Adding in Outstanding Cheques from Closed Years

Last updated: August 25, 2022

There may be some transactions that did not appear in the reconcile window during the Creating Beginning Balances process. This is most likely because they were posted in a closed year and ABR didn't extract them. In this example, they will be manually entered into the system. If there are a lot of open transactions, the checks can be extracted from a historical year. (See How can I extract GL transactions from a historical year? under FAQ's for more details)

In the example below, GL transactions will be entered for the outstanding checks. (The same process can also be done for outstanding deposits and other transactions as well.) Since these GL transactions should not affect the GL balance, they will need to be reversed out, resulting in a net change to the GL account of $0.00. The Nolan Source Document type of "NCABR" will be used for the reversing entries, so that they do not get extracted into ABR.

1. Create the Journal Entry to record the details of the outstanding transactions to be extracted into ABR.

- Launch the GL Transaction Entry window (Transactions >> Financial >> General)
- Set the Transaction Date to the date the outstanding checks were written on.

  Note: With this example, all outstanding checks will get the same transaction date. If it is necessary for the checks to have separate dates, then go through

this procedure and create a new transaction for each check setting the date appropriately.

- Enter “Outstanding Checks” in the Reference field (or any reference of choice). d. Select the GL account associated to the bank account being reconciled.
- Enter the amount of the outstanding check in the Credit column.
- Enter the Check Number on the Distribution Reference line.
- Repeat steps 1d through 1f for each outstanding check to be entered for this transaction date.
- Choose an offset account and enter a debit amount to balance the transaction. (The debit to this account will be reversed in the next few steps, so any temporary holding account can be used). The window should now look like the example above.
- Post the transaction.

2. Create the NCABR clearing entry so the GL balance is not affected.

- Create a new GL transaction using the Source Document type of “NCABR” (create it if it doesn’t already exist).
- The Debit and Credit amounts will be the opposite of the first transaction entered. This transaction will reverse out the previous transaction. The window should look like the example above.

  Note: The amount posted to the cash account can be summarized for this clearing entry, if preferred.

- Post the transaction.

3. Extract the GL Transactions

- Launch the Extract Transactions window and extract the transactions. (Tools >> Routines >> Financial >> Advanced Bank Reconciliation >> Extract Transactions).

- Set the From Date and To Date to reflect the date(s) of the transactions entered above. Confirm the Bank IDs and click Extract. Close the Extract Log report.

  Note: If multiple transactions were created because there were different transaction dates, the extract should be run for a range of transaction dates.

- Launch the Reconcile window and confirm that the transactions are now in the window.