How to Balance Receivables and Payables to the General Ledger

Lecture – POSTING DATES are VERY IMPORTANT. DO NOT MIX MONTHS!! The system will default the posting date to the date showing for the module in the lower right-hand corner. This date can be changed at time of posting.
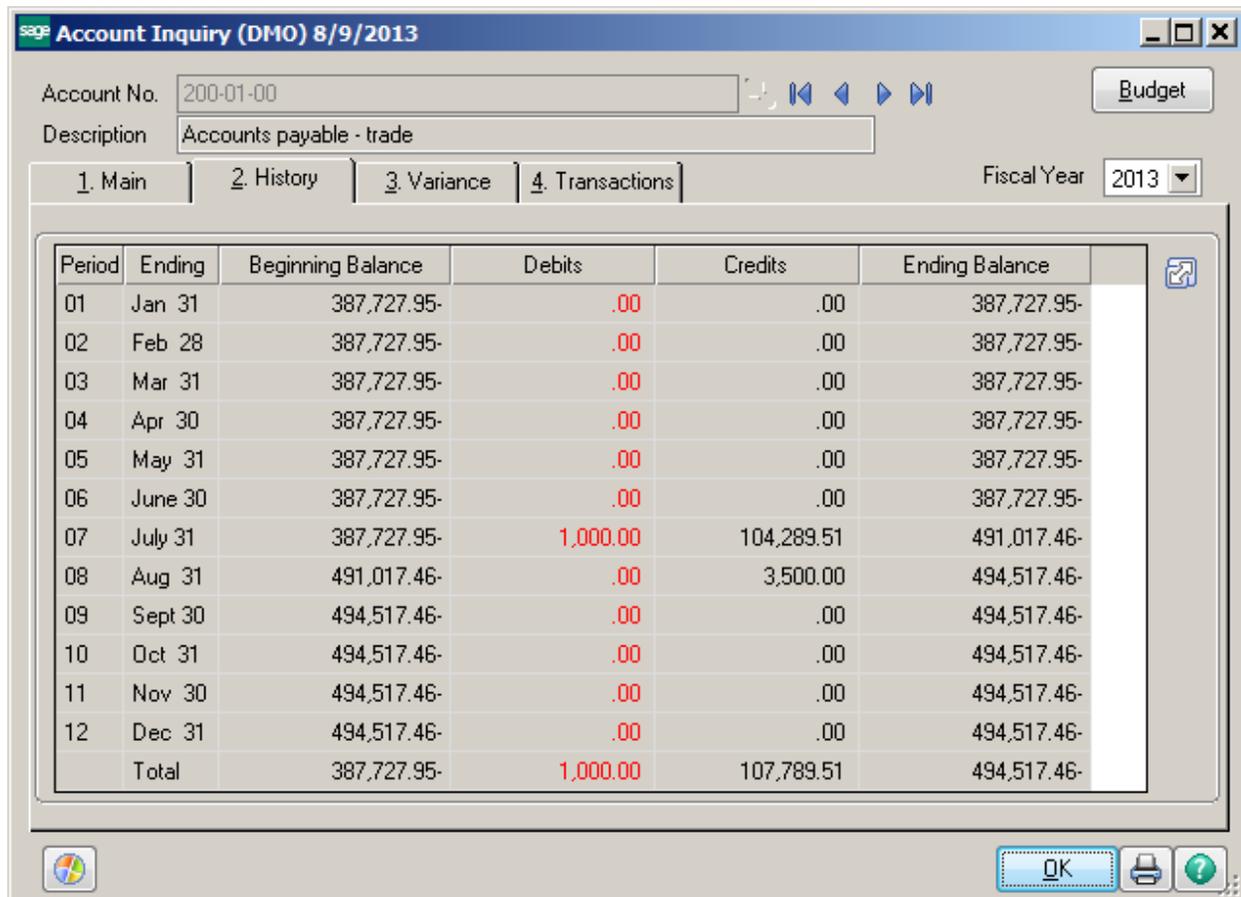
Rule 1 – These are protected accounts – DO NOT do journal entries to these accounts!!

Rule 2 – There are some exceptions to Rule 1 – All adjustments for Accounts Receivable and Accounts Payable should be handled in their respective modules, not through journal entries to the Ledger. Examples: Bad Debt Write-off, Credit Memo Write-off, Duplicate Invoices, etc.

Rule 3 – <u>Do not use</u> the Aging Report to balance to the Ledger, use the Trial Balance Report in each module.

How to get started:

Step 1: Go to General Ledger\Main\Account Inquiry, select your Accounts Payable or Accounts Receivable account.

Account Inquiry (DMO) 8/9/2013

Account No. 200-01-00   Budget
Description Accounts payable - trade

1. Main   2. History   3. Variance   4. Transactions   Fiscal Year 2013

Period	Ending	Beginning Balance	Debits	Credits	Ending Balance
01	Jan 31	387,727.95-	.00	.00	387,727.95-
02	Feb 28	387,727.95-	.00	.00	387,727.95-
03	Mar 31	387,727.95-	.00	.00	387,727.95-
04	Apr 30	387,727.95-	.00	.00	387,727.95-
05	May 31	387,727.95-	.00	.00	387,727.95-
06	June 30	387,727.95-	.00	.00	387,727.95-
07	July 31	387,727.95-	1,000.00	104,289.51	491,017.46-
08	Aug 31	491,017.46-	.00	3,500.00	494,517.46-
09	Sept 30	494,517.46-	.00	.00	494,517.46-
10	Oct 31	494,517.46-	.00	.00	494,517.46-
11	Nov 30	494,517.46-	.00	.00	494,517.46-
12	Dec 31	494,517.46-	.00	.00	494,517.46-
	Total	387,727.95-	1,000.00	107,789.51	494,517.46-

OK

Step 2: Go to Reports. Click on the Accounts Payable Trial Balance Report. **Do not use the Accounts Payable Aging report!** (If reconciling Accounts Receivable, print the Accounts Receivable Trial Balance Report) Compare the **INVOICE BALANCE** column with the **ENDING BALANCE** for that month in the General Ledger Account Inquiry screen. They should match.

Accounts Payable Trial Balance
All Open Invoices as of 7/31/2013

Demo Company (DMO)

Division Number: 01 TRADE ACCOUNTS PAYABLE

Vendor / Invoice Number	Invoice	Due	Discount	Hold	Invoice Amount	Discount Amount	Invoice Balance	Type	Date	Amount	Check Number	Check Date
CONT Container Corporation Of Usa												
5648	7/5/2013	7/30/2013		No	500.00	0.00	500.00	INV	7/12/2013	500.00		
615	7/11/2013	7/30/2013		No	750.00	0.00	750.00	INV	7/12/2013	750.00		
Vendor CONT Totals:					200,808.29	0.00	187,808.29			187,808.29		
IBM Ibm Corporation												
0001053190	5/31/2010	6/30/2010		No	109.00	0.00	109.00	INV	5/31/2010	109.00		
0001073113	7/31/2013	8/30/2013		No	109.00	0.00	109.00	INV	7/31/2013	109.00		
10-2345	5/31/2010	6/30/2010	6/10/2010	No	13,118.43	262.37	13,118.43	INV	5/31/2010	13,118.43		
Vendor IBM Totals:					13,336.43	262.37	13,336.43			13,336.43		
POSTMST U.S. Postmaster												
072013	7/20/2013	7/30/2013		No	250.00	0.00	250.00	INV	7/20/2013	250.00		
Vendor POSTMST Totals:					250.00	0.00	250.00			250.00		
SOCALGA Southern California Gas Co.												
0001053190	5/31/2010	6/30/2010		No	4,430.27	0.00	4,430.27	INV	5/31/2010	4,430.27		
0001073113	7/31/2013	8/30/2013		No	4,430.27	0.00	4,430.27	INV	7/31/2013	4,430.27		
071813	7/18/2013	7/30/2013		No	657.25	0.00	657.25	INV	7/20/2013	657.25		
Vendor SOCALGA Totals:					9,517.79	0.00	9,517.79			9,517.79		
STEV Stevens Supply												
2971	5/11/2010	6/10/2010		No	154,530.00	0.00	154,530.00	INV	5/31/2010	154,530.00		
8465	7/12/2013	8/11/2013	7/22/2013	No	95.64	1.91	95.64	INV	7/12/2013	95.64		
Vendor STEV Totals:					154,625.64	1.91	154,625.64			154,625.64		
UNITED United Computers												
8546	7/22/2013	8/21/2013	8/1/2013	No	62.58	1.25	62.58	INV	7/22/2013	62.58		
Vendor UNITED Totals:					62.58	1.25	62.58			62.58		
Division 01 Totals:					512,592.46	414.15	491,017.46			491,017.46		

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IF THEY DON'T:

Go to the module, click on Main and then Print the Daily Transaction Register. It is possible that there is an unposted register that needs to be updated.

Note: You should always check for unposted registers before you perform period end processing.

IF THEY STILL DON'T TIE:
We need to narrow down the timeframe that the modules went out of balance.
Print the General Ledger Detail Report by Week Ending Date.

Print the Accounts Payable (or Accounts Receivable) Trial balance report by Week Ending Date.

Compare the Totals from the reports. If they are the same, print the next week.

General Ledger Detail Report

General Ledger Detail Report

test (TST)

Detail Postings for Dates 7/1/2013 Thru 7/6/2013

Account Number /Description				Beginning Balance	Debit	Credit	Net Change	Ending Balance
Period	Date	Journal	Comments					
200-01-00			Accounts payable - trade	387,727.95-				
	-							387,727.95-
				387,727.95-	0.00	0.00	0.00	387,727.95-
			Report Total:	387,727.95-	0.00	0.00	0.00	387,727.95-

Accounts Payable Trial Balance

0001053190											
	5/31/2010	6/30/2010	6/10/2010	No	1,980.89	0.00	980.89	INV	5/31/2010	1,980.89	
								PMT	5/31/2010	1,000.00- 001669	5/31/2010
TRUCK10/28											
	12/28/2009	1/7/2010		Yes	775.37	0.00	775.37	INV	12/28/2009	775.37	
			Vendor ANDERS Totals:		7,194.76	17.96	3,694.76			3,694.76	
COMPAQ Compaq Computer Corporation											
0001053190											
	5/31/2010	6/30/2010		No	79.00	0.00	79.00	INV	5/31/2010	79.00	
0002053190											
	5/31/2010	6/30/2010		No	24,063.58	0.00	19,063.58	INV	5/31/2010	24,063.58	
								PMT	5/31/2010	5,000.00- 001730	5/31/2010
2078834											
	5/31/2010	6/30/2010		No	29,816.42	0.00	29,816.42	INV	5/31/2010	29,816.42	
			Vendor COMPAQ Totals:		53,959.00	0.00	48,959.00			48,959.00	
CONT Container Corporation Of Usa											
0001053190											
	5/31/2010	6/30/2010		No	50,553.60	0.00	50,553.60	INV	5/31/2010	50,553.60	
44-4567											
	5/1/2010	5/30/2010		No	92,332.89	0.00	80,332.89	INV	5/1/2010	92,332.89	
								PMT	5/31/2010	12,000.00- 001726	5/31/2010
			Vendor CONT Totals:		142,886.49	0.00	130,886.49			130,886.49	
IBM Ibm Corporation											
0001053190											
	5/31/2010	6/30/2010		No	109.00	0.00	109.00	INV	5/31/2010	109.00	
10-2345											
	5/31/2010	6/30/2010	6/10/2010	No	13,118.43	262.37	13,118.43	INV	5/31/2010	13,118.43	
			Vendor IBM Totals:		13,227.43	262.37	13,227.43			13,227.43	
SOCALGA Southern California Gas Co.											
0001053190											
	5/31/2010	6/30/2010		No	4,430.27	0.00	4,430.27	INV	5/31/2010	4,430.27	
			Vendor SOCALGA Totals:		4,430.27	0.00	4,430.27			4,430.27	
STEV Stevens Supply											
2971											
	5/11/2010	6/10/2010		No	154,530.00	0.00	154,530.00	INV	5/31/2010	154,530.00	
			Vendor STEV Totals:		154,530.00	0.00	154,530.00			154,530.00	
			Division 01 Totals:		408,302.95	280.33	387,727.95			387,727.95	

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General Ledger Detail Report                                         test (TST)

                                          Detail Postings for Dates 7/8/2013 Thru 7/12/2013

Account Number /Description
   Period   Date      Journal    Comments            Beginning Balance   Debit      Credit      Net Change    Ending Balance

200-01-00                        Accounts payable - trade    387,727.95-
   07     7/12/2013  AP-000018   A/P INVOICE ENTRY /DIV: 01                            1,345.64                 389,073.59-
                                                             387,727.95-    0.00       1,345.64    1,345.64-     389,073.59-
                                            Report Total:    387,727.95-    0.00       1,345.64    1,345.64-     389,073.59-
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44-4567
           5/1/2010    5/30/2010           No      92,332.89    0.00    80,332.89  INV  5/1/2010    92,332.89
                                                                                   PMT  5/31/2010   12,000.00-  001726      5/3
5648
           7/5/2013    7/30/2013           No         500.00    0.00       500.00  INV  7/12/2013      500.00
615
           7/11/2013   7/30/2013           No         750.00    0.00       750.00  INV  7/12/2013      750.00
                                Vendor CONT Totals:   144,136.49  0.00   132,136.49                132,136.49
IBM Ibm Corporation
0001053190
           5/31/2010   6/30/2010           No         109.00    0.00       109.00  INV  5/31/2010      109.00
10-2345
           5/31/2010   6/30/2010  6/10/2010 No      13,118.43  262.37    13,118.43  INV  5/31/2010   13,118.43
                                 Vendor IBM Totals:   13,227.43  262.37   13,227.43                 13,227.43
SOCALGA Southern California Gas Co.
0001053190
           5/31/2010   6/30/2010           No       4,430.27    0.00     4,430.27  INV  5/31/2010    4,430.27
                              Vendor SOCALGA Totals:  4,430.27    0.00     4,430.27                  4,430.27
STEV Stevens Supply
2971
           5/11/2010   6/10/2010           No      154,530.00    0.00   154,530.00  INV  5/31/2010  154,530.00
8465
           7/12/2013   8/11/2013  7/22/2013 No         95.64    1.91        95.64  INV  7/12/2013       95.64
                                Vendor STEV Totals:   154,625.64  1.91   154,625.64                154,625.64
                                Division 01 Totals:   409,648.59  282.24  389,073.59               389,073.59

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Once you determine the week you went out of balance, then start comparing each day.

General Ledger Detail Report

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Detail Postings for Dates 7/22/2013 Thru 7/26/2013

Account Number /Description

Period	Date	Journal	Comments	Beginning Balance	Debit	Credit	Net Change	Ending Balance
200-01-00			Accounts payable - trade	390,936.25-				
07	7/22/2013	AP-000020	A/P INVOICE ENTRY /DIV: 01			6,574.93		397,511.18-
07	7/22/2013	AP-000022	Airway Property /IN: 000010614			1,600.00		399,111.18-
07	7/22/2013	AP-000022	A/P INVOICE ENTRY /DIV: 01		1,600.00			397,511.18-
				390,936.25-	1,600.00	8,174.93	6,574.93-	397,511.18-
			Report Total:	390,936.25-	1,600.00	8,174.93	6,574.93-	397,511.18-

Accounts Payable Trial Balance
All Open Invoices as of 7/26/2013

test (TST)

Division Number: 01 TRADE ACCOUNTS PAYABLE

Vendor / Invoice Number	Invoice	Due	Discount	Hold	Invoice Amount	Discount Amount	Invoice Balance	Type	Date	Amount	Check Number	Check Date
STEV Stevens Supply												
2971	5/11/2010	6/10/2010		No	154,530.00	0.00	154,530.00	INV	5/31/2010	154,530.00		
8465	7/12/2013	8/11/2013	7/22/2013	No	95.64	1.91	95.64	INV	7/12/2013	95.64		
Vendor STEV Totals:					154,625.64	1.91	154,625.64			154,625.64		
UNITED United Computers												
8546	7/22/2013	8/21/2013	8/1/2013	No	62.58	1.25	62.58	INV	7/22/2013	62.58		
Vendor UNITED Totals:					62.58	1.25	62.58			62.58		
Division 01 Totals:					416,486.18	302.60	395,911.18			395,911.18		

Review the general ledger transactions that were posted that day. Find the registers to determine what went wrong.

Per	Date	Journal	Posting Remark	Debit	Credit
07	7/12/2013	AP-000018	A/P INVOICE ENTRY /DIV: 01		1,345.64
07	7/20/2013	AP-000019	A/P INVOICE ENTRY /DIV: 01		1,862.66
07	7/22/2013	AP-000020	A/P INVOICE ENTRY /DIV: 01		6,574.93
07	7/22/2013	AP-000022	Airway Property /IN: 0000106145		1,600.00
07	7/22/2013	AP-000022	A/P INVOICE ENTRY /DIV: 01	1,600.00	
07	7/29/2013	MC-000005	A/P MANUAL CHECK AND PAY...	4,000.00	
07	7/30/2013	AP-000016	A/P INVOICE ENTRY /DIV: 01		1,000.00
07	7/30/2013	AP-000021	A/P INVOICE ENTRY /DIV: 01		1,099.96
07	7/30/2013	MC-000004	A/P MANUAL CHECK AND PAY...	1,000.00	
07	7/30/2013	PO-000005	P/O RECEIPT ENTRY DIV:01		1,213.20
07	7/31/2013	AP-000017	A/P INVOICE ENTRY /DIV: 01		92,293.08
08	8/1/2013	MC-000006	A/P MANUAL CHECK AND PAY...	3,575.00	

	Beginning	Debit	Credit	Net Change	Ending Balance
	387,727.95-	10,175.00	106,989.47	96,814.47-	484,542.42-

Account Inquiry (TST) 8/9/2013
Account No. 200-01-00
Description Accounts payable - trade
Tabs: 1. Main | 2. History | 3. Variance | 4. Transactions
Fiscal Year 2013

Note: If using Paperless, look up Journals by Journal Code, not Acctg Date.

Journal and Register Viewer (TST) 8/9/2013
Company Code TST test
Module Code ALL All Modules
Document All Documents
Accounting Date From 7/10/2013 To 12/31/2499

Company	Module	Journal No.	Batch	Journal Name	PDF Created	Acctg Date	Updated	PDF Location	PDF E:
TST	A/P	AP-000021		Invoice Register	2013/08/08 17:24...	7/13/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P			A/P Daily Trans...	2013/08/08 17:25...	7/13/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P	MC-000005		Manual Check ...	2013/08/09 12:51...	8/9/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P			A/P Daily Trans...	2013/08/09 12:51...	8/9/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P	MC-000006		Manual Check ...	2013/08/09 12:54...	8/9/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P			A/P Daily Trans...	2013/08/09 12:54...	8/9/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P	AP-000022		Invoice Register	2013/08/09 13:00...	8/9/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y
TST	A/P			A/P Daily Trans...	2013/08/09 13:00...	8/9/2013	Y	C:\Sage 2013\MAS90\pdf\TST_...	Y

Accounts Payable Invoice Register
Journal Posting Date: 7/22/2013
Register Number: AP-000022

test (TST)

Division Number: 01 TRADE ACCOUNTS PAYABLE

Vendor Number\ Invoice Number	Dates Invoice	Due	Discount	Invoice Amount		Discount		Distribution Amount
AIRWAY	Airway Property				Separate Check: No			
ADJUST								
0000106145								
	5/17/2010	5/30/2010		1,600.00-		0.00		1,600.00-
	G/L Account: 200-01-00			Accounts payable - trade				1,600.00-
			Division 01 Total:	1,600.00-		0.00		
					Prepaid Amount:		0.00	
		Report Total:		1,600.00-		0.00		1,600.00-
					Prepaid Amount:		0.00	

***By default the system posts a credit to Accounts Payable, so when this adjustment was done, the incorrect account was used on the lines tab. It caused a debit and credit to AP. In this situation a journal entry will need to be done to correct the problem. (Debit to Accounts Payable and a Credit to the Expense Account.)

***If invoices are posted to the incorrect period, a journal entry can be entered with a reversing date for the wrong period.

***If invoice were entered for the wrong period and it MUST be corrected, reverse the invoices just as they had been originally entered. Then re-enter them correctly using a different invoice number.

***IF you just CAN'T find it...check a future date to see if someone posted into the wrong year.