



Opening Balances

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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 must 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 chapter 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. This chapter also covers the process of entering opening balances for product records.

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Transferring Figures from a Previous System to Sage 50 Accounts

This explains how to take 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 chapter.
- 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 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.

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 two VAT schemes supported - Standard and Cash Accounting. 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

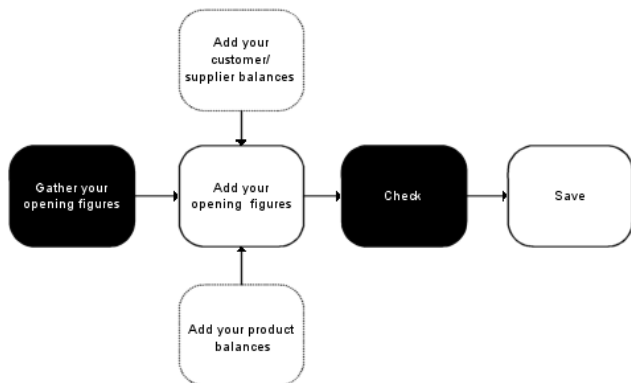
If you are setting up for the first time you may be able to claim back the VAT you have paid on goods and services you have bought to start up your business. To find out what you may be able to claim contact your local tax office.

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.

What do I do?

There are a number of tasks to be done when adding your opening figures to Sage 50 Accounts.

It may be that you don't need to do all these tasks. This will depend on whether you want to use Sage 50 Accounts to keep records of your customers, suppliers and products you sell.



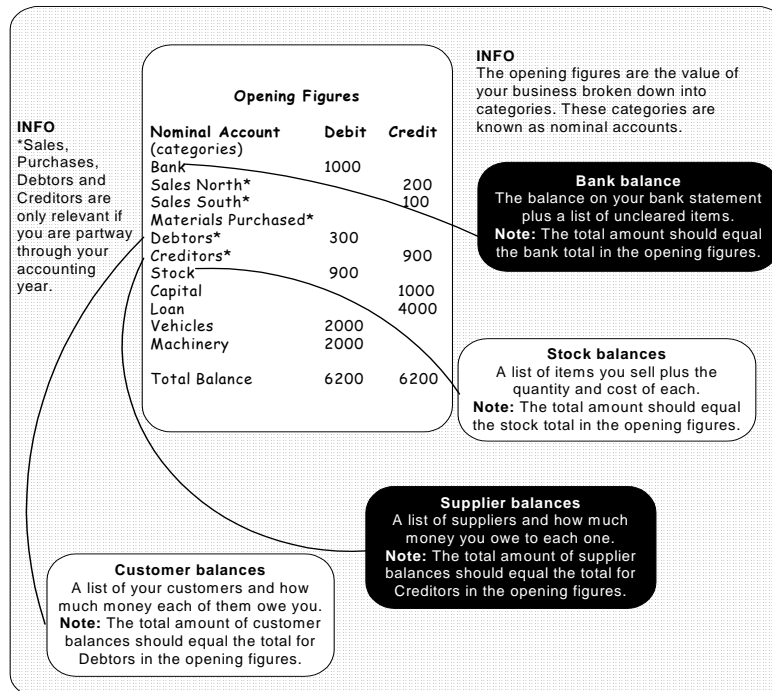
As a minimum you must gather your opening figures, add them to Sage 50 Accounts, check they are OK and then save a copy by taking a backup.

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. For example:



This is a simple list of opening figures. Notice how the figures for bank, debtors, creditors and stock are a combination of other values. You may need a more detailed breakdown of these opening figures - more about this later. 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. This may be a result of taking

figures from different sources. It will not stop you from entering your opening figures but it is something you should be aware of.

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 the Breaking down opening figures section below 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?

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.

Do I need to break it down?

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).

Interesting fact: 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 will be shown as a credit balance.

Customer balances

What it is made of?

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.

Do I need to break it down?

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 VAT scheme, record the transaction amount including VAT.
- If you use the VAT Cash Accounting scheme, 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?

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.

Do I need to break it down?

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 VAT scheme, record the transaction amount including VAT.

If you use the VAT Cash Accounting scheme, record both the 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?

The quantity and cost of each item you sell.

Do I need to break it down?

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.

The goal is to enter the figures to match the credit and debit values of your opening figures.

The instructions to record your opening figures cover some tasks that assume you track products, customers and suppliers. Please ignore tasks that are not relevant to you such as customer, supplier or product balances. The instructions follow a worked example of a business starting up for the first time. They have been trading for a month now and have:

- Invested £1000 in the business.
- Borrowed £4000 to purchase vehicles and machinery.
- Sold goods to the value of £300.
- Purchased stock worth £900 but have not yet paid for it.

Entering your customer balances

Remember you only need to do this if you are going to keep customer records.

What do I need?

- Customer records set up in Sage 50 Accounts. See your software Help system.
- An opening balance for each customer. See *Customer balances* on page 9.

What's involved?

- You add the total amount that each customer owes you to their customer record.

Step 1 Add your customer balances to the customer records

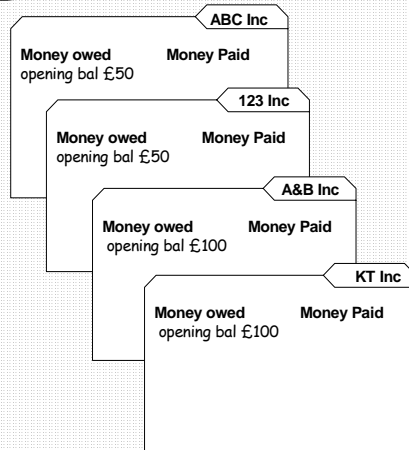
How much each customer owes

Name	Value
ABC Inc	50
123 Inc	50
A&B Inc	100
KT Inc	100

Values added

INFO

Behind the scenes the customer balances are automatically added to the Debtors nominal account in the Nominal Ledger.



What issues do I need to consider?

Two things:

- How to deal with a customer balance when it is made up of more than one transaction.
- How to deal with your Debtors value which is updated as part of entering customer balances.

- **Balance has more than one transaction**

If a customer has more than one outstanding transaction, each can be added separately. This is particularly useful if you want to use ageing to work out when to chase the customer for payment. If you use the VAT Cash Accounting scheme these transactions are always entered separately.

If you are not going to use ageing and all your transaction types are the same you can enter the total amount owed to you by a customer as one lump sum provided you use the Standard VAT accounting scheme.

- **Debtors value**

When you add your customer balances to the customer records Sage 50 Accounts automatically adds the value to the Debtors nominal account. This means that the opening figure for Debtors is done at the same time. You have two choices, you can:

- Leave the balance updated to the Debtors nominal account.
If you decide to leave the balance, when you come to enter your opening figures directly to the nominal accounts in the Nominal Ledger you must use the opening balance button found on each nominal account record. This means opening each nominal account you have a balance for and adding its value, with the exception of the debtors nominal account. If you don't omit the Debtors nominal account your Debtors figure will be inflated and your Nominal Account will not balance.
- Clear the balance on the Debtors nominal account by reversing that value, before entering all of your nominal account opening balances.

When you come to enter your opening figures directly to the nominal accounts in the Nominal Ledger you can then add the Debtors figure you have prepared for your opening figures. This is particularly useful if you found your customer balances and your Debtors figure do not match and you believe the Debtors figure is accurate. If you are familiar with, and prefer journal entries, you may find it easier to enter your opening figures directly to the nominal account using the journal entry method, rather than opening each nominal account separately.

How do I enter my customer balances?

There are two ways you can enter your customer balances; the method you choose is up to you as the result will be the same. You can:

- Use the opening balance button on the customer records.
- Record the balances as transactions - invoice or credit notes. See your software Help system.

Note: If you are setting up your business for the first time, use the Standard VAT accounting scheme and need to record sales, use the regular transaction method to record your sales. This ensures the sales are included in your Sage 50 Accounts VAT Return.

To enter your customer balances using the opening balances button

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.
4. 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.

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 would create a negative balance when you enter their opening balance. If they owe you money you would choose Invoice.

Standard VAT Accounting Scheme users:

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.

VAT Cash Accounting Scheme users:

Net 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.

5. To accept these details, click Save.
To return to the Customer Record window without saving, click Cancel.
6. To return to the Customers window, click Close.
7. Check the customer balances are as expected. To do this, from the Customers window, click Reports, then print the Aged Debtors Analysis Detailed and Customer Activity reports.
Adjustments can be made by opening the customer's record, clicking the opening balance button and adding a value.

To enter your customer balances by entering transactions

See your software Help system.

To reverse the Debtors value

This is only necessary in some circumstances, please read the issues you should consider on page 14 before you proceed.

1. Print the Period Trial Balance report. To do this, select Company > Financials and click Trial.
2. From the Print Output window select the required output for your report, then click Run.
3. From the Criteria window, choose Brought Forward as the period, then click OK.

Note: This assumes you are entering opening balances at the beginning of the financial year. The report generates.

4. Identify the balance on the Debtors control account, which is printed on the Period Trial Balance report.

If you use the VAT Cash Accounting scheme also note the balance on the Sales Tax Control Account.

5. To reverse the balance on the Debtors control account, prepare a journal entry. Use the Suspense account for the opposite posting. If the balance on your trial balance is a debit, process a journal credit for the same amount.

Note: It is very important that you select the correct date for this step.

For more information about journal entries see your software Help system (F1).

Entering your supplier balances

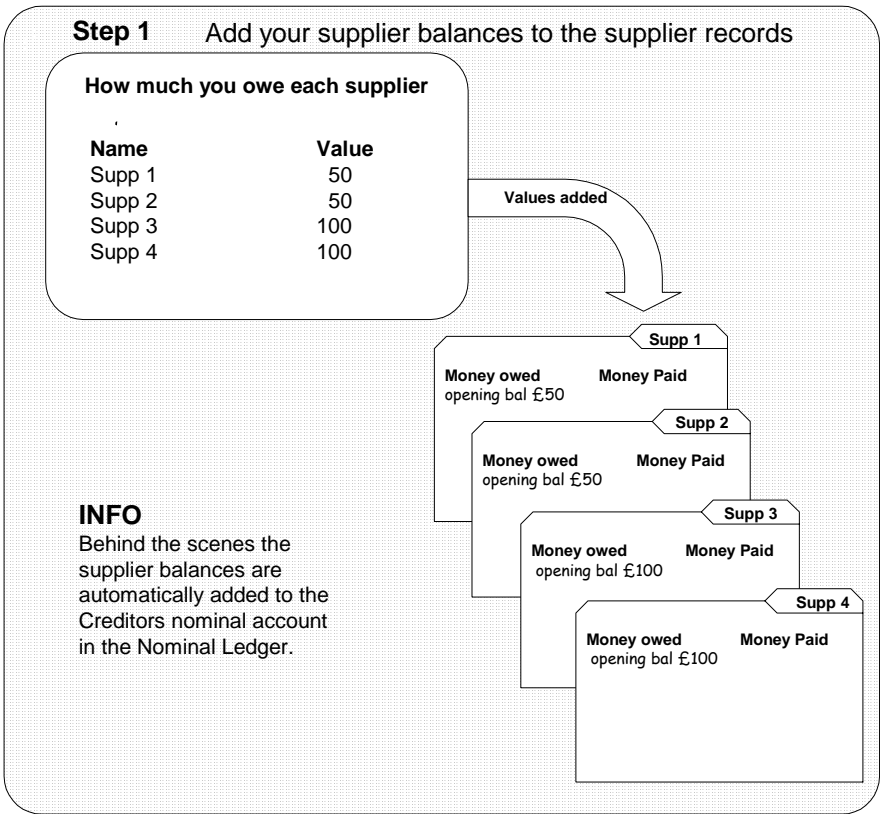
Remember you only need to do this if you are going to keep supplier records.

What do I need?

- Supplier records set up in Sage 50 Accounts. See your software Help system.
- An opening balance for each supplier. See *Supplier balances* on page 10.

What's involved?

- You add the total amount that you owe to each supplier to their supplier record.



What issues do I need to consider?

Two things:

- How to deal with a supplier balance when it is made up of more than one transaction.
- How to deal with your Creditors value which is updated as part of entering supplier balances.
- **Balance has more than one transaction**

If a supplier has more than one outstanding transaction, each can be added separately. This is particularly useful if you want to use ageing to work out when to make payments. If you use the UK VAT Cash Accounting scheme these transactions are always entered separately.

If you do not need to age your debt and all your transaction types are the same you can enter the amount owed to an individual supplier as one lump sum, provided you use the Standard VAT accounting scheme.

Note: If you use the VAT Cash Accounting scheme the transactions must be entered individually so that the unclaimed VAT amount can be dealt with correctly, unless you are using the Irish VAT Cash Accounting scheme - if you calculate VAT using this scheme, you can enter your opening balances as one lump sum, as described for the Standard VAT scheme.

- **Creditors value**

When you add your supplier balances to the supplier records Sage 50 Accounts automatically adds the value to the Creditors nominal account. This means that the opening figure for Creditors is done at the same time. You have two choices, you can:

- Leave the balance updated to the Creditors nominal account.

If you decide to leave the balance, when you come to enter your opening figures directly to the nominal accounts in the Nominal Ledger you must use the opening balance button found on each nominal account record. This means opening each nominal account you have a balance for and adding its value with the exception of the Creditors nominal account. If you don't omit the Creditors nominal account your Creditors figure will be inflated and your aged creditors reports will not match your Nominal Ledger.
- Clear the balance on the Creditors nominal account by reversing that value, before entering all your nominal account opening balances.

When you come to enter your opening figures directly to the nominal accounts in the Nominal Ledger you can then add the Creditors figure you have prepared for your opening figures. This is particularly useful if you found your supplier balances and your Creditors figure do not match and you believe the Creditors figure is accurate. If you are familiar with and prefer to use journal entries you may find it easier to enter your opening figures directly to the nominal account using the journal entry method, rather than opening each nominal account separately.

How do I enter my supplier balances?

There are two ways you can enter your supplier balances the method you choose is up to you the result will be the same. You can:

- Use the opening balance button on supplier records.
- Record the balances as regular transactions - invoice or credit notes. See your software Help system.

Note: If you are setting up your business for the first time, you use the Standard VAT accounting scheme and have made purchases where the VAT can be reclaimed, use the regular transaction method for those purchases. This ensures the purchases are included in your Sage 50 Accounts VAT Return.

To enter your supplier balances using the opening balances button

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:

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.

Standard VAT Accounting Scheme user or ROI VAT Cash Accounting scheme user):

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.

UK VAT Cash Accounting scheme user:

Net 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.
7. Check the supplier balances are as expected. To do this, from the Suppliers window, click Reports, then print the Aged Creditors Analysis Detailed and Suppliers Activity reports.
Adjustments can be made by opening the supplier's record, clicking the opening balance button and adding a value.

To enter your supplier balances by entering transactions

Please refer to the F1 software Help system and tutorial simulations.

To reverse the Creditors value

This is only necessary in some circumstances, please read the issues you should consider on page 19 before you proceed.

1. Print the Period Trial Balance report. To do this, select Company > Financials, then click Trial.
2. From the Print Output window select the required output for your report, then click Run.
3. From the Criteria window, select the accounting period for the report, then click OK.

Note: This assumes you are entering opening balances at the beginning of the financial year. The report is generated.

4. Identify the balance on the Creditors control account, which is printed on the Period Trial Balance report.

If you use the VAT Cash Accounting scheme also note the balance on the Purchase Tax Control Account - UK users only - this is not applicable if you are using the Irish VAT Cash Accounting scheme.

5. To reverse the balance on the Creditors account, prepare a journal entry. Use the Suspense account for the opposite posting. If the balance on your trial balance is a debit, process a journal credit for the same amount.

For more information about journal entries see your software Help system (F1).

Entering your opening figures

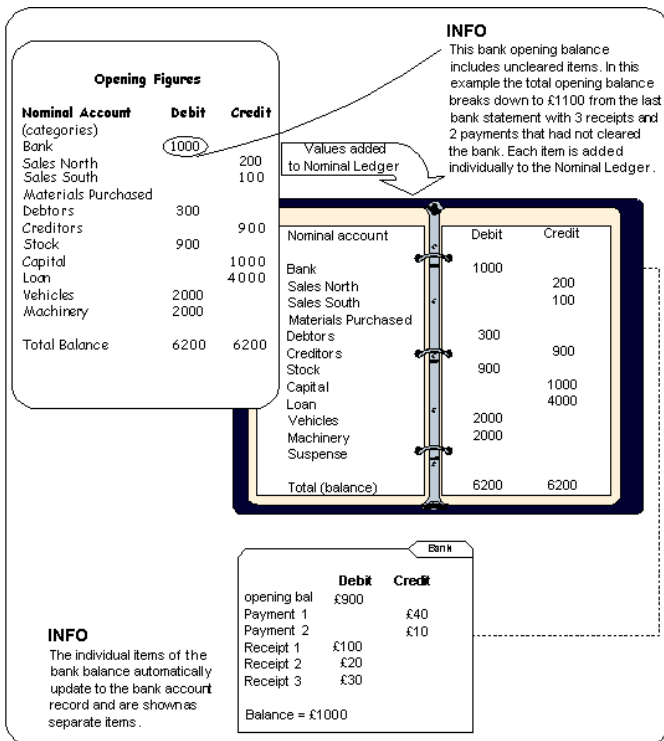
This is a task you must do.

What do I need?

- A Chart of Accounts suitable for your business. See your software Help system.
If you are adding capital, ensure you have created a new nominal account (default code 3250 Capital Introduced), so that the capital can be added correctly to Sage 50 Accounts.
- Your opening figures. See *Gathering your Opening Figures* on page 6.

What's involved?

- You add your opening figures to the corresponding nominal account in the Nominal Ledger.



What do I need to consider?

Your opening figures include an opening balance for your bank accounts. This opening bank balance may include uncleared items.

Do you want to reconcile these uncleared item in the future?

- Then enter the opening balances as a the closing balance from you last bank statement. The figure should not include any uncleared items.
- Then record any uncleared items as individual bank payments and bank receipts. Post them to your suspense nominal account (9998) with a non-vatable tax code (T9). The value of any items added in this way is automatically updated to the bank nominal account for you.

For information about posting bank payments and receipts see your software Help system (F1).

If you don't want to reconcile uncleared items in the future:

- Enter the one opening balance transaction, which is the sum of the closing balance from your last bank statement, including the value of the items that have not yet cleared.

Note: When you reconcile your bank account any items that have not cleared at the time of entering the opening balance are not listed. These are included in your original opening balance. Make sure you don't re-enter these transactions.

How do I enter my bank opening figures?

There are two ways you can enter your opening figures directly to the nominal accounts. Choose the method that is right for you. You can use:

- Journal entries.
Using this method you take your list of opening figures and enter each one into a journal entry window. When the journal is saved Sage 50 Accounts updates each nominal account for you. See your software Help system (F1).
Do not use this method if you have added customer and supplier balances and have decided to leave the values that have been updated to the Debtors and Creditors account. Use the following method instead.
- The opening balance button on a nominal account.
Using this method you open a nominal account and added the relevant figure to it. Each nominal account is done individually.

To enter your opening figures using the opening balance button

1. Select Company > Nominal Ledger.
2. Select the nominal account code you have an opening balances and then click Record.
For example, if you have set up the nominal code 4001 for wine sales and you already have a balance of £10,000 on the account, you would enter £10,000 on the record.
Note: To be able to select more than one nominal account code simultaneously, you must have List selected from the Layout drop-down.
3. Click the OB button in the Balance box.
The Opening Balance Setup window appears.
4. Enter the details of your opening balance as follows:

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 it if you want.
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, for example, sales of wine, are normally credit values.

5. To record your opening balance, click Save. To exit without saving, click Cancel.
6. Now click Next to go to the next record you selected, and repeat steps 3 to 5.
Repeat these steps for the remaining nominal accounts.

To enter your opening figures using journals

See your software Help system (F1).

Entering your product balances

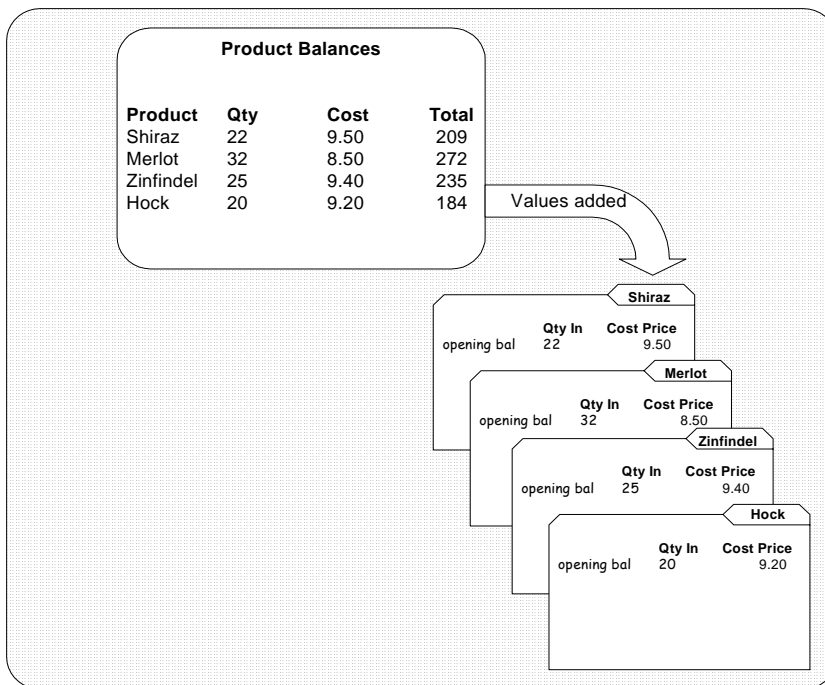
Remember you only need to do this if you have products (stock) that you want to track.

What do I need?

- Product records set up in Sage 50 Accounts. See your software Help system.
- A list of your products together with the quantity and cost of each. See *Product balances* on page 11.

What's involved?

- You add the total cost and quantity of each product to its product record setup in Sage 50 Accounts.



Additional information

- Product opening figures are not automatically updated to the Nominal Ledger. The value of your opening stock is manually added to the Nominal Ledger when you enter your opening figures to Sage 50 Accounts. See *Entering your opening figures* on page 23.

To enter figures into the product records

1. Select the Products navigation group and, if appropriate, use the view selector to switch to the Products view.
2. Select the product codes for which you want to enter opening balances, then click Record.
3. Click the OB button attached to the In Stock box.
The Opening Product Setup window appears.
4. In the Opening Product Setup window enter the opening balances as follows:

Ref	The reference for the opening balance, for example, O/BAL.
Date	The date for the opening balance. For example, the last day of the previous accounting period/financial year.
Quantity	The quantity of the product that you currently have in stock.
Cost Price	The unit price at which the opening stock is valued.

5. To record these details, click Save.

Note: If you have selected several product record codes from the Products window, use the Previous and Next buttons to move between product records to enter their opening balances.

When you save the opening balance, Sage 50 Accounts posts an Adjustment In (AI) transaction which can be viewed in the Activity tab.

Checking the Opening Figures You Have Recorded

You need to check that the results are what you would expect before you start to enter your business transactions. If there are problems it will be easier to find them and put them right now before they become buried in lots of transactions making errors harder to find.

To check the values have been added correctly

1. Print a Trial Balance, select Company > Financials, then click Trial.
2. From the Print Output window select the required output for your report, then click Run.
3. From the Criteria window, select the accounting period for the report, then click OK.
The report is generated.
4. **Note:** This assumes you are entering opening balances at the beginning of the financial year.
5. Check the values on your opening figures match the values on your generated Trial Balance. Take care over the credit and debit values.
6. Check the Suspense nominal account has a zero balance.

Something is not right!

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.

Problem	Possible explanation
The suspense account does not have a zero balance.	If you have added customer or supplier opening balances, check you have reversed the initial values out of the Nominal Ledger before adding your opening figures.
The total balance does not match the total balance of my opening figures.	An opening balance has been missed, duplicated or added as a credit when it should be a debit or vice versa.