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Sage 50 Accounts opening balances

If you are a new user of Sage 50 Accounts, and are not upgrading from a previous version, you will need to enter a series of opening balances. These opening balances are very important to your bookkeeping activities and you need to get them right.

If you do not enter them correctly then your books will be wrong, although you can make adjustments to correct them.

Entering your opening balances needs certain conditions, such as your nominal codes, to be in place before some opening balances are entered.

This document takes you through the process of entering your opening balances, from gathering a list of your opening figures to entering the opening balances on your nominal, bank, customer and supplier records.

What are opening balances?

Opening balances are the values that make up how much your business is worth - what the business owns, including the amount in the bank and what it owes, and entering them into Sage 50 Accounts. This may mean you are transferring values from your previous system of bookkeeping or if you are a new company, recording the initial start up of your business.

The values you need to add to Sage 50 Accounts are referred to as opening balances. You enter these into:

- The individual records set up to manage your business dealings with other companies, such as your bank. You may also need to add opening balances to customer, supplier and product records but this depends on how you intend to use Sage 50 Accounts. You can find more details later in this document.

- The Nominal Ledger, which brings together all the values that make up your business.

If you start to use Sage 50 Accounts without entering these figures, you will not a get a true picture of your business finances. For instance:

- Although you will be able to print a Profit and Loss statement using Sage 50 Accounts, it can only calculate the results on values entered.

- The bank balance displayed by Sage 50 Accounts, when recording money in and out of the business will not be accurate.

- If you are going to track customers, the amount of money they owe you, displayed when you record a sale, will not be accurate.

- If you are going to track suppliers, the amount of money you owe them, displayed when you record a purchase, will not be accurate.

- The Balance Sheet, which is a snapshot of the net worth of your business, will not be accurate.

- If you are VAT registered, the record of VAT you owe or is owed to you by H.M. Revenue and Customs, or Revenue Commissioners, will not be accurate.

How do I enter opening balances?

In this version of the software two methods of entering opening balances are available:

Method 1 - Tools menu > Opening Balances

An interactive Opening Balances Guide has been introduced to guide you through the full process of entering opening balances, step-by-step:

- Enter a default date for the opening balances.

- Enter opening balances for customers.

- Enter opening balances for suppliers.

- Check the opening balances.

- Reverse the nominal balances in preparation for entering the trial balance from your accountant.

- Enter the trial balance from your accountant.

- Enter the uncleared transactions for your bank account(s).

- Check the opening balances against the trial balance from your accountant.

- Check your data.

- Backup your data.

This method i**s not suitable** if you are using Foreign Trader or if you are operating as a Charity using Funds.

Method 2 - New Record windows or Details tab on existing records

This method i**s suitable** if you are using Foreign Trader or if you are operating as a Charity using Funds.

When do I need to do this?

Entering your opening balances is a one off task that should be done as soon as you start to use Sage 50 Accounts, although it can be done at a later date. It is more straightforward, when done at the start of a new accounting period. Use the following guidelines to decide on the best time to do this:

- **Not VAT registered:** choose the beginning of a new accounting period, such as the beginning of a month, quarter or half year.

- **VAT registered:** choose the start of a new VAT quarter.

Additional information for VAT registered users

- Existing business

  There are several VAT schemes supported - Standard, VAT Cash Accounting and Flat Rate Accounting - invoice based and cash based. Each scheme handles VAT differently. The VAT scheme you use will determine whether unsettled invoices are entered with or without a VAT amount - more about this later.

  Note: If you use the Standard VAT scheme and you decide to start using Sage 50 Accounts during a tax quarter, your first VAT Return will be a mix of VAT figures within Sage 50 Accounts and those in your previous bookkeeping system.

- New business

  If you are setting up for the first time you may be able to claim back the VAT you have paid on goods and services you have bought to start up your business. To find out what you may be able to claim contact your local tax office.

  Any start up expense with VAT that can be reclaimed is added as a regular purchase transaction to Sage 50 Accounts. This means you enter both the net amount and the VAT amount for the expense. This ensures Sage 50 Accounts generates your first VAT Return to include the value of such items.

How do I get started?

As a first step, you need a breakdown of your opening balances, including a trial balance.This is a list of all the nominal accounts you use in your business. The values (balances) on each of these is referred to as an opening trial balance.

If you have an Accountant, request them to prepare the opening trial balance for you. Otherwise, prepare a list of these figures yourself.

For more information, refer to *Gathering your opening figures* on page 7.

Gathering your opening figures

Your opening figures are what the business owns - **assets**, and what it owes - **liabilities**. These figures are spread across the nominal accounts you have decided to use to track your business.

All businesses, regardless of the length of time they have been established, need to prepare a list of their opening figures. Even as a new business any investment in the business to get it started needs to be accounted for. The investment can come from a number of sources such as your own money, money you have borrowed or business grants.

Opening balances represent the financial position of your business on the day you start entering live transactions into Sage 50 Accounts. Whatever date you choose, you are likely to have opening balances, whether your business is just starting up or changing over from another accounting system. Opening balances are transactions that already exist before you start using Sage 50 Accounts. The example assumes the supplier balances equal the total for Creditors and the customer balances equal the total for Debtors. Normally you would expect the figures to match, although it is possible they may not.

Preparing a list of opening figures

A list of your nominal accounts and the values (balances) on each is referred to as an opening trial balance.

- If you have an Accountant ask them to prepare the opening trial balance for you.

- If you are moving from a different accounting product you may be able to generate an opening trial balance from it.

- You can prepare a list of these figures yourself. Here are the steps to do this, but you also need to read the Breaking down opening figures section below, to help you complete this task.

To manually prepare your list of opening figures

- Print the nominal list. To do this, choose Company > Nominal Ledger, then click Print List.

  This gives you a list of the nominal accounts you have decided to use for your business.

- Add two columns to the print out, one for debit and one for credit.

- Refer to your previous bookkeeping method to find the value (balance) of each listed nominal account.

  Finding the values for your bank, creditors, debtors and stock nominal accounts may require a little more work. See *Breaking down opening figures* on page 8 to find out more.

  If you use the Standard VAT scheme and have decided to start using Sage 50 Accounts during a tax quarter, your opening figures should include an amount for outstanding VAT.

- Write the value (balance) of each nominal account as either a debit or a credit.

In accounting terms, an asset to the business is recorded as a debit and a liability is recorded as a credit.

- Total the values in the debit column and then total the values for the credit column. The debit value should equal the credit value.

Breaking down opening figures

There are benefits to be gained in breaking down some of your opening figures. Breaking down opening figures gives you what is referred to as your opening balances. Opening balances may be needed for each bank account you used for the business, each customer you sell to, each supplier you buy from and each product you sell. The following should help you to decide if you need to do this.

Bank balances

What it is made of?	Do I need to break it down?
Your bank balance may include uncleared items. The difference between the money you know you have received or have paid out and that shown on your bank statement.	Only if you want to reconcile uncleared items in Sage 50 Accounts.

How do I break down my balance?
- Match your bank statement to your bank records.   - List each uncleared item.   The bank balance as shown on your bank statement is added to Sage 50 Accounts as one amount. The uncleared items are added separately as individual values to Sage 50 Accounts - more about this later. **Please note:** Money credited to your bank account is an asset to the business. Accountancy rules shows this as a debit on the bank account. This may seem odd, but it is how the bank account views the money. The bank account owes the business the amount that has been deposited; in other words it is in debt to the business to that amount. On the other hand, if the bank is overdrawn, it is a liability to the business and this is shown as a credit balance.

Customer balances

What it is made of?	Do I need to break it down?
The amount of money individual customers owe the business. This covers outstanding sales invoices, less any money you have received from the customer that has not been earmarked to an invoice, or it can be money you owe the customer for rejected goods. If you are entering your opening balances at the start of the new financial year the total amount owed to you by all your customers is represented in the opening figures as: ▪ Debtors, shown as a debit value. ▪ Suspense, shown as a credit value. If you are part way through your financial year the credit value is a combination of your Sales and VAT liability.	Only if you are going to keep customer records. For example if you are a retail outlet operating till and cash sales, you are unlikely to track individual customers. If you are going to track customers, the money an individual customer owes you needs to be recorded on their record. This means an accurate balance of what is owed by the customer is displayed when you start to record a sale or receive payments from them.

How do I break down my customer balances?
▪ Check your sales records for outstanding transactions (invoices, credit notes, payments on account). ▪ List customers with outstanding transactions, together with the value of the transaction. ▪ If you use the Standard Accounting or Flat Rate - Invoice based VAT schemes, record the transaction amount including VAT. ▪ If you use the VAT Cash Accounting or Flat Rate -Cash based VAT schemes, record both the net amount and the VAT amount for each transaction.   The total owed to you by all your customers is your opening Debtors figure. If the figures do not match, investigate further to try and identify the problem. If you can't resolve the difference it does not stop you from entering your opening figures, but expect warnings to be displayed by Sage 50 Accounts from time to time to indicate there are discrepancies.

Supplier balances

What it is made of?	Do I need to break it down?
The amount of money you owe each supplier. This covers outstanding purchase invoices, less any money you have paid that has not been earmarked to an invoice or it can be money owed to you by the supplier for returned/rejected goods. If you are entering your opening balances at the start of a new financial year the total amount you owe to all your suppliers is represented in the opening figures as: ■ Creditors, shown as a credit value. ■ Suspense, shown as a debit value. If you are part way through your financial year the debit value is a combination of Purchases and VAT liability.	Only if you are going to keep supplier records. The money you owe suppliers needs to be recorded on their record. This means an accurate balance of what is owed is displayed for a supplier when you start to record purchases or make payments to them.

How do I break down my supplier balances?
■ Check your purchase records for outstanding transactions - invoices, credit notes, payments on account. ■ List suppliers with outstanding transactions and the value of each transaction. If you use the Standard Accounting - Invoice based or Flat Rate - Invoice Based schemes, record the transaction amount including VAT. If you use the VAT Cash Accounting VAT (VCA) or Flat Rate - Cash Based schemes, record both net amount and the VAT amount for each transaction. **Note:** This does not apply if you are using the Irish VAT Cash Accounting scheme. If you use this scheme to calculate VAT, enter your supplier opening balances as described for the Standard VAT Scheme. The total owed to all your suppliers is your opening Creditors figure. If the figures do not match, investigate further to try and identify the problem. If you cannot resolve the difference it does not stop you from entering your opening figures, but expect warnings to be displayed by Sage 50 Accounts from time to time to indicate there are discrepancies.

Product balances

Sage 50 Accounts does not link Products (stock) to the Nominal Ledger. When you record a product increase or decrease the quantity is adjusted only on the product record. The value of the product in the Nominal Ledger is not automatically adjusted at the same time. Adjustments to the Nominal Ledger to account for products are done using journal entries. For information about journal entries see your software Help system.

Entering your product balances is about adding the quantity and value of products to the individual product records. It is more about stock taking than it is about accounting.

What it is made of?	Do I need to break it down?
The quantity and cost of each item you sell.	Only if you intend to keep product records. For example, a business that supplies car parts to the public may want to keep a track of how many they have in stock and what they cost to buy in.
How do I break down my stock balances?	

- Do a stock take.
- List each product you sell together with the quantity you have in stock and how much it cost to buy or its current value.

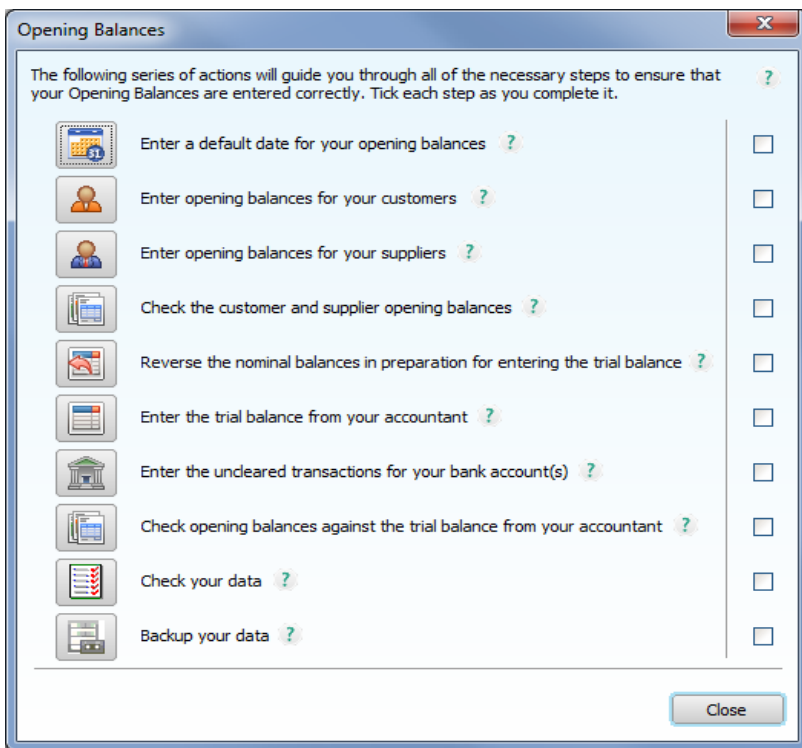# Entering your opening balances into Sage 50 Accounts

Once you know what your opening figures are, and in some cases your opening balances for bank, suppliers, customers and products, they are ready to be entered into Sage 50 Accounts.

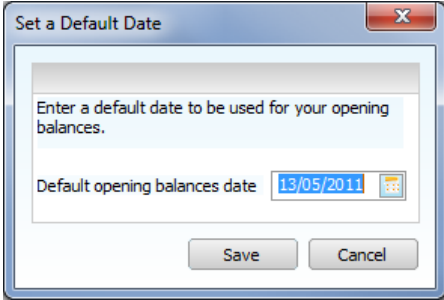## Method 1 - using the opening balances window

This method is unsuitable if you are using foreign currency opening balances or if you are a Charity using Funds.

1. From the Tools menu, choose Opening Balances.

    The Opening Balances window appears.

2. Complete each listed task in sequence. Tick each task, as you complete it.

Task	Description
Enter a default date for your opening balances	**Set a Default Date** [X] Enter a default date to be used for your opening balances. Default opening balances date [13/05/2011] [Save] [Cancel] This date is entered automatically for you in the various data entry windows used to complete opening balances. It can speed up data entry, if you intend to use the same date for each balance. It can still be changed, to suit. Select a date for your opening balances. The software date is suggested, adjust this if required. If you have just completed your financial year, then the year-end date is the most sensible date to use. For example, if your financial year begins in January, enter 31st December. If you are part-way through a financial year, choose a date at the end of the most recent closed month. For example, if you are starting from June, and your financial year starts in January, select 31st May.

Task	Description
Enter opening balances for your customers	Enter customer opening balance values if you intend to keep customer records to monitor what they have purchased, and what they owe you.
	If you operate as a retail outlet and use till and cash sales, you are unlikely to track customers.
	These values are the amounts each customer owes your business, and can be found in documents, such as outstanding invoices.
	Wen you enter opening balance values, the software records the double entries that are made to:
	■ Debtors Control Account
	■ Suspense Account
	■ Sales Tax Control Account
	Standard VAT / UK Flat Rate Invoice-Based
	You can enter an opening balance as a lump sum, if you are not interested in ageing the debt.
	In the Customer Opening Balances window, you need only enter a Gross figure for each opening balance.
	As VAT becomes liable at the point of sale, the assumption is that the VAT on your transactions has already been dealt with in your previous accounting system. During opening balance entry, your software applies the T9 non-vatable tax code to transactions. Therefore, tax is not calculated, there is no impact on the VAT control account, or further VAT Returns. If a transaction has not been VAT reconciled you should enter it as a new transaction in your software.
	VAT Cash Accounting / UK Flat Rate Cash-Based
	In the Customer Opening Balances window, you need to enter the Net and Tax Code for each opening balance.
	The Date entry box defaults to the default opening balance date that you set previously.

Task	Description
Enter opening balances for your suppliers	These values are needed if you intend to keep supplier records, and want to monitor what you have purchased, and what you owe your suppliers.
	These values are the amounts you owe each supplier, and can be found in documents, such as outstanding invoices.
	Each item is recorded separately on a supplier's record, so that it can be aged. This is useful when deciding on the appropriate time for payment.
	Tip: If you are using either the Standard VAT or UK Flat Rate Invoice-Based VAT schemes, you can enter a supplier's opening balance as a lump sum, if you are not interested in ageing the debt.
	As VAT becomes liable at the point of purchase, the assumption is that the VAT on your transactions has already been dealt with in your previous accounting system. During opening balance entry, your software applies the T9 non-vatable tax code to transactions. Therefore, tax is not calculated, there is no impact on the VAT control account, or further VAT Returns. If a transaction has not been VAT reconciled you should enter it as a new transaction in your software.
	The Date entry box defaults to the default opening balance date that you set previously.

Task	Description
Check the customer and supplier opening balances	To check and confirm that the opening balances you have entered for your customers and suppliers are correct, select this icon to generate the following reports:
	■ The Aged Debtors Analysis (Detailed) report - use this report to check your customer opening balances.
	■ The Aged Creditors Analysis (Detailed) report - use this to check your supplier opening balances.
	■ The Period Trial Balance Report - use this report to check both your customer and supplier opening balances.
	Check the values on your opening figures match the values on your generated Trial Balance. Take care over the credit and debit values.
	What if the figures do not agree?
	Example: The total balance does not match the total balance of my opening figures.
	Possible explanation
	An opening balance has been missed, duplicated or added as a credit, when it should be a debit or vice versa.

Task	
Reverse the opening balances	At first glance, it may seem to be counter-intuitive to undo your customer and supplier opening balances.
	The reason for doing this is related to the double entry bookkeeping rules. When you come to post the Opening Trial Balance that you receive from your accountant, the same values are also entered in the respective Debtors Control Account, Creditors Control Account and the Suspense Account. This will result in an inaccurate Balance Sheet report.
	This effect needs to be reversed and cleared out before the opening trial balance is added.
	When you select the Reverse the opening balances icon, the Opening Balances Reversals window appears, populated with a set of journals that will reverse out any entries that have been posted to the following nominal accounts:
	■ Debtors Control Account.
	■ Creditors Control Account.
	■ Sales Tax Control Account.
	■ Purchase Tax Control Account.
	■ Suspense Account.
	These reversal journal entries are based on the entries that have been posted from the Customer and Supplier opening balances.
	The Date entry box defaults to the default opening balance date that you set previously However, you can modify this date, if preferred.
	To post these opening balance reversal journals, select Reverse.
	The software prompts you to take a backup before proceeding with the reversals. It is recommended that you take a backup before proceeding.

Task	Description
Enter the trial balance from your accountant	Selecting this icon opens the Trial Balance Entry window. Use this window to enter the journals for your Opening Trial Balance. You are likely to have received this Opening Trial Balance from your accountant.
	A trial balance is a list of nominal accounts with the values entered for each account. It represents the assets that the business owns, and also the liabilities that it owes.
	Values are spread across the nominal accounts that you have decided to use to track your business, such as bank, stock, capital and loans. It is likely to include those creditors, to whom your business owes money, along with debtors, from whom your business is owed money.
	When entering a bank balance, enter both the cleared and uncleared items. If you want to be able to reconcile the uncleared transactions, you can do this on the next task.
	In the Trial Balance Entry window, the Reference entry box defaults to O/Bal and cannot be overwritten. The Date entry box defaults to Opening Balance Default Date that you entered earlier. However, this can be overwritten.

Task	Description
Enter the unreconciled transactions for your bank account	When you select this icon the Bank Opening Balances window appears, in which you can enter all uncleared individual transactions for your bank account.
	The Reference entry box (Ref) defaults to O/Bal but this can be overwritten if required.
	Again, the Date entry box defaults to the Opening Balance default date that you entered earlier. You can modify this if required.
	Standard VAT / Flat Rate Invoice-Based Accounting scheme
	The tax code defaults to T9.
	VAT Cash Accounting / Flat Rate Cash-Based Accounting scheme
	The tax code is set to the defaults defined in Customer Defaults > Standard Tax Code and Suppliers Defaults > Standard Tax Code.
	When you have entered all the uncleared transactions and then clicked Save, the software posts a reversing journal between the bank accounts and the Suspense accounts, and tags it as not requiring bank reconciliation. This is to prevent the unpresented transactions from being incorrectly added to those bank balances that have already been entered.

Task	Description
Check opening balances against the trial balance from your accountant	Select this icon to run the Period Trial Balance report. When selected, the Criteria window appears.
	To preview the Trial Balance report, select OK.
	Check this report against the Trial Balance from your accountant to confirm that you have entered all your opening balances correctly.
	Confirm that a Suspense Account entry does not appear in the report. If it does appear:
	1. Print the Nominal Activity Report and use it to identify the error. To do this, select the Company > Nominal Ledger, then click Reports. Open the Nominal Activity Reports folder and print Nominal Activity report.
	2. In the Nominal Activity Report check that all nominal balances from your trial balance have been entered.
	3. Check that you have not duplicated any of the nominal balances.
	4. Check that you have not entered balances as debits, when they should be credits, and vice versa.
	5. Check that all opening balances have been entered with the correct date.
Check your data	Although optional, take the precaution of checking the validity of your data files.
	When you select the Check your data icon, the Check Data routine is run. For more information, please refer to Chapter of the User Guide or select F1 to display the relevant help topic.
Backup your data	The final step, take the added precaution of backing up your data, in case your computer or network fails, or you suddenly encounter corruption.
	You can always restore your data from the backup.

Method 2 - Entering opening balances

This method is preferred if you are using foreign currency balances or if you a Charity using Funds.

Entering your customer opening balances

1.   Select the Customers module then, if appropriate, use the view selector to switch to the Customers view.

2.   Select the customers you have opening balances for, then click Record.

     The Customer Record window appears, showing the details of the first customer you selected.

3.   Choose the OB button, which is attached to the Balance box.

     The Opening Balance Setup window appears.

     Standard VAT / Flat Rate Invoice-Based Accounting scheme

In the Opening Balance Setup window enter the following opening balance details:

Ref	Enter the reference for this opening balance.
	This reference appears on the audit trail and will help you to identify this transaction. If you are entering each outstanding invoice/credit note separately, you can enter the invoice or credit note number here. Alternatively you can enter O/BAL as the reference.

Date	Enter the original date for the transaction. This ages the invoice/credit note correctly by that date, so you can have an accurate picture of the overdue debts on all your customer accounts.
	Alternatively, you can enter the last day of the previous accounting period. For example, the last day of the previous financial year.
	Note: The date used must always be in the previous accounting period. For example, if you are entering your opening balances for the financial year commencing January 2011, the opening balance must be dated December 2010 or earlier.
Type	From the drop-down list, select the type of opening balance you want to enter - Invoice or Credit.
	If you owe your customers money choose Credit from the drop-down list. This creates a negative balance when you enter their opening balance. If they owe you money, choose Invoice.
Gross	Enter the gross amount of the original invoice or credit note here. If you want to enter a single opening balance for this customer, enter the total gross amount of all the invoices here.
	Note: Your software uses the T9 non-vatable tax code for the transaction. It is assumed that VAT for the transaction has already been accounted for in your previous accounting system. Therefore, tax is not calculated, there is no impact on the VAT control account, or further VAT Returns.

VAT Cash Accounting / Flat Rate Cash-Based Accounting scheme

Opening Balance Setup

Ref	Date	Type	Net	T/C	VAT
OBAL2	26/04/2011	Invoice	376.00	T1 20.00	75.20

Save   Cancel

Ref	Enter the reference for this opening balance.
	This reference appears on the audit trail and will help you to identify this transaction. If you are entering each outstanding invoice/credit note separately, you can enter the invoice or credit note number here. Alternatively you can enter O/BAL as the reference.
Date	Enter the original date for the transaction. This ages the invoice/credit note correctly by that date, so you can have an accurate picture of the overdue debts on all your customer accounts.
	Alternatively, you can enter the last day of the previous accounting period. For example, the last day of the previous financial year.
	Note: The date used must always be in the previous accounting period. For example, if you are entering your opening balances for the financial year commencing January 2011, the opening balance must be dated December 2010 or earlier.
Type	From the drop-down list, select the type of opening balance you want to enter - Invoice or Credit.
	If you owe your customers money choose Credit from the drop-down list. This creates a negative balance when you enter their opening balance. If they owe you money, choose Invoice.
Net	**VAT Cash Accounting / Flat Rate Cash-Based Accounting scheme**
	Enter the net amount of the original invoice or credit note here.
T/C	The default tax code for this customer appears here automatically, but you can change it if necessary.
VAT	Sage 50 Accounts enters the amount of VAT due, but you can change it if necessary.

Tip: Press ENTER after each entry to move to the next entry box.

4. To accept these details, click Save.

    To return to the Customer Record window without saving, click Cancel.

5. To return to the Customers window, click Close.

Entering your supplier opening balances

1. Select the Suppliers module then, if appropriate, use the view selector to switch to the Suppliers view.

2. Select the suppliers you have opening balances for, then click Record.

    The Supplier Record window appears, showing the details of the first supplier you selected.

3. In the Supplier Balance box, click the OB button.

    The Opening Balance Setup window appears.

4. Enter the following opening balance details:

    Standard VAT / Flat Rate Invoice-Based Accounting scheme

Ref	Enter the reference for this opening balance.
	This reference appears on the audit trail and will help you to identify this transaction. If you are entering each outstanding invoice/credit note separately, you can enter the invoice or credit note number here. Alternatively you can enter O/BAL as the reference.
Date	Enter the original date for the transaction. This ages the invoice/credit note by that date, so you can have an accurate picture of the overdue debts on all your supplier accounts.
	Alternatively, you can enter the last day of the previous accounting period. For example, the last day of the previous financial year.

Type	From the drop-down list, select the type of opening balance you want to enter (Invoice or Credit).
	If you owe your supplier money, you would select Invoice from the drop-down box. This would create a negative balance. If your supplier owes you money you should select Credit.
Gross	Enter the gross amount of the original invoice or credit note here.
	If you want to enter a single opening balance for this supplier, enter the total gross amount of all the invoices here.
	Note: Your software uses the T9 non-vatable tax code for the transaction. It is assumed that VAT for the transaction has already been accounted for in your previous accounting system. Therefore, tax is not calculated, there is no impact on the VAT control account, or further VAT Returns.

VAT Cash Accounting / Flat Rate Cash-Based Accounting scheme

Ref	Enter the reference for this opening balance.
	This reference appears on the audit trail and will help you to identify this transaction. If you are entering each outstanding invoice/credit note separately, you can enter the invoice or credit note number here. Alternatively you can enter O/BAL as the reference.

Date	Enter the original date for the transaction. This ages the invoice/credit note by that date, so you can have an accurate picture of the overdue debts on all your supplier accounts. Alternatively, you can enter the last day of the previous accounting period. For example, the last day of the previous financial year.
Type	From the drop-down list, select the type of opening balance you want to enter (Invoice or Credit). If you owe your supplier money, you would select Invoice from the drop-down box. This would create a negative balance. If your supplier owes you money you should select Credit.
Net	**VAT Cash Accounting / Flat Rate Cash-Based Accounting scheme** Enter the net amount of the original invoice or credit note here.
T/C	The default tax code for this supplier appears here automatically, but you can change it if necessary.
VAT	Sage 50 Accounts enters the amount of VAT due for you, but you can change it if necessary.

Tip: Press ENTER after each entry to move to the next entry box.

5. To accept these details, click Save.

    To return to the Supplier Record window without saving, click Cancel.

6. To return to the Suppliers window, click Close.

Check the customer and supplier opening balances

1. To check your customer opening balances, from the Customers module, click Reports.

2. From the Report Browser, select the Aged Debtors reports folder.

3. From the list of reports, print the Aged Debtors Analysis Detail report.

4. Use this report to check that you have entered the correct customer opening balances. If necessary, amend any entries before proceeding.

5. To check your supplier opening balances, from the Suppliers module, click Reports.

6. From the Reports Browser, select the Aged Creditors reports folder.

7. From the list of reports, print the Aged Creditors Analysis Detail report.

8. Use this report to check that you have entered the correct supplier opening balances, and if necessary, amend any entries before proceeding.

Reverse the customer and supplier opening balances

In the example shown, the following balances are to be cleared from the trial balance:

N/C	Name	Debit	Credit
1100	Debtors Control Account	55616.00	
2100	Creditors Control Account		17817.00
9998	Suspense Account		37799.00
	Total	55616.00	55616.00

1. Open the Company module, then from the Tasks pane select New Journal.

    The Nominal Ledger Journals window appears.

2. Enter a reference and date for the journal, then enter the relevant data to reverse the trial balance figures.

N/C	Name	T/C	Debit	Credit
1100	Reverse O/Bal	T9		55616.00
2100	Reverse O/Bal	T9	17817.00	
9998	Reverse O/Bal	T9	37799.00	

Note: The date must be in the same accounting period as the customers and suppliers opening balances. As an example, if you are entering your opening balances for the financial year commencing January 2012, the opening balances are dated December 2011 or earlier, and this reversing journal should be dated 31 December 2011.

3. To save this journal, click Save.

    The journal is posted and the Nominal Ledger Journals window is cleared.

4. To close the Nominal Ledger Journals window and return to the Nominal Ledger window, click Close.

Print the trial balance report

1. Open the Company module. From the Links pane, select Financials > Trial.

2. Select the required output, for example Printer, then click Run.

3.   From the Period drop-down list, choose the required Trial Balance period, for example Brought Forward.

4.   Complete the Print window, then to print the report, click OK.

Clear the opening balances

1.   Open the Company module, then from the Tasks pane, select New Journal.

2.   Enter a reference and date for the journal, then enter the relevant information to reverse the trial balance figures.

3.   To save the journal, click Save.

     The journal posts, and the Nominal Journals window clears.

Enter your nominal opening balances

1.   Open the Company module. From the Links pane, select Nominal Ledger, then select the required nominal code.

2.   From the Nominal Ledger toolbar, click Record.

3.   In the Details tab click O/B, then enter the opening balance information into the Opening Balance Setup window.

Ref	Enter a text reference. This text appears on the audit trail and will help you identify the transaction. The text O/Bal is entered for you as the default but you can change this, if required.
Date	Enter the last day of your previous accounting period.
Debit	Enter the debit value, if appropriate. Asset nominal ledger accounts - for example bank accounts, purchases and overhead accounts - for example electricity charges, are normally debit values.
Credit	Enter the credit value, if appropriate. Liability nominal ledger accounts - for example loans and income accounts, such as sales of wine, are normally credit values.

Tip: Debit balances usually include Fixed Assets, Bank Accounts that are not overdrawn, Purchases and Overhead accounts, such as electricity charges.

4.   To save the opening balance, click Save.

     The opening balance is saved and the Nominal Record appears.

     Repeat this procedure until you have entered all of your Nominal Ledger opening balances.

Enter the bank opening balances through the Bank record

If you have entered your bank opening balances through the Nominal Record, you must not enter them again using this procedure. Instead, refer to the next section *Check the nominal and bank opening balances* on page 29.

1. Open the Bank module, select the bank account for which you want to enter an opening balance, then click Record.

    The Bank Record appears.

2. On the Bank Record Account Details tab click O/B in the Balance section, then enter the opening balance information in the Opening Balance Setup window.

Ref	Enter a reference. This appears on the audit trail and helps you to identify the transaction. O/BAL is entered by default but this can be amended.
Date	Enter the date. This should be the last day of your previous accounting period.
Receipt	If you have money in this account this is a debit balance and should be entered here.
Payment	If you are overdrawn in your bank account this is a credit balance and should be entered here.

3. To save the opening balance, click Save.

    The opening balance is saved and the Bank Record appears.

4. To close the Bank Record and return to the Bank Accounts window, click Close.

    Repeat this procedure until you have entered all your bank opening balances.

Check the nominal and bank opening balances

1. Open the Company module, then from the Links pane select Financials > Trial.

    The Print Output window appears.

2. Select the required output - Printer for example, then click Run.

    The Criteria window appears.

3. From the Period drop-down list, choose the required Trial Balance period, Brought Forward for example.

    If you selected the Printer output, the Print window appears.

4. Complete the Print window as required, then to print the Trial Balance report, click OK.

5. Use the figures from this trial balance to check that you have posted all your nominal and bank opening balances. You should also ensure that the Suspense nominal code balance is zero. If it is not, print the Nominal Activity report and check for the following:

    ▪ All nominal opening balances from your trial balance have been entered

    ▪ None of the opening balances have been entered twice.

    ▪ Balances have not been entered as debits, when they should be credits, and vice versa.

Check and back up your data

1. Run the Check Data option to check the validity of your data files.

    Choose File > Maintenance > Check Data.

2. Take at least one backup of your data files.

    Choose File > Backup.

    This ensures that in the future you can restore back to this point. You may want to do this to check the values or details of your opening balances.

Frequently asked questions

Q. My Period Trial Balance includes a balance for the Suspense Account. What should I do?

A. Print the Nominal Activity report, then check the following:

▪ All nominal balances from your trial balance have been entered.

▪ None of the opening balances have been entered twice.

▪ Balances have not been entered as debits when they should be credits, and vice versa.

▪ Any opening balances that have been entered using an incorrect date.