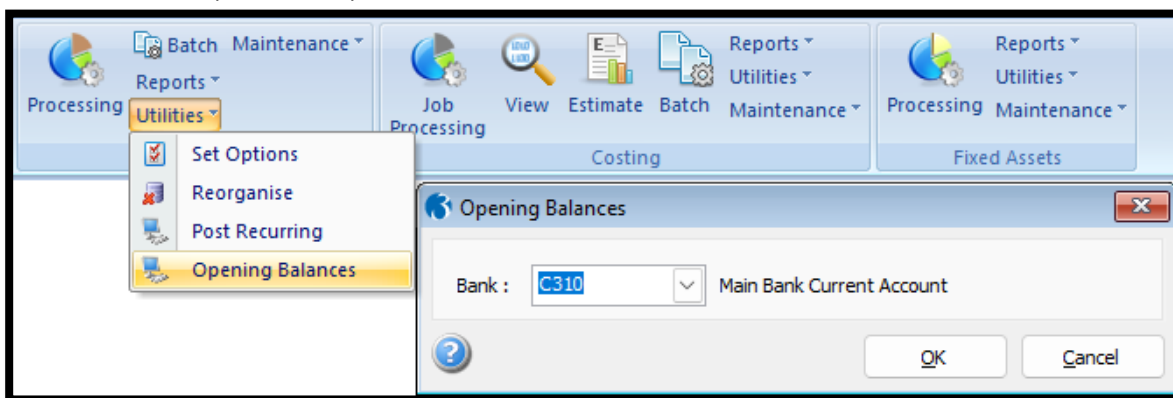## Cashbook Opening Balances

Use the Opening Balances command to enter the opening balances of your bank accounts when you first set up your Cashbook and want to update the bank accounts with unreconciled balances for transactions already in the Nominal Ledger, Sales Ledger and Purchase Ledger. The transactions for the bank account in the Nominal, Sales and Purchase ledgers are also transferred to the Cashbook and shown as unreconciled transactions. The initial unreconciled, reconciled, and current balances are then calculated.

Advanced Transactions
If there are transactions in the Sales Ledger and Purchase Ledger that have been posted as advanced transactions ahead of the current Nominal Ledger period then these are also included in the calculation of the bank account's current, unreconciled and reconciled balances.

Example ...
The Nominal Ledger is in period 8 (August). The current bank account - HSBC1 - in the Nominal Ledger has a balance of £30,000. In the Purchase Ledger advanced payments have been posted for September from HSBC1 to several suppliers - totalling £10,000.
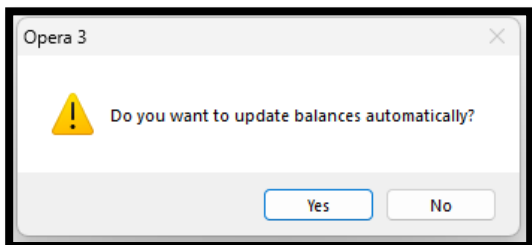
The Cashbook is switched on at this point and you use the Opening Balances command to calculate the HSBC1 account's balances and create the unreconciled postings in the Cashbook. The bank account's current balance in the Cashbook will be £20,000 - which takes into account the £10,000 advanced payments posted in the Purchase Ledger.

The bank account's balance in the Nominal Ledger will still be £30,000 until you run the Nominal Ledger- Utilities - Period End command to close period 2 and open period3. The bank account's current balance in the Nominal Ledger will then be £20,000 - which also takes into account the £10,000 payments.
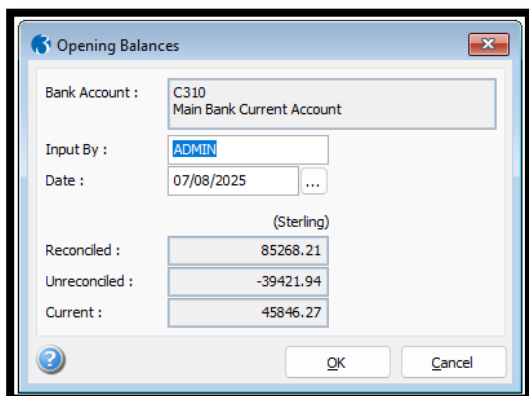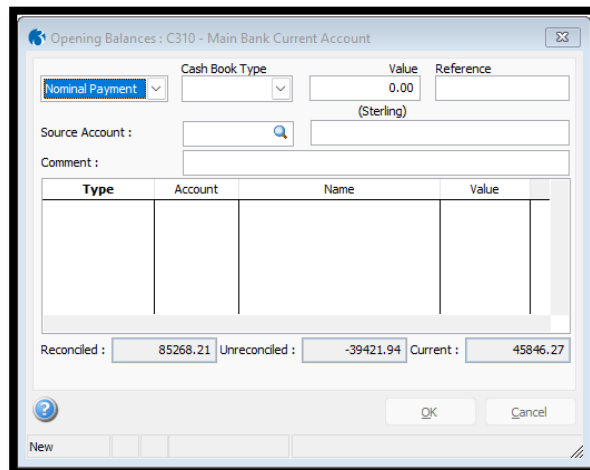
Setting Up a New Company

If you are setting up a new company, do not use this command until you have set up your trial balance in the Nominal Ledger, including your bank accounts' balances. Then use this command to:

- Automatically calculate the bank accounts' unreconciled, reconciled, and current balances.

- Add new entries for each bank account if you want them to reconcile them to your bank statements.

If more than one sales or purchase ledger is linked to this Cashbook module, you must select the company from which the corresponding customer or supplier accounts will be read for processing.

Prerequisites

Before you can enter opening bank balances, you must first create the record(s) on which your selections will be based. For some records, defaults can be defined in other modules.

Bank
At least one bank account record must be created using the Bank Accounts form before you can enter opening balances.

Cashbook Type
At least one cashbook type record must be created using the Cashbook Types form before you can complete an opening balance transaction.

Source Account
The relevant nominal, customer or supplier record must exist in the corresponding module before you can complete an opening balance transaction of the appropriate type.

Opening Balance Entries

You can enter the bank account's individual transactions on this screen so you can reconcile the transactions to the bank statement.

From
A reference that identifies the bank account for which opening entries are to be posted. You can select from a list. Bank accounts are maintained using the Processing command.

Input By
The name of the person maintaining the opening balance record. The username as defined on the User Profiles form in the System module is used as a default entry. You can select a different username from the list.

Date
The date for the opening balance. The system date is displayed but you can change if the transactions are for a different date.

Transaction Type
An option that determines the transaction type you want to enter to determine the opening bank balance. You can select one of the following from a list: Nominal Payment, Nominal Receipt, Sales Refund, Sales Receipt, Purchase Payment or Purchase Refund.

Cashbook Type
A reference that identifies the cashbook transaction type. You can select from a list. Cashbook types are maintained using the Cashbook Types command on the Maintenance submenu in the Cashbook module.

Value
The amount of the transaction.

Reference
A reference for the transaction.

Source Account
A reference that identifies the source account for the transaction which will depend on the transaction type selected. This will be a nominal, customer or supplier account. You can select from a list.

Comment
A memorandum or note concerning the nature of the transaction.