current) | Apr 1, 2020 | Jun 30, 2020 |
| Quarter(Previous) | Jan 1, 2020 | Mar 31, 2020 |
| Up To Last Quarter | | Mar 31, 2020 |
| Year (Current) | Jan 1, 2020 | Dec 31, 2020 |
| Year (Previous) | Jan 1, 2019 | Dec 31, 2019 |
| Up To Last Year | | Dec 31, 2019 |

If you wish to pull a specific entry, you can filter by its [REFERENCE](#) number.

If you only want to see a report for a specific general ledger account, you can type or select it in the [GL ACCT](#) field.



The dropdown menu shows a list of general ledger accounts. The '5020 Accounting & Legal' account is highlighted.

| GL Acct | Description | Type |
|-----------|---------------------------|---------|
| 4000.dp | Fees-Daniel Paige | Income |
| 4900 | Accounts Payable Discount | Income |
| 4920 | Interest Income | Income |
| 4940 | Markup Income | Income |
| 4960 | Miscellaneous Income | Income |
| 5000 | General Expense | Expense |
| 5010.rtnr | Operating Retainers | Expense |
| 5020 | Accounting & Legal | Expense |
| 5040 | Advertising & Promotion | Expense |
| 5060 | Auto Expense | Expense |
| 5080.dis | Bad Debt - Disbursements | Expense |
| 5080.fee | Bad Debt - Fees | Expense |
| 5100 | Bank Charges | Expense |
| 5120 | Bookkeeping | Expense |
| 5140 | Business Taxes | Expense |

Once you have determined the parameters of the view you wish to run, click on the [PLAY](#) icon. All journal entries that meet your criteria will appear on the screen, beginning with the oldest entries.

| Date | User | Reference | Memo | Debit | Credit | Explanation |
|----------|------|-------------------------------|---|--------|--------|---|
| 6/4/2020 | DL | EX123 | Changing expenses from Bank Charges to Book Keeping | | | |
| 1078 | | | | | | |
| | | 5100 - Bank Charges | | | 100.00 | Changing expenses from Bank Charges to Book Keeping |
| | | 5120 - Bookkeeping | | 100.00 | | Changing expenses from Bank Charges to Book Keeping |
| | | | | 100.00 | 100.00 | |
| 6/4/2020 | DL | EX124 | Adjusting Bank Balance against Book Keeping expense | | | |
| 1079 | | | | | | |
| | | 1000.o1 - Operating Account 1 | | | 100.00 | Adjusting Bank Balance against Book Keeping expense |
| | | 5120 - Bookkeeping | | 100.00 | | Adjusting Bank Balance against Book Keeping expense |
| | | | | 100.00 | 100.00 | |

| G/L Account | Debit | Credit | Net |
|-------------------------------|-----------------|-----------------|---------------|
| 1000.o1 - Operating Account 1 | | 100.00 | -100.00 |
| 5100 - Bank Charges | | 100.00 | -100.00 |
| 5120 - Bookkeeping | 200.00 | | 200.00 |
| Total | \$200.00 | \$200.00 | \$0.00 |

You will also be able to see which user made the entry; the breakdown of the GL Accounts for each entry; and an explanation for the entry. At the bottom of the report is an **ACCOUNT SUMMARY** of all the activity that occurred in the selected report period.

Select the **EDIT** icon if you need to adjust the information for any of the listed entries. You will be returned to the journal entry screen, where you can make your changes.



Use the **DELETE** icon to remove the entry from the report.



GL OPENING BALANCE

The GL Opening Balance tab will only be available prior to closing your first period.

This tab is used to enter the closing trial balance from your firm's previous accounting system.

This tab behaves as a specialized Journal Entry screen. Review the [Journal Entry](#) section of this document to learn how to manoeuvre through this process. If you have any additional questions or issues, please [contact Soluno support](#).