



Article # 1152

Technical Note: Reconciling the AP Past-Due Aging Report and Accounts Payable GL Account ID Balance

Difficulty Level: Intermediate Level AccountMate User

Version(s) Affected: AccountMate 12 for SQL and Express
AccountMate 11 for SQL and Express
AccountMate 10 for SQL, Express, and LAN
AccountMate 9 for SQL, Express, and LAN

Module(s) Affected: AP, GL

Posting Date: 03/02/2022

DESCRIPTION

The aging report is an important tool in the effective management of the company's payables. If the report indicates that most of the bills are past due, this may be an indication that the company is heavily relying on trade credit.

AccountMate's **Past-Due Aging Report** in the Accounts Payable (AP) module allows you to generate the invoices aging summary as of a certain date. It provides a complete list of the current and past-due accounts to help you analyze the vendor balances composition and reconcile these balances with the Accounts Payable GL Account ID balance in the General Ledger (GL) module.

Regular reconciliation of vendor accounts allows you to spot early any accounts payable management issues to protect the company from major problems. This Technical Note discusses the use of both the **Past-Due Aging Report** and **General Ledger Listing** during the reconciliation process. It also provides tips for reconciling vendor balances.

SOLUTION

Generate the Past-Due Aging Report and General Ledger Listing for Reconciliation

To use the Past-Due Aging Report for reconciliation, follow these steps:

1. Access the Past-Due Aging Report from the Accounts Payable module.
2. Set these parameters on the report interface:
 - **Sort by Vendor # and Invoice Date**
If you assign different Accounts Payable and Prepayment GL Account IDs for each vendor, you may want to run the AP Past-Due Aging Report by Vendor # and by Invoice Date to facilitate your reconciliation.

- **Sort by AP Account ID and Vendor #**

If you want to reconcile just the records that affect specific GL Account IDs, you can generate the AP Past-Due Aging Report sorted by AP Account ID and Vendor #. You can specify an individual GL Account ID or a range of GL Account IDs and AccountMate will only pull up those records that constitute the specified GL Account ID balance.

- **Individual Vendor**

If you use the same Accounts Payable GL Account ID for all vendors, generate the Past-Due Aging Report for ALL and not for individual vendors.

- **Entry Date and Invoice Date**

The entry date is the system date that was in effect when the transaction was entered in AccountMate. The invoice date is the date found in the vendor invoice. The General Ledger Listing displays AP invoice transactions based on post dates. It does not consider the entry and invoice dates.

The post dates, entry dates, and invoice dates are not always the same for each transaction. To ensure that all invoices are covered regardless of their entry and invoice dates, keep the check mark under the **All** column for these two fields.

The screenshot shows the 'Past-Due Aging Report Criteria Window' with the following settings:

- Macro:** SYSTEM DEFAULT
- Type:** Detail (selected)
- Sort By:** Vendor #, Invoice Date
- Criteria:**

	All	From	To
Vendor #	All		
Company	All		
Bank #	All		
AP Account ID	All	--	--
Invoice Date	<input checked="" type="checkbox"/>	//	// [Range]
Entry Date	<input checked="" type="checkbox"/>	//	// [Range]
Due Date	<input checked="" type="checkbox"/>	//	// [Range]
- Aging:** History Aging (selected), Report Date: 03/30/2022
- Report Date Based on:** Report Date Based on Post Date (selected)
- Age by:** Age by Due Date (selected)
- Other options:**
 - Include Open Debit Transactions
 - Show Total On-Hold Checks
 - Show Multi-Currencies

Figure 1. Past-Due Aging Report Criteria Window

- Click Preview to view the report. The amount under the **Total Due** column is the sum of all the invoice amounts, both current and past due. Use this amount to reconcile against the General Ledger Listing.

Note: Accounts Payable invoices with negative invoice amounts are called open debit transactions. If you do not mark the option **Include Open Debit Transactions**, negative amount invoices will be excluded from the Past-Due Aging Report and will be among the reconciling items as they will be reflected in the General Ledger Listing for the Accounts Payable GL Account ID.

03/30/22 08:40:03 PM		National Office Supply, Inc.										Page 1 of 2	
Printed By: Supervisor		Past-Due Aging Report											
Invoice #	Post Date	Due Date	Inv Total	Total Paid	Total Used	Total Due	Current	Past Due	1-30	31-60	61-90	91-120	Over 120
Vendor #: AFF1 (Aero Furniture Factory, Inc.)													
INV_AFF1008	01/10/21	02/09/21	206.48	0.00	0.00								206.48
INV_AFF1009	01/21/21	02/20/21	9,735.95	0.00	0.00								9,735.95
INV_AFF1006	05/10/21	06/09/21	6,044.18	0.00	0.00								6,044.18
OPN DB	01/21/22	01/21/22	0.00	15,000.00	0.00				-15,000.00				
Total for AFF1 :			15,986.61	15,000.00	0.00	986.61	0.00	986.61	-15,000.00	0.00	0.00	0.00	15,986.61
Vendor #: AFS1 (Accounting & Finance Professionals)													
INV_CBA1001	01/16/21	01/16/21	1,500.00	0.00	0.00								1,500.00
INV_AFS1002	02/15/21	02/15/21	2,000.00	0.00	0.00								2,000.00
Total for AFS1 :			3,500.00	0.00	0.00	3,500.00	0.00	3,500.00	0.00	0.00	0.00	0.00	3,500.00
Vendor #: CBA32 (Creative Business Accessories, Inc.)													
INV_CBA1002	01/06/21	02/05/21	-1,148.00	0.00	0.00								-1,148.00
INV_CBA1004	01/21/21	02/20/21	1,520.00	0.00	0.00								1,520.00
INV_CBA1003	01/25/21	02/24/21	60.00	0.00	0.00								60.00
Total for CBA32 :			432.00	0.00	0.00	432.00	0.00	432.00	0.00	0.00	0.00	0.00	432.00
Vendor #: CHE18 (Chesley's Company)													
INV_CHE1001	01/20/21	01/20/21	1,213.58	0.00	0.00								1,213.58
INV_CHE1002	01/25/21	01/25/21	4,242.42	0.00	0.00								4,242.42
Total for CHE18 :			5,456.00	0.00	0.00	5,456.00	0.00	5,456.00	0.00	0.00	0.00	0.00	5,456.00
Vendor #: CLF32 (Carlson Lighting Fixtures, Inc.)													
INV_CLF1001	04/30/21	05/30/21	2,262.40	0.00	0.00								2,262.40
Total for CLF32 :			2,262.40	0.00	0.00	2,262.40	0.00	2,262.40	0.00	0.00	0.00	0.00	2,262.40
Vendor #: COM14 (Celeste Office Merchandise, Ltd.)													
INV_COM1001	02/03/21	02/03/21	960.31	0.00	0.00								960.31
Total for COM14 :			960.31	0.00	0.00	960.31	0.00	960.31	0.00	0.00	0.00	0.00	960.31
Vendor #: CTB01 (Citibank VISA Card)													
1000000027	01/18/21	01/18/21	1,456.23	0.00	0.00								1,456.23
INV_CTB1001	01/28/22	01/28/22	829.99	0.00	0.00				829.99				
Total for CTB01 :			2,286.22	0.00	0.00	2,286.22	0.00	2,286.22	829.99	0.00	0.00	0.00	1,456.23
Total For This Report :			30,883.54	15,000.00	0.00	15,883.54	0.00	15,883.54	-14,170.01	0.00	0.00	0.00	30,853.55

Figure 2. Past-Due Aging Report Preview Window

To generate the General Ledger Listing for reconciliation, follow these steps:

- Access the General Ledger Listing from the General Ledger module.
- Set these parameters on the report interface:
 - Account ID**
If you only have one Accounts Payable GL Account ID, mark the Individual Account ID checkbox, and enter the Accounts Payable GL Account ID in the field. If you use a range of Accounts Payable GL Account IDs, use the Account ID filter.
 - Period Range**
Enter the range of periods that you want to reconcile with the AP Past-Due Aging Report. The dates you enter in these fields must be consistent with the date you specified in the Aging Report. If the aging report cut-off date is 6/30/2022, the General Ledger Listing period range must end in June 2022.

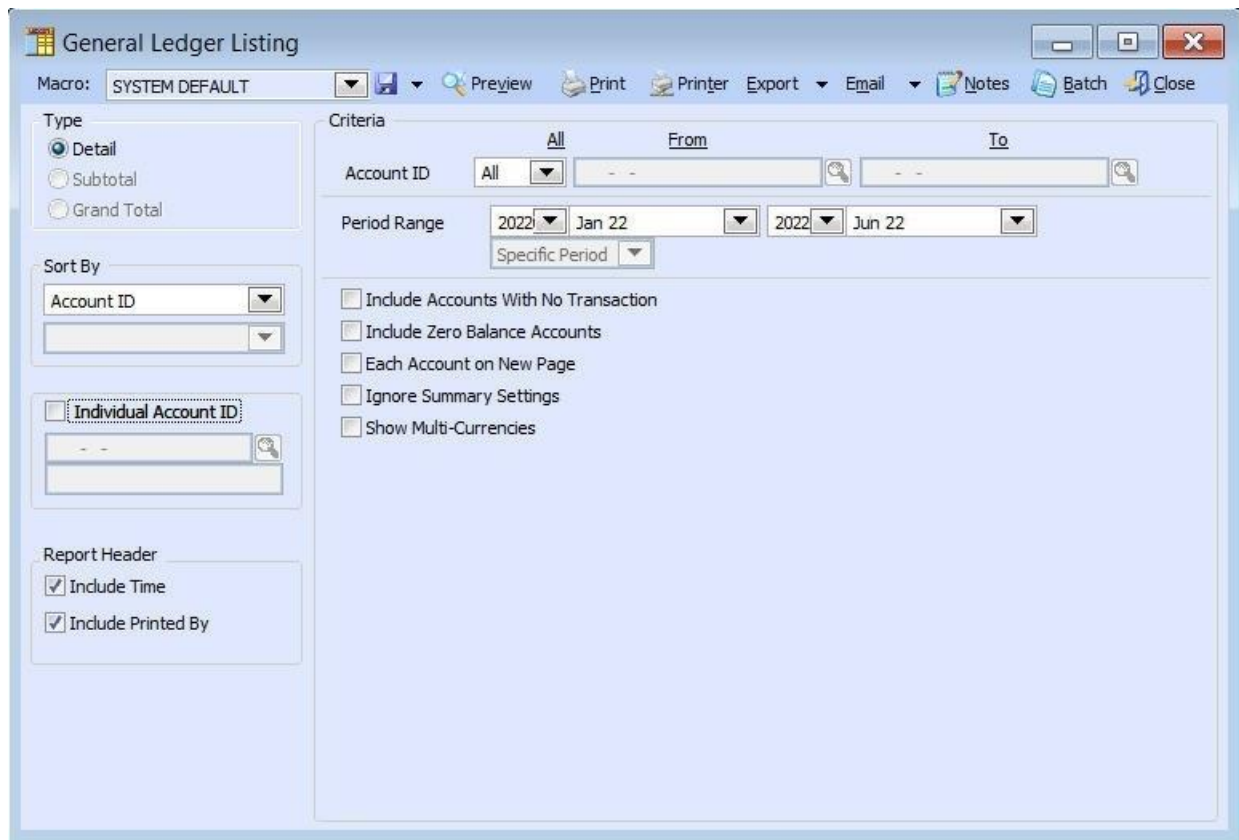


Figure 3. General Ledger Listing Report Criteria Window

3. Click Preview and print the report. You can now match the GL Account ID balance(s) to the Past-Due Aging Report.

Tips for Reconciling the AP Past-Due Aging Report and Accounts Payable GL Account ID Balance

If the Past-Due Aging Report and Accounts Payable GL Account ID do not match, here are some possible reasons and tips on how to identify the cause of the problem:

- **Direct posting in General Ledger**

As much as possible, transactions affecting the Accounts Payable GL Account ID should be entered in the Accounts Payable module; however, there are certain cases when the Accounts Payable journal entries are directly entered in General Ledger. Review the transactions affecting the Accounts Payable GL Account ID that have GL as the **Src** (Source) value and are not Beginning Balance entries; exclude these from the reconciliation. If the beginning balance was also affected by the transactions that came from non-AP modules, you must also exclude those amounts.

- **Transactions from non-AP modules**
The Past-Due Aging Report provides information on vendor transactions entered only in the Accounts Payable module. If you used the Accounts Payable GL Account IDs in the other modules (e.g., BR or AR), you must not consider these transactions in the reconciliation. You can identify these transactions in the General Ledger Listing since their **Src** value refers to the module where these come from (e.g., AR, BR, PR, etc.).
- **AP transactions not transferred to GL**
Immediately prior to doing the reconciliation, be sure to run the Transfer Data to GL or the Period-end Closing function, whichever is applicable. The General Ledger Listing will not display the accounting entries for AP transactions recorded after the last transfer to GL or period-end closing.
- **AP transactions posted to several GL Account IDs**
Depending on the AP Past-Due Aging Report parameters, you may need to generate the General Ledger Listing for the other AP related accounts. For example, if you marked the Include Open Debit Transactions checkbox in the AP Past-Due Aging Report and there are prepayment transactions for the period being reconciled, you need to generate the General Ledger Listing for the Prepayment GL Account ID, too.
- **Changes in the GL Account IDs used**
During the period, you may have created new Accounts Payable GL Account IDs and assigned them to existing vendor records. When you do the reconciliation, verify that you run the General Ledger Listing for both old and new Accounts Payable GL Account IDs. Transactions recorded prior to the change will be posted to General Ledger using the old Accounts Payable GL Account ID.
- **Inconsistency in the report dates**
The dates you used in the AP Past-Due Aging Report are inconsistent with the dates you used in the General Ledger Listing. When this happens, reprint the reports and ensure consistency of the report dates.

Typically, a sizeable volume of vendor transactions makes reconciliation a tedious task; thus, it is best to perform reconciliation at regular intervals.

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