

End-User Course



Basic Financials 2025 R1

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How to Use This Course

This course consists of five parts, with each part providing a set of lessons that illustrate the basic financial management processes in a midsize company.

Part 1 illustrates the basic operations in the general ledger and guides you through the process of creating and posting GL batches. Part 2 deals with the accounts payable process and guides you through creating AP bills, payments, prepayment, and checks. Part 3 deals with the accounts receivable process and guides you through creating AR invoices and credit memos; it also illustrates how to prepare customer statements. Part 4 illustrates the process of reconciling a cash account with a bank statement, which is a preparation step for period-end procedures. Part 5 explains how to close, lock, unlock, and reopen financial periods and illustrates how to generate a financial calendar for a new financial year.

What Is in This Guide

The guide includes the *Company Story* topic and process activities. The *Company Story* topic explains the organizational structure of the company that has been preconfigured in the *U100* dataset, as well as the company's business processes and requirements. Each of the process activities of the course is dedicated to a particular user scenario and consists of processing steps that you complete.

Which Training Environment You Should Use

All lessons of the course should be completed in an instance of Acumatica ERP 2025 R1 with the *U100* training dataset preloaded; this dataset provides the predefined settings and entities you will need as you complete the activities of this course.

You or your system administrator should prepare an instance of Acumatica ERP 2025 R1, as described in the *How to Create a Tenant with the U100 Dataset* section below.

What Is in a Configuration Lesson

A *configuration lesson*—that is, a lesson dedicated to the configuration of system settings and entities—provides a brief overview of the required system configuration and a description of other settings that could affect the configuration workflow.

Each configuration lesson includes at least one implementation activity that you have to complete in your Acumatica ERP instance to configure the core system settings or to prepare system entities.

What Is in a Process Lesson

A *process lesson*—that is, a lesson dedicated to the performing of a particular business process—includes a brief user scenario and a description of the process workflow. It can also include process diagrams that illustrate the user scenario supported by this process. The lesson also provides a brief overview of the settings that need to be specified and the entities that need to be prepared in the system before you start to perform this business process.

Each process lesson includes at least one process activity that you have to complete in your Acumatica ERP instance to learn how to perform the described business process.

What the Documentation Resources Are

The complete Acumatica ERP documentation is available on <https://help.acumatica.com/> and is included in the Acumatica ERP instance. While viewing any form used in the course, you can click the **Open Help** button in the top pane of the Acumatica ERP screen to bring up a form-specific Help menu; you can use the links on this menu to quickly access form-related information and activities and to open a reference topic with detailed descriptions of the form elements.

How to Create a Tenant with the U100 Dataset

Before you complete this course, you need to add a tenant with the *U100* dataset to an existing Acumatica ERP instance. You will then prepare the tenant for completing the activities. To complete this preparation, perform the following instructions:

1. Go to [Amazon Storage](#).
2. Open the folder that corresponds to the version of your Acumatica ERP instance.
3. In this folder, open the `Snapshots` folder and download the `u100.zip` file.
4. Launch the Acumatica ERP instance and sign in.
5. Open the [*Tenants*](#) (SM203520) form and click **Add New Record** on the form toolbar.
6. In the **Login Name** box, type the name to be used for the tenant.
7. On the form toolbar, click **Save**.



When you create a system tenant, you may be signed out after its creation, depending on how many non-System tenants your Acumatica ERP instance already had:

- If you started with one non-System tenant (to which you are signed in) and you create a new one, the system signs you out to switch from single-tenant mode to multitenant mode.
- If the instance had multiple non-System tenants and you create another, it is already in multitenant mode. Instead of being signed out, you wait until the system completes the operation and then proceed.

8. On the **Snapshots** tab, click **Import Snapshot**.
9. In the **Upload Snapshot Package** dialog box, select the `u100.zip` file, which you have downloaded, and click **Upload**.
The system uploads the snapshot and lists it on the **Snapshots** tab of the [*Tenants*](#) form.
10. Open the [*Apply Updates*](#) (SM203510) form and click **Schedule Lockout**.
11. In the **Schedule Lockout** dialog box, click **OK**.
12. Open the [*Tenants*](#) form again.
13. On the form toolbar, click **Restore Snapshot**.
14. If the **Warning** dialog box appears, click **Yes**.
15. In the **Restore Snapshot** dialog box, make sure that the correct snapshot package is being uploaded and click **OK**. The system will restore the snapshot and sign you out.
16. Sign in to the tenant that you have just created.
17. Open the [*Apply Updates*](#) form again.
18. On the form toolbar, click **Stop Lockout**.

Which License You Should Use

For the educational purposes of this course, you use Acumatica ERP under the trial license, which does not require activation and provides all available features. For the production use of this functionality, you have to activate the license your organization has purchased. Each particular feature may be subject to additional licensing; please consult the Acumatica ERP licensing policy for details.

Additional References

You can refer to the following topics in the Acumatica ERP Help Portal (<https://help.acumatica.com>) for additional information on elements of Acumatica ERP user interface and activities related to them, which you can use in the lessons of this course.

The Acumatica ERP UI

You can find information about the main elements of Acumatica ERP UI in [*The Acumatica ERP UI: General Information*](#).

Search Capabilities in Acumatica ERP

In the lessons of this course, you will have to search for forms, reports, and documents. For more information about the search capabilities in Acumatica ERP and search tips, see [*Search Capabilities: General Information*](#).

Filtering and Sorting Capabilities

In the lessons of this course, you will occasionally use filters to quickly find needed documents on data entry forms. For more information about the types of filters used in Acumatica ERP and their basic elements, see [*Filtering and Sorting Capabilities: General Information*](#).

Main Operations on Data Entry Forms

Every lesson of this course includes the creation of a new record. In Acumatica ERP, you can create new records in several ways. For information on the basic elements of Acumatica ERP data entry forms, navigation on data entry forms and creating new records, see [*Record Entry: General Information*](#).

Part 1: General Ledger—Working with Batches

This part of the training illustrates the basic operations in the general ledger and guides you through the process of creating and posting GL batches.

You need to complete the activities in this part by using user accounts with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

Lesson 1.1: Processing Transactions

In this lesson, you will find general information on how to create and post transactions to the general ledger, an activity that describes how to process a batch of transactions in the system, and report and inquiries that can be useful to find and view created transactions.

GL Transactions: General Information

In Acumatica ERP, all financial information is collected for analyzing, summarizing, and reporting. Transactions, which can be viewed on the [Journal Transactions](#) (GL301000) form, are generated on the release of various types of documents that affect the general ledger.

Transactions are organized into batches, which are posted to general ledger accounts. A batch is a group of journal entries that together represent one transaction or multiple transactions that can be posted to the general ledger. The batch must include at least two journal entries. For each journal entry, the account and the debit or credit amount must be specified.

Learning Objectives

You will learn how to create a GL batch, release and post the batch, and review the statuses of the batch.

Applicable Scenarios

Batches are very rarely entered manually. Usually, you work with documents (such as invoices), and Acumatica ERP automatically generates the appropriate GL batches. However, you can enter transactions manually in the general ledger.

Batch Processing Overview

The following diagram illustrates the process of creating, releasing, and posting batches in Acumatica ERP.

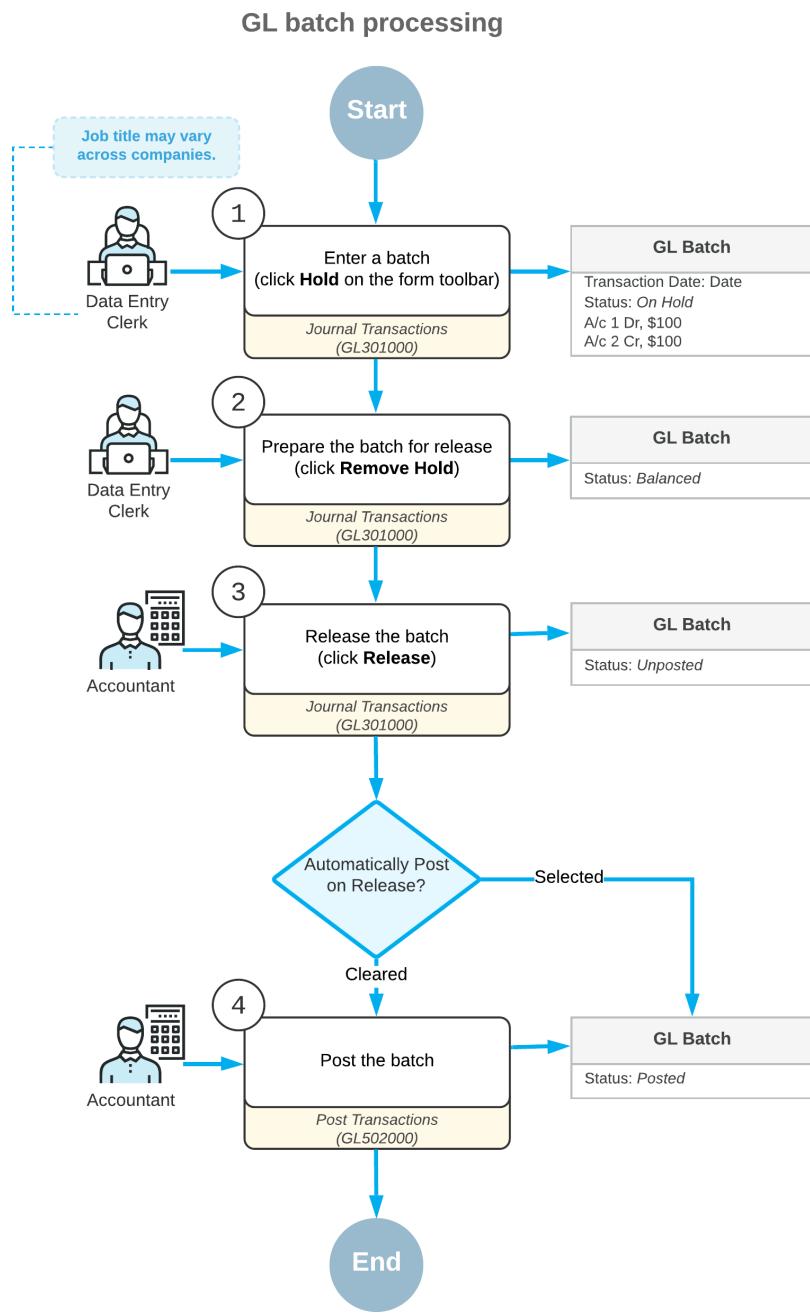


Figure: GL batch processing

GL Batch Statuses

The status of a batch reflects the current processing state of the transactions in the system. A batch can have one of the following statuses.

Status	Description
<i>On Hold</i>	The batch is being edited and can be saved without being balanced. A batch with the <i>On Hold</i> status cannot be released or posted. You can give a batch this status by clicking Hold on the form toolbar of the <i>Journal Transactions</i> (GL301000) form. If a batch that is on hold has total debits equal to total credits, you can change its status to <i>Balanced</i> by clicking Remove Hold on the form toolbar.
<i>Balanced</i>	The batch is being edited and can be saved only if it is balanced (that is, its debit total equals its credit total). The batch can be released or posted. You can modify or delete a balanced batch, but you can save your changes only if the batch's credit and debit totals remain equal.
<i>Unposted</i>	The batch has been released but has not yet been posted. The unposted batch is read-only. You cannot edit or delete the batch with the <i>Unposted</i> status; you can reverse it, reclassify it, or split it. For details, see <i>Reversing Transactions: General Information</i> , <i>Reclassifying Transactions: General Information</i> , and <i>Splitting Transactions: General Information</i> . If the batch is correct, you can post it to update GL account balances on the <i>Post Transactions</i> (GL502000) form.
<i>Posted</i>	The batch has been posted, and the account balances have been updated with transaction amounts. The posted batch is read-only. You cannot edit or delete the posted batch; you can reverse it, reclassify it, or split it. For details, see <i>Reversing Transactions: General Information</i> , <i>Reclassifying Transactions: General Information</i> , and <i>Splitting Transactions: General Information</i> .
<i>Scheduled</i>	The batch is a template for generating recurring batches according to the defined schedule. Based on the template, the system generates new batches, which can be edited, released, and then posted. The scheduled batch itself isn't released and posted and can be edited. For details, see <i>Recurring Transactions: General Information</i> . The status of a scheduled batch changes to <i>Voided</i> if the batch is deleted from the schedule. A scheduled batch can be fully deleted only if the schedule was never executed and no ordinary GL batches were generated in accordance with it.
<i>Voided</i>	The scheduled batch has been canceled (that is, removed from the schedule). The voided batch is read-only.

GL Transactions: Process Activity

In this activity, you will learn how to create a GL batch, release and post the batch, and review the statuses of the batch.

Story

Suppose that in January 2025, the SweetLife Fruits & Jams company paid its employees \$15,600.

Acting as a SweetLife accountant, you need to enter a batch for a payment in the amount of \$15,600 for the 01-2025 financial period for the salaries and wages of the employees of the SweetLife Head Office and Wholesale Center (*HEADOFFICE*) branch.

Process Overview

In this activity, you will enter a batch directly on the *Journal Transactions* (GL301000) form, release and post the batch, and note the status of the batch at each step. Then you will review the batch details in the *GL Register Detailed* (GL621000) report.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/31/2025*. If a different date is displayed, click the Business Date menu button and select *1/31/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Batch of Transactions

To create a batch of GL transactions, do the following:

1. Open the *Journal Transactions* (GL301000) form, and on the form toolbar, click **Add New Record** to create a document.
- i To open the form for creating a new record, type the form ID in the Search box, and on the Search form, point at the form title and click **New** right of the title.
2. In the Summary area, specify the following settings:
 - **Transaction Date:** *1/31/2025* (inserted by default)
 - **Post Period:** *01-2025* (inserted by default)
 - **Description:** *Salary payment Jan 2025*
3. On the table toolbar of the **Details** tab, click **Add Row** and specify the following settings in the row that appears:
 - **Branch:** *HEADOFFICE* (inserted by default based on the selected branch)
 - **Account:** *69500 - Salaries and Wages*
 - **Debit Amount:** *15600*
4. Click **Add Row** again, and specify the following settings in the second row:
 - **Branch:** *HEADOFFICE* (inserted by default based on the selected branch)
 - **Account:** *10200 - Company Checking Account*
 - **Credit Amount:** *15600*

5. Click **Save** on the form toolbar, and note that the status of the batch is *On Hold*.
6. Click **Remove Hold** on the form toolbar and save the batch. The batch's status has changed to *Balanced*.

Step 2: Releasing and Posting the Batch

To release and post the GL batch, do the following:

1. On the form toolbar, click **Release**.
2. Note that the batch's status has changed to *Posted* as shown in the following screenshot.

The screenshot shows the 'Journal Transactions' form for GL GL000046 - Salary payment Jan 2025. The 'Status' field is highlighted with a red border and contains the value 'Posted'. The 'Description' field below it is set to 'Salary payment Jan 2025'. The 'DETAILS' tab is selected, displaying a table of transaction lines. The first line debits 'HEADOFFICE' account 69500 for 'Salaries and Wages' and credits 'Company Checking Account' account 10200. The second line debits 'Company Checking Account' account 10200 for 'Company Checking Account' and credits 'HEADOFFICE' account 69500. Both lines have a quantity of 0.00 and a debit amount of 15,600.00, resulting in a credit amount of 15,600.00. The transaction description is 'Salary payment Jan 2025'.

Branch	*Account	Description	Project/Contract	Project Task	Cost Code	Ref. Number	Quantity	UOM	Debit Amount	Credit Amount	Transaction Description	Non Billable
HEADOFFICE	69500	Salaries and Wages	X		00-000		0.00		15,600.00	0.00	Salary payment Jan 2025	<input type="checkbox"/>
HEADOFFICE	10200	Company Checking Account	X		00-000		0.00		0.00	15,600.00	Salary payment Jan 2025	<input type="checkbox"/>

Figure: Posted GL batch

Step 3: Reviewing the Batch Details

To review the batch details, do the following:

- On the More menu (under **Reports**), click **Batch Register Details**.
- On the [GL Register Detailed](#) (GL621000) report, which is opened, review the details of the posted batch.

GL Transactions: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about batches.



If you do not see a report or inquiry, this could mean that you have signed in to the system with a user account that does not have access rights to the form.

Finding a Batch on the Journal Transactions Form

To find and view a batch, you can use the [Journal Transactions](#) (GL301000) form. On this form, you can click the selector button in the **Batch Number** box and locate the batch by doing one of the following:

- Clicking any column header to arrange the items in ascending or descending order based on the values in the column. You can navigate between pages to locate the specific batch.
- Clicking the column header for any column you may want to search, and then typing a string in the search box at the bottom of the dialog box that pops up. As you type, the system filters the listed batches to display only those containing the entered text in the selected column.
- Creating a filter to find the batch by its details. To do this, you click **Filter Settings** on the table toolbar of the lookup table, and specify a condition based on the batch details.

Viewing an Unreleased Batch

On the [GL Edit Summary](#) (GL611500) form, you can run a report for a particular ledger and financial period; you then review the list of unreleased batches, find the necessary batch, and review it. From the report, you can navigate to the [Journal Transactions](#) (GL301000) form to view more details of the batch.

Similarly, you can find and view an unreleased transaction by using the [GL Edit Detailed](#) (GL610500) and [GL Edit Account Distribution](#) (GL611000) reports.

Viewing a Released Batch

On the [GL Register](#) (GL620500) form, you can run a report for a particular ledger and financial period, and then review the list of released batches and find the necessary batch. You can navigate to the [Journal Transactions](#) (GL301000) form from the report to view more details of the batch.

Similarly, you can find and view a released transaction by using the [GL Register Detailed](#) (GL621000) report.

Printing Transactions for a Particular Account

You can print transactions for a particular account by using the [Transactions for Account](#) (GL633500) report. To run a report, you specify the ledger, the financial period, and the account for which you want the system to generate the report.

Printing Transactions for a Particular Period

You can print transactions for a particular period by using the [Transactions for Period](#) (GL633000) report. To run a report, you specify the ledger and the financial period for which you want the system to generate the report.

Lesson 1.2: Reversing Transactions

In this lesson, you will find general information on how to reverse transactions, an activity that describes how to reverse a batch of transactions in the system, and report and inquiries that can be useful to find and view reversed and reversing transactions.

Reversing Transactions: General Information

An incorrect batch with the *On Hold* or *Balanced* status can be corrected or deleted in the system. After a batch has been released, it cannot be corrected or deleted. If a batch with the *Unposted* or *Posted* status is incorrect, you can reverse the batch and enter a correct one.



If the batch was posted to the wrong GL account, subaccount, or branch, to correct it, you can reclassify the batch on the [Reclassify Transactions](#) (GL506000) form. For details, see [Reclassifying Transactions: General Information](#). If a part of the batch amount was posted to the wrong GL account, subaccount, or branch, you can split the batch. For details, see [Splitting Transactions: General Information](#).

Learning Objectives

You will learn how to reverse a GL batch in the system.

Applicable Scenarios

You reverse a batch if some of the details other than GL account, subaccount, or branch were entered incorrectly and the batch has been released.

Generation of a Reversing Batch

To generate a reversing batch, on the [Journal Transactions](#) (GL301000) form, you select the batch that you want to reverse and on the More menu (under **Corrections**), you click **Reverse**. The system creates a batch with the transactions reversed—that is, a debit entry is reversed as a credit entry and a credit entry is reversed as a debit entry.



For the reversing batches, the **Reversing Entry** check box is selected in the Summary area of the [Journal Transactions](#) form.

Depending on the setting of the **Hold Batches on Entry** check box on the [General Ledger Preferences](#) (GL102000) form, the reversing batch gets one of the following statuses:

- *Balanced*: If the **Hold Batches on Entry** check box is cleared.
- *On Hold*: If the **Hold Batches on Entry** check box is selected.

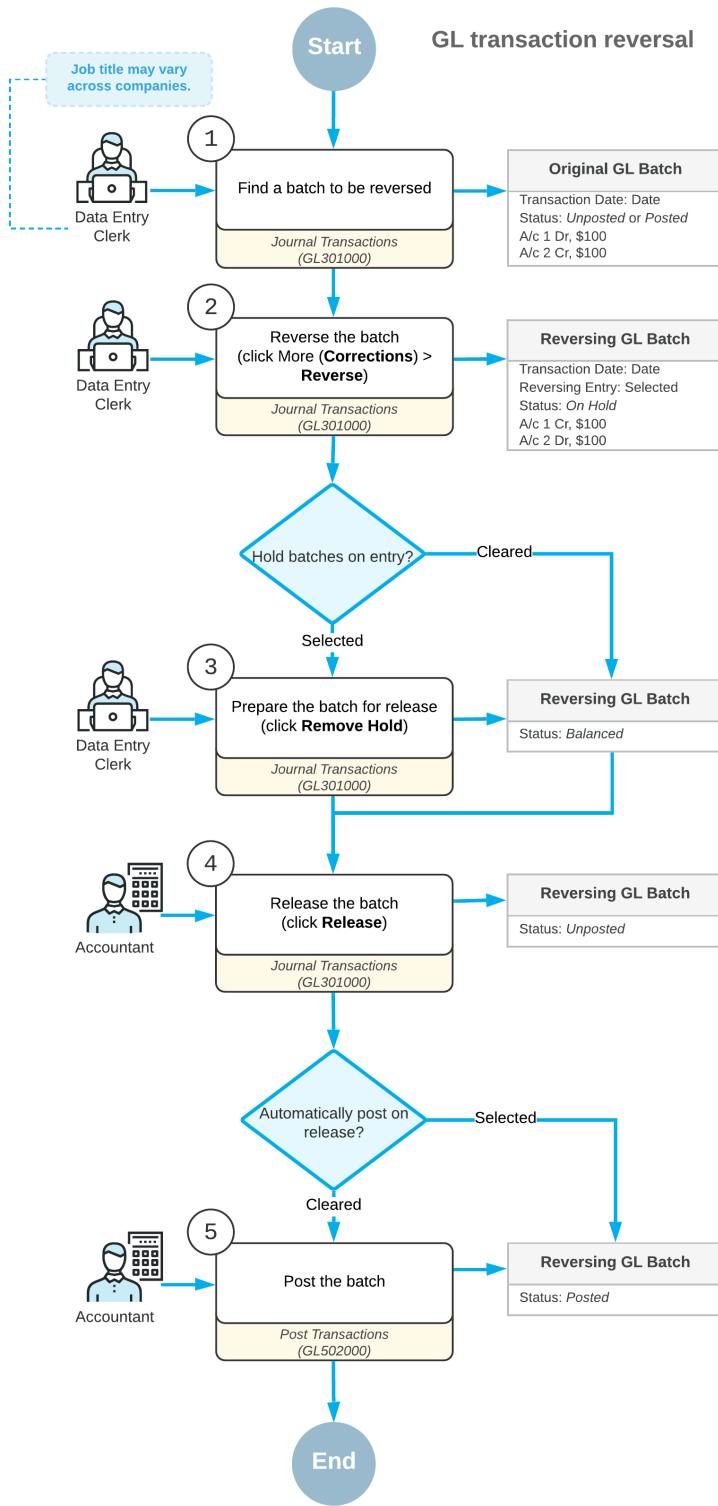
You can then release and post this batch. For details on processing batches, see [GL Transactions: General Information](#).

While you are viewing the reversing batch on the [Journal Transactions](#) form, you can quickly view the original batch by clicking the number in the **Orig. Batch Number** box in the Summary area.

You can reverse a batch multiple times. To view the list of the related reversing batches, you click the link in the **Reversing Batches** box of the [Journal Transactions](#) form. The system opens the [GL Reversing Batches](#) (GL690010) report with the list of batches and their details.

Overview of the Reversing Process

The typical processing workflow of reversing batches involves the actions and generated batches shown in the following diagram.

**Figure: Processing workflow for reversing a transaction**

Reversing Transactions: Generated Transactions

On the [Journal Transactions](#) (GL301000) form, you can view the details of the reversing GL batch and its original GL batch. For the following original GL batch recorded to the general ledger, the reversing GL batch below will be recorded to the general ledger.

Table: The Original GL Batch

Account	Debit	Credit
62900 - Rent or Lease Expense	Amount	00.00
23015 - Accrued Expense	00.00	Amount

Table: The Reversing GL Batch

Account	Debit	Credit
62900 - Rent or Lease Expense	00.00	Amount
23015 - Accrued Expense	Amount	00.00

Reversing Transactions: Process Activity

In this activity, you will learn how to reverse a GL batch.

Story

Suppose that in February 2025, a transaction was posted by mistake for the monthly office rent expense that the SweetLife Fruits & Jams company pays to its landlord.

Acting as a SweetLife accountant, you need to reverse this transaction posted for the SweetLife Head Office and Wholesale Center (*HEADOFFICE*) branch.

Process Overview

In this activity, to reverse a batch, you will search for the needed batch on the [Journal Transactions](#) (GL301000) form and reverse it. You will then check the ending balance on the [Account Summary](#) (GL401000) form and drill down to the [Account Details](#) (GL404000) form to make sure that the account balance is now correct.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the

Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Finding the Batch to be Reversed

To find the batch to be reversed, do the following:

1. Open the Journal Transactions (GL3010PL) list of records.
2. In the table, click the **Transaction Date** column, and in the dialog box that opens, specify the following settings:
 - **Equals:** Selected
 - **Value:** 2/25/2025
3. Click **OK**. The system displays the batch dated February 25, 2025.

Step 2: Reversing the Batch

To reverse the batch, do the following:

1. While you are still on the Journal Transactions (GL3010PL) list of records with the needed batch listed, click the link in the **Batch Number** column to open the batch on the *Journal Transactions* (GL301000) form.
2. On the More menu (under **Corrections**), click **Reverse**.

The system generates and opens a reversing batch. In the Summary area, notice that the number of the original batch is shown in the **Orig. Batch Number** box, the **Reversing Entry** check box is selected, and the batch's status is *On Hold*, as shown in the following screenshot.

Account	Description	Project/Contract	Project Task	Cost Code	Ref. Number	Quantity	UOM	Debit Amount	Credit Amount	Transaction Description	Non Billable
HEADOFFICE	Rent or Lease Expense	X		00-000		0.00		0.00	1,300.00	Rent February	<input type="checkbox"/>
HEADOFFICE	Utilities	X		00-000		0.00		1,300.00	0.00	Rent February	<input type="checkbox"/>

Figure: The reversing batch created by the system

3. On the form toolbar, click **Remove Hold**.
4. On the form toolbar, click **Release** to release the batch.

Step 3: Reviewing the Posted Transaction

To review the account balance and the posted transactions, do the following:

1. Open the *Account Summary* (GL401000) form.
2. In the **Period** box of the Summary area, select 02-2025.
3. In the table, locate the 62900 - *Rent or Lease Expense* account and review its ending balance in the **Ending Balance** column.

4. Click the link in the **Account** column for the 62900 account, and on the [Account Details \(GL404000\)](#) form, which opens, review the list of entries posted to this account.

Reversing Transactions: Related Reports and Inquiries

In this topic, you can find the list of reports and inquiries related to reversing batches.

Finding Reversing Batches for an Original Batch

To view the list of reversing batches related to an original batch, you can use the [GL Reversing Batches \(GL690010\)](#) report. On the report form, you run the report for the original batch, and you can then view the list of reversing batches and their details.

You can also open this report by clicking the link in the **Reversing Batches** box of the [Journal Transactions \(GL301000\)](#) form for the original batch. The system opens the [GL Reversing Batches \(GL690010\)](#) report with the list of reversing batches and their details.

Lesson 1.3: Reclassifying Transactions

In this lesson, you will find general information on how to reclassify transactions, an activity that describes how to reclassify transactions in the system, and reports and inquiries that can be useful to find and view related transactions.

Reclassifying Transactions: General Information

You use the [Reclassify Transactions \(GL506000\)](#) form to reclassify a batch was posted to the wrong GL account, subaccount, or branch. For details on reclassifying GL transactions related to a project, see [Transaction Reclassification: General Information](#).

Learning Objectives

You will learn how to perform the reclassification process.

Applicable Scenarios

You reclassify a batch in the following cases:

- A batch has been posted to the wrong account.
- A batch has been posted to the wrong subaccount.
- A batch has been posted to the wrong branch.

Workflow of Batch Reclassification

On the [Reclassify Transactions \(GL506000\)](#) form, before you perform the reclassification process, you need to specify new details for each journal entry that you need to reclassify. You can change an account, subaccount, and branch.



While reclassifying a transaction, you can also edit the transaction date and the description of the reclassification transaction. If you edit the date, the new date has to be in the range of the financial period of the original transaction.

You can change required settings in each needed row manually, or perform mass changing of settings in multiple rows.

The following diagram shows the general process of reclassifying transactions.

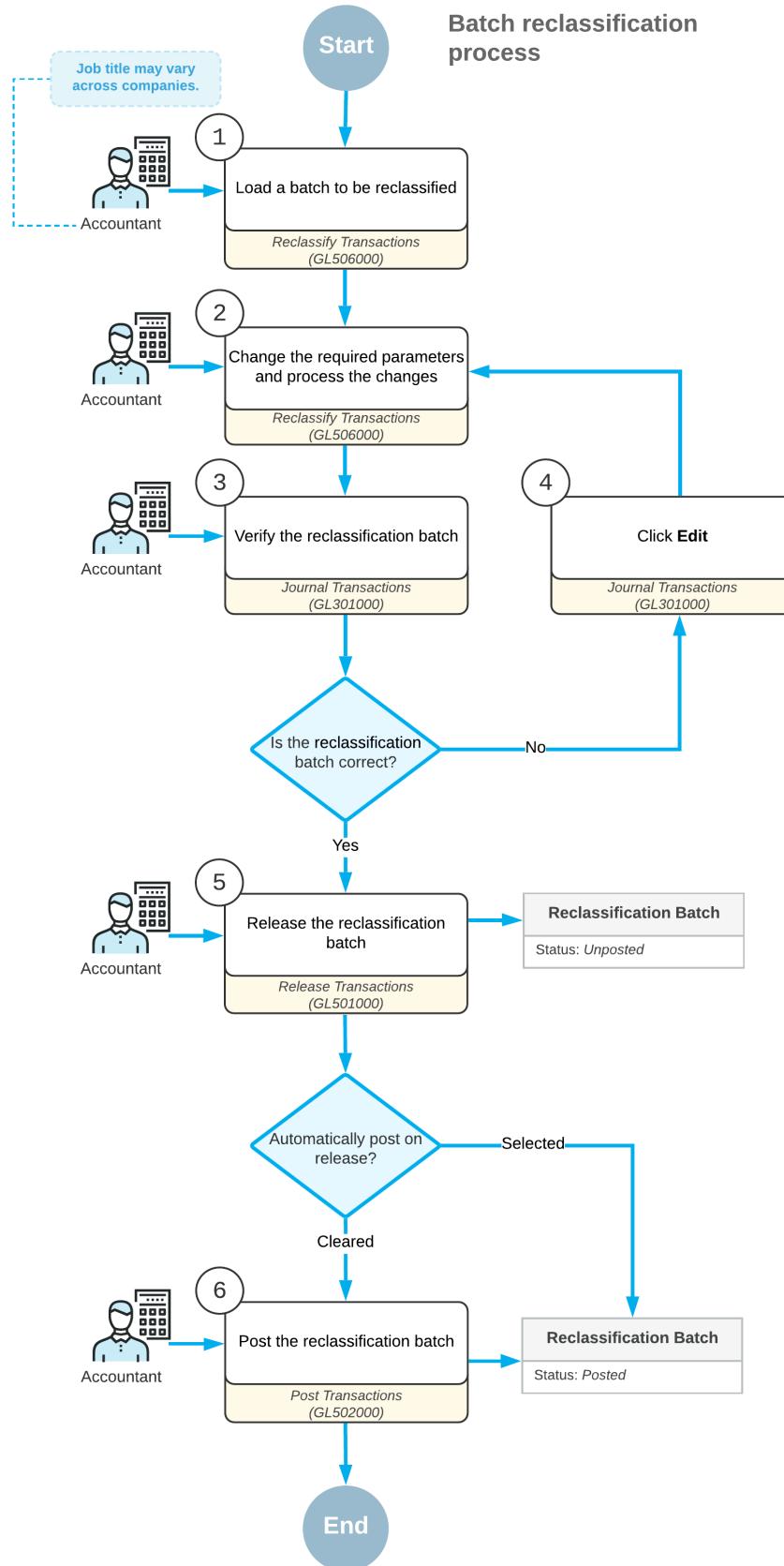


Figure: Batch reclassification process

Modification of Selected Transactions Manually

To change the required settings manually, in each needed row, you modify any of the following boxes:

- **To Account:** The transaction amount will be moved from the originally specified GL account (**Account**) to the account specified in this box.
- **To Subaccount:** The transaction amount will be moved from the originally specified subaccount (**Subaccount**) to the subaccount specified in this box.



This box is available only if the *Subaccounts* feature is enabled on the [Enable/Disable Features](#) (CS100000) form.

- **To Branch:** The transaction will be moved to the GL account or subaccount of the branch specified in this box.



This box is available only if the *Multibranch Support* feature is enabled on the [Enable/Disable Features](#) form.

By default, these boxes contain the values of the original journal entry. Once you have changed any of the default values, the entry becomes available for reclassification.

To edit the date and description of a transaction, you need to enter new values in the **New Tran. Date** and **New Transaction Description** boxes, respectively.

Modification of a Group of Transactions

To perform mass-changing of settings in multiple rows, on the form toolbar of the [Reclassify Transactions](#) (GL506000) form, you click **Replace**. In the **Find and Replace** dialog box that opens, you specify the original and replacement transaction settings. Then you click **Replace** to close the dialog box and replace the settings in the needed rows.

To run the reclassification process, you click **Process** on the form toolbar.

Transactions that Cannot be Reclassified

The following general ledger transactions cannot be reclassified:

- Project-related transactions that have been billed.
- Project-related transactions that have been allocated.
- Project-related transactions linked to project commitments.
- Project-related transactions that are related to a project that is not active.
- Journal entries of transactions in which a control account is specified, such as entries posted on release of accounts receivable and accounts payable documents to AR and AP accounts, respectively, and to Tax Payable and Tax Claimable accounts. (A control account is a general ledger account that accumulates the summary information of a subledger, such as AR or AP. The details of the control account balance are contained in the subledger, so the balance of the control account should match the total of the related subledger.)



You can reclassify GL entries posted on release of AR and AP documents to income and expense accounts.

- Transactions generated in the general ledger when consolidation data has been imported on the [Import Consolidation Data](#) (GL509000) form. For details, see [GL Consolidation: General Information](#).

- Transactions generated by a user invoking the run allocation process on the [Run Allocations](#) (GL504500) form. For details, see [Allocation Rules](#) and [Running Allocations](#).
- All currency-related GL transactions, such as transactions generated based on the currency translation and revaluation processes.
- Transactions that have already been reclassified.

Reclassifying Transactions: Generated Transactions

Suppose that by mistake you have specified a wrong account in the AP bill. Now you need to reclassify the wrong journal entry by creating a correcting transaction, so that the amount will be moved to the correct account.

The following table shows the journal entries of the original GL transaction of the *Normal* type.

Account	Debit	Credit
Accounts Payable account	00.00	Amount
Expense account 1	Amount	00.00

The following table shows the journal entries of the correcting GL transaction of the *Reclassification* type.

Account	Debit	Credit
Expense account 1	00.00	Amount
Expense account 2	Amount	00.00

Reclassifying Transactions: Process Activity

In this activity, you will learn how to reclassify GL transactions.

Story

Suppose that while reviewing the [Transactions for Account](#) (GL633500) report, CFO of the SweetLife Fruits & Jams company found out that an office desk repair transaction was mistakenly posted to the 62400 - *Office Expense* account.

Acting as a SweetLife accountant, you have to find this transaction, which was posted in 03-2024, and reclassify it to the 62950 - *Repairs* account.

Process Overview

In this activity, to reclassify a GL transaction, you will run the [Transactions for Account](#) (GL633500) report, load a list of transactions, reclassify the needed transaction on the [Reclassify Transactions](#) (GL506000) form, and release the batch. Then you will run the [Account Details](#) (GL404000) inquiry and review the transactions after the reclassification.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Finding the Transaction to be Reclassified

To find the transaction to be reclassified, do the following:

1. Open the [Transactions for Account](#) (GL633500) form.
2. On the **Report Parameters** tab, specify the following parameters:
 - **Company/Branch:** *HEADOFFICE (SweetLife Head Office and Wholesale Center)* (inserted by default based on the selected branch)
 - **Ledger:** *ACTUAL*
 - **From Period:** *03-2024*
 - **To Period:** *03-2024*
 - **Account:** *62400 - Office Expense*
3. Click **Run Report**.

The report displays the transaction that falls within the specified criteria.

Step 2: Reclassifying the Transaction

To reclassify the transaction, do the following:

1. On the [Transactions for Account](#) (GL633500) report, which you generated in Step 1, click the link in the **Batch Number** column.
The batch is opened on the [Journal Transactions](#) (GL301000) form.
2. On the More menu (under **Corrections**), click **Reclassify**.
The batch is opened on the [Reclassify Transactions](#) (GL506000) form.
3. In the **To Account** column for the row with the 62400 account, change the value to *62950 (Repairs)*. Press Ctrl + Enter to submit your changes.

Notice that the unlabeled check box for this row is selected automatically. This is because you have changed the value in the **To Account** box, as shown in the following screenshot.

Reclassify Transactions												TOOLS ▾	
			LOAD	REPLACE	SPLIT	PROCESS	H	X	V				
To Branch	To Account	Description	New Tran. Date	New Transaction Description			Debit Amount	Credit Currency	Branch	Account	Description	Transaction Date	Transaction Description
HEADOFFICE	10200	Company Checking Account	3/2/2024	Desk repairs (5 desks in Accounting Dept.)	0.00	567.00	USD	HEADOFFICE	10200	Company Checking Account	3/2/2024	Desk repairs (5 desks in Accounting Dept.)	
> HEADOFFICE	62950	Repairs	3/2/2024	Desk repairs (5 desks in Accounting Dept.)	567.00	0.00	USD	HEADOFFICE	62400	Office Expense	3/2/2024	Desk repairs (5 desks in Accounting Dept.)	

Figure: The reclassified transaction before being processed

- On the form toolbar, click **Process**.

Step 3: Releasing the Batch

To release the reclassification batch, do the following:

- While you are still on the *Reclassify Transactions* (GL506000) form, in the **Processing** dialog box, which is displayed, click the **Processed** tab.
Notice the batch number in the **Reclass. Batch Number** column (which the system inserted when processing completed successfully).
- Click the link in the **Reclass. Batch Number** column and review the reclassification batch on the *Journal Transactions* (GL301000) form, which opens. Notice that the reclassification batch has not yet been released.
- On the form toolbar, click **Remove Hold**.
- On the form toolbar, click **Release** to release the batch.

Step 4: Reviewing the Account Details

To review the details of the 62400 account, do the following:

- Open the *Account Details* (GL404000) form.
- In the Summary area, specify the following settings:
 - From Period:** 03-2024
 - To Period:** 03-2024
 - Account:** 62400
 - Include Reclassified:** Cleared
 The table displays no transactions.
- Select the **Include Reclassified** check box in the Summary area, and review the two batches listed in the table. Note that a message is displayed next to the original batch, stating that the transaction has been reclassified. In the **Reclass. Batch Number** column, you can view the number of the reclassification batch.

Reclassifying Transactions: Related Reports and Inquiries

In this topic, you can find information about the reports and inquiries related to reclassification batches.

Viewing the Reclassification History of a Transaction

You can view the reclassification history for a transaction on the *Reclassification History* (GL405000) form.

You can open this form by clicking the **Reclassification History** button in either of the following places:

- On the form toolbar of the *Account Details* (GL404000) form for the transaction you have selected (if it has been reclassified)

- On the table toolbar of the [Journal Transactions](#) (GL301000) form for the transaction you have selected in the GL batch, if it has the *Reclassification* type

You can reclassify only the last transaction in the list of transactions on the [Reclassification History](#) form by clicking **Reclassify** on the form toolbar.

Finding Reclassification Transactions for a Particular Account

On the [Account Details](#) (GL404000) form, to include in the list of entries the journal entries that have been reclassified for a selected GL account within the specified period, select the **Include Reclassified** check box in the Summary area. In the **Reclass. Batch Number** column, each of the reclassified entries has a link to the appropriate *Reclassification* transaction.

You can also view a list of transactions that include the reclassified journal entries by preparing the [Transactions for Account](#) (GL633500) or [Transactions for Period](#) (GL633000) report with the **Include Reclassified Transactions** check box selected.

Lesson 1.4 Adjusting Transactions

Sometimes you may need to adjust transactions to be posted to the specific period and then reversed in the period after that.

In this lesson, you will find general information on how to process adjusting transactions, an activity that describes how to process and adjusting transaction in the system, and report and inquiries that can be useful to find and view related transactions.

Adjusting Transactions: General Information

At the end of the period, you may need to post some adjusting transactions to adjust income and expense accounts. In Acumatica ERP, for this purpose, you create auto-reversing batches that are reversed at the beginning of the next period.

Learning Objectives

You will learn how to create an auto-reversing batch in the system.

Applicable Scenarios

You create an auto-reversing batch if you need to post a batch at the current period and reverse these entries at the beginning of the next period. For example, you create auto-reversing batches in the following cases:

- When you record accrual-type adjusting entries
- When you revalue in the base currency the accounts maintained in foreign currencies at the end of the period, and the adjusting entries are posted to the unrealized gain and loss accounts

Creation of Auto-Reversing Batches

You create an auto-reversing batch on the [Journal Transactions](#) (GL301000) form. At the beginning of the next period, the system automatically creates the reversing batch as follows:

- All transactions are reversed—that is, each debit entry is reversed as a credit entry and each credit entry is reversed as a debit entry.



On the *Journal Transactions* form, the **Reversing Entry** check box is selected for the reversing batches.

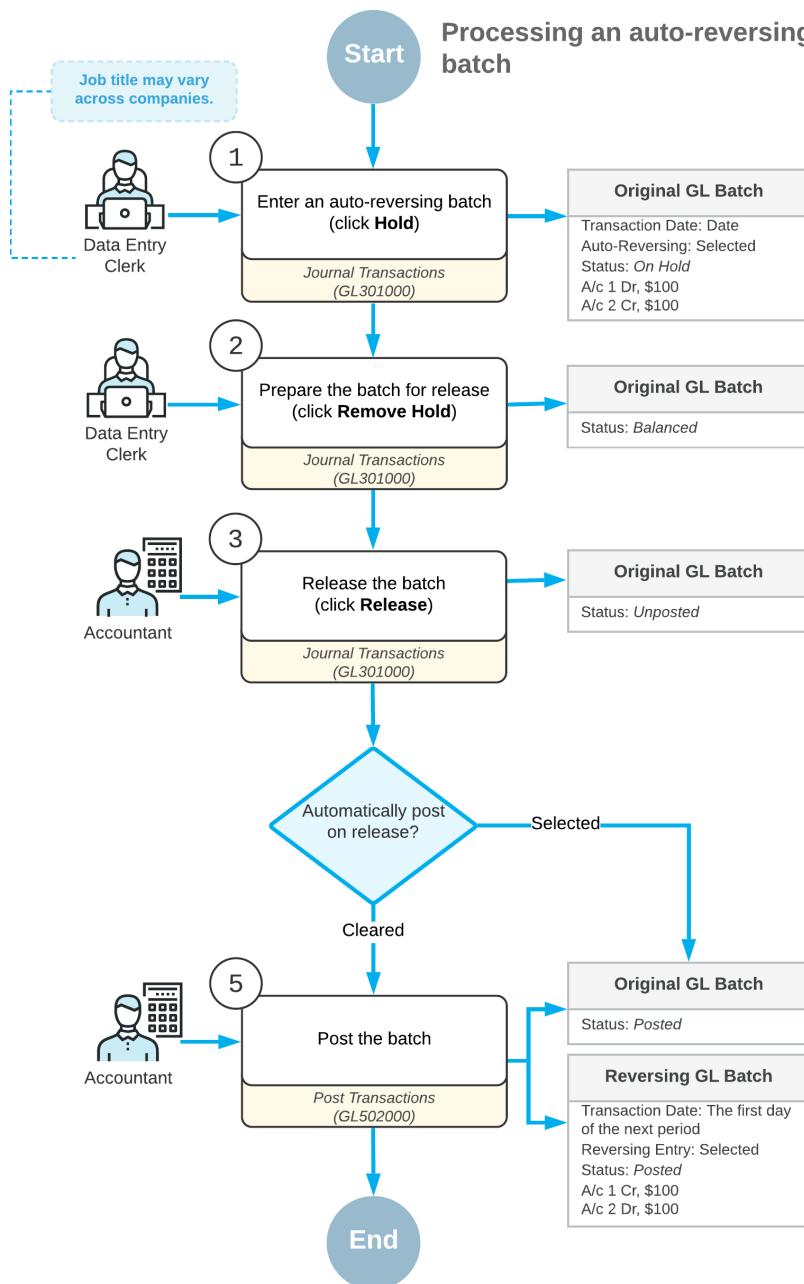
- The first day of the next financial period is set as the date of the reversing transactions.
- Each reversing transaction has the *Posted* status.



The financial periods for which auto-reversing transactions will be created and the next periods must have a status of *Open*.

Workflow of Processing Auto-Reversing Batches

The typical processing workflow of auto-reversing batches involves the actions and generated batches shown in the following diagram.



Adjusting Transactions: Generated Transactions

On the [Journal Transactions](#) (GL301000) form, you can view the details of the original GL batch and its automatically created reversing batch. For the following GL batch recorded to the general ledger, the system will create the auto-reversing GL batch below in the general ledger at the end of the period next to the post period of the original transaction.

Table: The Original GL Batch

Account	Debit	Credit
62900 - Rent or Lease Expense	Amount	00.00
23020 - Other Accrued Expenses	00.00	Amount

Table: The Auto-Reversing GL Batch

Account	Debit	Credit
62900 - Rent or Lease Expense	00.00	Amount
23020 - Other Accrued Expenses	Amount	00.00

Adjusting Transactions: Process Activity

In this activity, you will learn how to process an auto-reversing batch.

Story

Suppose that by the end of January 2025, the electricity used by the SweetLife Head Office and Wholesale Center in January has not yet been billed by the vendor. Acting as a SweetLife accountant, you need to create an auto-reversing batch for the amount of \$2,320, which will be posted on January 31 and reversed at the beginning of the next financial period.

Process Overview

In this activity, to process an auto-reversing batch, you will create and release an auto-reversing batch on the [Journal Transactions](#) (GL301000) form, and then check the ending balance the [Account Details](#) (GL404000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/31/2025*. If a different date is displayed, click the Business Date menu

button and select 1/31/2025. For simplicity, in this lesson, you will create and process all documents in the system on this business date.

- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating and Releasing an Auto-Reversing Batch

To process an auto-reversing batch, do the following:

- Open the *Journal Transactions* (GL301000) form, and create a new record.
- In the Summary area, specify the following settings:
 - Transaction Date:** 1/31/2025 (inserted by default)
 - Post Period:** 01-2025 (inserted by default)
 - Description:** Electricity expenses of \$2,320
 - Auto Reversing:** Selected
- On the table toolbar of the **Details** tab, click **Add Row** and specify the following settings for the added row:
 - Branch:** HEADOFFICE (inserted by default)
 - Account:** 63300 - Utilities
 - Debit Amount:** 2320
- Click **Add Row** again and add another row with the following settings:
 - Branch:** HEADOFFICE (inserted by default)
 - Account:** 23020 - Other Accrued Expenses
 - Credit Amount:** 2320
- Click **Save** on the form toolbar, and note that the status of the batch is *On Hold*.
- On the form toolbar, click **Remove Hold** and save the batch. The batch's status has changed to *Balanced*.
- On the form toolbar, click **Release** to release the batch.

This causes the original batch to be posted. The system has also generated a new batch with the next sequential number and posted the batch to the first day of the next financial period. The released batch is shown in the following screenshot.

The screenshot shows the Acumatica Journal Transactions screen. The top navigation bar includes links for NOTES, ACTIVITIES, FILES, and TOOLS. The main title is "Journal Transactions" and the subtitle is "GL GL000049 - Electricity expenses of \$2,320". The summary area contains the following details:

Module:	GL	Branch:	HEADOFFICE - SweetLife Head Office ar	Type:	Normal
Batch Number:	GL000049	Ledger:	ACTUAL - Actual Ledger	Orig. Batch Number:	
Status:	Posted		<input checked="" type="checkbox"/> Auto Reversing <input type="checkbox"/> Reversing Entry	Reversing Batches:	1
Transaction D...	1/31/2025			Debit Total:	2,320.00
Post Period:	01-2025			Credit Total:	2,320.00

The description field contains "Electricity expenses of \$2,320". The DETAILS tab is selected, showing two rows of transaction data:

*Branch	*Account	Description	Project/Contract	Project Task	Cost Code	Ref. Number	Quantity	UOM	Debit Amount	Credit Amount	Transaction Description	Non Billable
HEADOFFICE	63300	Utilities	X		00-000		0.00		2,320.00	0.00	Electricity expenses of \$2,320	<input type="checkbox"/>
HEADOFFICE	23020	Other Accrued Expenses	X		00-000		0.00		0.00	2,320.00	Electricity expenses of \$2,320	<input type="checkbox"/>

Figure: The released auto-reversing batch

- In the **Reversing Batches** box of the Summary area, click 1 (the number of the reversing batches).

The system opens the [GL Reversing Batches](#) (GL690010) report with the created reversing batch and its details.

Step 2: Reviewing the Posted Transaction

To review the account balance and the posted transactions, do the following:

1. Open the [Account Details](#) (GL404000) form.
2. In the **From Period** box of the Summary area, select 01-2025.
3. In the **To Period** box, select 02-2025.
4. In the **Account** box, select 23020 - *Other Accrued Expenses*.
5. In the table, review the account's ending balance in the **Ending Balance** column for both periods.
6. In the **Account** box, select 63300 - *Utilities*.
7. In the table, review the account's ending balance in the **Ending Balance** column for both periods.

Adjusting Transactions: Related Reports and Inquiries

In this topic, you can find the list of reports and inquiries related to reversing batches.

Finding Reversing Batches for an Original Batch

To view the list of reversing batches related to an original batch, you can use the [GL Reversing Batches](#) (GL690010) report. On the report form, you run the report for the original batch, and you can then view the list of reversing batches and their details.

You can also open this report by clicking the link in the **Reversing Batches** box of the [Journal Transactions](#) (GL301000) form for the original batch. The system opens the [GL Reversing Batches](#) (GL690010) report with the list of reversing batches and their details.

Lesson 1.5: Splitting Transactions

In this lesson, you will find general information on how to process and manage a split transaction, an activity that describes how to split a transaction into new transactions, and reports and inquiries that can be useful to find and view related transactions.

Splitting Transactions: General Information

In Acumatica ERP, splitting a GL transaction involves the creation of a correcting transaction to move a part of the amount of the original transaction in any of the following regards:

- From one GL account or multiple accounts to another GL account or multiple accounts
- From one subaccount or multiple subaccounts to another subaccount or multiple subaccounts (if subaccounts are used in your organization)
- From one company branch or multiple branches to another branch or multiple branches

Learning Objectives

You will learn how to split a transaction that has been posted to the wrong subaccount into multiple correcting transactions.

Applicable Scenarios

You split a transaction in the following cases:

- The batch has been posted to the wrong account, and a part of the amount should be posted to at least one other account.
- The batch has been posted to the wrong branch, and a part of the amount should be posted to at least one other branch.
- The batch has been posted to the default subaccount (if subaccounts are used in your system), but amounts should be split among multiple subaccounts.

Overview of the Process of Splitting Transactions

On the *Reclassify Transactions* (GL506000) form, to split a transaction, you need to add new lines that represent the journal entries to which a part of the original journal entry amount will be split. A part of the amount can be transferred to another account, subaccount, or branch (or more than one of these).

As a result of the splitting process, the system generates a new transaction of the *Reclassification* type based on the original GL transaction. The *Reclassification* transaction moves the amount or a part of the amount from the wrong GL account, subaccount, or branch (or more than one of these) to the required one (or ones).

If the amount of the original transaction has not been fully split, after the reclassification batch is released, you can view the remaining amount of the original transaction in the **Remaining Reclass. Amount** column on the *Journal Transactions* (GL301000) form. You can split or reclassify a transaction with the remaining reclassification amount again.

The following diagram shows the general process of splitting transactions.

GL transaction splitting

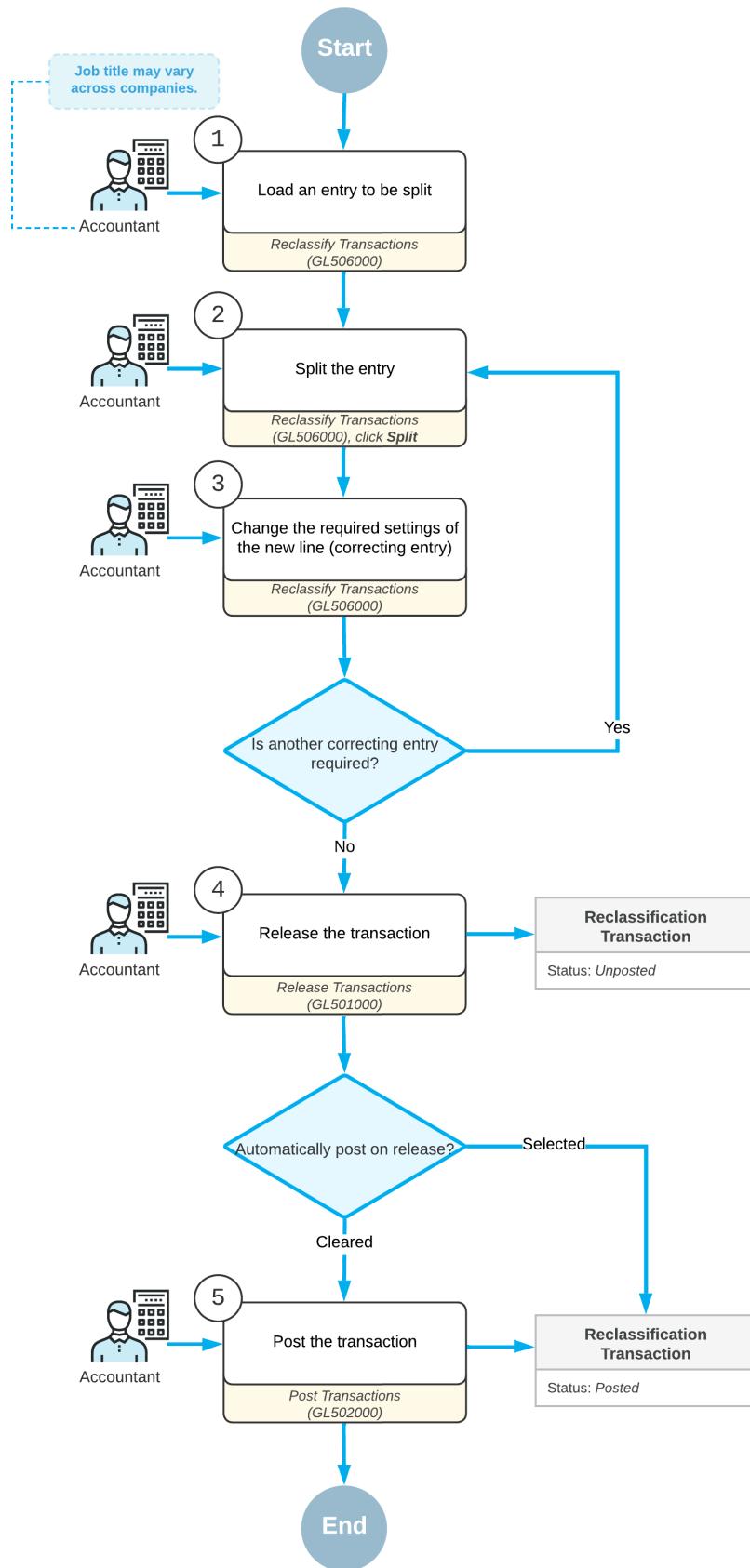


Figure: GL transaction splitting

Modification of the Transaction

To split the necessary transaction, you open it on the *Reclassify Transactions* (GL506000) form. For details, see *Reclassifying Transactions: Initiation of the Reclassification Process*.

On the *Reclassify Transactions* form, you first click the journal entry to be split and then click **Split** on the form toolbar. The system adds a new entry under the original one. The original entry is marked with the  icon, and each new line added during the split process is marked with the  icon. The original entry and each new entry are highlighted in bold during the process of splitting the transaction.

Multiple new entries can be added to split the original entry. In each new line and in the original one, you can modify the values in any of the following columns:

- **To Account:** The transaction amount will be moved from the originally specified general ledger account (**Account**) to the account you specify in this column.
- **To Subaccount:** The transaction amount will be moved from the originally specified subaccount (**Subaccount**) to the subaccount you specify in this column.



This column is available only if the *Subaccounts* feature is enabled on the *Enable/Disable Features* (CS100000) form.

- **To Branch:** The transaction amount will be moved from the originally specified branch to the GL account or subaccount of the branch you specify in this column.



This column is available only if the *Multibranch Support* feature is enabled on the *Enable/Disable Features* form.

By default, these columns contain the values of the original journal entry. For new lines of the splitting group, these columns contain the values of the original journal entry, even if you have changed any of these values of the original entry.

For each new entry, in the **New Amount** column, you specify the amount to be transferred from the original entry to a new one. For the original entry, in this column, the system calculates the remaining amount based on the new amounts of new entries. The total amount of new entries cannot be more than the amount of the original entry.

Negative values can be specified in the **New Amount** column for the new entries. The negative amounts are highlighted in red and increase the amount of the original entry.

To edit the date and description of the transaction, you need to enter new values in the **New Tran. Date** and **New Transaction Description** boxes, respectively. If you edit the date, the new date has to be within the financial period of the original transaction.

The transaction is ready for splitting if the check box is selected in the Included column for the original entry and all the related new entries. The system selects this check box for each new entry when you have changed a value in the **To Account**, **To Subaccount**, or **To Branch** column, and you have specified the amount to be moved to the new entry in the **New Amount** columns.

The system selects this check box for the original entry when you have changed a value in the **To Account**, **To Subaccount**, or **To Branch** column, or the amount has been adjusted according to the changes made for the amounts of the new lines.

In the same reclassification batch, the system includes journal entries that have the same transaction period specified. A separate reclassification batch is generated for each journal entry that has a different transaction period.

Splitting Transactions: Generated Transactions

Suppose that you classify all your expenses by department by using a dedicated subaccount segment for each department code. By mistake, you have posted all your expenses to one subaccount: *000-OPS*. This means that the amount has been posted to the Expense subaccount of one department (Operations) instead of three different departments:

- Operations, which is represented by *OPS* in the second subaccount segment
- Financial, which is represented by *FIN* in the second subaccount segment
- Purchasing, which is represented by *PUR* in the second subaccount segment

Now you need to split the incorrect journal entry by creating a correcting transaction, so that the total amount will be split to the subaccounts of three departments in the following proportions: 40% to the subaccount of the Financial department (*000-FIN*), 20% to the subaccount of the Purchasing department (*000-PUR*), and the remaining 40% in the subaccount of the Operations department (*000-OPS*).

The following table shows the journal entries of the original GL transaction of the *Normal* type.

Account	Subaccount	Debit	Credit
Accounts Payable account	<i>000-000</i>	<i>00.00</i>	Amount
Expense account	<i>000-OPS</i>	Amount	<i>00.00</i>

The following table shows the lines of the correcting GL transaction of the *Reclassification* type.

Account	Subaccount	Debit	Credit
Expense account	<i>000-OPS</i>	<i>00.00</i>	<i>0.4 * Amount</i>
Expense account	<i>000-FIN</i>	<i>0.4 * Amount</i>	<i>00.00</i>
Expense account	<i>000-OPS</i>	<i>00.00</i>	<i>0.2 * Amount</i>
Expense account	<i>000-PUR</i>	<i>0.2 * Amount</i>	<i>00.00</i>

As a result, if \$100 had been originally posted to the Expense subaccount of the Operations department, \$40 will be posted to the Expense subaccount of the Financial department, \$20 will be posted to the Expense subaccount of the Purchasing department, and \$40 remains posted to the subaccount of the Operations department.

Splitting Transactions: To Split a GL Transaction

In this activity, you will learn how to split a GL transaction into two new transactions.

Story

Suppose that on February 13, 2025, a GL batch for \$212 was wrongly posted to the *81000 - Other Expenses* account. This account should contain a \$32 expense, and the rest of the expenses should be split between two other accounts. The expenses accounted for in this transaction should be the following:

- Travel expenses: \$80

- Advertising expenses: \$100
- Other expenses: \$32

Acting as a SweetLife accountant, you have to split the original transaction, adding two correcting transactions to properly reflect the expenses.

Process Overview

In this activity, you will find and review the entry to be split on the [Account Details](#) (GL404000) form. On the [Reclassify Transactions](#) (GL506000) form, you will split the amounts of the original transaction. You will then release the transaction on the [Release Transactions](#) (GL501000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select *2/13/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Finding the Transaction to be Split

To prepare for splitting the transaction, do the following:

1. Open the [Account Details](#) (GL404000) form.
2. In the Selection area, specify the following settings:
 - **Company/Branch:** *HEADOFFICE (SweetLife Head Office and Wholesale Center)* (inserted by default based on the selected branch)
 - **Ledger:** *ACTUAL* (inserted by default)
 - **From Period:** *02-2025*
 - **To Period:** *02-2025*
 - **Account:** *81000 - Other Expenses*
3. In the table, select the unlabeled check box for the transaction dated *2/13/2025* and the debit amount of *\$212*, and on the form toolbar, click **Reclassify** to open the entry related to the account on the [Reclassify Transactions](#) (GL506000) form.

Step 2: Splitting the Transaction

To split the transaction, do the following:

1. While you are remaining on the [Reclassify Transactions](#) (GL506000) form and viewing the entry to be split, click **Split** on the form toolbar.

The system has added a new line under the line with the original entry.

- In the columns of the new line, specify the following values:

- To Account:** 54400 - Project Travel Expense
- New Amount:** 80

Notice that the **New Amount** column for the original line has decreased by the specified amount for the new line and now shows 132.00.

- To enter the other new entry, click **Split** on the form toolbar.

- In the columns of the new line, specify the following values:

- To Account:** 61000 - Advertising Expenses
- New Amount:** 100

Notice that the **New Amount** column for the original line has decreased by the sum of the new amounts of the two new lines and now shows 32.00, as shown in the following screenshot.

Reclassify Transactions												TOOLS ▾	
				LOAD	REPLACE	SPLIT	PROCESS	undo	redo	cancel	exit		
	To Branch	To Account	Description	New Tran. Date	New Transaction Description	New Amount	Debit Amount	Credit Amount	Currency	Branch	Account	Description	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HEADOFFICE 81000 Other Expenses	2/13/2025	Advertising campaign	32.00	212.00	0.00	USD	HEADOFFICE 81000	Other Expenses		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HEADOFFICE 54400 Project Travel Expense	2/13/2025	Advertising campaign	80.00	0.00	0.00	USD	HEADOFFICE 81000	Other Expenses		
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	HEADOFFICE 61000 Advertising Expense	2/13/2025	Advertising campaign	100.00	0.00	0.00	USD	HEADOFFICE 81000	Other Expenses		

Figure: The split transaction before being processed

- On the form toolbar, click **Process**.
- In the **Processing** pop-up window, which opens, click the **Processed** tab to view the list of batches.

Step 3: Releasing the Transaction

To release the transaction, do the following:

- In the table on the **Processed** tab in the **Processing** pop-up window, click the link in the **Reclass. Batch Number** column to open the reclassification transaction that the system has created.
- On the [Journal Transactions](#) (GL301000) form, which opens, review the transaction, and click **Remove Hold** on the form toolbar.
- On the form toolbar, click **Release** to release the transaction.
- In the table, click the link in the **Orig. Batch Nbr.** column to review the original transaction.

The system has opened the entry and marked the line with the 81000 account as reclassified. The **Remaining Reclass. Amount** column for this line shows the remaining amount of the original entry (32.00).

Splitting Transactions: Reports and Inquiries

In this topic, you can find the list of reports and inquiries related to splitting transactions.

Finding Reclassification Transactions for a Particular Account

On the [Account Details](#) (GL404000) form, to include in the list of entries the journal entries that have been reclassified for a selected GL account within the specified period, select the **Include Reclassified** check box in the Summary area. In the **Reclass. Batch Number** column, each of the reclassified entries has a link to the appropriate *Reclassification* transaction.

You can also view a list of transactions that includes the reclassified journal entries by preparing the [Transactions for Account](#) (GL633500) or [Transactions for Period](#) (GL633000) report with the **Include Reclassified Transactions** check box selected. In the reports, the original transaction that was split is marked as a reclassified transaction.

Finding Split Transactions for a Particular Account

You can find and view split transactions on the [Journal Transactions](#) (GL301000) form or on the [Account Details](#) (GL404000) form. These transactions have the *Reclassification* type. On this form, in the **Orig. Batch Nbr.** column of the table, the reclassified journal entries contain the links to the original GL transactions (that is, to the batches generated for the transactions).

Viewing a Reclassification History of a Transaction

You can view the reclassification history for a transaction on the [Reclassification History](#) (GL405000) form. You can open this form by clicking the **Reclassification History** button in either of the following situations:

- On the form toolbar of the [Account Details](#) (GL404000) form for the transaction you have selected (if it has been reclassified)
- On the table toolbar of the [Journal Transactions](#) (GL301000) form for the transaction you have selected in the GL batch, if it has the *Reclassification* type

You can reclassify only the last transaction in the list of transactions on the [Reclassification History](#) form by clicking **Reclassify** on the form toolbar.

Lesson 1.6: Processing Recurring Transactions

In this lesson, you will find general information on how to process recurring transactions, an activity that describes how to process a recurring transaction in the system, and report and inquiries that can be useful to find and view related transactions.

Recurring Transactions: General Information

To automate the entry of recurring transactions, you create schedules for these transactions in the system.

Learning Objectives

You will learn how to do the following:

- Create schedules for recurring transactions
- Generate the recurring transactions

Applicable Scenarios

You need to create schedules for transactions that repeat regularly, such as loan payments and depreciation-related transactions.

Entry of Recurring Transactions

Generally, the process of entering of recurring transactions to the system consists of the following steps:

1. Creating a recurring batch on the [Journal Transactions](#) (GL301000) form.

2. Preparing the batch to be scheduled—that is, saving the batch in the *Balanced* status on the *Journal Transactions* form.
3. Creating a schedule on the *Recurring Transactions* (GL203500) form for the batch.
4. Running the schedule to generate recurring batches.
5. Processing the generated batches.

The typical processing workflow of processing recurring batches is shown in the following diagram.

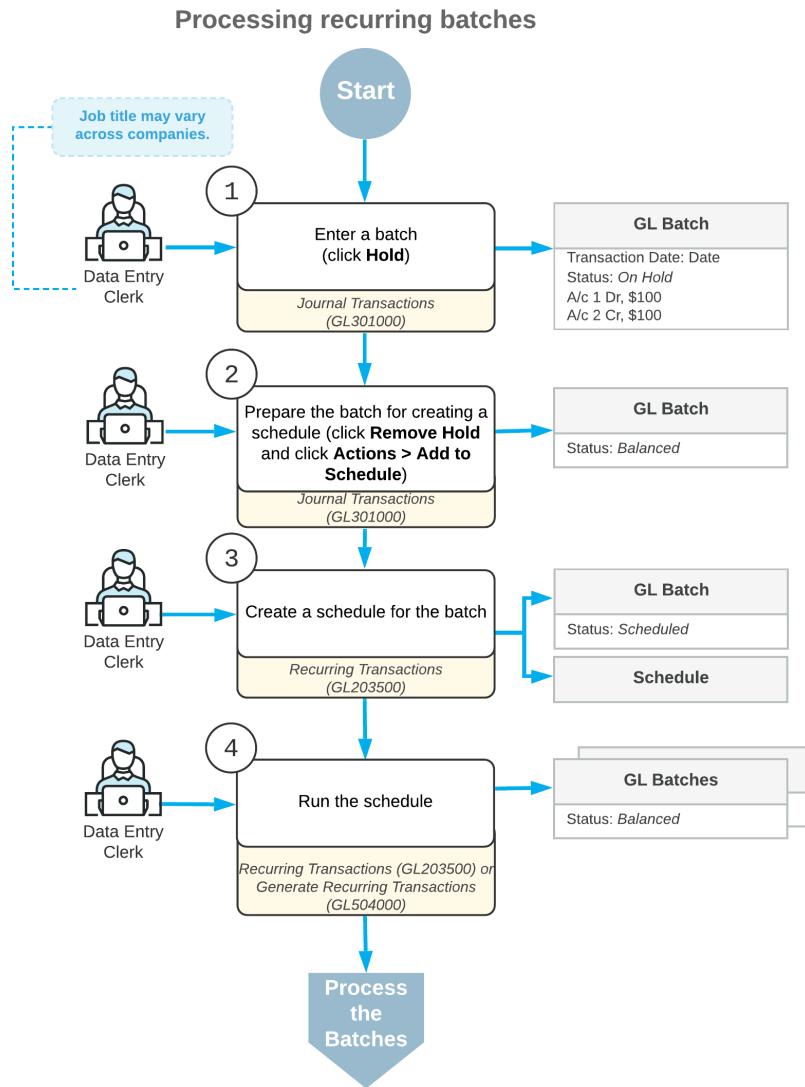


Figure: Processing recurring batches

Schedule Creation

You create a schedule on the *Recurring Transactions* (GL203500) form. For the schedule, you specify the date when it starts, and you can either specify a maximum number of times the schedule should be repeated or set up unlimited schedule executions by selecting the **No Limit** check box.

You then select the appropriate option in the **Frequency** box to indicate how frequently the schedule applies:

- *Daily*: The batches should be generated daily or every x days.
- *Weekly*: The batches should be generated on specific days of the week each week or every x weeks.

- *Monthly*: The batches should be generated once per month or every x months on a specific day of the month.
- *By Financial Period*: The batches should be generated only once per financial period or every x financial periods at the start, end of the financial period, or on a specific day of the financial period.

Scheduled Batches

You can add GL batches to a schedule immediately (if all the required batches already exist) or later. Only batches with the *Normal* type and the *Balanced* status can be scheduled. After you have assigned a batch to a schedule, the system changes the batch's status to *Scheduled*.

On the [Journal Transactions](#) (GL301000) form, you can create a batch and then immediately add it to a new schedule by clicking **Add to Schedule** (under **Other**) on the More menu.

A batch can be included in only one schedule. If a batch has been added to a schedule and you add it to a new schedule, the system removes it from the previous schedule.

Generation of Recurring Transactions

You use the [Generate Recurring Transactions](#) (GL504000) form to run a single schedule or multiple schedules. You can also run a particular schedule on the [Recurring Transactions](#) (GL203500) form by selecting the schedule in the **Schedule ID** box and clicking **Run Now** on the form toolbar.

When you run a schedule, the system uses the included batches as template batches to generate similar batches. The batches generated by a schedule can differ from the template as follows:

- Date: The date of each batch is different, determined by the schedule you have configured.
- Reference number: A new reference number is generated for each batch based on the numbering sequence specified on the [General Ledger Preferences](#) (GL102000) form.
- Currency rate: If the currency of a batch differs from the base currency set in the system, the system uses for conversion the currency exchange rate effective on the date of the batch creation.

No matter how many times you run the schedule, batches will be generated only as required by the schedule. The system determines whether it should generate the batches depending on the current date, the schedule's start and expiration dates, the schedule type, and the date when the batches were last generated. After the required batches have been generated, the system updates the **Last Executed** value. One batch is generated for one run of the schedule.

For example, suppose that you have scheduled a particular batch to be performed weekly on each Tuesday, with no execution limit. If you run the schedule every week on Wednesday, one batch will be generated each time. If you run this schedule every day, the batches will be generated only on Tuesdays. If you want to run this schedule once in a month, on the last Wednesday, you should run it four times to generate four batches.

Batches generated as a result of a user running a schedule appear in the system with the *Balanced* status. They can be released or posted as any other batches can. You can change the transaction amounts, if needed.

Recurring Transactions: Process Activity

In this activity, you will create a recurring batch to be used as a template, create a schedule for the batch, and run the schedule to generate the batch.

Story

Suppose that the SweetLife Fruits & Jams company pays rent every month and receives the rent bill for each month at the beginning of the next month. The company records the accrual of rent expenses every month.

Acting as a SweetLife accountant, you have to create a recurring batch to schedule the accrual of rent expenses for every month of 2025. You also need to generate the batch for the 01-2025 financial period.

Process Overview

To use a recurring batch, you will create a recurring batch to be used as a template on the *Journal Transactions* (GL301000) form. You will then create a schedule for the batch based on this template on the *Recurring Transactions* (GL203500) form. To generate a batch, you will run the schedule on the *Generate Recurring Transactions* (GL504000) form; you will then release the batch on the *Release Transactions* (GL501000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/31/2025*. If a different date is displayed, click the Business Date menu button and select *1/31/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Batch to Be Used as a Template

To create a recurring batch with the *Balanced* status to be used as a template, do the following:

1. Open the *Journal Transactions* (GL301000) form.
2. On the form toolbar, click **Add New Record** and specify the following settings in the Summary area:
 - **Transaction Date:** *1/31/2025* (inserted by default)
 - **Description:** *Rent Accrual*
3. On the form toolbar, click **Remove Hold** to give the batch the *Balanced* status.
4. Click **Add Row** on the table toolbar of the **Details** tab, and add a row with the following settings:
 - **Branch:** *HEADOFFICE* (inserted automatically based on the selected branch)
 - **Account:** *62900 (Rent or Lease Expense)*
 - **Debit Amount:** *4700*
5. Click **Add Row** again and add another row with the following settings:
 - **Branch:** *HEADOFFICE* (inserted automatically based on the selected branch)
 - **Account:** *23015 (Accrued Expenses)*
 - **Credit Amount:** *4700*
6. On the form toolbar, click **Save** to save the batch you have created.

Step 2: Creating a Schedule for the Batch

To create a schedule for the batch, do the following:

1. While you are viewing the batch you have just created and saved on the [Journal Transactions](#) (GL301000) form, on the More menu (under **Other**), click **Add to Schedule**.
The [Recurring Transactions](#) (GL203500) form is opened.
2. Configure a schedule to repeat the batch 12 times, on the last day of each month, by specifying the following settings:
 - **Start Date:** 1/31/2025 (or any date that is not after the first date when you need to execute the schedule)
 - **Execution Limit (Times):** 12
 - **Description:** Rent Accrual
 - **Frequency:** Monthly
 - **Every:** 1 month(s)
 - **Recurrence:** Fixed Day of Month 31
3. On the form toolbar, click **Save** to save the schedule.

Step 3: Running the Schedule and Generating a Batch

To run the schedule and generate a batch, do the following:

1. Open the [Generate Recurring Transactions](#) (GL504000) form, and in the Summary area, specify the following settings:
 - **Execution Date:** 1/31/2025
 - **Stop After Number of Executions:** Selected, 1
2. In the table that displays recurring transaction schedules, select the unlabeled check box in the row of the only schedule, and click **Run** on the table toolbar to generate the batch according to the schedule.
3. In the **Processing** pop-up window, which opens, click the **Processed** tab and click the link in the **Schedule ID** column to open the schedule on the [Recurring Transactions](#) (GL203500) form.
4. On the **Generated Documents** tab of this form, verify that a batch has been generated by the template, as shown in the following screenshot.

The screenshot shows the 'Recurring Transactions' (GL203500) form. At the top, it displays '000002 - Rent Accrual'. The form has tabs for 'NOTES', 'ACTIVITIES', 'FILES', 'CUSTOMIZATION', and 'TOOLS'. Below the tabs, there's a toolbar with icons for back, forward, search, and 'RUN NOW'. The main area contains fields for 'Schedule ID' (000002), 'Active' (checked), 'Start Date' (1/31/2025), 'Expiration Date' (unchecked, 'Never Expires'), 'Execution Limit (Times)' (12), 'Description' (Rent Accrual), 'Last Executed' (1/31/2025), 'Next Execution' (2/28/2025), and 'Executed (Times)' (1). To the right, there are sections for 'RECURRANCE' (Frequency: Monthly, Every: 1 month(s), Recurrence: Fixed Day of Month 31). Below these fields, there are two tabs: 'BATCH LIST' and 'GENERATED DOCUMENTS'. The 'GENERATED DOCUMENTS' tab is selected, showing a table with one row. The table columns are: Batch Number (GL000047), *Ledger (ACTUAL), *Transaction Date (1/31/2025), *Post Period (01-2025), Status (Balanced), Control Total (4,700.00), and Currency (USD).

Batch Number	*Ledger	*Transaction Date	*Post Period	Status	Control Total	Currency
GL000047	ACTUAL	1/31/2025	01-2025	Balanced	4,700.00	USD

Figure: The recurring schedule and the generated batch

Step 4: Releasing the Generated Batch

To release the generated batch, do the following:

1. Open the [Release Transactions](#) (GL501000) form.
2. Select the unlabeled check box for the only transaction in the table, and click **Release** on the form toolbar. In the **Processing** pop-up window, which opens, wait for the processing to complete and click **Close**.

Recurring Transactions: Related Reports and Forms

In this topic, you can find information about the reports and forms related to recurring batches.

Finding Schedule Summaries

By using the [GL Recurring Transactions](#) (GL641500) report, you can find schedules that have been created in the system and review their brief details, including the details of the batch that is used to generate recurring transactions. You can also run this report for a particular schedule.

Finding Schedule Details

By using the [GL Recurring Transactions Detailed](#) (GL640500) report, you can find schedules that have been created in the system and review their details, including the details of the batch that is used to generate recurring transactions and batch entries. You can also run this report for a particular schedule.

Viewing Generated Batches for a Particular Schedule

On the [Recurring Transactions](#) (GL203500) form, you can find the list of batches generated for a particular schedule. On this form, in the **Schedule ID** box, you select the schedule for which you want to view generated batches. On the **Generated Documents** tab, you can review the list of the generated batches and find the batch number, the ledger to which it will be posted, the transaction date, its status, the total amount, and the currency. You can also click the number of the batch whose details you want to view in the **Batch Number** column. The system will open the [Journal Transactions](#) (GL301000) form with the details of the batch.

Viewing and Editing a Schedule for a Particular Batch

You can view the schedule to which the batch is added by opening the batch and clicking **Add to Schedule** (under **Other**) on the More menu (which also gives you the ability to view and edit an already-added schedule) of the [Journal Transactions](#) (GL301000) form. The [Recurring Transactions](#) (GL203500) form opens with the schedule related to the batch.

Part 2: Accounts Payable Process

This part of the course deals with the accounts payable process and guides you through creating AP bills, payments, prepayment, and checks.

You need to complete the activities in this part by using user accounts with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

Lesson 2.1: Processing AP Bills

In this lesson, you will find general information on how to create and release AP bills, an activity that describes how to process an AP bill, and report and inquiries that can be useful to find and view created transactions.

AP Bills: General Information

In Acumatica ERP, you create an accounts payable bill for each incoming invoice from a vendor.

Learning Objectives

In this lesson, you will learn how to do the following:

- Create an AP bill
- Release the AP bill
- Review the GL batch that the system generates as a result

Applicable Scenarios

You create an AP bill manually when you receive an invoice from a vendor.

Entry of Bills

You enter a bill by using the *Bills and Adjustments* (AP301000) form. The summary of a bill includes information about the vendor, the vendor location, payment terms, amount, the currency used for the transaction, and other information.

A bill should contain at least one detail line. The bill can have multiple detail lines or it can have a single line that summarizes all purchases.



We recommend that when you enter a document, you include all the details available in the original vendor document.

If the *Inventory* feature is disabled on the *Enable/Disable Features* (CS100000) form, you can enter a bill with only non-stock items. If the *Inventory* feature is enabled, a bill may include lines with stock items and non-stock items. Each line with a stock item must be linked to the appropriate line of a purchase order or purchase receipt. When creating a bill, you can use the **Add PO Receipt**, **Add PO Receipt Line**, and **Add PO** buttons on the table toolbar (the **Details** tab of the *Bills and Adjustments* form) to add lines from purchase receipts and purchase orders directly to a bill. If you have added a bill line with a stock item manually, you must link it to the corresponding line of a purchase document by using the **Link Line** button on the table toolbar of the **Details** tab.

When it is first saved, a bill is automatically assigned a unique identifier that lets you track the bill through the system. The system generates this identifier based on the numbering sequence assigned to bills on the [Accounts Payable Preferences](#) (AP101000) form.

Due dates and cash discount dates for each bill are calculated by the system automatically, based on the vendor credit terms specified for the vendor on the [Vendors](#) (AP303000) form.

If the automatic calculation of taxes is configured in your system, the system calculates the applicable taxes for each bill and records the tax amounts to the document. If your system is integrated with the AvaTax service of Avalara or other specialized third-party software, the applicable taxes are calculated by this service or software and recorded to the document when you save it. For an overview of this integration, see [Setup of Online Integration with Avalara AvaTax](#) or [Online Integration with Vertex Tax Calculation](#).

To facilitate auditing and user reference, you can attach to each bill an electronic version or a scanned image of the original vendor document. Also, you can attach a related document to each line of the document.

If bills contain the vendor's original document numbers, users can more easily match any AP document against the vendor document and avoid document duplication. You can require this reference number by selecting the **Require Vendor Reference** check box on the [Accounts Payable Preferences](#) form. To prevent users from entering duplicate documents (that is, entering the same document twice), you select the **Raise an Error On Duplicate Vendor Reference Number** check box on this form, and the system will display an error message each time a user attempts to enter a vendor reference number that is already available in the system.

Bill Statuses

During processing, a bill can have the following statuses:

- *On Hold*: The bill is being edited and cannot be released. The system assigns this status to each created bill by default if the **Hold Documents on Entry** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form by default or if approvals have been configured for bills.
- *Pending Approval*: The bill needs to be approved for release by the responsible person or persons. The system assigns this status when the bill for which the approval is needed is removed from hold. This status can be assigned to the bill only if the *Approval Workflow* feature is enabled on the [Enable/Disable Features](#) (CS100000) form.
- *Rejected*: The bill was rejected by the responsible person. This status can be assigned to the bill only if the *Approval Workflow* feature is enabled on the [Enable/Disable Features](#) form.
- *Balanced*: The bill is ready and can be released or scheduled.
- *Open*: The bill has been released. A bill with this status has a nonzero outstanding balance to be paid. If a bill is partially paid, it retains the *Open* status until the full amount is paid.
- *Closed*: The bill has been paid in the full amount; the document balance is zero.
- *Scheduled*: The bill is a template for generating recurring bills according to a schedule. Based on the template, the system generates recurring bills, which can be edited and then released. (The scheduled bill itself cannot be released and can be edited as a template.)
- *Pre-Released*: The bill has been released and requires expense reclassification. This status can be assigned to the bill only if the *Expense Reclassification* feature is enabled on the [Enable/Disable Features](#) form.
- *Voided*: The bill, which was previously scheduled, has been voided and is no longer used as a template for generating recurring bills.

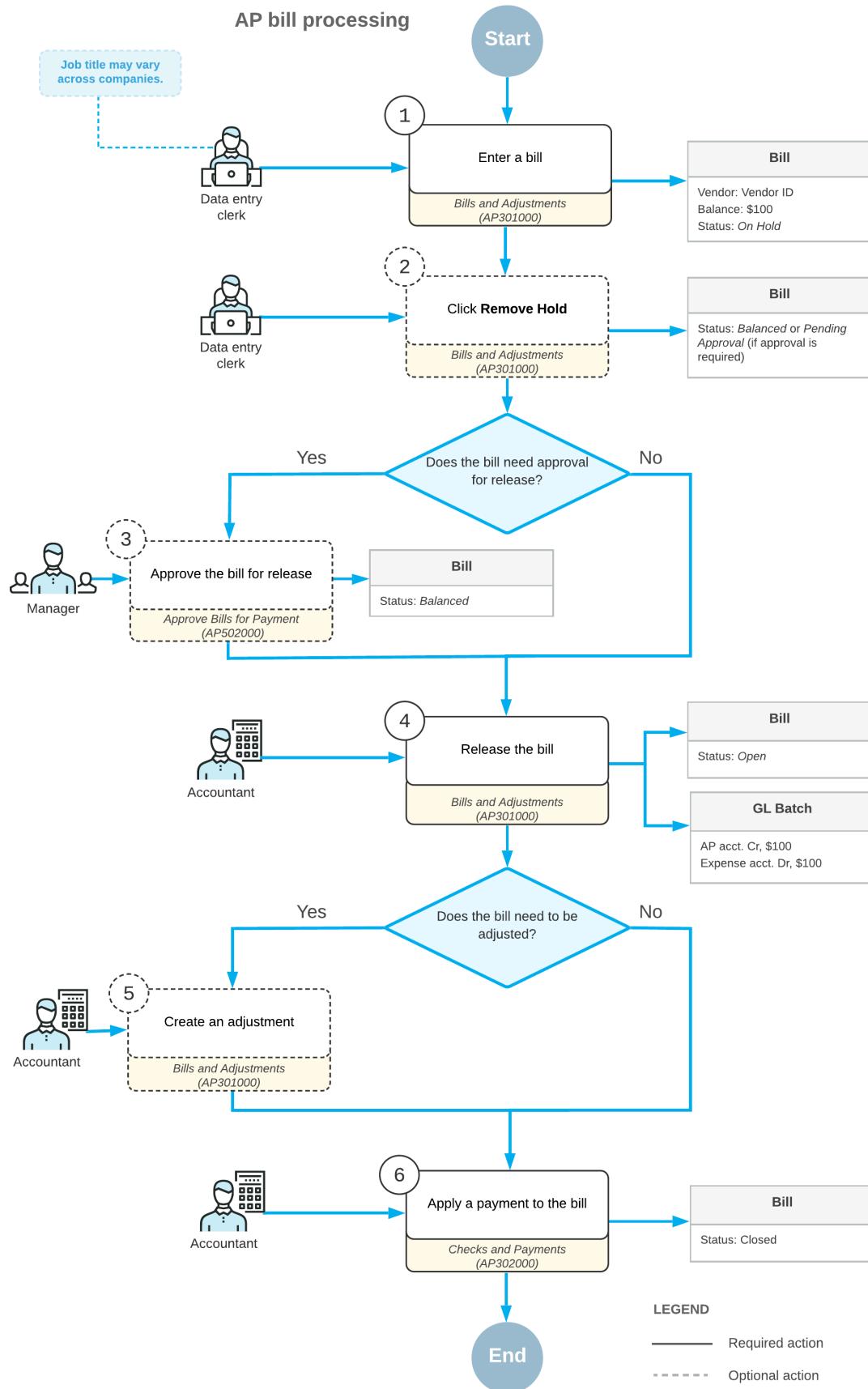
Bill Processing Workflow

When you enter a bill on the [Bills and Adjustments](#) (AP301000) form (1 in the diagram below), by default, the new bill has the *On Hold* status if the **Hold Documents on Entry** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form. If this is the case, you need to click **Remove Hold** on the form toolbar (2) to be able to release the bill. If the *Approval Workflow* feature is enabled on the [Enable/Disable Features](#) (CS100000) form and the approval

process for AP documents has been set up, the bill must be approved for release by the responsible person (3). After that, the bill is assigned the *Balanced* status.

When you release the bill (4), the system assigns the bill the *Open* status and generates the batch to credit the AP account and debit the expense accounts in the general ledger. The system also updates the vendor balance in the amount of the bill. You cannot edit the amount of the bill once it is open. If the balance of the bill needs to be corrected, you can make a debit or credit adjustment (5). Once it has been released, the bill needs to be paid. A payment document should be entered into the system, processed, and applied to the bill (6). After the bill is paid in full, it is assigned the *Closed* status.

The following diagram illustrates the bill processing workflow.

**Figure: AP bill processing**

AP Bills: Generated Transactions

When you release an AP bill, the system generates a batch of transactions to record the liability to the general ledger. The AP bill includes all the information the system needs to generate the batch.

The following accounts are usually involved:

- The liability account specified in the **AP Account** box on the **Details** tab
- The expense account specified for each line in the **Account** column on the **Details** tab

You can view the details of the batch associated with the bill by clicking the link in the **Batch Nbr.** box on the **Financial** tab of the *Bills and Adjustments* (AP301000) form.

For a one-line bill, the following transactions will be recorded to the general ledger when the bill is released.

Account	Debit	Credit
Accounts Payable account	0.00	Amount
Expense account	Amount	0.00



If the *Invoice Rounding* feature is enabled on the *Enable/Disable Features* (CS100000) form, the batch may contain an entry that records to the gain or loss rounding account the difference between the sum of the details and the document total.

AP Bills: Process Activity

The following activity will walk you through the process of creating and releasing an AP bill.

Story

Suppose that on February 2, 2025, SweetLife Fruits & Jams company purchased office supplies on credit from the Spectra Stationery Office vendor for \$790. The vendor sent invoice SW00063 to SweetLife.

Acting as a SweetLife accountant, you need to create an AP bill for the vendor, release it, and then review the GL batch generated by the system.

Process Overview

In this activity, you will create an AP bill on the *Bills and Adjustments* (AP301000) form. In the bill, you will specify the vendor in the **Vendor** box of the Summary area and the document details on the **Details** tab. When the bill is ready, you will release the document by clicking **Release** on the form toolbar.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*

- Password: 123
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select 2/7/2025. For simplicity, in this activity, you will create and process all documents in the system on this business date.
 3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating an AP Bill

To create an AP bill, do the following:

1. Open the *Bills and Adjustments* (AP301000) form.



To open the form for creating a new record, type the form ID in the Search box, and on the Search form, point at the form title and click **New** right of the title.

2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Bill*
 - **Vendor:** *STATOFFICE*
 - **Date:** *2/7/2025* (the current business date, which is inserted by default)
 - **Post Period:** *02-2025* (inserted by default based on the selected date)
 - **Vendor Ref.:** *SW00063* (the reference number of the document sent by the vendor)
 - **Description:** *Office supplies*
3. On the **Details** tab, click **Add Row** and specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Transaction Descr.:** *Office supplies*
 - **Ext. Cost:** *790*
4. On the form toolbar, click **Save**.

Step 2: Releasing the AP Bill

To release the AP bill, do the following:

1. While you are still on the *Bills and Adjustments* (AP301000) form, click **Remove Hold** on the form toolbar. This gives the bill the *Balanced* status. You can release a bill only if it has this status.
2. On the form toolbar, click **Release**. This gives the bill the *Open* status. The released AP bill is shown in the following screenshot.

The screenshot shows the 'Bills and Adjustments' screen with the title 'Bill 000166 - Spectra Stationery Office'. The bill details are as follows:

Type:	Bill	Vendor:	STATOFFICE - Spectra Stationery Office	Detail Total:	790.00
Reference Nbr.:	000166	Location:	MAIN - Primary Location	Line Discounts:	0.00
Status:	Open	Terms:	30D - 30 Days	Document Discou...	0.00
Date:	2/7/2025	* Due Date:	3/9/2025	Retained Amount:	0.00
Post Period:	02-2025	* Cash Discount...:	3/9/2025	Tax Total:	0.00
Vendor Ref.:	SW00063	<input type="checkbox"/> Joint Payees		With. Tax:	0.00
Description:	Office supplies			Amount:	790.00
				Balance:	790.00
				Cash Discount:	0.00

Below the details, there are tabs for DETAILS, FINANCIAL, TAXES, APPLICATIONS, and COMPLIANCE. The FINANCIAL tab is selected, showing a GL batch table:

Branch	Inventory ID	Transaction Descr.	Quantity	UOM	Unit Cost	Ext. Cost	Discount Amount	Amount	*Account	Description
HEADOFFICE		Office supplies	0.00		0.0000	790.00	0.00	790.00	62400	Office Expense

Figure: The released AP bill

Step 3: Reviewing the GL Batch Generated on Release of the Bill

To review the generated GL batch, do the following:

1. Open the **Financial** tab, and click the number in the **Batch Nbr.** box.

When you released the bill, the system generated and released this batch in the general ledger. The batch is assigned the first number in the sequence specified in the **GL Batch Numbering Sequence** box on the *Accounts Payable Preferences* (AP101000) form, which determines the numbers assigned to batches generated from the accounts payable subledger.

2. On the *Journal Transactions* (GL301000) form, which is opened, review the transaction that has been generated on the release of the bill.

The 20000 (*Accounts Payable*) AP account has been credited with \$790, while the 62400 (*Office Expense*) expense account has been debited for the same amount.

AP Bills: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about AP bills.

Reviewing the Details of an Unreleased Bill

If a bill has not yet been released, you can review the details of the bill by running the *AP Edit Detailed* (AP610500) report. When you run this report from the *Bills and Adjustments* (AP301000) form by clicking **AP Edit Detailed** (under **Reports**) on the More menu, the report shows the details of the bill opened on this form. You can review what GL batch the system will create when you release the bill, which accounts will be updated by the transaction, and how the vendor's balance will be affected.

Reviewing the Details of a Released Bill

Once you have released a bill, you can review the details of the bill by running a report on the *AP Register Detailed* (AP622000) form. When you run this report from the *Bills and Adjustments* (AP301000) form by clicking **AP Register Detailed** (under **Reports**) on the More menu, the report shows the details of the bill opened on this form. You can review the GL batch the system created when releasing the bill and the accounts that have been updated by the transaction.

Reviewing Vendor Information

You can review the balances of a specific vendor on the [Vendor Details](#) (AP402000) form. When you open this inquiry from the [Bills and Adjustments](#) (AP301000) form by clicking **Vendor Details** (under **Inquiries**) on the More menu, the [Vendor Details](#) form is opened, showing the outstanding balances of the selected vendor and a list of documents of this vendor that have the *Open* status. You can select the **Show All Documents** and **Include Unreleased Documents** check boxes in the Selection area of the form to include all documents and unreleased documents, respectively, in the inquiry.

Reviewing the Vendor's Balance

After a bill has been released, you can review the vendor's balance on the [AP Balance by Vendor](#) (AP632500) form. On this form, you select *Open Documents* in the **Report Format** box and specify the needed financial period.

In the report, you can review open documents and vendor balances at the end of the period, grouped by vendor and by AP account. When you release a bill or an adjustment, the system updates the vendor balance. **Vendor Documents Total** is the total amount of all open documents of the vendor.

Lesson 2.2: Paying AP Bills

In this lesson, you will find general information on how to pay individual AP bills, an activity that describes how to process a payment, and reports and inquiries that can be useful to find and view created transactions.

AP Bill Payments: General Information

To pay an AP bill in Acumatica ERP, you have to create a payment: a document that represents the payment in the system. You can create the payment manually by using the [Checks and Payments](#) (AP302000) form.

In the payment, you specify the vendor, the payment method, the cash account, and the amount to be paid. For each bill, you can pay the full balance or a partial one. One of the payment methods you can specify on this form for a payment is a check—an internal payment document you create to pay vendors.

Learning Objectives

In this lesson, you will learn how to do the following:

- Manually create a payment (a printed check)
- Process the payment by printing the check and releasing the payment

Applicable Scenarios

You create a payment in the system in each of the following cases:

- To pay an AP bill of a particular vendor
- To generate a payment from one bill or multiple bills of the same vendor

Use of Payment Methods Based on Checks

AP payments for different vendors are paid by using different payment methods depending on how the vendor wants to be paid. Although usage of checks (which allow a specified payee to order a payment of money from your company bank account) has recently declined significantly, you can configure payment methods that require

the printing of checks. If AP payments are created by using a payment method that requires check printing, the accounts payable checks may be taken off hold and released only after the checks for them have been printed.

You can configure the system to track check numbers for each payment method based on checks on the **Allowed Cash Accounts** tab of the [Payment Methods](#) (CA204000) form by selecting the **AP - Suggest Next Number** check box and specifying in the **AP Last Reference Number** column the number of the first check in the check book minus 1. Then when a user wants to print a check for a particular AP payment by using the [Process Payments / Print Checks](#) (AP505000) form, the system generates the check number based on how many checks had been generated for this payment method. If a check has been damaged during printing, the user can manually enter the next check number in the **Next Check Number** box and print another check for the same AP payment.

For details on printing checks, including MICR-encoded checks, see [To Print Checks](#).

AP Payment Statuses

During processing, an AP payment can have the following statuses:

- *On Hold:* The payment is being edited and cannot be released. The system assigns this status to each created payment by default if the **Hold Documents on Entry** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form by default.
- *Pending Approval:* The payment needs to be approved before it is processed by the responsible person or persons. The system assigns this status to a payment to be approved once it is removed from hold. This status can be assigned to the payment only if the *Approval Workflow* feature is enabled on the [Enable/Disable Features](#) (CS100000) form.
- *Rejected:* The payment has been rejected by at least one assigned approver.
- *Pending Print:* The payment must be printed or processed before it can be released.
- *Printed:* The payment is ready and can be released. The system assigns this status to payments that have been processed (if the payment method requires that payments undergo additional processing).
- *Balanced:* The payment is ready to be released. The system assigns this status to payments whose payment method does not require the payments to undergo additional processing. (An approved payment is assigned this status if its payment method does not require the payment to undergo additional processing.)
- *Open:* The payment has been released and still has an unapplied balance (meaning that the application amount is less than the payment amount).
- *Reserved:* The payment has been released and then put on hold to be excluded from the automatic application process.
- *Closed:* The payment has been released and fully applied to the appropriate bill or bills.
- *Voided:* The payment has been voided.

Manual Creation of AP Payments

You can create an AP payment by using the [Checks and Payments](#) (AP302000) form. On this form, you specify the date, the vendor, and the vendor location, and you select a payment method available for this vendor. On the **Documents to Apply** tab, you can add bills and adjustments from this vendor to be paid by this payment. Alternatively, you can automatically load the open bills and adjustments of the vendor, including open debit adjustments, and select which of the documents will be paid by this payment.

The **Unapplied Balance** box in the Summary area displays the current unapplied balance as you add bills or adjustments to the **Documents to Apply** list for the payment. You can take the payment off hold only if it has an unapplied balance of zero (that is, if the **Payment Amount** is equal to the **Application Amount**). If the **Set Zero Payment Amount to Application Amount** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form, the system automatically specifies a **Payment Amount** that is equal to the **Application Amount** when a user saves a payment in which the payment amount has not been specified.

If you want to be able to create AP payments for bills posted to future periods and dates, you can select the **Enable Early Payments** check box (the **Data Entry Settings** section) on the [Accounts Payable Preferences](#) form.

If the payments of the selected payment method will be processed by a bank, the bank may apply finance charges. On the **Charges** tab, you can add these charges and specify their particular amounts for the payment. For an overview of this functionality, see [Registration of Finance Charges](#).

AP Check Statuses

Each AP check has one of the following statuses to indicate its stage in processing:

- *On Hold*: Generally, this status is used for a check that is a draft. This is the default status for new checks if the **Hold Documents on Entry** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form or if approvals have been configured for checks. You cannot apply a payment with the *On Hold* status to bills or adjustments.
- *Pending Approval*: If approvals have been configured for checks, the check is assigned this status after you take it off hold; it needs to be approved by responsible approvers, which are assigned according to the approval map specified on the **Approval** tab of the [Accounts Payable Preferences](#) form.
- *Rejected*: If approvals have been configured for checks, this status indicates that the check has been rejected by at least one assigned approver. You can delete a document with this status or click **Hold** on the form toolbar, edit the document, and again submit it for approval.
- *Pending Print*: If printing is required, the system assigns this status to an AP check after it has been taken off hold or approved (if required); the status indicates that the check has not been printed yet. You can print it on the [Process Payments / Print Checks](#) (AP505000) form, which you open by clicking **Print/Process** (under **Processing**) on the More menu.
- *Printed*: If printing is required, after the payment is taken off hold and a check has been printed, the system changes the status of the payment to *Printed*. A payment with this status can be released.
- *Balanced*: If no additional processing is required (approval or printing), the system assigns this status to the payment when it is taken off hold. If approval is required and printing is not required, the system assigns this status to the payment when it is approved by the responsible approvers. A payment with this status can be released.
- *Closed*: This status indicates that the payment has been released.
- *Voided*: This status indicates that the payment has been voided.

Printing of AP Checks

You print physical checks for AP payments by using the [Process Payments / Print Checks](#) (AP505000) form.

Check printing is required for payments if their payment methods have the **Print Checks** check box selected on the [Payment Methods](#) (CA204000) form.

Voiding of AP Payments

You can void a payment on the [Checks and Payments](#) (AP302000) form by clicking **Void** on the form toolbar. The system creates a new document of the *Voided Payment* type, which has a negative amount in the **Payment Amount** box to reverse the original transactions on all accounts involved. When this document is posted, all original entries to the general ledger are also reversed.

For more details on voiding payments, see [Voiding Payments: General Information](#).

Process Diagram

The following diagram illustrates the workflow of processing AP payments without approvals.

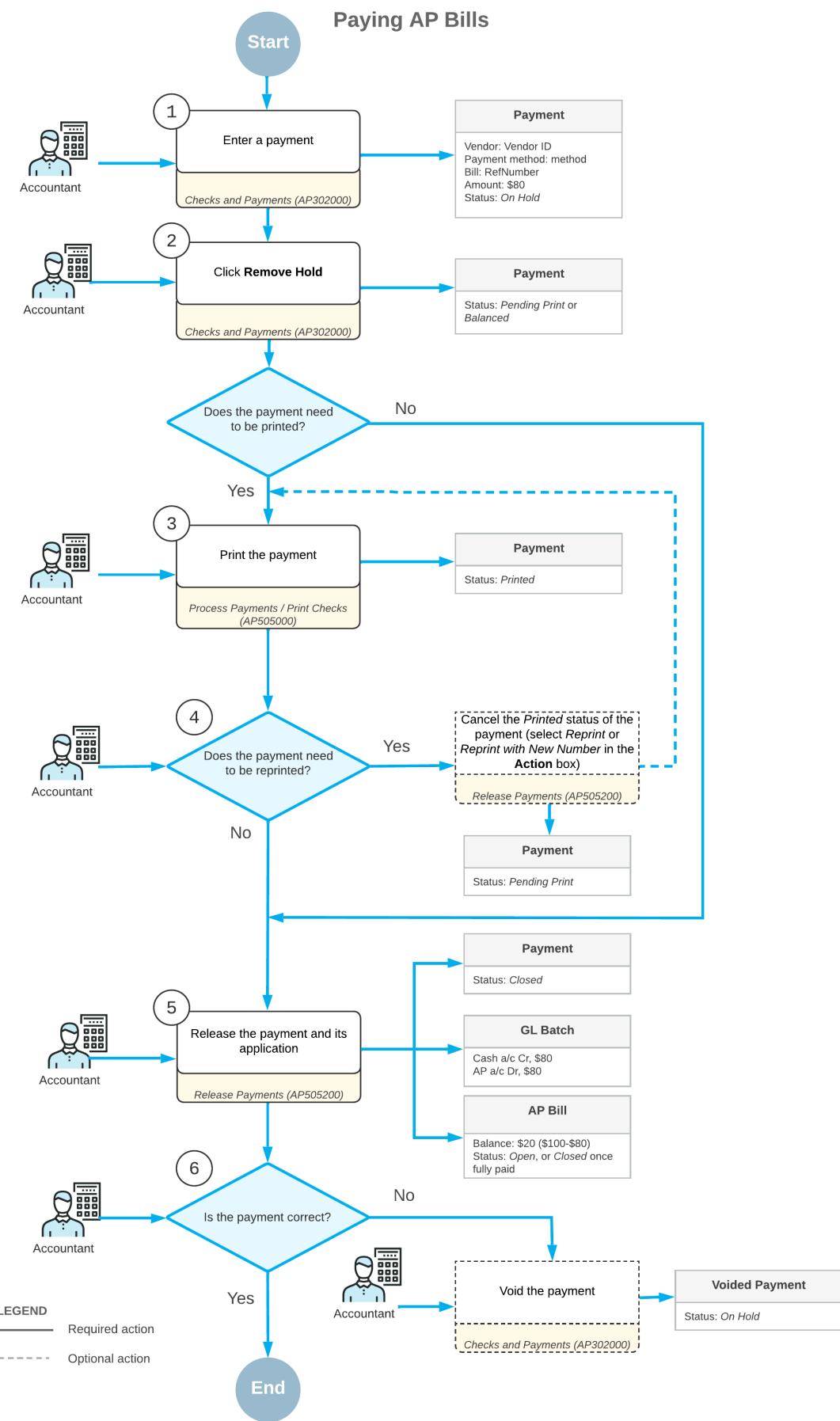


Figure: Paying AP bills

AP Bill Payments: Generated Transactions

When a payment is released, a batch is created with transactions reducing the balances of the cash account and the vendor's accounts payable account.

Releasing an AP payment creates the following GL transaction.

Account	Debit	Credit
Cash account	0.00	Amount
Accounts Payable account	Amount	0.00

AP payments that do not require the printing of checks (for example, those to be paid by a wire transfer) can be released regardless of when they are actually paid.

When a payment is released, a batch is created with transactions that reduce the balances of the cash account and the vendor's AP account. If the payment is released before the cash discount date, a cash discount can be used (and deducted from the payment amount).

Releasing a payment creates a batch of the following accounting transactions.

Account	Debit	Credit
Cash account	0.00	Amount – cash discount
Accounts Payable account	Amount	0.00
Cash discount account	0.00	Cash discount

If a payment is created in a foreign currency, the following additional accounts may be involved:

- *Realized Gain Account or Realized Loss Account:* The balance of one of these accounts is updated by the amount resulting from different currency exchange rates on the date of the bill and the date when the bill has been paid.
- *Rounding Gain Account or Rounding Loss Account:* The balance of one of these accounts is updated by the amount resulting from rounding the sum of the document details to the document total.

AP Bill Payments: Process Activity

The following activity will walk you through the process of creating a payment of an AP bill.

Story

Suppose that on 1/30/2025, the SweetLife Fruits & Jams company has to pay an AP bill in the amount of \$177 for the purchase of office supplies from Spectra Stationery Office. The company usually pays such bills by check and sends the check to the vendor.

Acting as a SweetLife accountant, you need to create a payment in the system, release it, and print the check to be sent to the vendor.

Process Overview

In this activity, you will create a payment on the [Checks and Payments](#) (AP302000) form. You will then print the payment on the [Process Payments / Print Checks](#) (AP505000) form and release the payment on the [Release Payments](#) (AP505200) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this process activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Payment

To create a payment, do the following:

1. Open the [Checks and Payments](#) (AP302000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Payment* (inserted by default)
 - **Vendor:** *STATOFFICE*
 - **Payment Method:** *CHECK* (inserted automatically based on the selected vendor)
 - **Payment Amount:** *177*
 - **Application Date:** *1/30/2025* (inserted by default)
 - **Description:** *Office supplies*
3. On the **Documents to Apply** tab, click **Add Row** on the table toolbar, and in the **Reference Nbr.** column for the added row, select the bill with the amount of \$177.
4. On the form toolbar, click **Remove Hold**.

The status of the payment has changed to *Pending Print*, as shown in the following screenshot.

The screenshot shows the 'Checks and Payments' screen for 'Payment - Spectra Stationery Office'. The 'Pending Print' status is highlighted in red. The payment amount is \$177.00, and the payment method is 'CHECK'. The cash account is '10200WH - Wholesale Checking'. The description is 'Office supplies'. Below the main form, there is a table titled 'DOCUMENTS TO APPLY' with one row showing a bill document with reference number 000039.

Branch	Document Type	*Reference Nbr.	Line Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	With. Tax	Date	Due Date	Cash Discount Date	Cross Rate
HEADOFFICE	BILL	000039	0		177.00	0.00	0.00	1/10/2025	2/9/2025	2/9/2025	1.00000000

Figure: The payment ready for printing

Step 2: Printing the Payment

To print the payment, do the following:

1. While you are still on the *Checks and Payments* (AP302000) form, on the form toolbar, click **Print/Process**.
The system opens the *Process Payments / Print Checks* (AP505000) form.
2. Review the details of the payment selected in the row with the unlabeled check box selected for it.
3. On the form toolbar, click **Process**.
A separate browser tab is opened showing the printable version of the check.
4. Review the printable version of the check and close the browser tab. (For the purposes of this activity, you do not need to actually print the check.)



In a production setting, you would click **Print** on the form toolbar to print the check before closing the browser tab.

Step 3: Releasing the Payment

To release the payment, do the following:

1. On the *Release Payments* (AP505200) form, which the system has opened, review the details of the payment you are going to release.
2. On the form toolbar, click **Process**.
3. Open the Checks and Payments (AP3020PL) list of records.
4. Open the payment you have just released. (It should be the top record in the table and have the *Closed* status.)
5. On the **Application History** tab, click the link in the **Batch Number** column to review the transaction generated by the system.
6. On the *Journal Transactions* (GL301000) form, which the system opens, review the details of the transaction.

AP Bill Payments: Related Reports and Inquiries

This topic describes the reports and inquiry forms you may review to gather information about AP payments.

Reviewing Checks that Are Pending Printing

You can use the [Checks Pending Printing](#) (AP404000) form to review which checks have not been printed yet as of a specified pay date. You can initiate check printing on this form by clicking **Print Checks** on the form toolbar. The system navigates to the [Process Payments / Print Checks](#) (AP505000) form, where you can print checks.

Running a Report of Checks that Are Pending Printing

You can use the [Checks Pending Printing](#) (AP612500) form to review a report on checks that have not yet been printed.

Reviewing Vendor Documents

You use the [Vendor Details](#) (AP402000) form to review the accounts payable documents (bills, debit adjustments, credit adjustments, and payments) for a particular vendor.

By default, the form displays the list of open vendor documents (that is, those with the *Open* status), but you can add to the list closed documents and unreleased documents by selecting the **Show All Documents** and **Include Unreleased Documents** check boxes, respectively.

Running the Check Register Inquiry

You use the [Check Register](#) (AP404500) form to review the details of the checks that have been generated in the system. By using this inquiry form, you can find out whether a particular check number has been used and, if it has, for which AP check.

If you have reprinted a check with a new number or voided a check, the system does not allow this number to be reused. The inquiry displays the check numbers of all checks, including those have been reprinted or voided.

Lesson 2.3: Correcting AP Bills

Once it has been released, an accounts payable document cannot be edited or deleted; to correct it, you can issue an adjustment. Debit adjustments decrease the accounts payable balance, and credit adjustments increase the accounts payable balance (that is, they increase your company's liabilities).

In this lesson, you will learn how to create debit adjustments and credit adjustments.

Debit and Credit Adjustments: General Information

To correct released AP documents, you create debit adjustments and credit adjustments on the [Bills and Adjustments](#) (AP301000) form.

An open accounts payable bill can be reversed. When you reverse a bill, the system automatically creates a debit adjustment with the same details. Before you save the adjustment, you should type another **Vendor Reference** value if the **Raise an Error On Duplicate Vendor Reference Number** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form.

Learning Objectives

In this lesson, you will learn how to do the following:

- Create and release a debit adjustment

- Apply the debit adjustment to an open AP bill
- Create and release a credit adjustment for a released AP bill

Applicable Scenarios

You create a debit adjustment to decrease the amount you owe to a vendor. You create a credit adjustment to increase the amount you owe to a vendor.

Debit Adjustment Processing

You can create a debit adjustment to account for a vendor's credit memo, or you can use it as a clearing document to correct errors on an existing bill or credit adjustment. A debit adjustment may be created as a request for a refund (for example, for damaged items or an overpaid bill) or it can be directly applied against bills or credit adjustments.

You can enter a debit adjustment by using the [Bills and Adjustments](#) (AP301000) form. The summary of a debit adjustment includes information about the vendor, the vendor location, and the currency used for the transaction.

A debit adjustment should contain at least one line. The adjustment can have a summary line or any number of detail lines.



We recommend that when you enter a document, you include all the details available in the original vendor document.

When it is first saved, a debit adjustment is automatically assigned a unique identifier that makes it possible to track the debit adjustment through the system. The system generates this identifier according to the numbering sequence assigned to debit adjustments on the [Accounts Payable Preferences](#) (AP101000) form.

To facilitate auditing and user reference, you can attach to each debit adjustment an electronic version or a scanned image of the original vendor document or internal document. Also, you can attach a related document to each line of the document.

Generally, a debit adjustment is not linked to a bill or other document that it is related to. You may include a reference to the original document (bill or prepayment) in the description of the adjustment and a reference to the related vendor document in the **Vendor Reference** box. If the **Raise an Error on Duplicate Vendor Reference Number** check box is cleared on the [Accounts Payable Preferences](#) (AP101000) form, then you can use the same reference number (of the original vendor document) on both the bill and the related debit adjustment; this will make it easier to find both the bill and the adjustment.

Each adjustment has one of the following statuses, which tells you its stage in processing:

- *On Hold*: Generally, this status is used for an adjustment that is a draft. This is the default status for new documents if the **Hold Documents on Entry** check box is selected on the [Accounts Payable Preferences](#) (AP101000) form or if approvals have been configured for debit adjustments. A debit adjustment with the *On Hold* status can be edited.
- *Balanced*: After editing is completed, a *Balanced* adjustment may be saved only if it remains balanced. If the **Validate Document Totals on Entry** check box is selected on the [Accounts Payable Preferences](#) form, you can take an adjustment off hold only if you correctly type the document control total.
- *Pending Approval*: If approvals are enabled in your system, after an adjustment (that is subject to approval) is created, saved, and taken off hold, the system assigns this status to the adjustment. The adjustment needs to be approved by responsible approvers assigned according to the approval map specified on the **Approval** tab of the [Accounts Payable Preferences](#) form.
- *Rejected*: If approvals are enabled in your system and at least one approver rejects an adjustment, the system assigns this status to the adjustment. You can delete a document with this status or click **Hold** on the form toolbar, edit the document, and submit it for the approval.
- *Open*: This status reflects that the document has been released and may be applied against bills and credit adjustments. The status remains *Open* until the unapplied balance becomes zero.

- *Closed:* This status means that the unapplied balance of the document is zero.
- *Reserved:* This status means that an open debit adjustment was put on hold by clicking **Hold** on the form toolbar. By using this status, you can temporarily suspend the document's processing.

Released debit adjustments may be matched against any bills and credit adjustments of the same vendor or may be used to offset a vendor's refunds. Released debit adjustments appear on the [Checks and Payments](#) (AP302000) form and can be applied against credit adjustments and bills.



When you create an AP payment and load the documents to be paid, the debit adjustments appear at the top of the list so that you do not forget to apply them.

Credit Adjustment Processing

An accounts payable credit adjustment may be used to correct errors in an existing bill or to account for a vendor's debit memo. Posting a credit adjustment increases the balance of accounts payable.

You can enter a credit adjustment by using the [Bills and Adjustments](#) (AP301000) form. The summary of a credit adjustment includes information about the vendor, the vendor location, and the currency used for the transaction.

A credit adjustment should contain at least one line. The adjustment can have a summary line or any number of detail lines.



We recommend that when you enter a document, you include all the details available in the original vendor document.

To facilitate auditing and user reference, you can attach to each adjustment an electronic version or a scanned image of the original vendor document. Also, you can attach a related document to each line of the document.

When it is first saved, a credit adjustment is automatically assigned a unique identifier that lets you track the credit adjustment through the system. The system generates this identifier according to the numbering sequence assigned to credit adjustments on the [Accounts Payable Preferences](#) (AP101000) form.

A credit adjustment has no reference to a bill that it is related to. You may include a reference to the original document (bill or prepayment) in the description of the adjustment and a reference to the related vendor document in the **Vendor Reference** box. If the **Raise Error On Invoice Number Duplicates** option is not selected on the [Accounts Payable Preferences](#) (AP101000) form, then you can use the reference number of the original vendor document on both the bill and the related credit adjustment; this will make it easier to find both the bill and the adjustment.

Each adjustment has one of the following statuses, which tells you its stage in processing:

- *On Hold:* The credit adjustment is being edited and cannot be released. The system assigns this status to each created credit adjustment by default because the **Hold Documents on Entry** check box is selected on the [Accounts Payable Preferences](#) form or if approvals have been configured for credit adjustments.
- *Pending Approval:* The credit adjustment needs to be approved for release by the responsible person or persons. The system assigns this status when the credit adjustment for which the approval is needed is removed from hold. This status could be assigned to the document only if the *Approval Workflow* feature is enabled on the [Enable/Disable Features](#) (CS100000) form.
- *Rejected:* The credit adjustment was rejected by the responsible person. This status could be assigned to the document only if the *Approval Workflow* feature is enabled on the [Enable/Disable Features](#) form.
- *Balanced:* The credit adjustment is ready and can be released or scheduled.
- *Open:* The credit adjustment has been released.
- *Closed:* The credit adjustment has been applied.
- *Scheduled:* The credit adjustment is a template for generating recurring documents according to a schedule. Based on the template, the system generates recurring documents that can be edited and then released. (The scheduled document itself cannot be released and can be edited as a template.)

- **Pre-Released:** The credit adjustment has been released and requires expense reclassification. This status can be assigned to the credit adjustment only if the *Expense Reclassification* feature is enabled on the [Enable/Disable Features](#) form.
- **Voided:** The previously scheduled credit adjustment was voided and is no longer used as a template for generating recurring documents.

Once it has been released, a credit adjustment cannot be edited or deleted; you only can reverse it. If you reverse the adjustment, the system generates a debit adjustment with the same details. Before you save the debit adjustment, you should type another **Vendor Reference** value if the **Raise an Error on Duplicate Vendor Reference Number** option is selected on the [Accounts Payable Preferences](#) (AP101000) form.

You can pay adjustments individually by using the [Bills and Adjustments](#) (AP302000) form. Also, adjustments can be paid in bulk along with the bills on the [Prepare Payments](#) (AP503000) form. For details on payments, see [Paying Multiple AP Bills](#).

Debit and Credit Adjustments: Mass Processing

This topic explains how to release multiple AP debit and credit adjustments and the rules that the system uses to group the prepared documents.

You can release debit and credit adjustments in bulk by using the [Release AP Documents](#) (AP501000) form.

Debit and Credit Adjustments: Generated Transactions

When you release a debit or credit adjustment, the system generates a batch of transactions to record a decrease or increase of liability.

A batch created upon release of the debit or credit adjustment is numbered in accordance with the numbering sequence assigned in the **Batch Numbering Sequence** box on the [Accounts Payable Preferences](#) (AP101000) form. The batch number is specified on the **Financial** tab of the [Bills and Adjustments](#) (AP301000) form.

Transaction Generated for a Debit Adjustment

On release of a debit adjustment, a batch of the following transactions is generated for a one-line adjustment.

Account	Source of Account	Debit	Credit
Accounts Payable account	The AP account specified for the vendor on the GL Accounts tab of the Vendors (AP303000) form	Amount	0.00
Expense account	The expense account specified for the document line in the Account column on the Details tab of the Bills and Adjustments (AP301000) form	0.00	Amount

The same transaction is generated for a debit adjustment for which credit terms are specified.

You can view the reference number of the GL batch on the **Financial** tab of the [Bills and Adjustments](#) form.

Transaction Generated for a Credit Adjustment

When a one-line credit adjustment is released, a batch of the following transactions is generated.

Account	Source of Account	Debit	Credit
Accounts Payable account	The AP account specified for the vendor on the GL Accounts tab of the Vendors (AP303000) form	0.00	Amount
Expense account	The expense account specified for the document line in the Account column on the Details tab of the Bills and Adjustments (AP301000) form	Amount	0.00

A cash discount can be applied to a credit adjustment in accordance with the credit terms. As the credit adjustment is released and posted, the system adjusts the vendor Accounts Payable account and the specified expense account.

You can view the reference number of the GL batch on the **Financial** tab of the [Bills and Adjustments](#) form.

Debit and Credit Adjustments: To Process a Debit Adjustment

The following activity will walk you through the process of creating and releasing a debit adjustment and applying it to a bill.

Story

Suppose that on February 11, 2025, SweetLife Fruits & Jams received a credit memo from Spectra Stationery Office, which gave them a \$5 discount for the bill of \$100.

Acting as a SweetLife accountant, you will need to process the vendor's credit memo as a debit adjustment that reduces the outstanding balance of the bill.

Process Overview

In this activity, you will create a debit adjustment on the [Bills and Adjustments](#) (AP301000) form. You will then release the debit adjustment and apply it to the needed bill on the [Checks and Payments](#) (AP302000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select *2/11/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Debit Adjustment

To create a debit adjustment, do the following:

1. Open the *Bills and Adjustments* (AP301000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Debit Adj.*
 - **Vendor:** *STATOFFICE*
 - **Date:** *2/11/2025*
 - **Description:** *Discount from vendor*
3. On the **Details** tab, click **Add Row** and specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Transaction Descr.:** *Discount from vendor*
 - **Ext. Cost:** *5.00*
4. On the form toolbar, click **Save**.

Step 2: Releasing the Debit Adjustment

To release the debit adjustment, do the following:

1. While you are still on the *Bills and Adjustments* (AP301000) form, click **Remove Hold** on the form toolbar.
This gives the debit adjustment the *Balanced* status. You can release only documents that have this status.
2. On the form toolbar, click **Release**.
This gives the debit adjustment the *Open* status.
3. On the **Financial** tab, click the batch number to review the batch that the system has generated. Notice that the debit journal entry reduces the balance of the *20000 (Accounts Payable)* account by \$5.

Step 3: Applying the Debit Adjustment to the Bill

To apply the debit adjustment to the bill, do the following:

1. While you are still on the *Bills and Adjustments* (AP301000) form, on the form toolbar, click **Apply**.
The system opens the *Checks and Payments* (AP302000) form.
2. On the *Checks and Payments* form, in the **Application Date** box, make sure *2/11/2025* is selected.
3. On the table toolbar of the **Documents to Apply** tab, click **Add Row** and in the **Reference Nbr.** column, select the \$100 bill.

By default, the system applies the full amount of the debit adjustment (\$5) to the bill. After you apply the debit adjustment, \$95 (\$100 – \$5) remains on the balance of the bill, which is displayed in the **Balance** column. The debit adjustment applied to the bill is shown in the following screenshot.

Branch	Document Type	* Reference Nbr.	Line Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	With. Tax	Date	Due Date	Cash Discount Date	Cross Rate	Balance	Cash Discount Balance
HEADOFFICE	Bill	000038	0		5.00	0.00	0.00	2/11/2025	3/3/2025	3/3/2025	1.0000000	95.00	0.00

Figure: The application of the debit adjustment before release

- On the form toolbar, click **Release** to release the application.

The debit adjustment gets the *Closed* status because the full balance of the debit adjustment has been applied.

Debit and Credit Adjustments: To Process a Credit Adjustment

The following activity will walk you through the process of creating and releasing a credit adjustment.

Story

Suppose that on February 11, 2025, SweetLife Fruits & Jams received a debit memo from Wingman Printing Company. The document charges SweetLife an additional \$20 for the delayed payment of a bill.

Acting as a SweetLife accountant, you need to process the vendor's debit memo by creating a credit adjustment in the system.

Process Overview

In this activity, you will create and release a credit adjustment on the [Bills and Adjustments](#) (AP301000) form.

System Preparation

To prepare the system, do the following:

- Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
- In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *2/11/2025*. If a different date is displayed, click the Business Date menu button and select *2/11/2025*. For simplicity, in this exercise, you will create and process all documents in the system on this business date.
- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Credit Adjustment

To create a credit adjustment, do the following:

1. Open the [Bills and Adjustments](#) (AP301000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Credit Adj.*
 - **Vendor:** *PRINTICO*
 - **Date:** *2/11/2025* (the current business date, which is inserted by default)
 - **Description:** *Charge for delayed payment*
3. On the **Details** tab, click **Add Row** and specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Transaction Descr.:** *Charge for delayed payment*
 - **Ext. Cost:** *20.00*
4. On the form toolbar, click **Save**.

Step 2: Releasing the Credit Adjustment

To release the credit adjustment, do the following:

1. While you are still on the [Bills and Adjustments](#) (AP301000) form, click **Remove Hold** on the form toolbar.
This gives the credit adjustment the *Balanced* status. You can release only documents that have this status.
2. On the form toolbar, click **Release**.
This gives the credit adjustment the *Open* status. The released credit adjustment is shown in the following screenshot.

The screenshot shows the 'Bills and Adjustments' form for credit adjustment number 000168. The summary area displays the vendor as 'PRINTICO - Wingman Printing Company', the date as '2/11/2025', and the amount as '20.00'. The details tab shows a single row with a branch of 'HEADOFFICE' and a transaction description of 'Charge for delayed payment'. The financial tab shows a balance of '20.00'.

Branch	Inventory ID	Transaction Descr.	Quantity	UOM	Unit Cost	Ext. Cost	Discount Amount	Amount	*Account	Description	*Project
HEADOFFICE		Charge for delayed payment	0.00		0.0000	20.00	0.00	20.00	81000	Other Expenses	X

Figure: The released credit adjustment

3. On the **Financial** tab, click the number of the batch that was generated on release of the credit adjustment and review the batch on the [Journal Transactions](#) (GL301000) form, which is opened.

Debit and Credit Adjustments: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about debit and credit adjustments and how they affect vendor balances.

Reviewing the Vendor's Outstanding Balance

You use the [Vendor Details](#) (AP402000) form to review the outstanding balance of a particular vendor. The debit adjustments you create in the system decrease the outstanding balance of the vendor, and the credit adjustments increase the outstanding balance.

Reviewing the Vendor's Balance and Documents

You run the [AP Balance by Vendor](#) (AP632500) report to review the balance and documents of a particular vendor for a particular period.

Lesson 2.4: Processing Partial Payments

In this lesson, you will find general information on how to process partial payments, an activity that describes how to create a payment and apply it to a bill to partially pay the bill, and report and inquiries that can be useful to find and view created transactions.

Partial Payments: General Information

To partially pay an AP bill in Acumatica ERP, you have to create a payment: a document that represents the payment in the system. You can create the payment manually by using the [Checks and Payments](#) (AP302000) form.

Learning Objectives

In this lesson, you will learn how to do the following:

- Create a payment
- Apply it to an AP bill to partially pay the bill
- Release the payment and its application

Applicable Scenarios

You create partial payments of bills in the following cases:

- You want to decrease your company's AP balance
- You want to pay a bill with a large amount, but your company's checking account does not have sufficient funds

Process Overview

To partially pay a bill, you complete the following general steps.

1. On the [Checks and Payments](#) (AP302000) form, you manually create a payment document, and on the **Documents to Apply** tab, you select the needed bill.

In the **Payment Amount** box in the Summary area of the form, you specify the amount you are going to pay, making sure that the **Payment Amount** and **Application Amount** boxes display the same amount.

2. You click **Remove Hold** on the form toolbar for the payment, and then click **Print/Process** to print the payment.
3. On the [Process Payments / Print Checks](#) (AP505000) form, you print the payment and review the printed payment.
4. On the [Release Payments](#) (AP505200) form, you release the payment and its application to the AP bill.

Workflow of Processing Partial Payments

The following diagram describes how a partial payment of a bill is processed in Acumatica ERP.

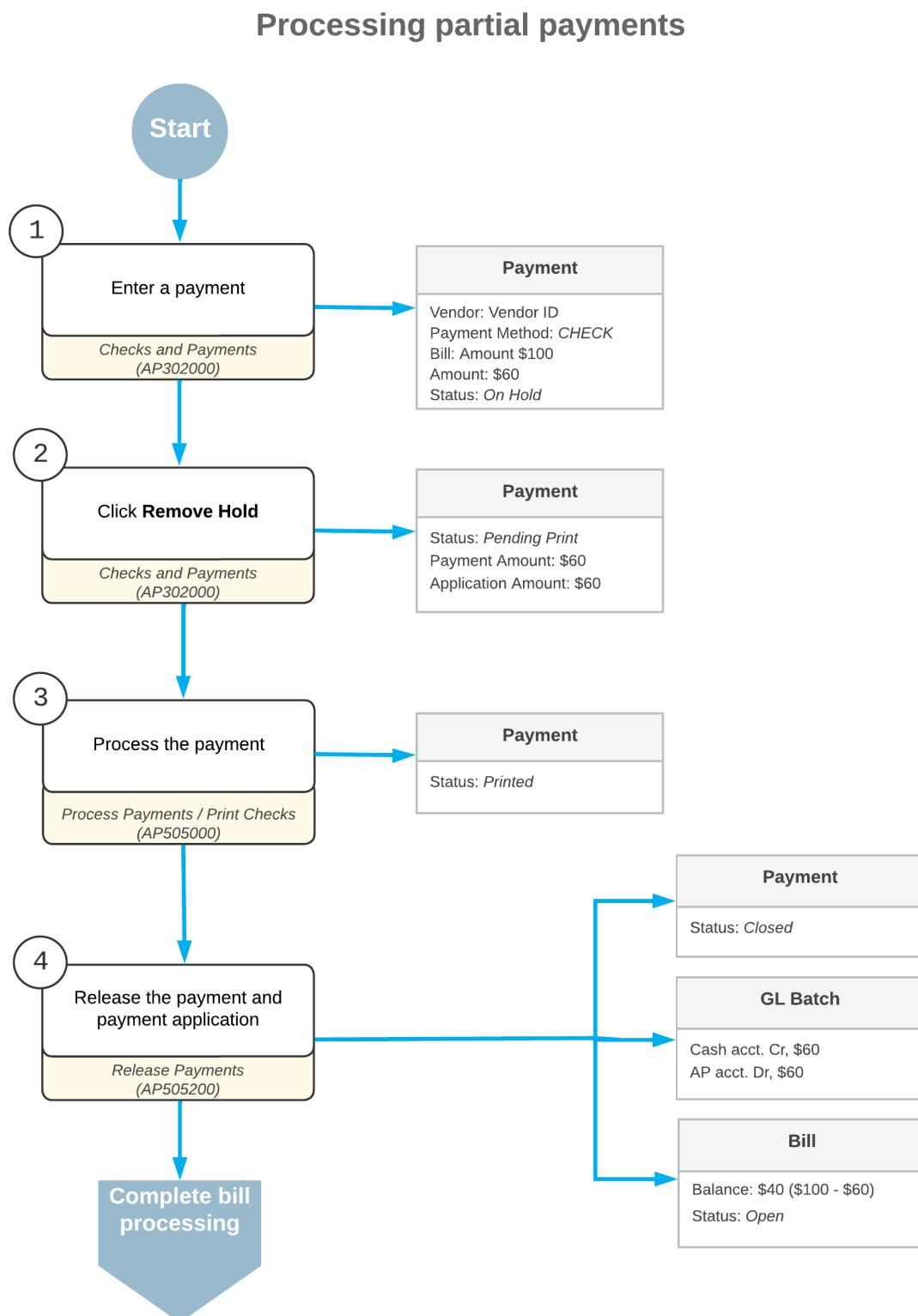


Figure: Processing partial payments

Partial Payments: Generated Transactions

To be able to partially pay bills, you create and process payment documents. To update vendor balances, the system generates the GL transaction described in the following section.

Transaction Generated for a Partial Payment

When you create and release a payment, the system generates the following GL transaction.

Account	Debit	Credit
Cash account	0.00	Amount
Accounts Payable	Amount	0.00

You can view the reference number of the GL batch on the **Financial** tab of the [Checks and Payments](#) (AP302000) form.

Partial Payments: Process Activity

The following activity will walk you through the process of creating and releasing a partial payment of an AP bill.

Story

Suppose that in January 2025, Blueline Advertisement provided advertising services to the SweetLife Fruits & Jams company in the amount of \$5,500 and an AP bill was entered in the system. On January 30, 2025 the company wants to partially pay this bill.

Acting as a SweetLife accountant, you need to register a partial payment of \$1,100 for the advertising services.

Process Overview

To register a partial payment in the system, you will manually create the partial payment on the [Checks and Payments](#) (AP302000) form, apply the payment to a bill, and then release the payment and its application. On the [Journal Transactions](#) (GL301000) form, you will review the generated GL transaction, and on the [Checks and Payments](#) form, you review the application history of the payment.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button, and select *1/30/2025* from the calendar. For simplicity, in this activity, you will create and process all documents in the system during this business date.

- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Partial Payment and Applying it to a Bill

To create a partial payment and apply it to a bill, do the following:

- Open the [Checks and Payments](#) (AP302000) form.
- On the form toolbar, click **Add New Record**, and in the Summary area, specify the following settings:
 - Type:** *Payment*
 - Vendor:** *BLUELINE*
 - Application Date:** *1/30/2025* (inserted by default)
 - Application Period:** *01-2025* (inserted by default)
 - Payment Amount:** *1100*
 - Description:** *Partial payment for advertising services*
- To select the bill to which the payment will be applied, on the **Documents to Apply** tab, click **Add Row**, and in the row, select the following settings:
 - Document Type:** *Bill*
 - Reference Number:** The bill with *Advertising services* in the description and the amount of \$5,500
- On the form toolbar, click **Save** to save the payment. Notice that the balance of the bill applied to this payment is now \$4,400, as shown in the following screenshot.

The screenshot shows the Acumatica Checks and Payments form (AP302000). The summary section displays a payment of 1,100.00 from vendor BLUELINE - Blueline Advertisement. The Documents to Apply tab is active, showing a single row for a bill with reference number 000003, amount 1,100.00, and a balance of 4,400.00. The payment status is listed as Pending Print.

Branch	Document Type	Reference Nbr.	Line Inventory Nbr. ID	Amount Paid	Cash Discount Taken	With. Tax	Date	Due Date	Cash Discount Date	Cross Rate	Balance	Cash Discount Balance
HEADOFFICE	Bill	000003	0	1,100.00	0.00	0.00	1/10/2025	2/9/2025	2/9/2025	1.0000000	4,400.00	0.00

Figure: A payment with a bill applied to it

Step 2: Releasing the Payment

To print the and release the payment, do the following:

- While you are still on the [Checks and Payments](#) (AP302000) form, on the form toolbar, click **Remove Hold**. Notice that the status of the payment has changed to *Pending Print*.
- On the form toolbar, click **Print/Process**.
- On the [Process Payments / Print Checks](#) (AP505000) form, which is opened, notice that the system has added a row with the payment and selected the unlabeled check box for it. On the form toolbar, click **Process**.

A separate browser tab is opened showing a printable version of the selected payment.



In a production setting in which you are printing actual checks, you should validate the value in the **Next Check Number** box. This number should match the number on the blank check you are going to use for printing the checks.

4. Review the printable version of the payment, and close the browser tab. (For the purposes of this activity, you do not need to actually print the check. In a production setting, you would click **Print** on the form toolbar to print the check before closing the browser tab.)
5. On the *Release Payments* (AP505200) form, which is opened, notice that the system has added a row with the payment and selected the unlabeled check box for it. On the form toolbar, click **Process**.
6. In the **Processing** pop-up window, which is opened, click the **Processed** tab.
7. Click the link in the **Reference Nbr.** column to open the released payment on the *Checks and Payments* form.

Step 3: Reviewing the Generated GL Transaction and Payment Application

To review the GL transaction generated by the system and the application history of the payment, do the following:

1. On the **Financial** tab of the *Checks and Payments* (AP302000) form, which is opened, click the link in the **Batch Nbr.** box, and review the created GL batch on the *Journal Transactions* (GL301000) form, which the system opens.
2. On the **Application History** tab of the *Checks and Payments* form, click the link in the **Reference Nbr.** column and review the bill balance on the *Bills and Adjustments* (AP301000) form that opens.

Notice that the bill retains the *Open* status because it has not been paid in full.

Partial Payments: Related Report and Inquiry Forms

In the following sections, you can find details about the reports and inquiry forms you may want to review to gather information about AP payments.



If you do not see a report or inquiry, this could mean that you have signed in to the system with a user account that does not have access rights to a form. In that case, sign in as the *admin* user, or contact your system administrator.

Reviewing Checks that Are Pending Printing

You can use the *Checks Pending Printing* (AP404000) form to review which checks have not been printed yet as of a specified pay date. You can initiate check printing on this form by clicking **Print Checks** on the form toolbar. The system navigates to the *Process Payments / Print Checks* (AP505000) form, where you can print checks.

Running a Report of Checks that Are Pending Printing

You can use the *Checks Pending Printing* (AP612500) form to review a report on checks that have not yet been printed.

Reviewing Vendor Documents

You use the *Vendor Details* (AP402000) form to review the accounts payable documents (bills, debit adjustments, credit adjustments, and payments) for a particular vendor.

By default, the form displays the list of open vendor documents (that is, those with the *Open* status), but you can add to the list closed documents and unreleased documents by selecting the **Show All Documents** and **Include Unreleased Documents** check boxes, respectively.

Lesson 2.5: Paying Multiple Bills

In this lesson, you will find general information on pay multiple bills, an activity that describes how to pay multiple AP bills with one payment, and reports and inquiries that can be useful to find and view created transactions.

Multiple Bill Payments: General Information

You can initiate the process of paying multiple bills automatically on the *Prepare Payments* (AP503000) form. You can select bills for payment by payment date, cash account, payment method, vendor, and discount availability. AP payments will be created for the selected bills and grouped by vendor. For a specific bill, you may require a separate payment if the **Pay Separately** option was selected for this bill. Also, if the **Pay Separately** option is selected for the vendor on the *Vendors* (AP303000) form, each bill or credit adjustment of the vendor will be paid by a separate AP payment.

Learning Objectives

In this lesson, you will learn how to do the following:

- Select the bills to be paid
- Prepare and release payments for multiple bills

Applicable Scenarios

You prepare a payment to pay multiple bills when you have multiple bills from the same vendor that are due.

Payment Processing

To pay multiple bills, you have to create a payment: a document that represents the payment in the system. You use the *Prepare Payments* (AP503000) form to generate a payment for multiple bills of the same vendor.

During processing, a payment can have the following statuses.

Table: AP payment statuses

Status	Description
<i>On Hold</i>	The payment is being edited and cannot be released. The system assigns this status to each created payment by default if the Hold Documents on Entry check box is selected on the <i>Accounts Payable Preferences</i> (AP101000) form or if approvals have been configured for payments.
<i>Pending Approval</i>	The payment needs to be approved before it is processed by the responsible person or persons. The system can assign this status to a payment to be approved once it is removed from hold, or when the payment is created if the Hold Documents on Entry check box is cleared on the <i>Accounts Payable Preferences</i> form. This status can be assigned to the payment only if the <i>Approval Workflow</i> feature is enabled on the <i>Enable/Disable Features</i> (CS100000) form.

Status	Description
<i>Rejected</i>	The payment has been rejected by at least one assigned approver. The system can assign this status to the document only if the <i>Approval Workflow</i> feature is enabled on the Enable/Disable Features form.
<i>Pending Print</i>	The payment must be printed or processed before it can be released.
<i>Printed</i>	The payment is ready and can be released. The system assigns this status to payments that have been processed (if the payment method requires that payments undergo additional processing).
<i>Balanced</i>	The payment is ready to be released. The system assigns this status to payments whose payment method does not require the payments to undergo additional processing. (An approved payment is assigned this status if its payment method does not require the payment to undergo additional processing.)
<i>Open</i>	The payment has been released and still has an unapplied balance (meaning that the application amount is less than the payment amount).
<i>Reserved</i>	The payment has been released and then put on hold to be excluded from the automatic application process.
<i>Closed</i>	The payment has been released and fully applied to the appropriate bill or bills.
<i>Voided</i>	The payment has been voided.

Process Diagram

The following diagram illustrates the workflow of processing multiple bill payments without approval.

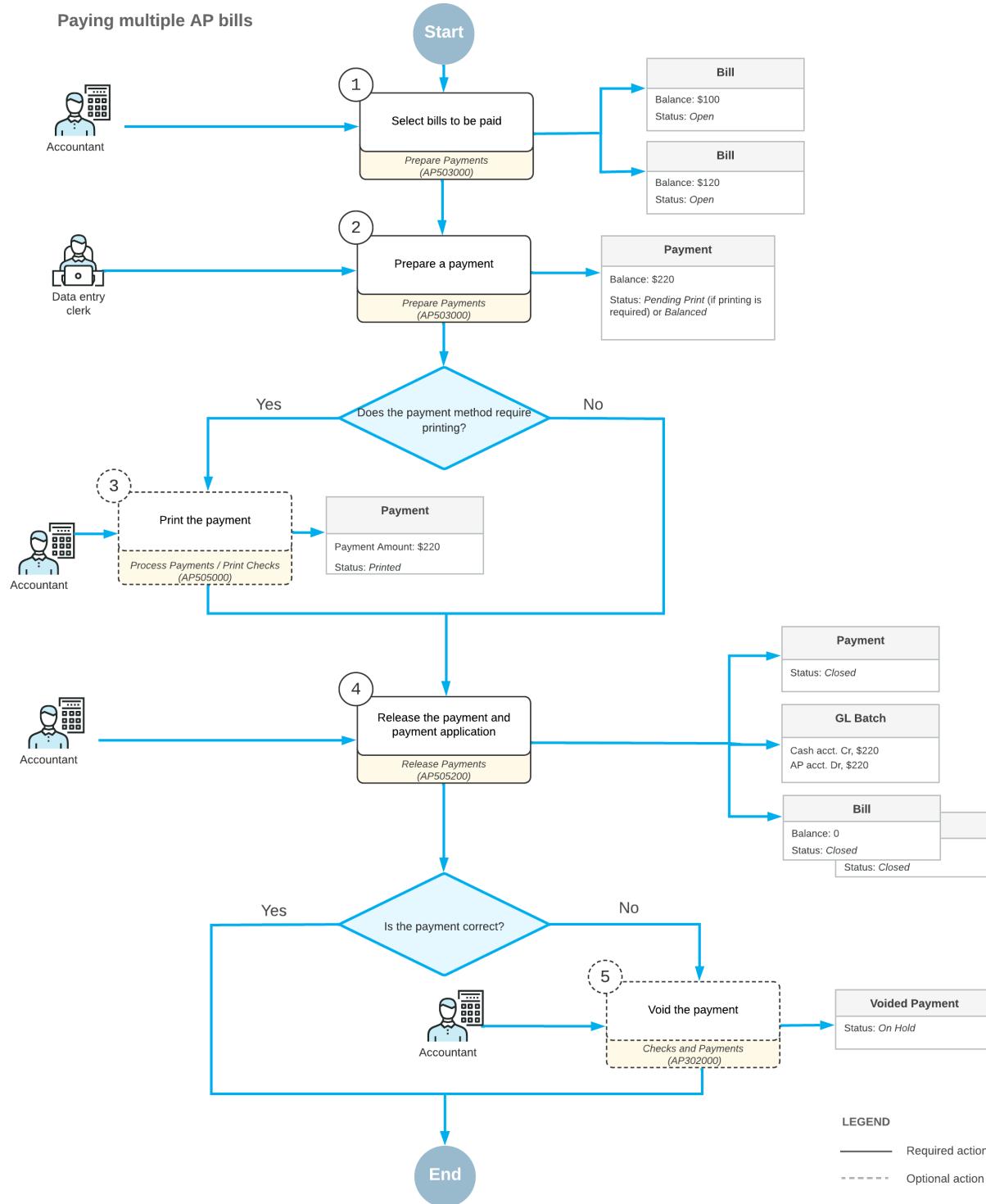


Figure: Paying multiple AP bills

Multiple Bill Payments: Generated Transactions

When a payment is released, a batch is created with transactions reducing the balances of the cash account and the vendor's accounts payable account.



If the payment is released at the proper time, before the cash discount date, a cash discount can be applied (and deducted from the payment amount). This business process does not cover cash discounts.

Releasing an AP payment creates the following GL transaction.

Account	Debit	Credit
Cash account	0.00	Amount
Accounts Payable account	Amount	0.00

Multiple Bill Payments: Process Activity

The following activity will walk you through the process of creating and releasing a payment of multiple bills.

Story

Suppose that the SweetLife Fruits & Jams company occasionally buys glass jars and packaging for its products from the Jar Co. company (JARCO). Several bills for Jar Co. were entered in the system and the company wants to pay all of them with one payment. Also, another vendor, Frontsource Ltd. (FRONTSRC), has asked SweetLife to pay its bills in separate payments, and there are two bills in the amount of \$153 and \$62 that should be paid along with the Jar Co. bills.

Acting as a SweetLife accountant, you need to prepare a payment to pay bills in the amount of \$45.50, \$207, and \$173.50 for the JARCO vendor and the two \$153 and \$62 bills for the FRONTSRC vendor.

Process Overview

In this activity, you will use the [Prepare Payments](#) (AP503000) form to prepare one payment for multiple bills for each vendor, and review the available balance of the bank account. You will then print the payments on the [Process Payments / Print Checks](#) (AP505000) form and release the payments on the [Release Payments](#) (AP505200) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the U100 dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johnson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select 2/1/2025. For simplicity, in this process activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Selecting the Bills to be Paid

To select the bills to be paid, do the following:

1. Open the [Prepare Payments](#) (AP503000) form.
2. In the Summary area of the form, specify the following selection criteria to filter the data shown in the table:
 - Branch:** HEADOFFICE (inserted by default based on the selected branch)
 - Payment Method:** CHECK
 - Cash Account:** 10200WH - Wholesale Checking
 - Payment Date:** 2/1/2025 (the current business date, which is inserted by default)
 - Vendor:** Empty
 - Pay Date Within:** Cleared
3. In the table, review the three AP bills of the JARCO vendor in the amounts of \$45.50, \$207, and \$173.50, as well as the two bills for the FRONTSRC vendor in the amounts of \$153 and \$62. Notice that the two bills for FRONTSRC have the check box selected in the **Pay Separately** column.
4. Click the unlabeled check box in the row of each of the bills, and review the informational **Selection Total** and **Number of Rows Selected** boxes in the Summary area. These values show that there are 5 rows selected to be paid in the total amount of \$641, as shown in the following screenshot.

The screenshot shows the 'Prepare Payments' form with the following details in the summary area:

- Branch: HEADOFFICE - SweetLife Head Office
- Payment Meth.: CHECK
- Cash Account: 10200WH - Wholesale Checking
- Payment Date: 2/1/2025
- Post Period: 02-2025
- Vendor Class: (empty)
- Vendor: (empty)
- Project: (empty)
- Pay Date Within: 7 Days
- Due Date Within: 7 Days
- Cash Discount Expires Within: 7 Days
- Always Take Cash Discount: (unchecked)

GL Balance: 804,169.13
Available Bal...: 802,278.13
Selection Total: 641.00
Number of Ro...: 5

The 'DOCUMENTS TO PAY' grid displays the following bills:

Document Type	Reference Nbr.	Vendor ID	Vendor Name	Inventory ID	Location	Pay Separately	Retainage Document	Original Document	Pay Date	Due Date	Cash Discount Date	Date	Amount Paid	Cash Discount Taken	Balance
Bill	000015	STATOFFICE	Spectra Stationery Office		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		2/28/2025	2/28/2025	1/29/2025	342.00	0.00	0.00	
Bill	000038	STATOFFICE	Spectra Stationery Office		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		3/3/2025	3/3/2025	3/3/2025	95.00	0.00	0.00	
Bill	000040	PRINTICO	Wingman Printing Com...		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		2/22/2025	2/22/2025	1/23/2025	425.00	0.00	0.00	
<input checked="" type="checkbox"/> Bill	000042	FRONTSRC	Frontsource Ltd.		MAIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>		2/1/2025	2/1/2025	2/1/2025	153.00	0.00	0.00	
<input checked="" type="checkbox"/> Bill	000043	FRONTSRC	Frontsource Ltd.		MAIN	<input checked="" type="checkbox"/>	<input type="checkbox"/>		2/2/2025	2/2/2025	2/2/2025	62.00	0.00	0.00	
<input checked="" type="checkbox"/> Bill	000044	JARCO	Jar Co.		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		2/2/2025	2/2/2025	2/2/2025	45.50	0.00	0.00	
<input checked="" type="checkbox"/> Bill	000045	JARCO	Jar Co.		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		2/3/2025	2/3/2025	2/3/2025	207.00	0.00	0.00	
<input checked="" type="checkbox"/> Bill	000046	JARCO	Jar Co.		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		2/9/2025	2/9/2025	2/9/2025	173.50	0.00	0.00	
Bill	000048	NYTAXDEP	NY State Department o...		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		3/2/2025	3/2/2025	3/2/2025	446.05	0.00	0.00	
Bill	000049	ALLFRUITS	All Fruits Mall		MAIN	<input type="checkbox"/>	<input type="checkbox"/>		3/21/2025	3/21/2025	3/21/2025	1,139.10	0.00	0.00	

Figure: The payment for multiple bills

Step 2: Preparing the Payments

To prepare the payments, do the following:

1. While you are still on the [Prepare Payments](#) (AP503000) form, click **Process** on the form toolbar.
 2. On the [Process Payments / Print Checks](#) (AP505000) form, which is opened with the payments listed in the table and selected, click **Process**.
- A separate browser tab is opened showing the printable version of the checks. Notice that the JARCO bills are paid with one payment and the bills for FRONTSRC are paid by two separate payments.
3. Review the printable version of the checks, and close the browser tab. (For the purposes of this process activity, you do not need to actually print the checks.)



In a production setting, you would click **Print** on the form toolbar to print the checks before closing the browser tab.

Step 3: Releasing the Payments and Reviewing the GL Batches

To release the payments and review the GL batches, do the following:

1. On the *Release Payments* (AP505200) form, which the system has opened, notice that the system has added rows with the payments and selected the unlabeled check boxes for them. On the form toolbar, click **Process**.
2. In the **Processing** pop-up window, which is opened, click the **Processed** tab, and click the link in the **Reference Nbr.** column for the JARCO payment to open the payment on the *Checks and Payments* (AP302000) form.
3. On the **Application History** tab of the *Checks and Payments* form, make sure the three bills to which the payment has been applied are listed in the table.
4. On the **Financial** tab, click the link in the **Batch Nbr.** box to review the consolidated batch generated by the system, which is opened on the *Journal Transactions* (GL301000) form.
5. In the **Processing** pop-up window, click the link in the **Reference Nbr.** column for one of the *FRONTSRC* payments.
6. On the **Application History** tab of the *Checks and Payments* form, notice that the payment has been applied to one bill.

Multiple Bill Payments: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about vendor documents.

Reviewing Checks that Are Pending Printing

You can use the *Checks Pending Printing* (AP404000) form to review which checks have not been printed yet as of a specified pay date. You can initiate check printing on this form by clicking **Print Checks** on the form toolbar. The system navigates to the *Process Payments / Print Checks* (AP505000) form, where you can print checks.

Reviewing Vendor Documents

You use the *Vendor Details* (AP402000) form to review the accounts payable documents (bills, debit and credit adjustments, and payments) for a particular vendor.

By default, the form displays the list of open vendor documents (that is, those with the *Open* status), but you can add to the list closed documents and unreleased documents by selecting the **Show All Documents** and **Include Unreleased Documents** check boxes, respectively.

Reviewing Vendor Balances

You use the *Vendor Summary* (AP401000) form to review the balances of all vendors for a specified financial period and the total balance that is due to vendors.

Lesson 2.6: Processing Prepayments

In this lesson, you will find general information on how to create prepayments, an activity that describes how to create a prepayment request, release a prepayment, apply the prepayment to a bill, an activity that describes how to process a refund for a prepayment, and report and inquiries that can be useful to find and view created transactions.

Bill Prepayments: General Information

A prepayment is a type of accounts payable document that you create to record advance payments or down payments to vendors. You can create a prepayment in one of the following ways:

- *Standard way:* First, you enter the vendor's prepayment request on the [Bills and Adjustments](#) (AP301000) form as an internal accounts payable document of the *Prepayment* type. Then you create a payment to pay for this prepayment request on the [Checks and Payments](#) (AP302000) form. After you release the payment, you can apply the prepayment against bills.
- *Simplified way:* You create and release a prepayment directly by using the [Checks and Payments](#) (AP302000) form. This method has some restrictions.

To process a prepayment in the system, you have to first create and release the prepayment request, which denotes the vendor's request for prepayment in the system. A prepayment request is not a financial document; it is an internal document that can be approved (if required in your system) before the prepayment is actually paid to the vendor. The prepayment created through the request can then be applied to outstanding bills and credit adjustments.

Learning Objectives

In this lesson, you will learn how to do the following:

- Process a prepayment in the standard way
- Apply the prepayment to a bill
- Enter a refund for a prepayment

Applicable Scenarios

You create a prepayment in the system when you need to pay a vendor for goods and services before they are provided. You apply a prepayment to a bill or multiple bills of this vendor and if the amount of the prepayment was not used by the vendor, you create a refund for the prepayment.

Creation of Prepayments in the Standard Way

The standard way of creating prepayments involves the following stages:

1. On the [Bills and Adjustments](#) (AP301000) form, you enter a vendor prepayment request as a document of the *Prepayment* type. You can specify line details (non-stock items or services). If the prepayment is intended for stock items, specify this in the description. When you save the prepayment, the system assigns it a reference number based on the numbering sequence assigned to bills on the [Accounts Payable Preferences](#) (AP101000) form.

A prepayment may have one summary line or any number of detail lines. You cannot apply or withhold taxes on prepayments, but you can add tax amounts to the prepayment amount for easier calculations.



To facilitate auditing and user reference, you can attach an electronic version or a scanned image of the original vendor document to each prepayment. Also, you can attach a related document to each line of the document.

2. You can release the prepayment requests one by one by using the [Bills and Adjustments](#) form, or along with other accounts payable documents by using the [Release AP Documents](#) (AP501000) form.

A prepayment request, when released, does not change the vendor balance and tax obligations because it generates no transactions.

3. If approval is required in your system, the prepayment request must be approved on the [Approve Bills for Payment](#) (AP502000) form before it can be paid.
4. You pay the prepayment by creating an AP payment, as you would to pay any other bill, by using the [Checks and Payments](#) (AP302000) form. The payment should be in the same currency and amount as the prepayment request.



Cash discounts do not apply to prepayments.

5. You release the AP payment. When you do, the system changes the status of this payment to *Closed* and changes the status of the original prepayment to *Open*, so that you can apply this prepayment to bills and credit adjustments. For details, see [Bill Prepayments: To Process a Prepayment](#).

Prepayments created in this way can be paid by any payment method allowed for the particular vendor.

Creation of Prepayments in the Simplified Way

Alternatively, you can create a prepayment more simply by using the [Checks and Payments](#) (AP302000) form. This prepayment also may have line details or just one summary line, and you can attach all the related files.



Even if the approval of documents is required in your system, prepayments created in this way are not subject to approval.

Also, prepayments created in this way cannot be paid by a payment method that requires the printing of checks, so when you are deciding how to create a prepayment, make sure at least one payment method can be used for this prepayment.

For details, see [To Enter a Prepayment in the Simplified Way](#).

Application of the Prepayments

You can apply the *Open* prepayment to bills and adjustments. A prepayment may have a balance after it is applied to bills and credit adjustments, and it can be released with a balance. When the prepayment application is released, appropriate journal entries to the general ledger are made automatically, and the links to appropriate batches are displayed on the **Application History** tab of the [Checks and Payments](#) (AP302000) form.

If a prepayment was incorrectly applied to bills and adjustments and released, you can reverse the application if needed. To do this, you click the **Reverse Application** button on the **Application History** tab of the [Checks and Payments](#) form. You can then apply the prepayment to other bills and adjustments.

Correction of Errors

The way you can correct errors in a prepayment depends on the way you entered it.

If you need to correct errors in a prepayment that you created in the standard way, you have the following options:

- If the prepayment has not been paid, you can void it at any time by clicking **Void** on the form toolbar of the [Bills and Adjustments](#) (AP301000) form for the selected prepayment.

- If there were errors detected for a paid prepayment, you should create an adjustment instead of voiding the prepayment.
- If the prepayment has been paid, you void the associated AP payment.

If you need to void a prepayment that you created in the simplified way, you select the prepayment on the [Checks and Payments](#) (AP302000) form and click **Void** on the form toolbar.



If the prepayment to be voided has been applied, first unapply the prepayment, and then void it.

If a vendor did not use the prepayment or used it only partially, you can enter a refund and apply it against the prepayment. For details, see [Bill Prepayments: To Refund a Prepayment](#).

Process Diagram

The following diagram illustrates the workflow of prepayment processing.

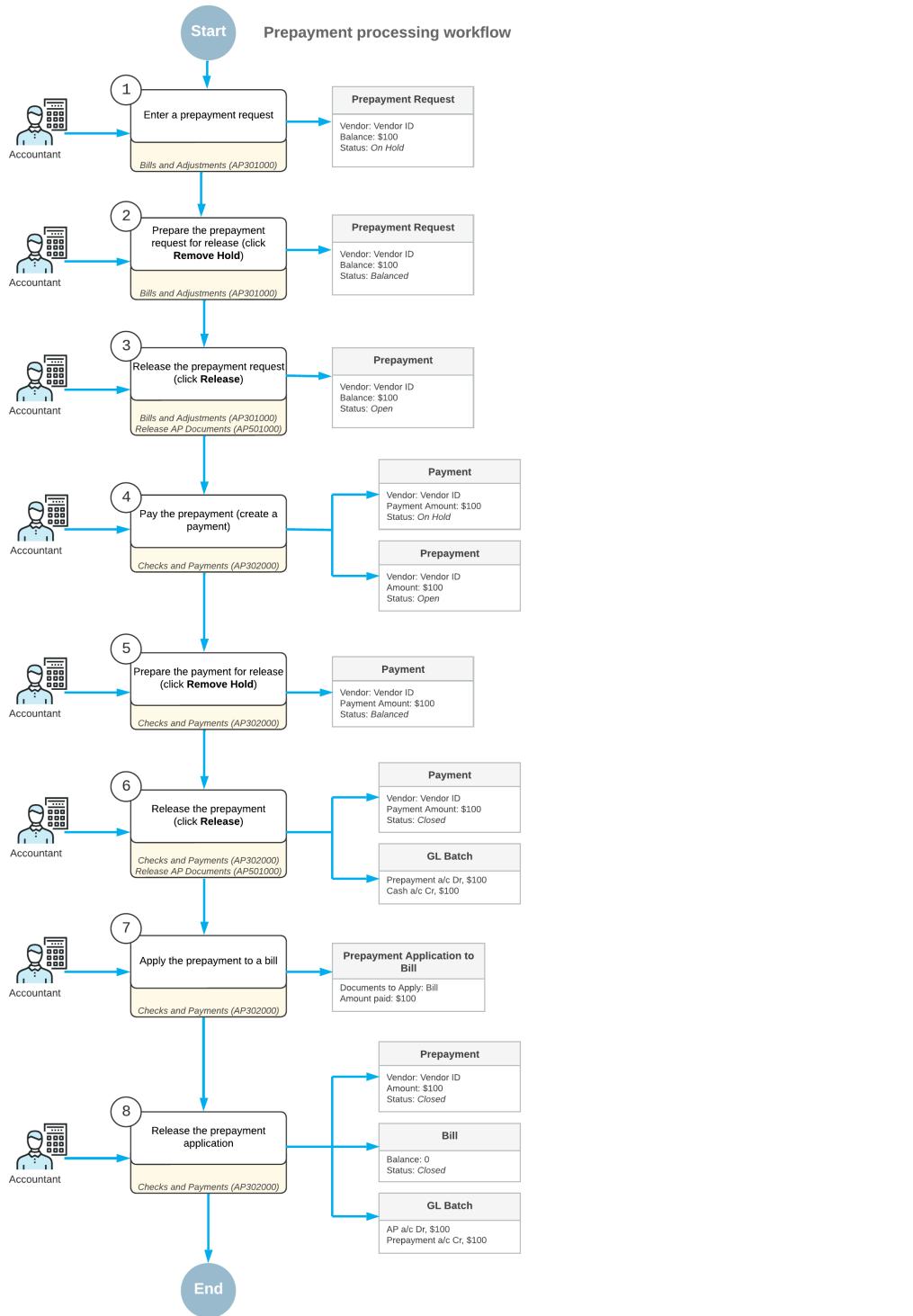


Figure: Prepayment processing workflow

Bill Prepayments: Generated Transactions

When the prepayment is released, the system generates the following transaction.

Account	Debit	Credit
Cash account	0.00	Amount
Vendor AP account or Prepayment account	Amount	0.00

If you do not specify a separate account for prepayments, the vendor prepayments will be debited to the vendor AP account.

When a prepayment application is released, the system generates the following transaction.

Account	Debit	Credit
Prepayment account	0.00	Amount
Accounts Payable account	Amount	0.00

When a refund for a prepayment is released, the system generates the following transaction.

Account	Debit	Credit
Cash account	Amount	0.00
Vendor AP account or Prepayment account	0.00	Amount

Bill Prepayments: To Process a Prepayment

The following activity will walk you through the process of creating a prepayment request, making a payment based on the prepayment request, and applying the prepayment to a bill.

Story

Suppose that the SweetLife Fruits & Jams company has ordered a new design for the company's printed labels and paper bags from Wingman Printing Company. They requested an advance payment of \$425 for these services. Further suppose that the prepayment that SweetLife made on January 18, 2025 has to be applied to an AP bill from Wingman Printing Company.

Acting as a SweetLife accountant, you have to record a request for an advance payment of \$425 to the *PRINTICO* vendor. You then need to make a payment for the request, and then apply this prepayment to the bill.

Process Overview

To create a prepayment request and a payment, you will enter the vendor's prepayment request on the *Bills and Adjustments* (AP301000) form. Then you will create a payment for this prepayment request on the *Checks and Payments* (AP302000) form, and release the payment on the *Release Payments* (AP505200) form. You will apply the prepayment to an AP bill on the *Checks and Payments* form and release the application.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select *1/18/2025*. For simplicity, in Step 1 and Step 2 of this process activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating and Releasing a Prepayment Request

To create and release a prepayment request, do the following:

1. Open the *Bills and Adjustments* (AP301000) form.
2. On the form toolbar, click **Add New Record**, and specify the following settings in the Summary area:
 - **Type:** *Prepayment*
 - **Vendor:** *PRINTICO*
 - **Due Date:** *1/18/2025* (the current business date, which is inserted by default)
 - **Post Period:** *01-2025* (inserted by default based on the selected date)
 - **Description:** *Prepayment for label design*
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default based on the selected branch)
 - **Transaction Descr.:** *Label design*
 - **Ext. Cost:** *425*
 - **Account:** *61000 - Advertising Expense*
4. On the form toolbar, click **Remove Hold**.
5. On the form toolbar, click **Release** to release the prepayment request.

Step 2: Creating a Payment to Pay for the Prepayment Request

To create a payment to pay for the prepayment request, do the following:

1. While you are still viewing the prepayment request on the *Bills and Adjustments* (AP301000) form, on the form toolbar, click **Pay/Apply**.
2. On the *Checks and Payments* (AP302000) form, which is opened, review the payment, and verify that it has the following settings in the Summary area:
 - **Type:** *Payment*
 - **Vendor:** *PRINTICO*
 - **Payment Method:** *CHECK*
 - **Payment Amount:** *425*
 - **Application Date:** *1/18/2025*
 - **Description:** *Prepayment for label design*
3. On the **Documents to Apply** tab, verify that there is only one row with the following settings:
 - **Document Type:** *Prepayment*

- **Reference Nbr.:** The reference number of the document you created in Step 1
 - **Amount Paid:** 425
4. On the form toolbar, click **Remove Hold**, then click **Save** to save the payment. The following screenshot illustrates the payment prepared to pay the prepayment request.

Branch	Document Type	Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	With. Tax Date	Due Date	Cash Discount Date	Cross Rate	Balance	Cash Discount Balance	With. Tax Balance	Description
HEADOFFICE	Prepayment	000169		425.00	0.00	0.00	1/18/2025	1/18/2025	1.000000	0.00	0.00	0.00	Prepayment for label design

Figure: The payment prepared to pay the prepayment request

5. On the form toolbar, click **Print/Process**.
6. On the **Process Payments / Print Checks** (AP505000) form, which is opened, notice that the system has added a row with the payment and selected the unlabeled check box for it. On the form toolbar, click **Process**.
A separate browser tab has opened showing a printable version of the selected payment.
7. Review the printable version of the printed payment.



In a production setting, you would click **Print** on the form toolbar to print the check.

8. Close the browser tab.
9. On the **Release Payments** (AP505200) form, which is opened, click **Process**. In the **Processing** pop-up window, which is opened, click **Close**.

Step 3: Applying the Prepayment to a Bill

To apply the prepayment to a bill, do the following:

1. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and change the business date in your system to 1/30/2025.
2. Open the Checks and Payments (AP3020PL) list of records.
3. Select the prepayment with an amount of \$425 and a date of 1/18/2025 as follows:
 - a. Click the **Filter Settings** button in the filtering area.
 - b. In the **Filter Settings** dialog box, which opens, click **Add Row**, and specify the following settings:
 - **Property:** Type
 - **Condition:** Equals
 - **Value:** Prepayment
 - c. Click **Apply** and close the dialog box.
4. Click the link in the **Reference Nbr.** column for the \$425 prepayment to open it on the **Checks and Payments** (AP302000) form.
5. On the **Documents to Apply** tab, click **Add Row**, and specify the following settings in the table:
 - **Document Type:** Bill
 - **Reference Nbr.:** The bill with an amount of \$425 and dated 1/23/2025

- **Amount Paid:** 425 (filled in automatically)

The following screenshot shows the prepayment that has been applied to a bill, but not yet released.

Branch	Document Type	*Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	With. Tax	Date	Due Date	Cash Discount Date	Cross Rate	Balance	Cash Discount Balance	With. Tax	Description
HEADOFFICE	BILL	000040		425.00	0.00	0.00	1/23/2025	2/22/2025	2/22/2025	1.0000000	0.00	0.00	0.00	Label design

Figure: The prepayment applied to the AP bill

6. On the form toolbar, click **Release** to release the prepayment application to the bill.

Bill Prepayments: To Refund a Prepayment

The following activity will walk you through the process of creating a refund for a prepayment.

Story

Suppose that on January 30, 2025, the SweetLife Fruits & Jams company received a refund of \$25 from Compulink and Co. for the unused amount of the \$190 prepayment. Acting as a SweetLife accountant, you need to process this refund in the system.

Process Overview

In this activity, you will create and release a refund on the [Checks and Payments](#) (AP302000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this process activity, you will create and process the document in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating the Refund for the Prepayment

To create the refund for the prepayment, do the following:

1. Open the [Checks and Payments](#) (AP302000) form.
2. On the form toolbar, click **Add New Record**, and specify the following settings in the Summary area:
 - **Type:** *Refund*
 - **Vendor:** *COMPULINK*
 - **Date:** *1/30/2025* (the current business date, which is inserted by default)
 - **Payment Ref.:** *1152025PrepRef*
 - **Description:** *\$25 refund for unused prepayment*
 - **Payment Amount:** *25*
3. On the **Documents to Apply** tab, click **Add Row** on the table toolbar, and specify the following settings in the added row:
 - **Document Type:** *Prepayment*
 - **Reference Nbr.:** The number of a prepayment with an amount of \$190 and dated 1/15/2025
 - **Amount Paid:** 25.00 (filled in automatically)
4. On the form toolbar, click **Save**.

Step 2: Releasing the Refund

To release the refund, do the following:

1. While you are still on the [Checks and Payments](#) (AP302000) form, click **Remove Hold** on the form toolbar to give the refund the *Balanced* status.
2. On the form toolbar, click **Release** to release the refund.

On the **Application History** tab, the released refund applied to the prepayment has appeared (see the following screenshot). The amount of the refund is shown in the **Amount Paid** column whereas the **Balance** column shows the balance of the prepayment.

The screenshot shows the Checks and Payments form for Refund 000036 - Compulink and Co. The form includes fields for Type (Refund), Vendor (COMPULINK - Compulink and Co), Payment Amount (25.00), Reference Nbr. (000036), Location (MAIN - Primary Location), Unapplied Balance (0.00), Status (Closed), Joint Payee N... (Application Amount 0.00), Application Date (1/30/2025), Payment Meth. (CHECK), Finance Charges (0.00), Application Per... (01-2025), Cash Account (10200WH - Wholesale Checking), and Payment Ref. (1152025PrepR). The Description is \$25 refund for unused prepayment.

The Application History tab is selected, showing a single row of data:

Branch	Batch Number	Doc. Type	Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	With. Tax	Application Period	Application Date	Date	Due Date	Cash Discount Date	Balance
HEADOFFICE	AP000189	Prepayment	000025		25.00	0.00	0.00	01-2025	1/30/2025	1/15/2025			165.00

Figure: The Application History tab of the Checks and Payments form

Bill Prepayments: Related Report and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about prepayments and their balances.



If you do not see a report or inquiry, this could mean that you have signed in to the system with a user account that does not have access rights to the particular form. Sign in as the *admin* user, or contact your system administrator.

Reviewing Prepayment Balances

You use the *Vendor Summary* (AP401000) form to review the total prepayment balance of all vendors. The table of this form shows the prepayment balances of the listed vendors.

Reviewing a Vendor's Prepayments

You use the *Vendor Details* (AP402000) form to review the prepayments and the prepayment balance of a particular vendor.

Reviewing All Prepayments

You run the *AP Balance by GL Account* (AP632000) report to view all prepayments collected on the prepayment account. To review the balance of the prepayment account, you select *Account Summary* in the **Report Format** box on the **Report Parameters** tab of the report form.

Lesson 2.7: Correcting and Reprinting Checks

In this lesson, you will find general information on how reprint checks, an activity that describes how to correct a check and reprint it with a new number, and report and inquiries that can be useful to find and view created transactions.

Check Reprinting: General Information

In some cases, you need to correct a printed check and reprint it with the same number or with a new number.

Learning Objectives

In this lesson, you will learn how to do the following:

- Correct a check by removing a bill from it
- Reprint the check with a new number

Applicable Scenarios

You usually reprint checks in the following cases:

- You reprint a check with the same number if you have discovered that the check contains incorrect details or there were no check blanks in the printer.
- You reprint a check with a new number if the blank with the old number has been spoiled.

Reprinting of AP Checks

To be able to print a check again, you first need to change the *Printed* status for this check on the *Release Payments* (AP505200) form. You can reprint a check by using one of the following numbers:

- The same check number:

To reprint a check with the same check number, you select the *Reprint* command in the **Action** box. When you invoke processing, for the checks included in processing, the system changes the check status from *Printed* to *Pending Print* and allows you to print the check again with the same number.

- A new check number:

To reprint a check with a new check number, you select the *Reprint with New Number* command in the **Action** box. When you invoke processing, for the checks included in processing, the system changes the check status from *Printed* to *Pending Print* and voids the payment number so that you can print the check with a new number.

Check Reprinting: Process Activity

The following activity will walk you through the process of printing, correcting, and reprinting a check.

Story

Suppose that in November 2024, the SweetLife Fruits & Jams company bought glass jars and lids from Jar Co. in the amount of \$410, and a check was entered in the system.

Acting as a SweetLife accountant, you have to print the check to prepare it for further processing. Further suppose that after printing the check, you find out that the items in one of the two bills included in this check (with an amount of \$50) have not been delivered. You have to exclude this bill from the check, reprint the check, and release the check.

Process Overview

You will initially print a check on the [Checks and Payments](#) (AP302000) form. When you discover that the check you printed was in error, on the [Process Payments / Print Checks](#) (AP505000) form, you will select the *Reprint* action for the check to change its status from *Printed* to *Pending Print*; this makes it possible to put the check on hold (assign the *On Hold* status to it) so that it can be edited. On the [Checks and Payments](#) form, you will make necessary edits to the check. Then on the [Process Payments / Print Checks](#) form, you will reprint the check on a new blank check with a new number. Finally, you will release the updated and reprinted check on the [Release Payments](#) (AP505200) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johnson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Finding and Printing a Check

To find a check and print it, do the following:

1. Open the Checks and Payments (AP3020PL) list of records.
2. Find a check with the *On Hold* status and an amount of \$410 as follows:
 - a. In the filtering area, click the **Filter Settings** button.
 - b. In the **Filter Settings** dialog box, which opens, click **Add Row**, and specify the following settings:
 - **Property:** Status
 - **Condition:** Equals
 - **Value:** On Hold
 - c. Click **Apply** to close the dialog box.
3. In the table, find a check with the payment amount of \$410.
4. Click the link in the **Reference Nbr.** column.
5. On the *Checks and Payments* (AP302000) form, which opens for the check you want to print, click **Remove Hold** on the form toolbar, and save the check.
Notice that the payment's status has changed to *Pending Print*.
6. On the form toolbar, click **Print/Process**.
7. On the *Process Payments / Print Checks* (AP505000) form, which is opened with the payment listed in the table and the unlabeled check box selected for the row, review the details of the payment (**Vendor ID** and **Payment Amount**) and click **Process**.
A separate browser tab is opened showing the printable version of the check.
8. Review the printable version of the check, note the check number, and close the browser tab. (For the purposes of this activity, you do not need to actually print the check. In a production setting, you would click **Print** on the form toolbar to print the check before closing the browser tab.)
The system opens the *Release Payments* (AP505200) form with the payment ready for release. Do not release the payment yet.

Step 2: Removing a Bill from the Check

To remove the \$50 bill, which contains the items not delivered, from the check, do the following:

1. Open the Checks and Payments (AP3020PL) list of records.
2. If you applied any filters before on this form, click the **Filter Settings** button in the filtering area.
3. In the **Filter Settings** dialog box, which opens, click **Delete Row**, and then click **Apply** to close the dialog box.
4. In the table, find the check you opened in Step 1 as follows:
 - a. In the filtering area, click the **Filter Settings** button.
 - b. In the **Filter Settings** dialog box, which opens, click **Add Row**, and specify the following settings:
 - **Property:** Status
 - **Condition:** Equals
 - **Value:** Printed
 - c. Click **Apply** to close the dialog box.
5. In the table, review the payment. Notice its status and payment amount.
6. Open the *Release Payments* (AP505200) form.

7. In the **Action** box, select *Reprint with New Number*.

With this action selected, for all checks you select and then process, the system will change the status from *Printed* to *Pending Print*. The number of this check will be kept in the system, and it will not be possible to reuse it for another check.

8. In the table, select the unlabeled check box for the payment you have been working with, and on the form toolbar, click **Process**.
9. In the **Processing** pop-up window, which is opened, click the **Processed** tab.
10. Click the link in the **Reference Nbr.** column to again open the payment on the *Checks and Payments* form.
11. On the form toolbar, click **Hold** to change the payment's status to *On Hold*.

Now you can edit the payment to remove the bill of \$50, whose products have not yet been delivered.

12. On the **Documents to Apply** tab, click the bill in the amount of \$50, and click **Delete Row** on the table toolbar.
13. In the Summary area, enter 360 in the **Payment Amount** box.
14. In the **Description** box, enter Glass jars.
15. Save the payment, and on the form toolbar, click **Remove Hold**.

The payment's status has changed again to *Pending Print*.

Step 3: Reprinting the Check

To reprint the already-printed check with a new number, because the blank with the old number cannot be used, do the following:

1. While you are still viewing the payment on the *Checks and Payments* (AP302000) form, on the form toolbar, click **Print/Process**.
2. On the *Process Payments / Print Checks* (AP505000) form, which is opened with the payment listed in the table and the unlabeled check box selected for the row, click **Process** on the form toolbar.

A separate browser tab is opened showing the printable version of the check, which has a new check number but the updated amount of \$360. You have not yet sent the check, but you have printed it on a blank. So you should reprint it with the new number on a new blank.

Step 4: Releasing the Check

To release the updated check, do the following:

1. On the *Release Payments* (AP505200) form, which opened after you printed the check, click the link in the **Reference Nbr.** column to open the payment on the *Checks and Payments* (AP302000) form.
- Notice that the payment's status has changed again to *Printed*.
2. On the form toolbar, click **Release** to release the payment.
 3. Click the **Application History** tab, and make sure that the payment was applied to one bill in the amount of \$360, as shown in the following screenshot.

The screenshot shows the 'Checks and Payments' application interface. At the top, it displays 'Payment 000002 - Jar Co.' and various status fields like Type (Payment), Reference Nbr. (000002), Status (Close), Application Date (11/30/2024), and Payment Ref. (0080). Below this, the 'APPLICATION HISTORY' tab is selected, showing a single row for a 'Bill' with reference number 000008. The bill amount is 360.00, paid on 01-2025, with application period from 1/8/2025 to 2/7/2025. The payment details include Vendor (JARCO - Jar Co.), Location (MAIN - Primary Location), Payment Method (CHECK), Cash Account (10200WH - Wholesale Checking), and Description (Glass Jars). The bottom of the screen shows tabs for DOCUMENTS TO APPLY, FINANCIAL, REMITTANCE, CHARGES, and COMPLIANCE.

Figure: The released payment applied to the bill

Check Reprinting: Related Report and Inquiry Forms

In the following sections, you can find details about the report and inquiry forms you may want to review to gather information about checks.



If you do not see a report or inquiry, this could mean that you have signed in to the system with a user account that does not have access rights to a form. Sign in as the *admin* user, or contact your system administrator.

Reviewing Checks that Are Pending Printing

You can use the [Checks Pending Printing](#) (AP404000) form to review which checks have not been printed yet as of a specified pay date. You can initiate check printing on this form by clicking **Print Checks** on the form toolbar. The system navigates to the [Process Payments / Print Checks](#) (AP505000) form, where you can print checks.

Running a Report of Checks that Are Pending Printing

You can use the [Checks Pending Printing](#) (AP612500) form to review a report on checks that have not yet been printed.

Running the Check Register Inquiry

You use the [Check Register](#) (AP404500) form to review the details of the checks that have been generated in the system. By using this inquiry form, you can find out whether a particular check number has been used and, if it has, for which AP check.

If you have reprinted a check with a new number or voided a check, the system does not allow this number to be reused. The inquiry displays the check numbers of all checks, including those have been reprinted or voided.

Lesson 2.8: Voiding Payments

In this lesson, you will find general information on how to void AP payments, an activity that describes how to void a released payment, and inquiries that can be useful to find and view created transactions.

Voiding Payments: General Information

You can void an AP payment that was previously released in the accounts payable subledger.

Learning Objectives

In this lesson, you will learn how to void a released payment.

Applicable Scenarios

You void payments when a payment with an error has been already released.

Process Description

You can void a payment on the [Checks and Payments](#) (AP302000) form by clicking **Void** on the form toolbar. The system creates a new document of the *Voided Payment* type, which has a negative amount in the **Payment Amount** box to reverse the original transactions on all accounts involved. When this document is posted, all original entries to the general ledger are also reversed.

Workflow of Payment Voiding

The following diagram illustrates the workflow of payment voiding, which is a part of the AP payment processing workflow.

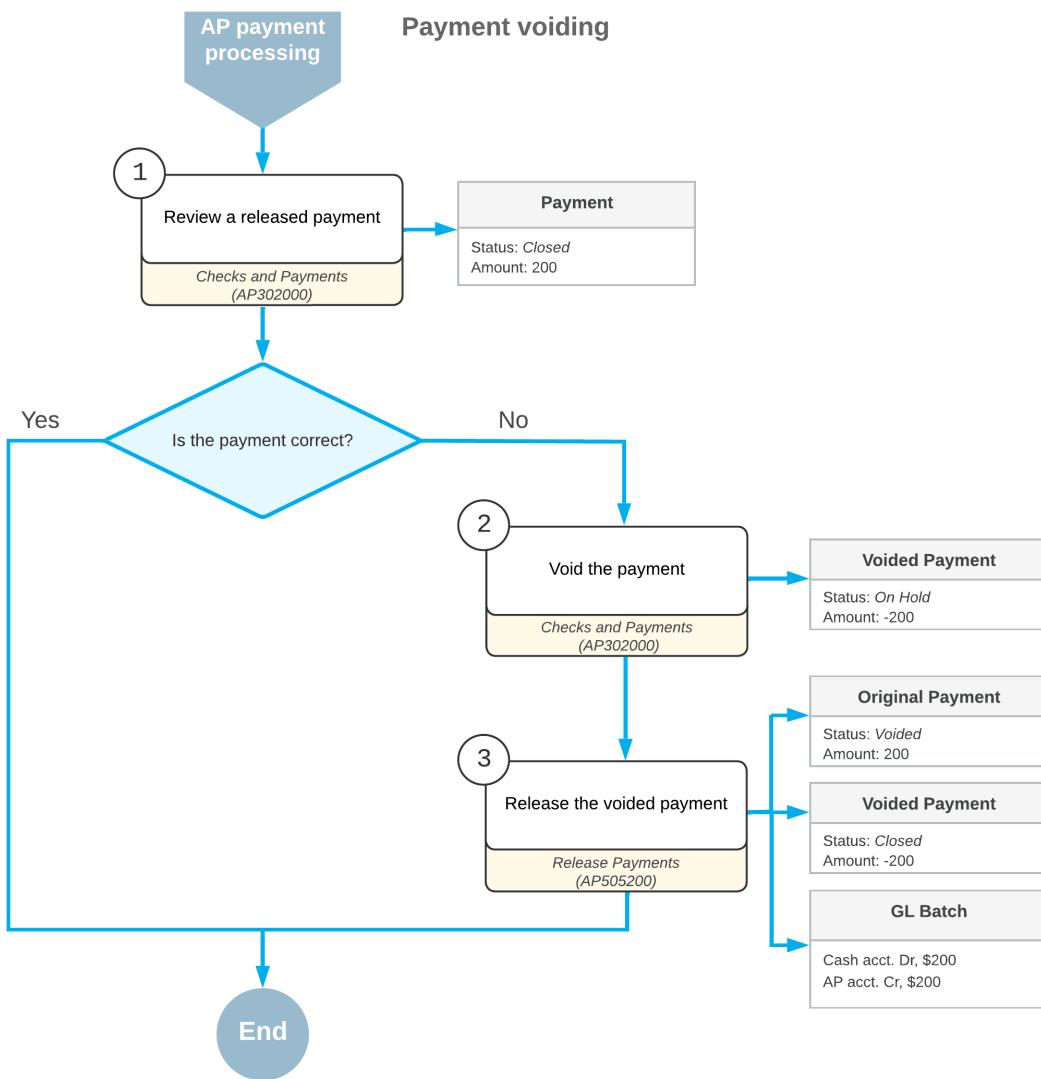


Figure: Payment voiding

Voiding Payments: Generated Transactions

To update vendor balances and reverse the original transaction, the system generates the GL transaction described in the following section.

Transaction Generated for a Voided Payment

When you create and release a payment of the *Voided Payment* type, the system generates the following general ledger transaction.

Account	Debit	Credit
Cash account	Amount	0.00
Accounts Payable	0.00	Amount

You can view the reference number of the GL batch on the **Application History** tab of the [Checks and Payments](#) (AP302000) form.

Voiding Payments: Process Activity

The following activity will walk you through the process of voiding a payment.

Story

Suppose that an AP clerk of the SweetLife Fruits & Jams company made a mistake when entering a payment in the amount of \$200 to Wingman Printing Company (*PRINTICO*).

Acting as a SweetLife accountant, you have to void the payment to the *PRINTICO* vendor for consulting services.

Process Overview

To void a payment, you will use the [Checks and Payments](#) (AP302000) form to find the payment, and then void it.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step: Voiding a Payment

To find and void a payment, do the following:

1. Open the Checks and Payments (AP3020PL) list of records.
2. If you applied any filters before on this form, click the **Filter Settings** button in the filtering area.
3. In the **Filter Settings** dialog box, which opens, click **Delete Row**, and then click **Apply** to close the dialog box.
4. Find the payment dated *1/10/2025* in the amount of \$200 as follows:
 - a. Click the **Payment Date** column header, and in the dialog box that opens, specify the following settings:
 - **Equals:** Selected
 - **Value:** *01/10/2025*Click **OK** to close the dialog box.
5. Click the link in the **Reference Nbr.** column to open the payment on the [Checks and Payments](#) (AP302000) form.

6. On the form toolbar, click **Void**.

Also on the [Checks and Payments](#) form, the system has created a new document of the *Voided Payment* type that has the *On Hold* status and the -200 value in the **Payment Amount** box. The voided payment is shown in the following screenshot.

The screenshot shows the 'Checks and Payments' application interface. A specific document is selected, identified by the reference number 000003. The document details are as follows:

- Type:** Voided Pa... (dropdown)
- Vendor:** PRINTICO - Wingman Printing Company
- Payment Amount:** -200.00
- Status:** On Hold
- Reference Nbr.:** 000003
- Location:** MAIN - Primary Location
- Unapplied Balance:** 0.00
- Application Date:** 1/10/2025
- Payment Meth.:** CHECK
- Application Amount:** -200.00
- Cash Account:** 10200WH - Wholesale Checking
- Finance Charges:** 0.00
- Payment Ref.:** 0002
- Description:** Consulting services 2 hours

The toolbar at the top includes buttons for **NOTES**, **ACTIVITIES**, **FILES**, and **TOOLS**. Below the main form, there are tabs for **DOCUMENTS TO APPLY**, **ORDERS**, **APPLICATION HISTORY**, **FINANCIAL**, **REMITTANCE**, **CHARGES**, and **COMPLIANCE**. A detailed table below the tabs displays transaction details:

Branch	Document Type	Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	With. Tax	Date	Due Date	Cash Discount Date	Cross Rate	Balance	Cash Discount Balance	With. Tax Balance	Description
HEADOFFICE	BILL	000010		-200.00	0.00	0.00	1/9/2025	2/8/2025	2/8/2025	1.0000000	200.00	0.00	0.00	Consulting services 2 hours

Figure: The voided payment created to void the original payment

7. On the form toolbar, click **Remove Hold**, and then click **Release** to release the voided payment.

8. Again open the payment dated 1/10/2025 in the amount of \$200.

Notice that the status is now *Voided*. When a document of the *Voided Payment* type is released, the original payment is assigned the *Voided* status.

Voiding Payments: Related Inquiry Forms

In the following sections, you can find details about the inquiry forms you may want to review to gather information about payments.



If you do not see an inquiry, this could mean that you have signed in to the system with a user account that does not have access rights to a form. Sign in as the *admin* user, or contact your system administrator.

Reviewing Checks that Are Pending Printing

You can use the [Checks Pending Printing](#) (AP404000) form to review which checks have not been printed yet as of a specified pay date. You can initiate check printing on this form by clicking **Print Checks** on the form toolbar. The system navigates to the [Process Payments / Print Checks](#) (AP505000) form, where you can print checks.

Running the Check Register Inquiry

You use the [Check Register](#) (AP404500) form to review the details of the checks that have been generated in the system. By using this inquiry form, you can find out whether a particular check number has been used and, if it has, for which AP check.

If you have reprinted a check with a new number or voided a check, the system does not allow this number to be reused. The inquiry displays the check numbers of all checks, including those have been reprinted or voided.

Lesson 2.9: Closing Financial Periods in AP

In this lesson, you will find general information on how to perform period-end procedures in the accounts payable subledger, an activity that describes how to perform account reconciliation, and an activity that describes how to close a financial period in the subledger.

Period-End Procedures: General Information

Although you can close periods in the AP subledger and in the general ledger at the same time, you may decide to close periods in the AP subledger separately in your system. On the [Manage Financial Periods](#) (GL503000) form, you can find information about the status of periods.

Learning Objectives

In this chapter, you will learn how to do the following:

- Perform account reconciliation
- Close a financial period in AP

Applicable Scenarios

You perform account reconciliation and close a financial period in the following cases:

- You want to make sure that the AP and GL account balances are the same, which indicates that there are no unposted documents in the period that you want to close
- You want to close a period to prevent users from posting to it

Closing of a Period in a Subledger

Before you close a period in the subledger, you should make sure that there are no unreleased documents that are to be posted to this period. To close periods, you use the [Close Financial Periods](#) (AP506000) form.

When you close a given financial period in the AP subledger, all preceding open periods will be closed in the subledger as well.



You may need to reopen a financial period if it has been closed by mistake or if you need to post any adjustments to this period. For details, see [To Reopen a Financial Period in Accounts Payable](#).

Period-End Procedures: To Perform Account Reconciliation

The following activity will walk you through the process of reviewing the accounts payable balance by GL account and reconciling AP and GL accounts.

Story

Suppose that at the end of March 2024, the SweetLife Fruits & Jams company needs to prepare for closing the 03-2024 financial period in the accounts payable subledger.

Acting as a SweetLife accountant, you have to review the accounts payable balance for each GL account and reconcile these balances with the general ledger. This process is required to ensure that there are no discrepancies or inconsistencies in balances. To do this, you will use two Acumatica ERP reports.

Process Overview

To perform the process outlined in this activity, you will run the [AP Balance by GL Account](#) (AP632000) report and review it; you will then run the [Trial Balance Summary](#) (GL632000) report and compare the AP balances in both reports.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johnson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *3/31/2024*. If a different date is displayed, click the Business Date menu button and select *3/31/2024*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Reviewing the Balance of the AP Account

To review the balance of the AP account, do the following:

1. Open the [AP Balance by GL Account](#) (AP632000) form.
2. On the **Report Parameters** tab, specify the following parameters:
 - **Report Format:** *Account Summary*
 - **Company/Branch:** *HEADOFFICE - SweetLife Head Office and Wholesale Center* (inserted by default based on the selected branch)
 - **Financial Period:** *03-2024* (inserted by default)
 - **Include Applications:** *Cleared*
3. On the form toolbar, click **Run Report**.
4. Review the generated report. Notice the amount in the **Balance** column for the *20000 - Accounts Payable* account, which is the total balance posted to the account.

Step 2: Reviewing the Balances for the Financial Period

To review the balances for the financial period, do the following:

1. Open the [Trial Balance Summary](#) (GL632000) form.
2. On the **Report Parameters** tab, verify that the following parameters are displayed:
 - **Company/Branch:** *HEADOFFICE - SweetLife Head Office and Wholesale Center*
 - **Ledger:** *ACTUAL*
 - **From Period:** *03-2024*

- **To Period:** 03-2024
 - **Suppress Zero Balances:** Selected
3. On the form toolbar, click **Run Report**.
 4. Review the report. Notice the amount in the **Ending Balance** column for the 20000 - Accounts Payable account. This amount should be equal to the amount you noticed in the [AP Balance by GL Account](#) report you ran in Step 1.

Step 3: Reconciling the AP and GL Accounts

To reconcile the AP and GL balances for the 20000 *Accounts Payable* account, do the following:

1. Compare the two figures you noted from both reports. If these balances are equal, the AP and GL accounts can be considered reconciled.
2. If there is a discrepancy between these figures, do the following:
 - a. On the [Post Transactions](#) (GL502000) form, verify that all batches have been posted to the general ledger.
 - b. Post any unposted documents you have found.
 - c. To verify that there are no transactions posted to the 20000 - *Accounts Payable* account by other modules, open the [Transactions for Account](#) (GL633500) form and specify the following parameters:
 - **Company/Branch:** HEADOFFICE - SweetLife Head Office and Wholesale Center
 - **Ledger:** ACTUAL
 - **From Period and To Period:** 03-2024
 - **Account:** 20000 - *Accounts Payable*
 - **Module:** Empty
 - **Additional Sort and Filters tab, Additional Filtering Conditions: Property:** GL Batch.Module, **Condition:** Does Not Equal, **Value:** AP.

The following screenshot illustrates the application of additional filtering conditions for the report.

Property	Condition
GL History by Period Branch	Ascending
GL History by Period.Financial Period	Ascending
Subaccount.Subaccount	Ascending
GL Transaction.Transaction Date	Ascending
GL Transaction.Batch Number	Ascending
GL Transaction.Ref Number	Ascending

Brackets	Property	Condition	Value	Second Value	Brackets	Operator
>	GL Batch Module	Does Not Equal	AP			

Figure: Additional filtering conditions for the Transactions for Account (GL633500) report

- d. Click **Run Report** on the form toolbar of the [Transactions for Account](#) form, and review the report.

Period-End Procedures: To Close a Period in AP

The following activity will walk you through the process of closing a financial period in accounts payable.

Story

Suppose that it is the end of March 2024, all the documents of the SweetLife Fruits & Jams company have been posted, and the financial period has to be closed to prevent system users from posting to this period.

Acting as the SweetLife accountant, you need to close the 03-2024 financial period in the accounts payable subledger.

Process Overview

To close a period in the accounts payable subledger (and the periods preceding it, if any are open), you will use the [Close Financial Periods](#) (AP506000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step: Closing the Financial Period in the AP Subledger

To close the 03-2024 financial period in the accounts payable subledger, do the following:

1. Open the [Close Financial Periods](#) (AP506000) form.
2. In the Summary area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Action:** *Close*
 - **To Year:** *2024*
3. In the table, click the unlabeled check box in the row with the 03-2024 period.

The check boxes for all the preceding periods are selected automatically and the periods will be closed as well, as shown in the following screenshot.

Close Financial Periods

TOOLS ▾

PROCESS PROCESS ALL UNRELEASED DOCUMENTS

* Company: SWEETLIFE - Sweet

Action: Close

From Year: 2024

* To Year: 2024

	Financial Period ID	Description
0	01-2024	January
0	02-2024	February
> 0	03-2024	March
0	04-2024	April
0	05-2024	May
0	06-2024	June
0	07-2024	July
0	08-2024	August
0	09-2024	September
0	10-2024	October
0	11-2024	November
0	12-2024	December
0	13-2024	Adjustment Period

Figure: The periods selected for closing in AP

4. On the form toolbar, click **Unreleased Documents** to review if there are any unreleased documents in the selected periods. If unreleased documents exist in the system, the Unreleased AP Documents report is opened in a pop-up window. (If no unreleased documents exist, the system displays an appropriate message.)
5. Review the documents in the report (if it has been opened), and release them or reassign them to another financial period.
6. Return to the **Close Financial Periods** form. On the form toolbar, click **Process**. In the **Processing** pop-up window, which is opened, click **Close**.

The 03-2024 period and all the preceding periods have been closed in the system.

Part 3: Accounts Receivable Process

This part of the course deals with the accounts receivable process and guides you through the processing of AR invoices, credit memos, prepayments, and customer statements.

You need to complete the activities in this part by using user accounts with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

Lesson 3.1: Creating Prepayments

In this lesson, you will find general information on how to create and release prepayments, an activity that describes how to create a prepayment and apply it to an invoice, an activity that describes how to reverse a prepayment application, and report and inquiries that can be useful to find and view created transactions.

Invoice Prepayments: General Information

A *prepayment* is a type of manual AR document (that is, a document created by a user) that records a company's financial relationship with customers. You use this document type if you want to distinguish customer payments from prepayments. The system displays the sum of all open customer payment documents with the *Prepayment* type separately in the **Prepayment Balance** box on the *Customers* (AR303000) form. Also, balances of open prepayments decrease the customer's balance. You can apply outstanding documents to a prepayment before or after you release it.



The customer prepayment balance is displayed with a minus sign in the **Prepayment Balance** box on the *Customers* form.

You use the *Payments and Applications* (AR302000) form to create and process a document of this type.

To identify prepayments, the system uses the numbering sequence specified in the **Payment Numbering Sequence** box on the **General Settings** tab of the *Accounts Receivable Preferences* (AR101000) form.



If the **Manual Numbering** check box is selected for the specified numbering sequence on the *Numbering Sequences* (CS201010), the system validates each new reference number you enter in order to prevent the creation of payments and prepayments with the same reference number.

Learning Objectives

From reading the topics in this lesson and completing the process activities, you will learn how to do the following:

- Enter a prepayment
- Apply the prepayment to an AR invoice

Applicable Scenarios

Prepayments can be created in the following cases:

- When you received a prepayment from a customer without applying it to any outstanding document
- When you want to enter a prepayment and apply it to AR documents

Workflow of Processing a Prepayment

This section provides an overview of the processing of a prepayment in Acumatica ERP. The diagram below shows the processing actions and the involved forms and documents.

Prepayment processing includes the following steps.

1. A user creates a prepayment from a customer on the [Payments and Applications](#) (AR302000) form, and the system assigns the prepayment document the *Balanced* status.
2. The user applies the created prepayment to a document or multiple documents that the system has loaded on the **Documents to Apply** tab.
If the prepayment should not be applied to any documents, the user clicks **Delete Row** on the **Documents to Apply** tab to remove the documents.
3. The user releases the prepayment and its application to the document by clicking **Release** on the [Payments and Applications](#) form.

The following diagram illustrates the workflow of processing a prepayment.

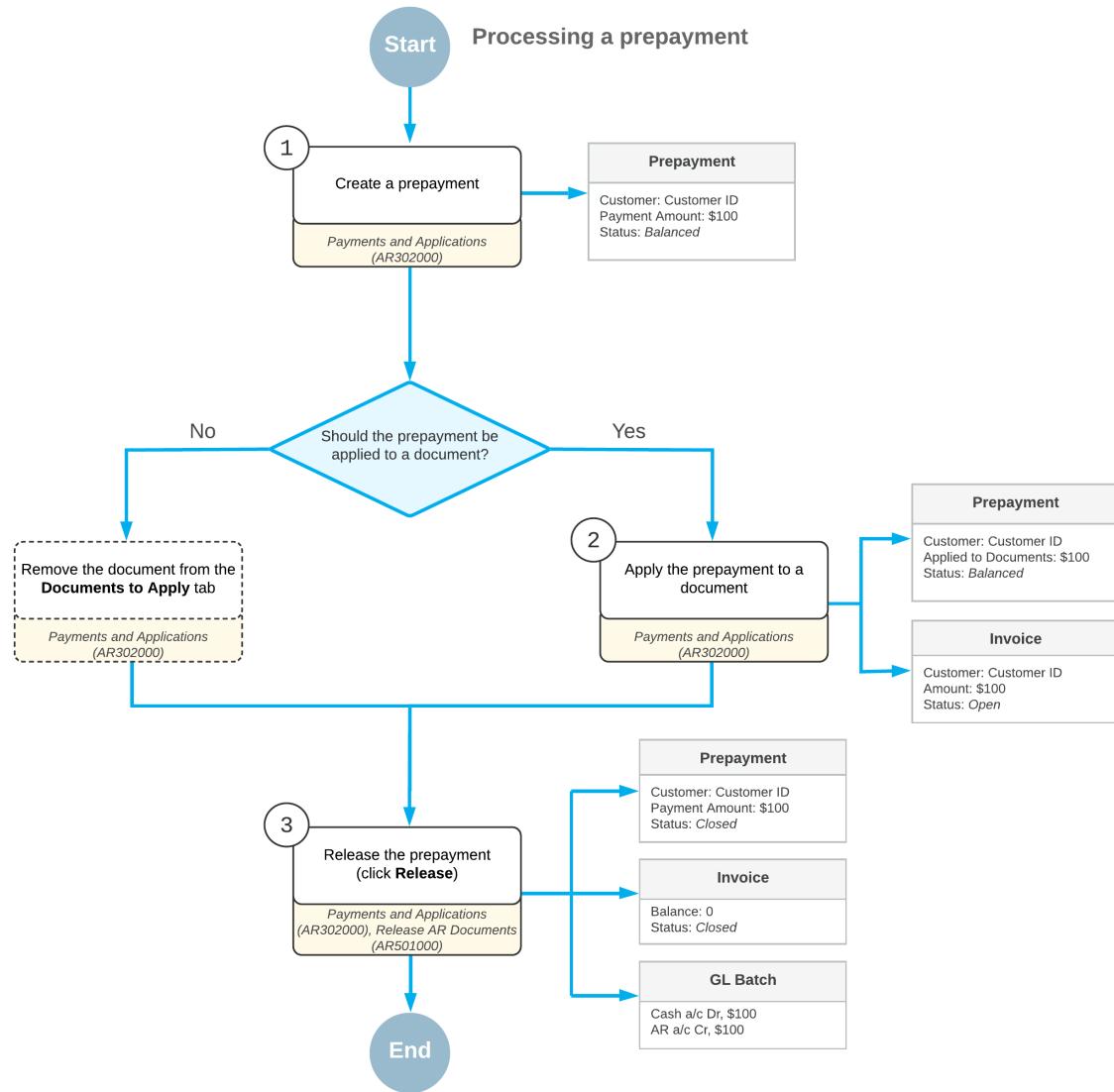


Figure: Processing a prepayment

Invoice Prepayments: Generated Transactions

When you release a prepayment, the system generates a GL transaction to update the involved asset accounts with the prepayment transactions. The prepayment includes all the information the system needs to generate the transaction.

The following two accounts are usually involved:

- The AR account specified in the **Prepayment Account** box on the **GL Accounts** tab of the **Customers** (AR303000) form for the customer. This account is filled in automatically in the **AR Account** box on the **Financial** tab of the **Payments and Applications** (AR302000) form for the prepayment.
- The cash account specified in the **Cash Account** box in the Summary area of the **Payments and Applications** form.

You may record customer prepayments to a designated AR account or to the same AR account to which payments are recorded. In the latter case, the system will generate a GL batch with transactions that are similar to payment transactions. For details, see [Invoice Payments: Release of Payments](#).

If you record customer payments and prepayments to separate AR accounts—that is, for the customer, the **AR Account** and **Prepayment Account** boxes contain different accounts on the **GL Accounts** tab of the [Customers](#) form—the following prepayment transactions will be recorded to the general ledger when the prepayment is released.

Account	Debit	Credit
Cash account	Prepayment amount	0.00
Accounts Receivable account for prepayments	0.00	Prepayment amount

You can view the batch details by clicking the link in the **Batch Nbr.** box on the **Financial** tab of the [Payments and Applications](#) form.

If you have recorded bank charges for the payment, the system generates the respective transactions and includes them in the batch with the payment transactions. For details on bank charge transactions, see [Finance Charge Transactions](#).

In addition to prepayment transactions that update the asset accounts, the batch may contain transactions generated by application records that were released along with the prepayment. For details, see [Invoice Payments: Release of Application Records](#).

Batch Generated for a Partially Applied Prepayment

When you release a partially applied prepayment, the GL batch may contain, in addition to prepayment transactions, transactions generated by its application records.

If you record prepayments to a designated AR account, which is usually different from the AR account where outstanding documents are recorded, the following prepayment transactions will be recorded to the general ledger when the prepayment is released.

Account	Debit	Credit
Cash account	Prepayment amount	0.00
Accounts Receivable account for prepayments	0.00	Prepayment amount – paid amount
Accounts Receivable account for invoices	0.00	Paid amount

For details on the other application transactions, see [Invoice Payments: Release of Application Records](#).

Batch Generated for a Fully Applied Prepayment

If you record prepayments to a designated AR account that is different from the AR account where outstanding documents are recorded, and you release a fully applied prepayment and its application records, the system records the prepayment amount to the AR account specified for the applied outstanding documents. The following transactions are recorded to the general ledger when the fully applied prepayment and its application records are released.

Account	Debit	Credit
Cash account	Prepayment amount	0.00
Accounts Receivable account for invoices	0.00	Prepayment amount

When you release a fully applied prepayment, the GL batch may contain transactions generated by the prepayment's application records, in addition to prepayment transactions. For details on application transactions, see [Invoice Payments: Release of Application Records](#).

Invoice Prepayments: To Process a Prepayment

In this activity, you will learn how to create a prepayment and apply it to an invoice.

Story

Suppose that the SweetLife Fruits & Jams company received a prepayment of \$2,300 from one of its customers, Morning Cafe (*MORNINGCAF*) on January 12, 2025. On January 31, SweetLife sold a juicer to Morning Cafe and an invoice for \$2,300 was entered in the system.

Acting as a SweetLife accountant, you need to create and release a prepayment, and later, apply this prepayment to the customer's invoice, and then release the prepayment application.

Process Overview

On the [Payments and Applications](#) (AR302000) form, you will create and release a prepayment for the needed customer. You will review the generated GL transaction on the [Journal Transactions](#) (GL301000) form. You will then apply the prepayment manually to the customer's invoice and release the prepayment application. Finally, on the [Journal Transactions](#) form, you will review the transaction generated on release of the prepayment application.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/12/2025*. If a different date is displayed, click the Business Date menu button and select *1/12/2025*.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating and Releasing a Prepayment

To create and release a prepayment, do the following:

1. Open the [Payments and Applications](#) (AR302000) form.

2. On the form toolbar, click **Add New Record**, and specify the following settings in the Summary area:

- **Type:** *Prepayment*
- **Customer:** MORNINGCAF
- **Application Date:** 1/12/2025 (inserted by default)
- **Payment Amount:** 2300
- **Description:** Juicer 15

When you create a new prepayment on the current form, as soon as you select the customer in the Summary area, the system forms the list of the customer's outstanding documents on the **Documents to Apply** tab. The system loads only open documents of the *Invoice*, *Debit Memo*, *Credit Memo*, and *Overdue Charge* type that do not have unreleased applications.

3. On the form toolbar, click **Remove Hold**, and then click **Release** to release the prepayment.
4. On the **Financial** tab, click the link in the **Batch Nbr.** box.
5. On the [Journal Transactions](#) (GL301000) form, which is opened, review the transaction that has been generated on the release of the prepayment.

The 10200 cash account specified for the prepayment has been debited with \$2,300, while the 22100 (*Customer Deposit*) account specified for the customer as the prepayment account has been credited in the same amount.

Step 2: Applying the Prepayment to an Invoice

To apply the prepayment to an invoice, do the following:

1. In the info area, click the Business Date menu button and select 1/31/2025.
2. While you are still on the [Payments and Applications](#) (AR302000) form with the prepayment opened, on the **Documents to Apply** tab, click **Add Row** on the table toolbar.
3. Specify the following settings in the added row:
 - **Doc. Type:** *Invoice*
 - **Reference Nbr.:** The invoice dated 1/31/2025 for the amount of \$2,300
 - **Amount Paid:** 2300 (inserted automatically by the system)

Notice that the system has automatically selected the unlabeled check box for the added row.



Alternatively, you can click **Load Documents** on the table toolbar; in the **Load Options** dialog box, which opens, you select the needed settings to load multiple documents and click **Load**.

4. On the form toolbar, click **Save** to save the changes.

The released prepayment applied to the invoice is shown in the following screenshot.

The screenshot shows the 'Payments and Applications' (AR302000) form. The 'RELEASE' button is highlighted. The form displays a prepayment application for \$2,300.00. The application date is 1/31/2025, and the payment method is CHECK - Check Payment. The customer is MORNINGCAF - Morning Cafe. The payment amount is listed as 2,300.00, and the applied amount is also 2,300.00. The cash account is 10200WH - Wholesale Checking. The description is Juicer 15.

Figure: The prepayment applied to the invoice before release of the prepayment application

Step 3: Releasing the Prepayment Application

To release the prepayment application to the invoice, do the following:

1. While you are still on the **Payments and Applications** (AR302000) form, click **Release** on the form toolbar.
2. On the **Application History** tab, click the link in the **Batch Number** column.
3. On the **Journal Transactions** (GL301000) form, which is opened, review the transaction that has been generated on the release of the prepayment application.

The 22100 (*Customer Deposit*) account specified for the customer as the prepayment account has been debited with \$2,300, while the 11000 (*Accounts Receivable*) account specified for the customer has been credited in the same amount.

Invoice Prepayments: To Reverse an Application

The following activity will walk you through the process of reversing a prepayment application to the wrong invoice.

Story

Suppose that the SweetLife Fruits & Jams company received a prepayment from its customer (FourStar Coffee & Sweets Shop) in the amount of \$660 for consulting services and an AR clerk applied the prepayment to the wrong invoice on January 21, 2025.

Acting as a SweetLife accountant, you have to find this mistakenly applied application of \$660 in the system and reverse it.

Process Overview

In this activity, you will open a prepayment on the **Payments and Applications** (AR302000) form, select the application to the wrong invoice, and reverse it. You will then release the reversing entry created by the system and review the generated GL transaction on the **Journal Transactions** (GL301000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Reviewing an Incorrect Application and the Application Batch

To review the application batch, do the following:

1. Open the Payments and Applications (AR3020PL) list of records.
2. If you applied any filters before on this form, click the **Filter Settings** button in the filtering area, click **Delete Row** in the dialog box that opens, and click **Apply** to close the dialog box.
3. Find a prepayment in the amount of \$660 for the *COFFEE SHOP* customer as follows:
 - a. In the table, click the **Customer** column header, and in the dialog box that opens, specify the following settings:
 - **Equals:** Selected
 - Filter Value (the unlabeled box at the bottom of the dialog box): *COFFEE SHOP*
 Click **OK** to close the dialog box.
 - b. Click the **Payment Amount** column header, and in the dialog box that opens, specify the following settings:
 - **Equals:** Selected
 - **Value:** 660
 Click **OK** to close the dialog box.
4. Click the link in the **Reference Nbr.** column to open the prepayment on the *Payments and Applications* (AR302000) form.
5. On the **Application History** tab, click the link in the **Reference Nbr.** column, and on the *Invoices and Memos* (AR301000) form that opens, review the invoice to which the prepayment has been applied mistakenly. Close the *Invoices and Memos* form.
6. On the *Payments and Applications* form, click the link in the **Batch Number** column to open and review the application batch on the *Journal Transactions* (GL301000) form.

Step 2: Reversing the Application

To reverse the incorrect application, do the following:

1. On the *Payments and Applications* (AR302000) form, make sure that you are still viewing the prepayment that you reviewed in Step 1.
2. On the **Application History** tab, click **Reverse Application** on the table toolbar.

The system reverses the application of the \$660 prepayment to the invoice.

3. Save the prepayment. Notice that in the Summary area, the **Applied to Documents** box shows -660.00, and the **Available Balance** box shows 660.00.
4. On the form toolbar, click **Release**.

The system creates a reversing batch that you can see on the **Application History** tab. The system also sets the statuses of the invoice and the prepayment to *Open* and increases their balances by \$660, as shown in the following screenshot.

Branch	Batch Number	Doc. Type	Reference Nbr.	Line Nbr.	Inventory ID	Customer	Amount Paid	Cash Discount Taken	Write-Off Amount	Application Date	Application Period	Date
HEADOFFICE	AR000120	Invoice	000065	0	COFFEE SHOP	660.00	0.00	0.00	1/21/2025	01-2025	1/21/2025	
HEADOFFICE	AR000207	Invoice	000065	0	COFFEE SHOP	-660.00	0.00	0.00	1/21/2025	01-2025	1/21/2025	

Figure: The reversing batch applied to the prepayment

5. Click the link in the **Batch Number** column for the second row, and review the application batch on the [Journal Transactions](#) (GL301000) form, which opens.

Invoice Prepayments: Related Report and Inquiry Forms

In the following sections, you can find details about the report and inquiry forms you may want to review to gather information about a customer's details and balance.



If you do not see a particular report or form that is described, you may have signed in to the system with a user account that does not have access rights to the report or form. Contact your system administrator to obtain access to any needed reports or forms.

Reviewing the Customer Details

On the [Customer Details](#) (AR402000) form, you can review the customer's details, including the prepayment balance shown in the **Prepayment Balance** box.

Reviewing the Customer Balance

You can review the balance of a specific customer by running the [AR Balance by Customer](#) (AR632500) report. To review payment applications along with documents, select the *Open + Current Period* report format and select the **Include Applications** check box on the **Report Parameters** tab. Document applications are listed under each document in the report. The **Applied** column shows the period to which the application was posted. The **Closed** column displays the period in which the document was closed. For open documents, the **Closed** column is empty.

For the *COFFEE SHOP* customer, the report would show the payment applied to the invoice in the *01-2025* period.

If all the documents have been paid within a financial period, the customer's balance will be zero at the end of this period.

Lesson 3.2: Creating Invoices

In this lesson, you will find general information on how to process AR invoices, an activity that describes how to create and release an AR invoice, an activity that describes how to create an AR invoice, apply a payment to it and release the invoice and its application, and report and inquiries that can be useful to find and view created transactions.

AR Invoices: General Information

An invoice is a request for payment for goods sold or services rendered. In Acumatica ERP, an accounts receivable invoice contains the quantities and costs of the products or services that have been provided by your company, as well as the due date by which the customer should send payment for the goods or services that have been purchased.

In this lesson, you will read about the processes that result in invoice creation, the groups of settings that make up an AR invoice, and the way the system uses the settings of the related entities to automatically fill in settings for the invoice, thus saving you time.

Learning Objectives

In this lesson, you will learn how to do the following:

- Create an AR invoice
- Release the AR invoice
- Create an AR invoice and apply a payment to it
- Release the AR invoice and the payment application

Applicable Scenarios

You create an invoice manually when you need to enter an AR invoice for a particular customer into the system; the system can create invoices automatically as a result of other processes as well. You then release the invoice that you have created and complete its processing in the system.

You create an invoice and apply a payment (or another document such as a prepayment or credit memo) to it if a payment or prepayment has been already received from a customer.

Ways an Invoice Can Be Created

In Acumatica ERP, a user can manually enter an accounts receivable invoice by using the [Invoices and Memos](#) (AR301000) form. For step-by-step instructions on recording an invoice manually, see [AR Invoices: To Create an AR Invoice](#).

An invoice can also be generated by the system (and is available for editing and processing on the same form) as a result of the following processes:

- Billing of a contract, as described in [Contract Billing: General Information](#)
- Billing of a project, as described in [Billing with a Direct AR Invoice: General Information](#)
- Processing of a sales invoice, as described in [Processing Sales of Stock Items](#)
- Scheduling of a recurring invoice, as described in [Recurring AR Documents: Process Activity](#)

- Uploading the details of invoices from an Excel file, as described in [To Import Data from a Local File to a Table](#)

Settings of an AR Invoice

On the [Invoices and Memos](#) (AR301000) form, most primary settings of an AR invoice fit into the following categories:

- Summary settings:* The settings in the Summary area of the form define the general information used when the invoice is processed. When you create a new document, the system inserts the current business date and the corresponding post period automatically.
- Processing settings:* This group of settings, which are found on all tabs of the form except **Details**, define how the invoice is to be processed further and how the taxes and sales commissions are to be calculated. The system fills in the values for these settings automatically when you select a customer account, but most default settings can be overridden before the invoice is released.
- Document details:* Each product or service that you sell to the customer is specified in a separate line of the **Details** tab. An invoice may have one line or multiple lines. Each line includes settings that define the item to be sold, the sales account used for the transaction, the tax category, and the line discount.

When you add a line, the system uses the values from the customer account to automatically fill in the default sales account, tax category, and salesperson. For each line, you can specify a non-stock item or stock item and the quantity to be sold. If you select an item, the system automatically fills in the unit price of the item and then calculates the total price and the applicable taxes and discounts.

Statuses of AR Invoices During Processing

During processing, an invoice can have the following statuses:

- On Hold:* The invoice is being edited and cannot be released. You can apply another document (a payment, prepayment, or credit memo) to the invoice.
- Credit Hold:* The system has performed credit verification and has placed the document on credit hold because the validation has failed. If the document has this status, the **Remove Credit Hold** action becomes available on the form toolbar.
- Balanced:* The invoice is ready to be released or scheduled. You can apply another document (a payment, prepayment, or credit memo) to the invoice.
- Pending Print:* The invoice is ready and must be printed before it can be released. You can schedule an invoice that has the *Pending Print* status, if needed. You should print invoices to send them to the customer before release if the **Require Invoice/Memo Printing Before Release** check box is selected on the [Accounts Receivable Preferences](#) (AR101000) form and the settings of the customer require the printing of these documents—that is, the **Print Invoices** check box is selected on the [Customers](#) (AR303000) form. For customers with this check box selected, each invoice that is created and is not on hold is assigned the *Pending Print* status. After you have printed the document, its status is changed to *Balanced*, and you can release it if the invoice should not be emailed.
- Pending Email:* The invoice is ready and must be sent by email before it can be released. You can schedule an invoice that has the *Pending Email* status, if needed. You should email invoices to the customer before release if the **Require Invoice/Memo Emailing Before Release** check box is selected on the [Accounts Receivable Preferences](#) form and the settings of the customer require emailing of these documents—that is, the **Send Invoices by Email** check box is selected on the [Customers](#) (AR303000) form. For customers with this check box selected, each invoice that is created and is not on hold is assigned the *Pending Email* status. After you have emailed the document, its status is changed to *Balanced*, and you can release it.
- Pending Approval:* The document needs to be approved by the responsible approvers, which are assigned according to the approval map specified on the **Approval** tab of the [Accounts Receivable Preferences](#) form.
- Rejected:* The document has been rejected by at least one assigned approver. A user can delete a document with this status or click the **Hold** button on the form toolbar, edit the document, and again submit it for approval.

- *Open*: The invoice has been released. This status indicates that the document has an outstanding balance to be paid by the customer. The invoice retains the *Open* status until the customer has paid the full balance of the invoice.
- *Reserved*: The document has been released and then put on hold to be temporarily excluded from processing.
- *Closed*: The full balance of the invoice has been paid, and the document balance is zero.
- *Scheduled*: The invoice is a template for generating recurring invoices according to a schedule. Based on the template, the system generates recurring invoices, which can be edited and then released. The scheduled invoice itself cannot be released; it can be edited as a template.
- *Voided*: The previously scheduled invoice is no longer being used as a template for generating recurring invoices.

Release of an Invoice

In Acumatica ERP, when you release an invoice, the system does the following:

- Changes the status of the invoice to *Open* if another document has not been fully applied to it, so it appears in the list of the customer's outstanding documents. In an open invoice, you can edit the cash discount date and the due date until the document is settled.
If another document (payment, prepayment, or credit memo) has been applied in full to the invoice, changes the status of the invoice to *Closed*. In this case, the customer's balance is decreased by the amount of the applied payment or prepayment.
- Increases the outstanding balance to be paid by the customer.
- Generates a GL batch of transactions to update the asset and income accounts.



A document with the *Credit Memo* type can be also released manually on the [Invoices and Memos](#) (AR301000) form, but the release of a credit memo affects the balances of GL accounts and customers differently. For details, see [AR Invoice Correction: General Information](#).

You can release an invoice only if it has the *Balanced* status.

Invoice Processing Overview

This section provides an overview of the processing of an AR invoice in Acumatica ERP. The diagram below shows the processing actions, the employees who generally perform them, and the involved forms and documents. For details, see [AR Invoices: To Create an AR Invoice](#).

When a data entry clerk creates a new invoice (see 1 on the diagram below), the invoice has the *On Hold* status if the **Hold Documents on Entry** check box is selected on the [Accounts Receivable Preferences](#) (AR101000) form or approvals are set up for AR invoices. When the invoice is ready, the clerk has to click the **Remove Hold** button on the form toolbar to give the invoice the *Balanced* status (2 on the diagram) so that it can be released. If the invoice requires approval, an assigned employee approves the invoice (3) and the invoice is ready to be released. When the accountant releases the invoice (4), the system assigns it the *Open* status (pending customer payment) and generates a batch to debit the accounts receivable account and credit the income account in the amount of the invoice. The system also updates the customer balance by this amount. The accountant can print the open document (5) and can send it to the customer by email (6) if the settings in the system require this. The amount of the invoice cannot be edited once the invoice is open. If the accountant needs to correct the balance of the open invoice, this employee can make an adjustment (7) or reverse the invoice.

The following diagram illustrates the processing workflow for invoices.

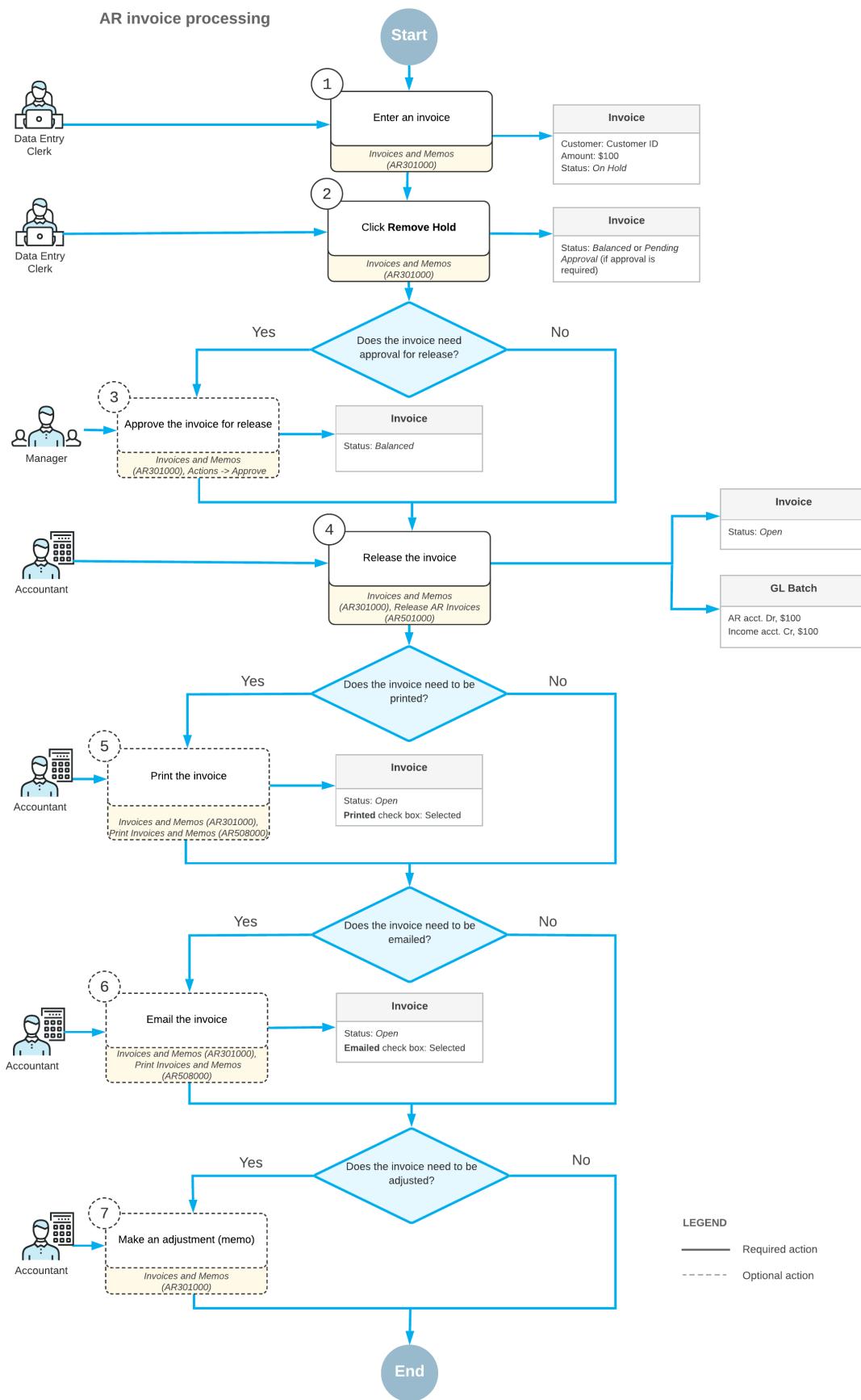


Figure: AR invoice processing

The following diagram illustrates the processing of an invoice with a payment applied to it. For details, see [AR Invoices: To Create an AR Invoice and Apply a Payment to It](#).

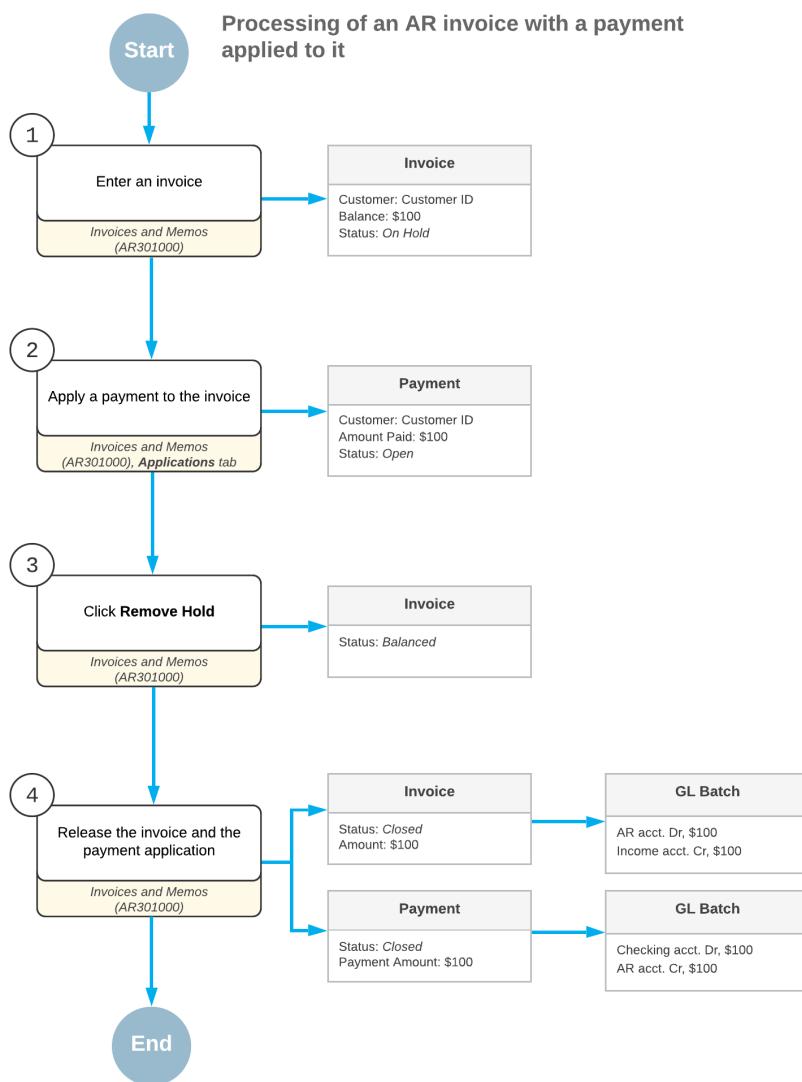


Figure: Processing of an AR invoice with a payment applied

AR Invoices: Generated Transactions

When you release an invoice, the system generates a batch of transactions to reflect the sale in the general ledger. The invoice includes all the information the system needs to generate the batch.

You can view the details of the batch associated with the release of an invoice by clicking the link in the **Batch Nbr.** box on the **Financial** tab of the [Invoices and Memos](#) (AR301000) form.

The following accounts are usually involved:

- The asset account, which is specified in the **AR Account** box on the **Financial** tab
- The income account specified for each line in the **Account** column on the **Details** tab

For a one-line invoice, the following transaction will be recorded to the general ledger when the invoice is released.

Account	Debit	Credit
Accounts Receivable account	Amount	0.00
Sales account	0.00	Amount

AR Invoices: To Create an AR Invoice

The following activity will walk you through the process of creating and releasing an AR invoice.

Story

Suppose that today the GoodFood One Restaurant purchased four hours of on-site training from the SweetLife Fruits & Jams company for the amount of \$248. Acting as a SweetLife accountant, you need to create an AR invoice for the customer and release the invoice.

Process Overview

In this activity, you will create an invoice for the customer purchase on the *Invoices and Memos* (AR301000) form. In the invoice, you will specify all relevant settings, including the customer and the credit terms, and the document details on the **Details** tab. When the invoice is ready, you will release the document.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Login: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this process activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating an AR Invoice

To create an AR invoice, do the following:

1. Open the *Invoices and Memos* (AR301000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Invoice*
 - **Customer:** *GOODFOOD*
 - **Terms:** *30D* (inserted by default based on the selected customer)
 - **Date:** *1/30/2025* (the current business date, which is inserted by default)

- **Post Period:** 01-2025 (inserted by default based on the selected date)
 - **Description:** On-site training 4 hours
3. On the **Details** tab, click **Add Row**, and specify the following settings for the added row:
- **Branch:** HEADOFFICE (inserted by default)
 - **Transaction Descr.:** On-site training 4 hours
 - **Ext. Price:** 248
4. On the form toolbar, click **Save**.

Step 2: Releasing the AR Invoice

To release the AR invoice, do the following:

1. While you are still on the *Invoices and Memos* (AR301000) form, click **Remove Hold** on the form toolbar. The system changes the status of the invoice to *Balanced*. You can release an invoice only if it has this status.
2. On the form toolbar, click **Release**. The system changes the status of the invoice to *Open*. The released invoice is shown in the following screenshot.

Type:		Invoice	Customer:	GOODFOOD - GoodFood One Restaurant		Detail Total:	248.00
Reference Nbr.:		000119	Location:	MAIN - Primary Location		Line Discounts:	0.00
Status:		Open	Terms:	30D - 30 Days		Document Dis...	0.00
Date:		1/30/2025	* Due Date:	3/1/2025	Pay by Line	Retained Amo...	0.00
Post Period:		01-2025	* Cash Discount:	3/1/2025	Pay by Line	Tax Total:	0.00
Customer Ord...			Project:	X - Non-Project Code.		Amount:	248.00
Description:		On-site training 4 hours					
Detail Total:		248.00					
Line Discounts:		0.00					
Document Dis...		0.00					
Retained Amo...		0.00					
Tax Total:		0.00					
Amount:		248.00					
Balance:		248.00					
Cash Discount:		0.00					

DETAILS FINANCIAL ADDRESSES TAXES APPLICATIONS COMPLIANCE												
Branch		Inventory ID	Transaction Descr.	Quantity	UOM	Unit Price	Ext. Price	Discount Percent	Discount Amount	Amount	* Account	Description
HEADOFFICE		On-site training 4 hours		0.00		0.0000	248.00	0.000000	0.00	248.00	40000	Sales Revenue

Figure: The released AR invoice

AR Invoices: To Create an AR Invoice and Apply a Payment to It

The following activity will walk you through the process of creating an AR invoice, applying a payment to it, and releasing the invoice and its application.

Story

Suppose that on January 26, 2025, Cakeado Cafe made a payment of \$429 to SweetLife Fruits & Jams for a training course that its employees were going to take on January 30, 2025. Acting as a SweetLife accountant, you need to create an AR invoice for the customer, apply the payment to it, and release the invoice and the payment application.

Process Overview

In this activity, on the *Invoices and Memos* (AR301000) form, you will create an AR invoice, and apply a payment to it. You will then release the invoice and the payment application to close both the invoice and the payment. On the *Payments and Applications* (AR302000) form, you will review the payment to make sure that its status is *Closed*.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. You should sign in as Anna Johnson by using the *johson* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025* on the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, on the top pane of the Acumatica ERP screen, select the *SweetLife Head Office and Wholesale Center* branch.

Step 1: Creating an AR Invoice

To create an AR invoice, do the following:

1. Open the *Invoices and Memos* (AR301000) form.
2. On the form toolbar, click **Add New Record**.
3. Specify the following settings in the Summary area:
 - **Type:** *Invoice*
 - **Customer:** CAKEADO
 - **Terms:** *30D* (inserted by default based on the selected customer)
 - **Date:** *1/30/2025* (the current business date, which is inserted by default)
 - **Post Period:** *01-2025* (inserted by default based on the selected date)
 - **Description:** *On-site training*
4. On the **Details** tab, click **Add Row** on the table toolbar.
5. Specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Transaction Descr.:** *On-site training*
 - **Ext. Price:** *429*
6. On the form toolbar, click **Save**.

The invoice has been saved with the *On Hold* status.

Step 2: Applying the Payment to the Invoice

To apply the payment that has been already created in the system to the invoice, do the following:

1. While you are still on the *Invoices and Memos* (AR301000) form with the invoice opened, on the **Applications** tab, click **Add Row** on the table toolbar.
2. In the added row, specify the following settings:
 - **Doc. Type:** *Payment*

- **Reference Nbr.:** A payment for \$429 dated 1/26/2025
 - **Amount Paid:** 429
3. On the form toolbar, click **Save**.

The following screenshot illustrates the unreleased AR invoice to which the payment has been applied.

Branch	*Doc. Type	*Reference Nbr.	Amount Paid	Cash Discount Taken	Write-Off Amount	Write-Off Reason	Payment Date	Balance	Description	Payment Period	Payment Ref.
HEADOFFICE	Payment	000068	429.00	0.0000	0.00	BALWOFF	1/26/2025	0.00	On-site training course	01-2025	0024

Figure: The invoice with the payment applied to it

Step 3: Releasing the Invoice and Payment Application

To release the invoice and its application to the payment, do the following:

1. While you are still on the *Invoices and Memos* (AR301000) form, click **Remove Hold** on the form toolbar. The system changes the status of the invoice to *Balanced*.
2. On the form toolbar, click **Release**. The system changes the status of the invoice to *Closed* because it has been fully applied to the payment.
3. On the **Applications** tab, click the link in the **Reference Nbr.** column for the payment. The system opens the payment on the *Payments and Applications* (AR302000) form.
4. Notice that the payment's status is *Closed*, because it has been fully applied to the invoice.

AR Invoices: Related Reports and Inquiry Forms

This topic describes the reports, inquiries, and forms you may want to review to gather information about AR invoices.

Reviewing the Details of an Unreleased Invoice

When an invoice has not yet been released, you can review the details of the invoice by running the *AR Edit Detailed* (AR610500) report. When you run this report from the *Invoices and Memos* (AR301000) form by clicking **AR Edit Detailed** on the More menu (under **Reports**), the report shows the details of the invoice you had been viewing. You can review what GL batch the system will create when you release the invoice, which accounts will be updated by the transaction, and how the customer's balance will be affected.

When you run this report directly from the report form, you specify the needed report parameters and can view a list of unreleased invoices based on these parameters.

Reviewing the Details of a Released Invoice

Once an invoice has been released, you can review the details of the invoice by running the [AR Register Detailed](#) (AR622000) report. When you run this report from the [Invoices and Memos](#) (AR301000) form by clicking **AR Register Detailed** on the More menu (under **Reports**), the report shows the details of the invoice you had been viewing. You can review the GL batch the system created when releasing the invoice and the accounts that have been updated by the transaction.

When you run this report directly from the report form, you specify the needed report parameters and can view a list of released invoices based on these parameters.

Reviewing a Customer's Balance

After an invoice has been released, you can review the customer's balance on the [AR Balance by Customer](#) (AR632500) report. On this report form, you select *Open Documents* in the **Report Format** box and specify the needed financial period.

In the report, you can review the open documents and customer balances at the end of the period, grouped by customer and by AR account. When you release an invoice or credit memo, the system updates the customer balance. **Customer Documents Total** is the total amount over all open documents for the customer.

Reviewing a Customer's Information

You can review the balances of a specific customer on the [Customer Details](#) (AR402000) form. When you open this inquiry from the [Invoices and Memos](#) (AR301000) form by clicking **Customer Details** on the More menu (under **Inquiries**), the [Customer Details](#) form shows the outstanding balances of the selected customer and a list of this customer's documents that have the *Open* status. You can select the **Show All Documents** and **Include Unreleased Documents** check boxes in the Selection area of the form to expand the range of the listed documents.

Printing an Invoice

You can use the [Invoice/Memo](#) (AR641000) report to generate a ready-to-print version of a particular invoice; you then click **Print** on the report toolbar to print the invoice.

To quickly run this report when you are processing a particular invoice on the [Invoices and Memos](#) (AR301000) form, on the More menu (under **Printing and Emailing**), click **Print**.

Lesson 3.3: Paying Invoices

In Acumatica ERP, when you receive a customer payment for the invoice, you enter a document with the *Payment* type. This lesson describes how to create a customer payment for a specific invoice and release the payment and its application.

Invoice Payments: General Information

You create a payment document by using the [Payments and Applications](#) (AR302000) form. In the payment, you specify the customer from which you have received the payment, the cash account to which the payment amount should be recorded, the payment method, and the payment amount. The payment method denotes the actual means of payment: cash, printed check, or wire transfer.

When you are entering the payment, you can specify the documents to which the payment applies and then release the payment and the application at once.

Learning Objectives

In this lesson, you will learn how to do the following:

- Enter a payment
- Apply the payment to an AR invoice
- Release the payment and the payment application to the AR invoice

Applicable Scenarios

Payments can be created in the following cases:

- Manually by the user on the *Payments and Applications* (AR302000) form. For step-by-step instructions, see [Invoice Payments: To Enter a Payment for a Specific Invoice](#).
- By the system when the user clicks **Pay** or **Apply** on the form toolbar of the *Invoices and Memos* (AR301000) form. In this case, the system creates a document with the *Payment* type automatically. (This scenario is described in the process activity later.)
- On the *Generate Payments* (AR511000) form when the user initiates creation of payment documents for customers with the *Credit Card* default payment method.

Payment Processing Stages

You use this documents of the *Payment* type to record a customer payment for goods or services sold. Also, you can use this type to record a customer's prepayments, if you do not need to track prepayments separately. The system includes the sum of all open customer payment documents with the *Payment* type in the customer balance, which it displays in the **Balance** box on the *Customers* (AR303000) form. Thus, balances of open payments decrease the customer's balance. You can apply outstanding documents to a payment before or after you release it.

To identify payments, the system uses the numbering sequence specified in the **Payment Numbering Sequence** box on the **General** tab of the *Accounts Receivable Preferences* form.



If the **Manual Numbering** check box is selected for the specified numbering sequence on the *Numbering Sequences* (CS201010), the system validates each new reference number you enter in order to prevent the creation of payments and prepayments with the same reference number.

The main stages of payment processing are the following:

1. *Recording*: In this stage, you create a payment—that is, provide all the necessary information to the system. By default, the system assigns to the payment the *Balanced* status when you save it for the first time, if the **Hold Documents on Entry** check box is cleared on the *Accounts Receivable Preferences* (AR101000) form. This status indicates that the user has finished editing the payment and it is ready to be released, although you still can edit a payment with this status. Alternatively, if you click **Hold** on the form toolbar to indicate to the system that this payment is not ready to be released, the system changes the payment status to *On Hold*.
2. *Application*: In this stage, you specify the list of the outstanding documents to which the system should apply the payment. You can do this while you record the payment or after you have released the payment. You can fully or partially apply the payment amount to an outstanding document, or distribute the payment amount among multiple outstanding documents. The system creates application records, which include the paid amount, for each included outstanding document. The system does not change the payment status during this stage; it remains *Balanced*, *On Hold* (if you clicked **Hold** on the form toolbar), or *Open* (if the payment has been released). For details, see [Invoice Payments: Manual Payment Application](#).
3. *Releasing a payment*: You can release a payment only if it has the *Balanced* status. When you release the payment, the system checks the available payment balance and processes the payment accordingly. If the available payment balance is zero (that is, if the payment has been fully applied to an outstanding document), the system changes the statuses of both the payment and the paid document to *Closed*. If the

available payment balance is nonzero, the system changes the payment status to *Open*. This status indicates to users and to the system that the payment is ready to be applied to the outstanding documents of a customer. For details, see [Invoice Payments: Release of Payments](#).

4. *Releasing application records:* If you specify a list of outstanding documents for a payment with the *Open* status, you should release the application records after you have finished distributing the payment amount between the outstanding documents. You can fully or partially apply the payment amount to outstanding documents. When you release the applications the system checks the available payment balance. Based on this data, the system processes the payment differently, in one of the following ways:
 - If the payment amount is fully applied to an outstanding document, the system does the following: releases application records; changes the statuses of the payment and the paid document to *Closed*; and decreases the balances of the paid document and the payment. The system may change the balance of the customer, if documents with different currencies are involved.
 - If the payment amount is partially applied, the system leaves the payment status as *Open*; it also decreases the balances of the paid document, the payment, and the customer. If some outstanding documents were fully paid with the applied amount, the system changes the status of the paid document to *Closed*.

Document Structure

Regardless of how a payment document is created, it has the same groups of settings, which are described in this section:

- *Summary:* Settings that are located in the Summary area of the form define the general information required for issuing the payment. When you create a new document, the system inserts the current business date as the date of application and the corresponding post period. When you select the identifier of the customer account, the system uses the customer as a source to automatically fill in most settings needed for processing the payment. All settings filled in by the system can be manually overridden.
- *Financial details:* This group of settings, located on the **Financial** tab, defines the General Ledger accounts where the payment transactions are recorded after a user releases the payment. The system fills in the values for these settings automatically when you select a customer account, but they can be manually overridden. When you create a new document, the system also inserts the current business date as the payment date and the corresponding post period.
- *Application details:* Each outstanding document that you want to pay with the payment is specified in a separate line of the table on the **Documents to Apply** tab. The payment document can be applied to multiple outstanding documents. For each line, you specify the amount to be paid in the **Amount Paid** column. For details, see [Invoice Payments: Manual Payment Application](#).
- *Balance details:* Read-only elements in the Summary area of the form display how the amount of the payment document has been distributed and currently available balance (the amount that is not applied). The system updates the values of these elements when you modify application details.

When you save the document for the first time, the system generates a unique reference number for the payment document in accordance with the numbering sequence assigned to the corresponding payment document on the **General** tab of the [Accounts Receivable Preferences](#) (AR101000) form.

Payment Recording

In Acumatica ERP, you can create the following types of payment documents: *Payment*, *Prepayment*, and *Customer Refund*. The information in this topic applies to documents of all these types.

In Acumatica ERP, a user can manually enter an AR payment from the following forms:

- The [Invoices and Memos](#) form (AR301000) form, by clicking **Pay** or **Apply** on the form toolbar. The system opens the [Payments and Applications](#) (AR302000) form where a payment document with the *Payment* type is created automatically: The elements of the form are filled in with the customer information, the invoice amount is specified as the document amount, and the application record of the invoice is added. You simply

release the payment the system has created, and the system releases the application record as well and closes both documents.

- The *Payments and Applications* form. You create a payment document here from scratch.

Invoice Payment Workflow

An open payment can be applied to customer documents, for example an invoice. To apply the payment to an invoice (see 5 on the diagram below), you specify the invoice and the amount to apply by using the *Payments and Applications* (AR302000) form. After that, you release the payment application (6), and the system decreases the balances of the invoice and the payment by the application amount. The invoice appears in the application history of the payment. Once the invoice is settled, it has a balance of zero and becomes closed. The payment becomes closed once the full payment amount is applied to documents. If you have applied the payment to an invoice incorrectly, you can reverse the application (7) and reapply the payment to the appropriate invoice.

The following diagram illustrates the invoice payment workflow.

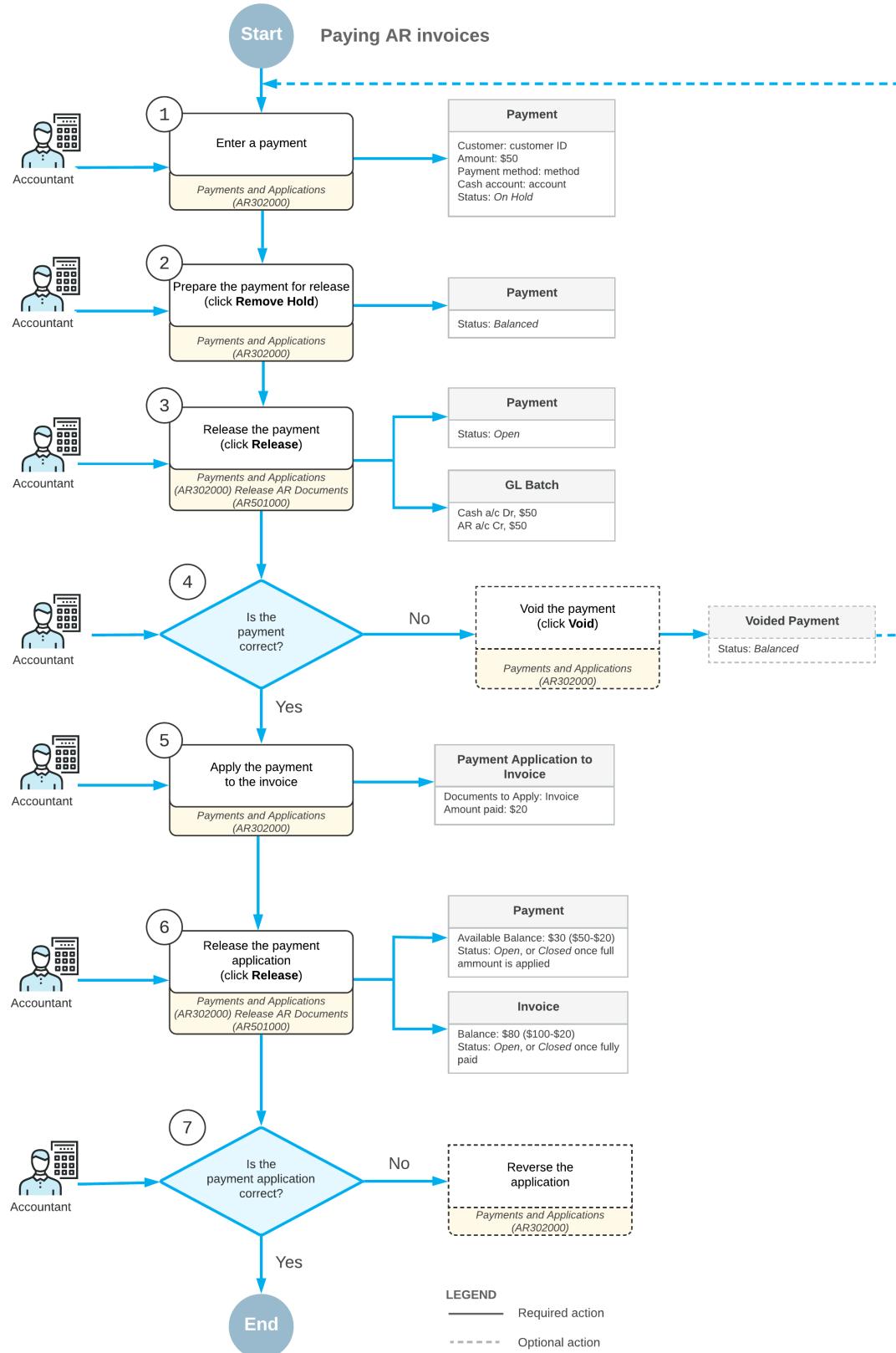


Figure: Paying AR invoices

Invoice Payments: Generated Transactions

When you release a payment and its application, the system generates a general ledger batch to update the involved asset accounts with the payment transactions. The payment includes all the information the system needs to generate the batch. The following two accounts are usually involved:

- The asset account specified in the **AR Account** box on the **Financial** tab
- The cash account specified in the **Cash Account** box in the Summary area

The following payment transactions will be recorded to the general ledger when the payment is released.

Account	Debit	Credit
Cash account	Payment amount	0.00
Accounts Receivable account	0.00	Payment amount

You can view the batch details by clicking the link in the **Batch Nbr.** box on the **Financial** tab of the [Payments and Applications](#) (AR302000) form.

Invoice Payments: Mass Processing

This topic explains the way you can release multiple payment applications, the application of a payment to multiple AR documents, and the application of multiple payments to a single AR document.

Mass Release of Payments and Payment Applications

Multiple payments can be released at the same time on the [Release AR Documents](#) (AR501000) form. On this form, you select the unlabeled check boxes next to the payments to be processed and click **Release** on the form toolbar to release the selected payments and their applications to documents or click **Release All** to release all the payments and applications shown in the table.



The system creates a consolidated GL batch for all the released invoices and credit memos if the **Generate Consolidated Batches** check box is selected on the [General Ledger Preferences](#) (GL102000) form.

Application of a Payment to Multiple AR Documents

You can apply a single payment to multiple documents at once on the [Payments and Applications](#) (AR302000) form by performing the following general steps:

1. On the **Documents to Apply** tab, you add the AR documents to be paid.

When you create a new payment of the *Payment* or *Prepayment* type on the [Payments and Applications](#) (AR302000) form, as soon as you select the customer in the Summary area, the system automatically loads to the **Documents to Apply** tab the AR documents to which this payment can be applied—that is, the customer's open AR documents of the *Invoice*, *Debit Memo*, *Credit Memo*, and *Overdue Charge* type that do not have unreleased applications.

If more than 100 eligible documents exist for the selected customer, the system does not load any documents; it suggests that the user should load documents by clicking **Load Documents** on the table toolbar.

You can add documents to the **Documents to Apply** tab manually in one of the following ways:

- On the table toolbar, you click **Add Row** to add a new row to the table, and in the row, you select the document.
- On the table toolbar, you click **Load Documents**. In the **Load Options** dialog box, which opens, you specify the criteria of the documents to be loaded (and if needed, the maximum number of documents you want to load), and you click the **Load** or **Reload** button. The **Load** button adds the documents that match the selected criteria to any documents that have already been added to the table, whereas the **Reload** button first removes any documents from the table and then loads only the documents that match the selected criteria.

The criteria that you can select in the **Load Options** dialog box include the company and branch, the range of the document dates, and the range of the document numbers. You can also select the order in which the documents loaded to the table should be displayed by using the following option buttons in the **Sort Order** section:

- **Due Date, Reference Nbr.:** To display the documents in ascending order, sorted first by due date and then by reference number
- **Doc. Date, Reference Nbr.:** To display the documents in ascending order, sorted first by document date and then by reference number
- **Reference Nbr.:** To display the documents in ascending order, sorted by reference number

You can also select or clear the **Automatically Apply Amount Paid** check box to indicate whether the payment should be immediately applied to the documents on loading. (If it is selected, when loading the documents, the system fills the **Amount Paid** column with the appropriate values. You can override these values, if needed.) This check box is selected by default.

2. You specify the payment amounts to be applied to particular listed AR documents.

Now that the documents to which you want to apply the payment have been added to the table on the **Documents to Apply** tab, you specify the amounts to be applied to each of the documents in one of the following ways:

- In the row for each document, you specify the payment amount to be applied in the **Amount Paid** column.
- On the table toolbar, you click **Auto Apply**, and the system applies the payment amount to the added documents, starting from the first document displayed in the list (even if the list has been sorted or filtered) until the payment is applied to all documents or until the payment's available balance (**Available Balance** in the Summary area for the payment) becomes zero.

3. You save or release the payment.

Once you have specified the amount to be applied to each document that you want to pay, you can release or save the payment. When the payment is released or saved with the *On Hold* or *Balanced* status, the system removes from the table the documents that were added to the **Documents to Apply** tab but to which the payment has not been applied; only documents to which the payment has been applied are kept.

Application of Multiple Payments to a Single AR Document

When you are working with a particular AR document on the *Invoices and Memos* (AR301000) form, you can apply multiple payments to it on the **Applications** tab by performing the following general steps:

1. You add the payments to be applied to the **Applications** tab.

For an unreleased invoice that you have created or opened on the *Invoices and Memos* form, you can form the list of payments that can be applied to the invoice by clicking **Load Documents** on the toolbar of the **Applications** tab. The system loads all open payments for the customer selected in the invoice except

for the payments that have unreleased applications. If more than 100 payments can be applied to the document, the list of payment documents is split into pages, with 100 payment documents per page.

2. You apply payment amounts to the AR document.

On the **Applications** tab, you can specify the amount of each payment to be applied to the AR document in one of the following ways:

- You specify the amount to be applied in the **Amount Paid** column for each listed payment that you want to apply.
- You click **Auto Apply** on the table toolbar. The system then applies the loaded payments to the document starting with the first payment displayed in the table (even if the rows have been sorted or filtered) until the document balance is paid in full or until there is no more payment balance available.

3. You save or release the invoice.

Once you have applied payments to the invoice, you can save or release it. When the invoice is released or saved, the system removes from the table the payments that were loaded to the **Applications** tab but have not been applied to the invoice; only payments that were applied are kept.

Invoice Payments: To Enter a Payment for a Specific Invoice

The following activity will walk you through the process of creating a payment and applying it to an invoice.

Story

Suppose that on January 30, 2025, the SweetLife Fruits & Jams company received a check for \$300 from one of its customers, which had purchased an offline training course on January 9, 2025.

Acting as a SweetLife accountant, you need to create the payment in the system and apply it to the \$300 invoice dated 1/9/2025.

Process Overview

In this activity, you will find the needed invoice on the *Invoices and Memos* (AR301000) form and click **Pay** on the form toolbar to create a payment for it on the *Payments and Applications* (AR302000) form. You will then apply this payment to the invoice and release the payment with its application to the invoice.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johnson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this exercise, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating a Payment for a Specific Invoice

To create a payment for a specific invoice, do the following:

1. Open the [Invoices and Memos](#) (AR301000) form.
2. Find the \$300 invoice for the COFFEESHOP customer, which is dated 1/9/2025, and open it.
3. On the form toolbar, click **Pay**.

When you click this button, the system navigates to the [Payments and Applications](#) (AR302000) form, creates a new payment in the amount of the invoice's open balance, and inserts the information from the invoice into the payment. You can change this default payment information in the payment before release.

4. In the Summary area, make sure the following information is displayed:
 - **Application Date:** 1/30/2025
 - **Application Period:** 01-2025
 - **Description:** Offline training
 - **Payment Amount:** 300 (the amount you have received from the customer)
5. On the **Documents to Apply** tab, in the **Amount Paid** column for the invoice, leave the full amount to be applied, \$300, as shown in the following screenshot.

Branch	Doc. Type	*Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	Write-Off Amount	Write-Off Reason Code	Date	Due Date	Cash Discount Date	Cross Rate	Balance
HEADOFFICE	Invoice	000078		300.00	0.00	0.00	BALWOFF	1/9/2025	2/8/2025	2/8/2025	1.0000000	0.00

Figure: The payment applied to the invoice before release

6. On the form toolbar, click **Remove Hold** and click **Save** to save the document.

Step 2: Releasing the Payment and Its Application to the Invoice

To release the payment and its application to the invoice, do the following:

1. While you are still on the [Payments and Applications](#) (AR302000) form, click **Release** on the form toolbar.
2. On the **Application History** tab, review the row that the system has added, and click the link in the **Batch Number** column.
3. The system opens the [Journal Transactions](#) (GL301000) form with the GL transaction that was generated after the release of the payment.

Invoice Payments: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about AR payments.

Reviewing the Customer Balance

You can review the balance of a specific customer by running the [AR Balance by Customer](#) (AR632500) report. To review payment applications along with documents, select the *Open + Current Period* report format and select the **Include Applications** check box on the **Report Parameters** tab. Document applications are listed under each document in the report. The **Applied** column shows the period to which the application was posted. The **Closed** column displays the period in which the document was closed. For open documents, the **Closed** column is empty.

For the *COFFEESHOP* customer, the report would show the payment applied to the invoice in the *01-2025* period.

If all the documents have been paid within a financial period, the customer's balance will be zero at the end of this period.

Reviewing Payment Details

Once you have released a payment and its application to an invoice, you can review the details of the payment by running the [AR Register Detailed](#) (AR622000) report. When you run this report from the [Payments and Applications](#) (AR302000) form by clicking **AR Register Detailed** (under **Reports**) on the More menu, the report shows the details of the payment opened on this form. You can review the GL batch the system created when releasing the payment and the accounts that have been updated by the transaction.

Lesson 3.4: Correcting Invoices

In this lesson, you will find general information on how to correct invoices by issuing credit and debit memos, an activity that describes how to create a credit memo, an activity that describes how to create a debit memo and apply a payment to it, and report and inquiries that can be useful to find and view created transactions.

AR Invoice Correction: General Information

In Acumatica ERP, the amount of a released invoice, which increases a customer's debt, cannot be changed directly in the released document. In an open (released) invoice, you can edit only the cash discount date and the due date until the document is settled. The closed invoice cannot be edited at all.

You may need to decrease the outstanding amount of an invoice when the invoice has overcharged the customer or the customer has reported receiving damaged goods. On the other hand, you may need to increase the amount of an invoice because additional expenses are incurred during the delivery of the goods or services listed in the original invoice. Also, you may need to reverse an invoice.

Thus, the correction of an invoice can be performed only by issuing an additional document (credit or debit memo) that affects the customer's balance (credit or debit).

Learning Objectives

In this lesson, you will learn how to do the following:

- Create and release a credit memo
- Apply the credit memo to an open invoice

- Create and release a debit memo
- Apply a payment to the debit memo

Applicable Scenarios

You create a credit or debit memo in the following cases:

- You need to adjust the balance of a particular invoice.
- You need to decrease the amount owed to you by a particular customer (credit memo) or to increase the amount owed to you by a particular customer (debit memo).

Decreasing of the Amount of an Invoice

You issue a credit memo, which will be used to decrease a customer's debt, by using the *Invoices and Memos* (AR301000) form—the same form you use to create an invoice. The credit memo is independent from the original invoice, with no direct reference to it. The processing of a credit memo includes the application of this credit memo to the applicable invoice, which establishes a link between these two documents. A credit memo may have multiple lines or one summary line. Credit memos do not have due dates and may be numbered differently from invoices, depending on the standards in place in your organization.

The release of a credit memo decreases the customer's balance. The application of a released credit memo against invoices, debit memos, and overdue charges decreases the outstanding amount of these documents by the amount of the credit memo. For details, see [AR Invoice Correction: To Create a Credit Memo](#).

Increasing of the Amount of an Invoice

It is not possible to increase the outstanding amount of an open invoice (which has been released) or the paid amount of a closed one. You instead issue a debit memo by using the *Invoices and Memos* (AR301000) form. When you release this document, it increases the debt of the customer; the debit memo does not change the balance of any invoice and should be paid as a separate document. The debit memo does not contain a direct reference to any original invoice. The processing of a debit memo includes the application of this debit memo to an invoice, which establishes a link between these two documents, or applying this debit memo to a payment. For details, see [AR Invoice Correction: To Create a Debit Memo and Apply a Payment to It](#).



When creating a debit memo on the *Invoices and Memos* form, you can apply a payment to it while the debit memo has not been released, that is if the debit memo has the *On Hold* or *Balanced* status. You perform the following steps to apply a payment to an unreleased debit memo:

1. On the *Invoices and Memos* form, you create a debit memo with the *On Hold* status.
2. On the **Applications** tab, you click the **Add Row** button on the table toolbar and select the needed payment.
3. You then click **Remove Hold** and **Release** on the form toolbar to release the debit memo and its application to the payment.

Debit memos may be numbered differently from invoices. For details on the recording and release of a debit memo, see [AR Invoices: Invoice and Memo Processing Flow](#).

Reserving of a Credit Memo for Future Application

You can reserve an open credit memo for future application. To mark an open credit memo as reserved, on the *Payments and Applications* (AR302000) form, you click **Hold** on the form toolbar for the credit memo with the *Open* status. The system changes the document status from *Open* to *Reserved*.

Reserved credit memos cannot be applied to outstanding documents and are excluded from the automatic application process. To release the credit memo from hold, click **Remove Hold** on the form toolbar.

Process Diagram

The following diagram illustrates the invoice correction workflow, which is a part of the invoice processing workflow.

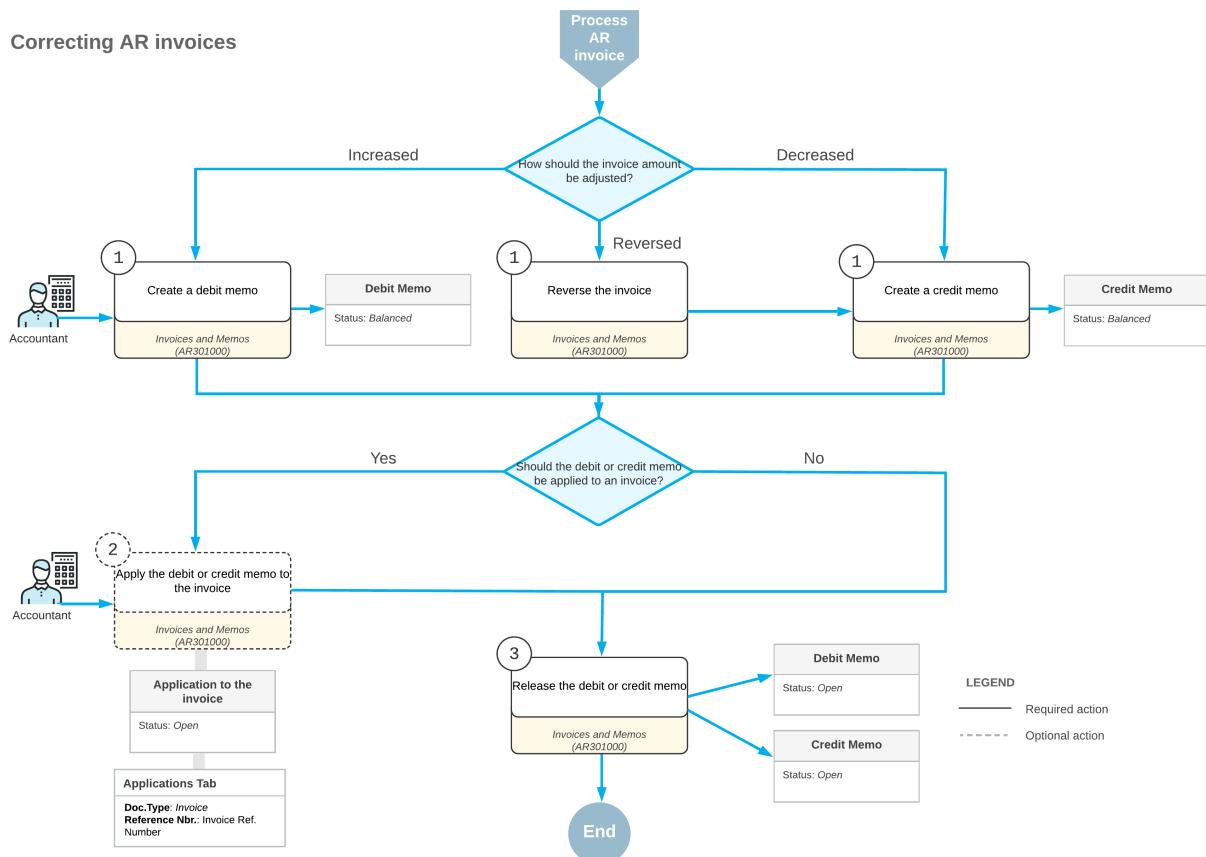


Figure: Correcting AR invoices

AR Invoice Correction: Generated Transactions

When you release a credit memo, the system generates a batch of GL transactions that update the asset and income accounts. For details on the general ledger accounts involved, see [AR Invoices: Invoice Releasing](#).

The following transactions will be posted to the general ledger when a one-line credit memo with a tax is released.

Account	Debit	Credit
Accounts Receivable account	0.00	Amount + Tax amount
Sales account	Amount	0.00
Tax Payable account	Tax amount	0.00

The following transaction will be posted to the general ledger when a one-line credit memo without a tax is released.

Account	Debit	Credit
Accounts Receivable account	0.00	Amount
Sales account	Amount	0.00

The following transaction will be posted to the general ledger when a one-line debit memo with a tax is released.

Account	Debit	Credit
Accounts Receivable account	Amount + Tax amount	0.00
Sales account	0.00	Amount
Tax Payable account	0.00	Tax amount

The following transactions will be posted to the general ledger when a one-line debit memo without a tax is released.

Account	Debit	Credit
Accounts Receivable account	Amount	0.00
Sales account	0.00	Amount



Tax accounting is outside the scope of the current business process, so the transactions generated later will involve only the Accounts Receivable and Sales accounts.

When you release an application of a credit memo to an invoice, the system does not generate a batch. A batch is generated in only the following cases:

- You have written off some balance along with the application. In this case, the system generates a batch to update the asset account specified for the outstanding document in the **AR Account** box on the **Financial** tab of *Invoices and Memos* and the expense account specified in the **Account** box on the *Reason Codes* (CS211000) form for the reason code you have used to write off the balance.
- The credit memo or the outstanding document to which you want to apply the credit memo is in a foreign currency. The system generates a batch to update the balance of the realized gain or loss (RGOL) account by the amount resulting from the difference in the exchange rate on the outstanding document date and the credit memo date. The RGOL account is specified for each currency on the *Currencies* (CM202000) form.



Currency management is outside the scope of the current business process.

AR Invoice Correction: To Create a Credit Memo

The following activity will walk you through the process of creating a credit memo and applying it to an invoice.

Story

Suppose that on January 16, 2025, the SweetLife Fruits & Jams company sold five days of online training to one of its customers, GoodFood One Restaurant, in the amount of \$225. An AR clerk created an invoice for five days of training for GoodFood One Restaurant. The actual number of training days turned out to be four, and now SweetLife needs to reduce the customer balance of GoodFood One Restaurant by \$45.

Acting as a SweetLife accountant, you have to create a credit memo and apply it to the open invoice to reduce the customer balance by \$45.

Process Overview

You will create and release a credit memo on the [Invoices and Memos](#) (AR301000) form and apply it to an open invoice on the [Payments and Applications](#) (AR302000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johnson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating and Releasing a Credit Memo

To create and release a credit memo, do the following:

1. Open the [Invoices and Memos](#) (AR301000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Credit Memo*
 - **Customer:** *GOODFOOD*
 - **Date:** *1/30/2025* (the current business date, which is inserted by default)
 - **Post Period:** *01-2025*
 - **Description:** Service undelivered by invoice 000076
3. On the **Details** tab, click **Add Row** and specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Transaction Descr.:** Service undelivered by invoice 000076
 - **Ext. Price:** *45*
4. Click **Remove Hold** on the form toolbar.
5. Click **Release** on the form toolbar to release the credit memo.

Step 2: Applying the Credit Memo to the Invoice

To apply the credit memo to the invoice, do the following:

1. While you are still on the *Invoices and Memos* (AR301000) form, on the form toolbar click **Apply**. The system opens the *Payments and Applications* (AR302000) form, with a document of the *Credit Memo* type.
2. In the **Application Date** box, make sure that 1/30/2025 is displayed, and in the **Application Period** box, make sure that 01-2025 is selected.
3. On the **Documents to Apply** tab, click **Add Row**, and in the **Reference Nbr.** column of the row, select 000076.
4. In the **Amount Paid** column, leave the value of 45.
5. On the form toolbar, click **Release** to release the credit memo's application to the invoice.
6. On the **Application History** tab, make sure that a row containing the invoice has appeared, as shown in the following screenshot.

The screenshot shows the *Payments and Applications* (AR302000) form for Credit Memo 000121 - GoodFood One Restaurant. The form includes fields for Type (Credit Me...), Customer (GOODFOOD - GoodFood One Restaurar), Payment Amo..., and various application details like Applied to Doc... and Available Bala... . Below this, a description states "Service undelivered by invoice 000076". The tabs at the bottom are DOCUMENTS TO APPLY, SALES ORDERS, APPLICATION HISTORY (which is selected), FINANCIAL, CHARGES, and COMPLIANCE. A table below shows the application history with columns for Branch, Batch Number, Doc. Type, Reference Nbr., Inventory ID, Customer, Amount Paid, Cash Discount Taken, Write-Off Amount, Application Date, Application Period, Date, and Due Date. A row is selected for "HEADOFFICE" with "Invoice" and "000076" in the reference number column, and "GOODFOOD" and "45.00" in the amount paid column.

Figure: The released credit memo applied to the invoice

AR Invoice Correction: To Create a Debit Memo and Apply a Payment to It

The following activity will walk you through the process of creating a debit memo and applying a payment to it.

Story

Suppose that an invoice sent by SweetLife Fruits & Jams company to FourStar Coffee & Sweets Shop for a three-day training in the amount of \$135 undercharged the customer, because the number of trainees was higher than the agreed-on number. The amount to be additionally charged from the customer for this training is \$67.50.

Acting as a SweetLife accountant, you need to create a debit memo in the amount of \$67.50 and process the customer's payment of the debit memo.

Process Overview

In this activity, you will create and release a debit memo on the *Invoices and Memos* (AR301000) form and apply a payment to it on the *Payments and Applications* (AR302000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating and Releasing a Debit Memo

To create and release a debit memo, do the following:

1. Open the *Invoices and Memos* (AR301000) form.
2. Click **Add New Record** on the form toolbar, and specify the following settings in the Summary area:
 - **Type:** *Debit Memo*
 - **Customer:** *COFFEESHOP*
 - **Date:** *1/30/2025* (the current business date, which is inserted by default)
 - **Post Period:** *01-2025*
 - **Description:** Additional charge for offline training
3. On the **Details** tab, click **Add Row**, and specify the following settings in the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Transaction Descr.:** Additional charge for offline training
 - **Ext. Price:** *67.50*
4. Click **Remove Hold** on the form toolbar.
5. Click **Release** on the form toolbar to release the debit memo.

Step 2: Applying a Payment to the Debit Memo

To apply a payment to the debit memo, do the following:

1. While you are still on the *Invoices and Memos* (AR301000) form, on the form toolbar, click **Pay**.
The system opens the *Payments and Applications* (AR302000) form, where you create a new payment and apply it to the debit memo.
2. In the **Application Date** box, make sure that *1/30/2025* is displayed, and in the **Application Period** box, make sure that *01-2025* is selected.
3. In the Summary area, review the value in the **Payment Method** box and make sure that the **Payment Amount** is *67.50*.
4. On the **Documents to Apply** tab, make sure that the debit memo you have created is shown. The payment with the debit memo applied to it is shown in the following screenshot.

Branch	Doc. Type	* Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	Write-Off Amount	Write-Off Reason Code	Date	Due Date	Cash Discount Date	Cross Rate	Balance
HEADOFFICE	Debit Memo	000122		67.50	0.00	0.00	BALWOFF	1/30/2025	3/1/2025	3/1/2025	1.0000000	0.00

Figure: The payment with the debit memo applied to it

5. On the form toolbar, click **Remove Hold**.
6. On the form toolbar, click **Release** to release the payment.
7. On the **Financial** tab, click the **Batch Nbr.** link to review the transaction that the system has posted when the payment was released.

AR Invoice Correction: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may review to gather information about credit and debit memos.

Reviewing a Customer's Information

You can review the balances of a specific customer on the [Customer Details](#) (AR402000) form. When you open this inquiry from the [Invoices and Memos](#) (AR301000) form by clicking **Customer Details** (under **Inquiries**) on the More menu, the [Customer Details](#) form is opened, showing the outstanding balances of the selected customer and a list of open documents of this customer. You can select the **Show All Documents** and **Include Unreleased Documents** check boxes in the Selection area of the form to include all documents and unreleased documents in the inquiry.

The released credit memos decrease the customer's balance, and debit memos increase it.

Preparing a Printable Credit Memo or Debit Memo

You can use the [Print/Email AR Documents](#) (AR508000) form to prepare the printable form of a credit memo or debit memo, review it, and print it. To quickly run this report when processing a particular credit or debit memo on the [Invoices and Memos](#) (AR301000) form, on the More menu (under **Printing and Emailing**), click **Print**.

Lesson 3.5: Processing Refunds

In this lesson, you will find general information on how to process customers' refunds, a checklist for system implementation, an activity that describes how to create a refund and apply a credit memo to it, an activity that describes how to void a refund, an activity that describes how to create and partially apply a refund, and report and inquiries that can be useful to find and view created transactions.

Refunds: General Information

In this topic, you will learn how to process AR documents with the *Refund* type.

Learning Objectives

In this lesson, you will learn how to do the following:

- Create a refund and fully apply a credit memo to it
- Create a refund and partially apply a prepayment to the refund

Applicable Scenarios

Refunds can be created in the following cases:

- To record a refund to the customer for returned goods (this scenario is described in [Refunds: To Create a Refund and Apply a Credit Memo to It](#))
- To record an overpaid amount
- To record an unused amount of a prepayment (this scenario is described in [Refunds: To Create and Partially Apply a Refund](#))

Refunds can be voided if errors have been made or if the refunds are otherwise invalid. Voiding a refund reverses the original refund transactions. You can use the [Payments and Applications](#) (AR302000) form to void a refund that has been applied to customer payments, prepayments, or credit memos.

Creation of a Refund

To create and process a refund, you use the [Payments and Applications](#) (AR302000) form. Alternatively, you can use the [Invoices and Memos](#) (AR301000) form, where you can select a credit memo and then click **Refund** (under **Processing**) on the More menu.

When you are recording a refund, you can apply its available balance fully or partially to an open payment, prepayment, credit memo, or sales order—or to multiple documents of these types—before or after you release the refund. For step-by-step instructions, see [Refunds: To Create a Refund and Apply a Credit Memo to It](#). To perform a refund for a closed payment document, first reverse the applications of the payment document, and then create a refund for the payment document.

Release of a Refund

On the [Payments and Applications](#) (AR302000) form, you can create and release a document with the *Refund* type without applying it to another document. When the refund is released, its status is changed to *Open*, the refund has an open balance (that is, the **Available Balance** box shows a nonzero amount), and the refund can be applied to a payment, prepayment, or credit memo on the **Documents to Apply** tab.

If you release a refund that is fully applied to a document, the status of the refund is changed to *Closed* because its amount was fully applied. The balances of refunds with the *Refund* and *Voided Refund* types affect the customer's balance as a payment with a reverse sign.

When you release a refund to which documents have been applied, the system does the following:

- Releases the application records.
- Decreases the balances of the paid documents. If the balance of a paid document becomes zero, the system changes its status to *Closed*.

- Increases the customer's balance by the refund amount if the refund is applied to a document of the *Payment* or *Credit Memo* type.
- Decreases the customer's prepayment balance by the refund amount if the refund is applied to a payment document of the *Prepayment* type.
- Generates a GL batch to update the involved asset accounts.

Application of a Refund

You distribute the available refund balance among the open payment documents you add to the table on the **Documents to Apply** tab of the [Payments and Applications](#) (AR302000) form. The system creates application records for each document listed on the tab and includes the applied amount. You can edit the application amount in the **Amount Paid** column for each document. If you partially apply the refund amount to documents, after the release of the applications, the refund will still have an open balance and will retain its *Open* status.

On the [Invoices and Memos](#) (AR301000) form, a refund with the *Open* status can be applied to a credit memo if the credit memo has not been released. Regardless of the status of the credit memo and the refunds applied to it, all applications of documents to this credit memo are displayed on the **Applications** tab. For details, see [AR Invoice Correction: To Create a Credit Memo and Apply a Refund to It](#).

Correction of a Refund

You can correct a released refund by voiding it and recording the correct refund. For step-by-step instructions, see [Refunds: To Void a Refund](#).

You void the refund on the [Payments and Applications](#) (AR302000) form by selecting the needed document of the *Refund* type and then clicking **Void** on the form toolbar. The system creates a document of the *Voided Refund* type with the same reference number as the refund has, and reverses the original refund.

Before you release the voided refund, you can change the date of the voided refund in the **Application Date** box in the Summary area of the form. The date you specify in this box should be the date when the voided refund is released and when the related batch was created. You can also enter a description of the voided refund in the **Description** box of the Summary area of the [Payments and Applications](#) form.

On release of the voided refund, the system changes the status of the refund to *Voided* and the status of the voided refund to *Closed*. On the **Application History** tab, you can see the original document to which the refund has been applied with a negative amount in the **Amount Paid** column.

If the original document for which the refund has been applied has the *Closed* status, when the refund is voided, the system changes the document's status to *Open*. You can again apply documents to the original document.

Workflow of Processing Refunds

The following diagram illustrates the workflow of creating a refund and fully applying a credit memo to it. (This process is described in [Refunds: To Create a Refund and Apply a Credit Memo to It](#).)

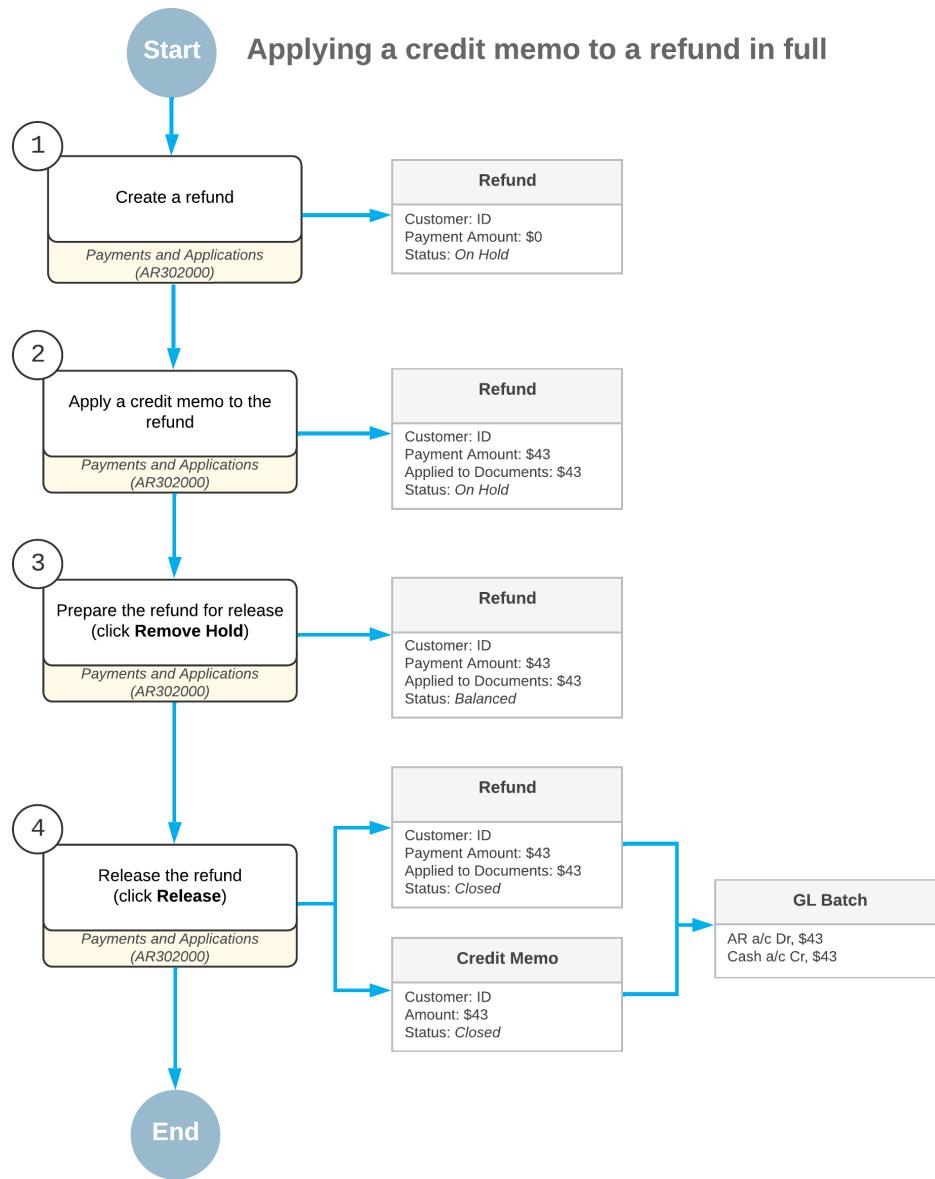


Figure: Workflow of creating a refund and applying a credit memo to it in full

The following diagram illustrates the workflow of creating a refund and partially applying it to a prepayment. (This process is described in [Refunds: To Create and Partially Apply a Refund](#).)

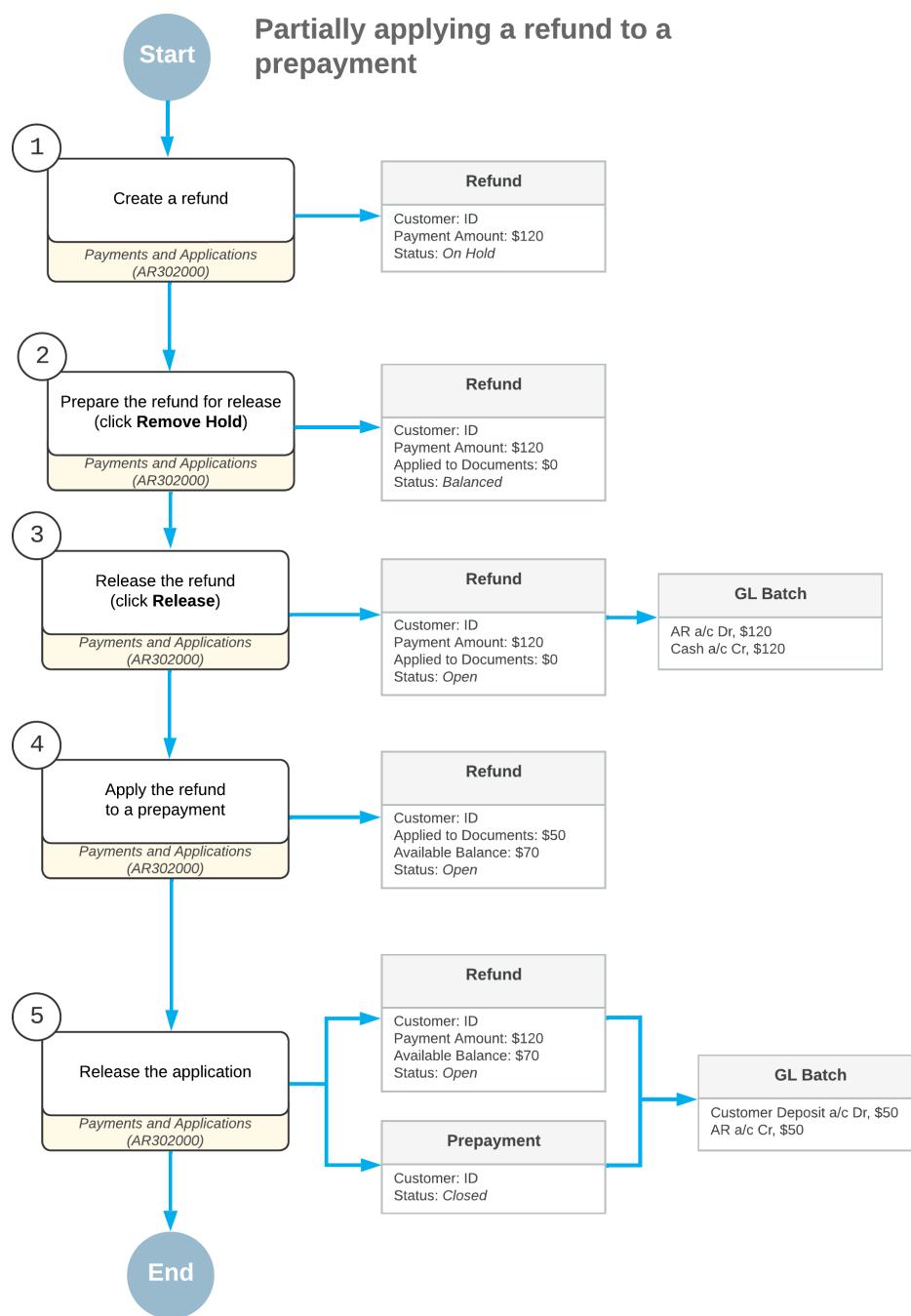


Figure: Workflow of creating a refund and partially applying it to a prepayment

Refunds: Generated Transactions

The following refund transactions are recorded to the general ledger when the refund has been released.

Account	Debit	Credit
Cash account	0.00	Amount

Account	Debit	Credit
Accounts Receivable account	Amount	0.00

You can view the batch details by clicking the link in the **Batch Nbr.** box on the **Financial** tab of the [Payments and Applications](#) (AR302000) form.

If you have recorded bank charges to the refund, the system generates the respective transactions and includes them in the batch with the refund transactions. For details on bank charge transactions, see [Finance Charge Transactions](#).

When you release a refund, the GL batch may contain, in addition to the refund transactions, some transactions generated by its application records. For details, see [Invoice Payments: Release of Application Records](#).

The following voided refund reverse batch is recorded to the general ledger when a voided refund is released.

Account	Debit	Credit
Cash account	Amount	0.00
Accounts Receivable account	0.00	Amount

Refunds: To Create a Refund and Apply a Credit Memo to It

In this activity, you will learn how to create a refund and apply a credit memo in full to it.

Story

Suppose that in January, HM's Bakery & Cafe (**HMBAKERY**) bought twelve jars of apple jam from the SweetLife Fruits & Jams company for a total amount of \$258 and returned two damaged jars. One of the SweetLife accountants has already created a credit memo in the system for the amount of the damaged goods (\$43).

Acting as the chief accountant of SweetLife, you need to create a refund for this credit memo.

Process Overview

In this process activity, on the [Payments and Applications](#) (AR302000) form, you will create a refund for which a credit memo has already been created. On the **Documents to Apply** tab of the form, you will select the credit memo for which the refund is being issued and apply it in full to the refund. Finally, you will release the refund and the application.

System Preparation

Before you perform the steps of this lesson, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.

- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Creating the Refund

To create the refund, do the following:

- Open the *Payments and Applications* (AR302000) form.
- On the form toolbar, click **Add New Record**, and specify the following settings in the Summary area:
 - Type:** *Refund*
 - Customer:** *HMBAKERY*
 - Payment Method:** *WIRE*
 - Cash Account:** *10200WH (Wholesale Checking)*
 - Application Date:** *1/30/2025* (inserted by default)
 - Description:** Refund for damaged goods
- On the form toolbar, click **Save**.

Step 2: Applying a Credit Memo to the Refund in Full

To apply a credit memo to the refund in full, do the following:

- While you are still on the *Payments and Applications* (AR302000) form with the refund opened, on the **Documents to Apply** tab, click **Add Row**, and specify the following settings in the added row:
 - Doc. Type:** *Credit Memo*
 - Reference Nbr.:** The number corresponding to the existing credit memo in the amount of \$43
 - Amount Paid:** 43 (filled in automatically)
- In the Summary area, click the Refresh button right of the **Payment Amount** box.
- Notice that the **Amount Paid** from the credit memo has been inserted as the payment amount for the refund.
- On the form toolbar, click **Save** to save the refund, which is shown in the following screenshot.

Branch	Doc. Type	* Reference Nbr.	Inventory ID	Amount Paid	Cash Discount Taken	Write-Off Amount	Write-Off Reason Code	Date	Due Date	Cash Discount Date	Cross Rate	Balance
HEADOFFICE	Credit Memo	000071		43.00	0.00	0.00		1/24/2025			1.0000000	0.00

Figure: The refund created for HMBAKERY

Step 3: Releasing the Refund and its Application

To release the refund and its application, do the following:

1. While you are still viewing the refund on the [Payments and Applications](#) (AR302000) form, on the form toolbar, click **Remove Hold**, and then click **Release**.
2. On the **Application History** tab, click the link in the **Batch Number** column to review the created batch on the [Journal Transactions](#) (GL301000) form.

Refunds: To Void a Refund

In this activity, you will learn how to void a refund.

Story

Suppose that a refund for HM's Bakery & Cafe (*HMBAKERY*) that you created in the previous activity has to be voided (because the date is incorrect) so that a new refund can be created.

Acting as the chief accountant of SweetLife, you need to void the refund.

Process Overview

In this activity, you will void a refund on the [Payments and Applications](#) (AR302000) form, and review the document that the system creates.

System Preparation

Before you perform the steps of this lesson, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.
4. Make sure that you have created a refund as described in [Refunds: To Create a Refund and Apply a Credit Memo to It](#).

Step 1: Voiding the Refund

To void the refund with the incorrect date, do the following:

1. Open the [Payments and Applications](#) (AR302000) form.
2. In the **Type** box of the Summary area, select *Refund*.

3. In the **Reference Nbr.** box, select the reference number of the refund that you need to void (the refund you created in the [Refunds: To Create a Refund and Apply a Credit Memo to It](#) activity).
4. On the form toolbar, click **Void**.

The system does the following:

- Reverses the refund in full.
- Changes the status of the refund to *Voided*. (The original refund is not shown on the form.)
- Creates a document with the *Voided Refund* type that has the same reference number as the refund has. (You will use this document in the remaining instructions of this activity.)

5. In the **Application Date** box of the Summary area, change the date of the voided refund to *1/31/2025*.

The date specified in this box should be the date when the voided refund is released (**Payment Date**) and when the related batch was created (**Transaction Date**).

Step 2: Releasing the Voided Refund

To release the voided refund, do the following:

1. On the form toolbar, click **Remove Hold**.
2. On the form toolbar, click **Release**. The following screenshot shows the released voided refund.

Branch	Batch Number	Doc. Type	Reference Nbr.	Inventory ID	Customer	Amount Paid	Cash Discount Taken	Write-Off Amount	Application Date	Application Period	Date	Due Date	Cash Discount Date	Balance	Cash Discount Balance
HEADOFFICE	AR000201	Credit Memo	000071		HMBAKERY	-43.00	0.00	0.00	1/31/2025	01-2025	1/24/2025			43.00	0.00

Figure: The voided refund for the HMBAKERY customer

Refunds: To Create and Partially Apply a Refund

The following activity will walk you through the process of creating a refund and partially applying it to a prepayment.

Story

Suppose that in January 2025, one of the customers of SweetLife Fruits & Jams, Food Clever, returned goods for the amount of \$70. A credit memo has not been processed in the system yet, but SweetLife needs to refund the money. (Later, when a credit memo for this amount is created, this refund can be applied to this credit memo.) Also, the company had made a prepayment of \$400 for services, but the overpaid amount of \$50 needs to be refunded as well.

Acting as a SweetLife accountant, you need to create and release a refund for \$120, and apply \$50 of this refund to the \$400 prepayment.

Process Overview

In this activity, on the *Payments and Applications* (AR302000) form, you will create and release a refund. On the **Documents to Apply** tab, you will apply a part of this refund to the customer's prepayment and will release the application.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. You should sign in as an accountant by using the *johson* username and the *123* password.
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/30/2025*. If a different date is displayed, click the Business Date menu button and select *1/30/2025* on the calendar. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, on the top pane of the Acumatica ERP screen, select the *SweetLife Head Office and Wholesale Center* branch.

Step 1: Creating and Releasing a Refund

To create and release a refund, do the following:

1. Open the *Payments and Applications* (AR302000) form.
2. On the form toolbar, click **Add New Record**, and specify the following settings in the Summary area:
 - **Type:** *Refund*
 - **Customer:** *FOODCLVR*
 - **Payment Method:** *WIRE*
 - **Cash Account:** *10200WH (Wholesale Checking)*
 - **Application Date:** *1/30/2025* (inserted by default)
 - **Description:** *Returned goods*
 - **Payment Amount:** *120*
3. On the form toolbar, click **Save**.
4. On the form toolbar, click **Remove Hold** to give the refund the *Balanced* status.
5. On the form toolbar, click **Release** to release the refund.

In the Summary area, notice that the status of the refund is *Open* and the available balance is *120*, which means that the refund can be applied to documents.

Step 2: Applying the Refund to a Prepayment and Releasing the Application

To apply the open refund to a prepayment and release the application, do the following:

1. While you are still on the *Payments and Applications* (AR302000) form with the refund opened, on the **Documents to Apply** tab, click **Add Row**.
2. In the added row, specify the following settings:
 - **Doc. Type:** *Prepayment*
 - **Reference Nbr.:** The number of the prepayment with the amount of \$400 for the *FOODCLVR* customer.
 - **Amount Paid:** *50* (inserted automatically)

3. On the form toolbar, click **Save**.
4. On the form toolbar, click **Release** to release the application.

In the Summary area, notice that the refund retains the *Open* status and the available balance of the refund is 70, as shown in the following screenshot.

REFUND DETAILS		APPLICATION HISTORY										
Type:	Refund	Customer:	FOODCLVR - Food Clever									
Reference Nbr.:	000083	Payment Amo...	120.00									
Status:	Open	Applied to Doc...	0.00									
* Application Date:	1/30/2025	Applied to Ord...	0.00									
* Application Pe...	01-2025	Available Balan...	70.00									
Payment Ref.:		Write-Off Amo...	0.00									
		Finance Charg...	0.00									
		Deducted Cha...	0.00									
Description: Returned goods												
DOCUMENTS TO APPLY		SALES ORDERS	APPLICATION HISTORY	FINANCIAL	CHARGES	COMPLIANCE						
<input checked="" type="radio"/> REVERSE APPLICATION												
Branch	Batch Number	Doc. Type	Reference Nbr.	Inventory ID	Customer	Amount Paid	Cash Discount Taken	Write-Off Amount	Application Date	Application Period	Date	Due Date
> HEADOFFICE	AR000202	Prepayment	000070		FOODCLVR	50.00	0.00	0.00	1/30/2025	01-2025	1/19/2025	

Figure: A refund partially applied to a prepayment

Refunds: Related Reports and Forms

This topic describes the reports and forms you may review to gather information about the balance of customers for whom you issue refunds.

Reviewing a Customer Balance and Documents

You can review the balance and documents of a particular customer by clicking **Customer Details** (under **Inquiries**) on the More menu of the **Payments and Applications** (AR302000) form with the refund selected on it. The system navigates to the **Customer Details** (AR402000) form, where the balance of documents with the *Refund* and *Voided Refund* types affects the customer's balance as a payment with a reverse sign.

Reviewing a Refund

You can review a refund on the **AR Register Detailed** (AR622000) form. To run the report, on the **Payments and Applications** (AR302000) form, you select the refund, and on the More menu (under **Reports**), you click **AR Register Detailed**.

Lesson 3.6: Auto-Applying Payments and Prepayments to Documents

In this lesson, you will find general information on how to configure automatic application of open payments and prepayments to AR documents and an activity that describes how to perform automatic payment application.

Auto-Applying Payments: General Information

Manually applying payment documents to invoices may require a significant amount of time if your company sells a lot in a financial period. To ease this process, Acumatica ERP provides the functionality to automate the application of payment documents.

In this lesson, you will read about the auto-application options offered by the system, their configuration, and implementation details.

Learning Objectives

In this lesson, you will learn how to do the following:

- Run the automatic payment application process
- Review and release the payment applications prepared by the system

Applicable Scenarios

You use auto-application of payments to AR documents in the following cases:

- You work with a customer who purchases very frequently; therefore, there are a lot of invoices and payments involved. For this customer, you can turn on automatic application of new payments to outstanding documents associated with the customer account. For details, see [Auto-Application for a Customer Account](#).
- You want to apply all open payment documents recorded in the system to outstanding documents at some particular time, such as before preparing customer statements. You use the [Auto-Apply Payments](#) (AR506000) mass processing form for this purpose. For details, see [Auto-Application for Multiple Documents](#).
- It is common in your company to receive payments in advance and you want to apply open payments when you record the related invoice. For details on applying payments when recording invoices, see [AR Invoices: Invoice Recording](#).

Auto-Application for a Customer Account

Suppose that your company has customers who purchase frequently and you want to save time on the application of their documents with the *Payment* type to outstanding documents. For such customers, you select the **Auto-Apply Payments** check box on the **General** tab of the [Customers](#) (AR303000) form.

When you release a new payment (with the *Balanced* status) of one of these customers on the [Payments and Applications](#) (AR302000) form, the system automatically applies the payment to any outstanding documents of this customer. The system sorts outstanding documents in descending order by their due date and then their reference number.



For auto-application to occur, when you release the payment, it must not have any outstanding documents specified on the **Documents to Apply** tab.

The system forms the list of outstanding documents and distributes the payment amount as follows:

1. If the customer account has open documents of the *Credit Memo* type, the system adds them at the top of the list. The balances of the open credit memos increase the balance that can be applied to outstanding documents.
2. If the **Apply Payments to Overdue Charges First** check box is selected on the [Accounts Receivable Preferences](#) (AR101000) form and the customer account has open documents of the *Overdue Charge* type, the system distributes the available payment balance among these documents. If the available

balance, including the balances of any open credit memos, has not been fully applied, the system searches for outstanding documents of other types.

3. If the customer account has outstanding documents, the system applies the available payment balance to the first document in the list. If the available payment balance, including the balances of any open credit memos, has not been fully applied, the system applies the rest of the balance to the next document in the list and continues this process until the available payment balance is fully applied.



If the **Multibranch Support** feature is enabled on the [Enable/Disable Features](#) (CS100000) form, the system searches among all outstanding documents associated with the customer account, regardless of the branch specified for the documents.

The system creates application records for each paid outstanding document and releases the application records simultaneously with the payment.

Auto-Application for Multiple Documents

Before you prepare statements for your customers, we recommend that you apply open payment documents from customers to any corresponding invoices and calculate any overdue charges, to avoid incorrect calculation of aged balances. For a statement cycle, if the **Require Payment Application Before Statement Processing** check box is selected on the [Statement Cycles](#) (AR202800) form, the system will issue a warning if you try to process statements while there are open payments of customers involved in the statement cycle.



You can review the list of open documents of the customers by using Acumatica ERP reports, as described in [Invoice Payments: Payment Processing Flow](#).

If there are open payments and credit memos, you can go through these documents one by one and apply them to the outstanding documents manually, as described in [Invoice Payments: Manual Payment Application](#), or you can use the [Auto-Apply Payments](#) (AR506000) mass processing form.

On this form, you select a statement cycle or multiple statement cycles to specify the group of customers for which the system will run the auto-application process. When you run the process (by clicking **Process** or **Process All** on the form toolbar), the system does the following for each customer that is assigned to the selected statement cycles:

1. Searches for all open payments and prepayments, and sorts these documents in ascending order by the document date, document type, and reference number. If you have selected the **Apply Credit Memos** check box on the form, the system includes open credit memos in the list of payments.
2. Searches for all open debit memos, invoices, and overdue charges, and sorts these documents in ascending order by due date. If the **Apply Payments to Overdue Charges First** check box is selected on the [Accounts Receivable Preferences](#) (AR101000) form, the system moves any overdue charges to the top of the list.
3. Applies any found credit memos (if included) and payments to the outstanding documents one by one by creating the corresponding application records, starting with the first credit memo or payment and the first outstanding document.
4. If you have selected the **Release Batch When Finished** check box on the form, releases application records and closes documents whose balance becomes 0. If this check box is cleared, you need to release application records manually for each payment on the [Payments and Applications](#) (AR302000) form or by using the [Release AR Documents](#) (AR501000) mass processing form. For details, see [Invoice Payments: Release of Payments](#).



If the **Automatically Post on Release** check box is selected on the [Accounts Receivable Preferences](#) form, the system also posts the released batches.

After the process is complete, for each payment, you can view the list of applications that have been saved but not yet released on the **Documents to Apply** tab of the *Payments and Applications* form. You can track the history of released payment applications by using the **Application History** tab of the form.

Exclusion from the Automatic Application of Payments

The system excludes payments and prepayments from the list of payments that can be applied to outstanding documents if they meet at least one of the following criteria:

- The open payment is linked to a sales order. That is, the payment has a reservation record or multiple reservation records on the **Orders to Apply** tab of the *Payments and Applications* (AR302000) form. For details, see *Reserving Payments for Sales Orders*.
- The open payment was put on hold. That is, a user clicked **Hold** on the form toolbar of the *Payments and Applications* form for the payment with the *Open* status, and the system changed the document status from *Open* to *Reserved*.



To release the payment from hold, click **Remove Hold** on the form toolbar.

Thus, the system ignores these payments when you record an invoice and want to perform an application, as well as when you initiate the auto-application process on the *Auto-Apply Payments* (AR506000) mass processing form.

Auto-Applying Payments: Process Activity

The following activity will walk you through the process of configuring autoapplication of open payments and prepayments to documents, and of including credit memos to the autoapplication.

Story

Suppose that the SweetLife Fruits & Jams company wants to introduce the autoapplication process to automatically apply open payments and prepayments to outstanding invoices and memos received from all its customers.

Acting as a SweetLife accountant, you want to set up the automatic application of the open payments and prepayments from the customers of the *EOM* statement cycle to open documents, and also include credit memos in the autoapplication process.

Process Overview

In this activity, you will run the autoapplication process on the *Auto-Apply Payments* (AR506000) form. When the process is complete, you will review the list of the payments being applied on the *Release AR Documents* (AR501000) form, review the applications generated for a particular prepayment on the *Payments and Applications* (AR302000) form, and release the applications on the *Release AR Documents* form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *2/28/2025*. If a different date is displayed, click the Business Date menu button and select *2/28/2025*.

- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Running Automatic Payment Application

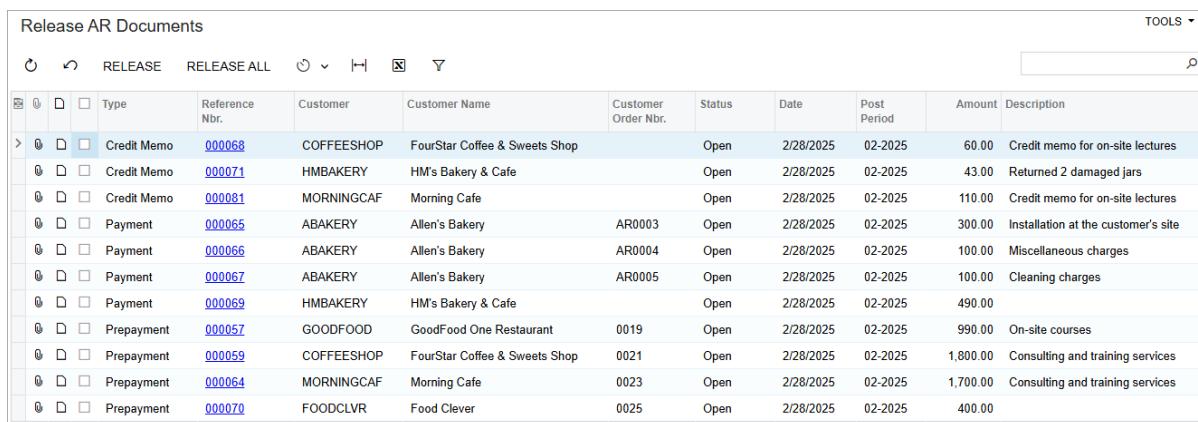
To run automatic payment application, do the following:

- Open the [Auto-Apply Payments](#) (AR506000) form.
- In the Selection area, specify the following parameters:
 - Application Date:** 2/28/2025 (inserted by default)
 - Apply Credit Memos:** Selected
 - Release Batch When Finished:** Cleared
- In the table, select the unlabeled check box for the *EOM* statement cycle and, on the form toolbar, click **Process**.
- In the **Processing** pop-up window, which is opened, make sure that the processing ended successfully and click **Close**.

Step 2: Reviewing the List of Applications

To review the list of applications, do the following:

- Open the [Release AR Documents](#) (AR501000) form.
- In the table, review the list of documents that have the *Open* status, as shown in the following screenshot.



The screenshot shows the 'Release AR Documents' form. At the top, there are buttons for RELEASE, RELEASE ALL, and a search bar. Below is a table with columns: Type, Reference Nbr., Customer, Customer Name, Customer Order Nbr., Status, Date, Post Period, Amount, and Description. The table lists various documents including Credit Memos, Payments, and Prepayments from different customers like COFFEESHOP, HBAKERY, MORNINGCAF, ABAKERY, and FOODCLVR. The first row is highlighted, showing a Credit Memo for COFFEESHOP with a balance of \$60.00.

Type	Reference Nbr.	Customer	Customer Name	Customer Order Nbr.	Status	Date	Post Period	Amount	Description
Credit Memo	000068	COFFEESHOP	FourStar Coffee & Sweets Shop		Open	2/28/2025	02-2025	60.00	Credit memo for on-site lectures
Credit Memo	000071	HBAKERY	HM's Bakery & Cafe		Open	2/28/2025	02-2025	43.00	Returned 2 damaged jars
Credit Memo	000081	MORNINGCAF	Morning Cafe		Open	2/28/2025	02-2025	110.00	Credit memo for on-site lectures
Payment	000065	ABAKERY	Allen's Bakery	AR0003	Open	2/28/2025	02-2025	300.00	Installation at the customer's site
Payment	000066	ABAKERY	Allen's Bakery	AR0004	Open	2/28/2025	02-2025	100.00	Miscellaneous charges
Payment	000067	ABAKERY	Allen's Bakery	AR0005	Open	2/28/2025	02-2025	100.00	Cleaning charges
Payment	000069	HBAKERY	HM's Bakery & Cafe		Open	2/28/2025	02-2025	490.00	
Prepayment	000057	GOODFOOD	GoodFood One Restaurant	0019	Open	2/28/2025	02-2025	990.00	On-site courses
Prepayment	000059	COFFEESHOP	FourStar Coffee & Sweets Shop	0021	Open	2/28/2025	02-2025	1,800.00	Consulting and training services
Prepayment	000064	MORNINGCAF	Morning Cafe	0023	Open	2/28/2025	02-2025	1,700.00	Consulting and training services
Prepayment	000070	FOODCLVR	Food Clever	0025	Open	2/28/2025	02-2025	400.00	

Figure: List of documents automatically applied to payments

- Locate the prepayment for the Morning Cafe customer in the amount of \$1,700 and click the link in the **Reference Nbr.** column.
- On the **Documents to Apply** tab of the [Payments and Applications](#) (AR302000) form that opens, review the list of invoices to which the prepayment will be applied.
- To review the application for a credit memo, on the [Release AR Documents](#) form, click the link in the **Reference Nbr.** column for the row with the \$110 credit memo of the *MORNINFCAF* customer. The credit memo opens on the [Invoices and Memos](#) (AR301000) form.
- On the **Applications** tab, review the application of the credit memo. The system has automatically applied the credit memo to the most recent outstanding invoice with a balance of \$940.



Because you did not select the **Release Batch When Finished** check box on the [Auto-Apply Payments](#) (AR506000) form, the applications to the documents have not been released yet and the prepayment still has the *Open* status.

Step 3: Releasing the Prepared Applications

To release the prepared applications, do the following:

1. While you are still on the [Release AR Documents](#) (AR501000) form, on the form toolbar, click **Release All** to release the applications.
2. In the **Processing** pop-up window, which is opened, click the **Processed** tab and review the processed documents.
3. Click the link in the **Reference Nbr.** column for the \$1,700 prepayment to open it on the [Payments and Applications](#) (AR302000) form.

Notice that the prepayment's status has changed to *Closed*.

4. On the **Application History** tab, review the application of the prepayment to the invoices, also shown in the following screenshot.

The screenshot shows the **Payments and Applications** screen for Prepayment 000064 - Morning Cafe. The top section displays prepayment details: Type: Prepayment, Reference Nbr.: 000064, Status: Closed, and Payment Ref.: 0023. The bottom section shows the **APPLICATION HISTORY** tab, which lists applications for invoices from HEADOFFICE. The table includes columns for Branch, Batch Number, Doc. Type, Reference Nbr., Inventory ID, Customer, Amount Paid, Cash Discount Taken, Write-Off Amount, Application Date, Application Period, Date, Due Date, Cash Discount Date, Balance, and Description. Applications are listed for invoices with Reference Nbrs. 00000049, 000079, 000080, 000005, 000086, 000106, and 000109, corresponding to amounts of 270.00, 760.00, 192.00, 46.00, 34.00, 199.00, and 199.00 respectively.

Branch	Batch Number	Doc. Type	Reference Nbr.	Inventory ID	Customer	Amount Paid	Cash Discount Taken	Write-Off Amount	Application Date	Application Period	Date	Due Date	Cash Discount Date	Balance	Description
HEADOFFICE	AR000207	Invoice	00000049		MORNINGCAF	270.00	0.00	0.00	2/28/2025	02-2025	9/17/2022	10/17/2022	10/17/2022	4,730.00	0.00
HEADOFFICE	AR000207	Invoice	000079		MORNINGCAF	760.00	0.00	0.00	2/28/2025	02-2025	1/9/2025	2/8/2025	2/8/2025	0.00	0.00
HEADOFFICE	AR000207	Invoice	000080		MORNINGCAF	192.00	0.00	0.00	2/28/2025	02-2025	1/16/2025	2/15/2025	2/15/2025	748.00	0.00
HEADOFFICE	AR000207	Invoice	000005		MORNINGCAF	46.00	0.00	0.00	2/28/2025	02-2025	1/2/2025	2/1/2025	2/1/2025	0.00	0.00
HEADOFFICE	AR000207	Invoice	000086		MORNINGCAF	34.00	0.00	0.00	2/28/2025	02-2025	1/14/2025	2/13/2025	2/13/2025	0.00	0.00
HEADOFFICE	AR000207	Invoice	000106		MORNINGCAF	199.00	0.00	0.00	2/28/2025	02-2025	1/6/2025	2/5/2025	2/5/2025	0.00	0.00
HEADOFFICE	AR000207	Invoice	000109		MORNINGCAF	199.00	0.00	0.00	2/28/2025	02-2025	1/6/2025	2/5/2025	2/5/2025	0.00	0.00

Figure: Applications to the prepayment, which have been released

5. In the **Processing** pop-up window, click the link in the **Reference Nbr.** column for the \$110 credit memo to open it on the [Invoices and Memos](#) (AR301000) form.
6. On the **Applications** tab, review the application of the credit memo to the invoice.
7. Close the **Processing** pop-up window.

Part 4: Cash Transactions and Bank Reconciliation

This part of the course illustrates the processing of cash transactions, such as a cash entry and a funds transfer. It also describes the process of manual reconciliation of a cash account with a bank statement, which is a preparation step for period-end procedures.

You need to complete the activities in this part by using user accounts with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

Lesson 4.1: Processing Cash Entries

In this lesson, you will learn about how to record cash entries of the *Disbursement* and *Receipt* types and how the system processes them further.

Cash Entries: General Information

In Acumatica ERP, you can record cash entries—that is, transactions that affect cash but do not involve customers or vendors. Transactions of this type affect the balances of only general ledger accounts.

Learning Objectives

You will learn how to create a cash entry in Acumatica ERP.

Applicable Scenarios

You create a transaction of the *Cash Entry* type when you need to record a cash operation, such as a bank charge, income from interest, or an unknown payment.

Types of Cash Entries

Cash entries are used to record cash transactions, such as charges for transfers, bank service charges, or amounts earned on interest-bearing bank accounts or other investments. On the [Cash Transactions](#) (CA304000) form, you specify the type of the cash entry, which is one of the following:

- *Receipt*: Increases the balance of the selected cash account. Entries of this type can include recording amounts earned on interest-bearing bank accounts or other investments.
- *Disbursement*: Decreases the balance of the selected cash account. This entry type includes transfer charges and bank service charges.

Processing of a Cash Entry

Cash entries are tracked in the system and available for viewing, editing, and releasing on the [Cash Transactions](#) (CA304000) form. You can use any of the following forms as a starting point to enter the cash entry:

- The [Cash Transactions](#) form itself: On this form, you select a cash account and an entry type, and you make any needed changes to the transaction date and financial period. Then you add the transaction details. For each transaction detail, you can change the offset account if any default values are provided by the selected entry type, or select an offset account from the list of accounts if no default values are provided.

When you are ready to release this transaction, you make sure that the cash entry is balanced (remove it from hold, if necessary, by clicking **Remove Hold** on the form toolbar), and click **Release**.

- **Cash Account Details** (CA303000): On this form, which lists transactions for the selected cash account, you select a cash account and click **Create Transaction** on the table toolbar. In the **Quick Transaction** dialog box, which opens, you enter the transaction details. When you click **Save**, the system closes the dialog box and creates a transaction with the specified details on the **Cash Transactions** form.

To release balanced cash entries (that is, those that are not on hold) on this form, you select the unlabeled check box for each needed cash entry and then click **Release** on the form toolbar. (Alternatively, you can release the cash entry at a later time on the **Cash Transactions** form.)

If any listed cash entry has the *On Hold* status, you can click the link in the **Orig. Doc. Number** column for this cash entry. The system opens the **Cash Transactions** form in a pop-up window, where you can click **Remove Hold** on the form toolbar to take the cash entry off hold and then click **Release** on the form toolbar.

- **Reconciliation Statements** (CA302000): While you are using this form to work with a reconciliation statement, you can quickly record a cash transaction. To do this, you click **Create Adjustment** on the table toolbar, which invokes the **Quick Transaction** dialog box, where you specify the transaction details. When you click **Save**, the system closes the dialog box and creates a transaction with the specified details on the **Cash Transactions** form.

During processing, a cash entry can have the statuses listed in the following table.

Table: Statuses of Cash Entries

Status	Description
<i>On Hold</i>	The cash entry is being edited and cannot be released.
<i>Pending Approval</i>	The cash entry requires approval. This status is used only if the <i>Approval Workflow</i> feature is enabled and approvals have been configured for cash transactions.
<i>Balanced</i>	The cash entry is balanced and ready to be released.
<i>Released</i>	The cash entry has been released and the respective general ledger batch has been generated.

Process Diagram

The following diagram illustrates the workflow of cash entry processing.

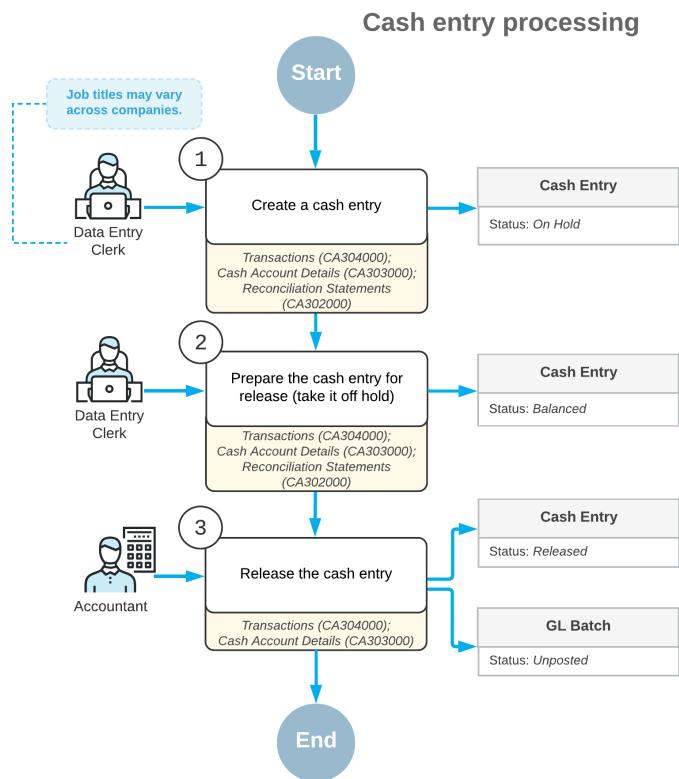


Figure: Cash entry processing

Cash Entries: Generated Transactions

When a cash entry is released, its status changes to *Released* and the system generates a batch to be posted to the general ledger.

The system updates the accounts involved with the transactions as shown in the following tables, based on whether the cash transaction is of the *Receipt* or *Disbursement* type.

Table: Receipt Cash Transaction

Account	Debit	Credit
Cash account	Amount	0.00
Offset account	0.00	Amount

Table: Disbursement Cash Transaction

Account	Debit	Credit
Cash account	0.00	Amount
Offset account	Amount	0.00

Cash Entries: To Create a Disbursement Cash Entry

In this activity, you will learn how to create a cash entry of the *Disbursement* type.

Story

As a SweetLife accountant, you need to register a \$15 service fee charged by your bank for a particular checking account, *Wholesale Checking*, on January 31, 2025.

Process Overview

In this activity, you will create a disbursement cash entry for the bank service fee on the [Cash Transactions](#) (CA304000) form. Then you will release the cash entry and review the generated GL transactions on the [Journal Transactions](#) (GL301000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select *1/31/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.
4. On the [Cash Management Preferences](#) (CA101000) form, in the **Posting and Release Settings** section, clear the **Automatically Post to GL on Release** check box. On the form toolbar, click **Save** to save your changes.

Step 1: Creating and Releasing a Disbursement Cash Entry

To create a disbursement cash entry for the \$15 bank service fee charged to the *Wholesale Checking* account on January 31, 2025, do the following:

1. Open the [Cash Transactions](#) (CA304000) form.
2. On the form toolbar, click **Add New Record**, and in the Summary area, specify the following settings:
 - **Cash Account:** *10200WH (Wholesale Checking)*
 - **Tran. Date:** *1/31/2025*
 - **Fin. Period:** *01-2025*
 - **Entry Type:** *BANKFEE (Bank Fees)*

Notice that the value in the **Disbursement/Receipt** box is *Disbursement*. This is because you have selected a disbursement entry type.

 - **Document Ref.:** *20250131*
 - **Description:** *\$15 Bank Service Fee Paid for Checking Account in January*

3. On the form toolbar, click **Remove Hold**.
4. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings in the added row:
 - **Branch:** HEADOFFICE (inserted by default)
 - **Amount:** 15.00
 - **Offset Account:** 61100 (Bank Service Charges)
5. On the form toolbar, click **Save** to save your changes.
6. On the form toolbar, click **Release** to release the cash entry. The system creates a batch to be posted to the general ledger. The released cash entry is shown in the following screenshot.

Branch	Item ID	Description	Quantity	UOM	Price	Amount	*Offset Account	Account Description	Non Billable	Tax Category
HEADOFFICE		Bank Fees	1.00		15.0000	15.00	61100	Bank Service Charges	<input type="checkbox"/>	<input type="checkbox"/>

Figure: The released Disbursement cash entry

Step 2: Reviewing the Generated GL Batch

To review the GL transaction generated when you released the cash entry created in Step 1, do the following:

1. While you are still on the **Cash Transactions** (CA304000) form, go to the **Financial** tab, and click the batch number to open the batch for review.
2. On the **Journal Transactions** (GL301000) form, which opens, review the batch that the system has generated.

Notice that the batch contains two journal entries that update GL accounts: a credit entry for the 10200 (*Company Checking Account*) GL account, and the debit entry for the 61100 (*Bank Service Charges*) GL account.

Because the **Automatically Post to GL on Release** check box is cleared in the **Posting and Release Settings** section of the **Cash Management Preferences** (CA101000) form, the GL batch was released but not posted, and now has the *Unposted* status. In this activity, you will not post this batch to the general ledger so as not to update the balances of the accounts that might be used in other activities. However, in a production environment, you will post it by selecting the generated batch on the **Post Transactions** (GL502000) form and clicking **Post** on the form toolbar.

Cash Entries: To Create a Receipt Cash Entry

In this activity, you will learn how to create a cash entry of the *Receipt* type.

Story

On January 31, 2025, SweetLife earned \$25 in bank interest on the *10300WH (Cathay Bank Savings)* account. As a SweetLife accountant, on January 31, you need to create a cash entry of the *Receipt* type to account for this amount.

Process Overview

In this activity, you will first create the *Receipt* cash entry for interest earned on the [Cash Transactions](#) (CA304000) form. Then you will post the created document to the general ledger and review the generated GL transaction on the [Journal Transactions](#) (GL301000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/31/2025*. If a different date is displayed, click the Business Date menu button and select *1/31/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.
4. On the [Cash Management Preferences](#) (CA101000) form, in the **Posting and Release Settings** section, select the **Automatically Post to GL on Release** check box. On the form toolbar, click **Save** to save your changes.

Step 1: Creating and Releasing a Receipt Cash Entry

To create a receipt cash entry for \$25 interest earned on the *Cathay Bank Savings* account on January 31, 2025, do the following:

1. Open the [Cash Transactions](#) (CA304000) form.
2. On the form toolbar, click **Add New Record**, and in the Summary area, specify the following settings:
 - **Cash Account:** *10300WH (Cathay Bank Savings)*
 - **Tran. Date:** *1/31/2025*
 - **Fin. Period:** *01-2025*
 - **Entry Type:** *INTEREST*

Notice that the value in the **Disbursement/Receipt** box is *Receipt*. This is because you have selected a receipt entry type.

 - **Document Ref.:** *20250131*
 - **Description:** *\$25 Interest Earned on Cathay Savings Account in January*
3. On the **Details** tab, click **Add Row** on the table toolbar, and specify the following settings for the added row:
 - **Branch:** *HEADOFFICE* (inserted by default)
 - **Amount:** *25.00*

- **Offset Account:** 49300 (*Interest Income*)

The offset account specifies the account to be credited on release of the cash transaction. The default value is automatically inserted from the *INTEREST* cash entry type. You can override the default offset account for the cash account, if needed.

4. On the form toolbar, click **Remove Hold**.
5. On the form toolbar, click **Release** to release the cash entry. The system creates a batch to be posted to the general ledger. The released cash entry is shown in the following screenshot.

Branch	Item ID	Description	Quantity	UOM	Price	Amount	Offset Account	Account Description	Non Billable	Tax Category
HEADOFFICE	Interest	Interest	1.00		25.0000	25.00	49300	Interest Income		

Figure: The released Receipt cash entry

Step 2: Reviewing the Generated GL Transaction

To review the GL transaction generated by posting the cash entry you have created in Step 1, do the following:

1. While you are still on the *Cash Transactions* (CA304000) form, open the **Financial** tab, and click the batch number to open the GL transaction for review.
2. On the *Journal Transactions* (GL301000) form, which opens, review the batch that the system has generated in the general ledger.

The batch contains two journal entries that update GL accounts: *Company Savings Account* is debited for \$25, and *Interest Income* is credited for the same amount. The batch was posted immediately on release of the cash entry document and now has the *Posted* status. You can navigate to the cash entry document from which the batch was generated by clicking **View Source Document** on the table toolbar.

Lesson 4.2: Performing Funds Transfers

In this lesson, you will learn about recording a funds transfer between cash accounts.

Funds Transfers: General Information

In Acumatica ERP, you can record cash transfers from one bank account to another, or between cash accounts that are linked to the same GL account and that represent the same bank account. When you record a funds transfer, you can also register a charge associated with it. For example, when you move funds between different bank accounts, you can immediately record a service fee associated with the transfer.

Learning Objectives

You will learn how to record a funds transfer between cash accounts.

Applicable Scenarios

You record a funds transfer when you need to redistribute funds between different companies or branches of your organization. You can also move funds from one bank account to another—for example, when you want to deposit funds from one of the company's checking accounts to a company savings account.

Processing of a Funds Transfer

To process a funds transfer, you first create it on the [Funds Transfers](#) (CA301000) form. At any time after creation, you can release the transfer on any of the following forms:

- [Funds Transfers](#): You release the funds transfer you are viewing by clicking **Release** on the form toolbar.
- [Release Cash Transactions](#) (CA502000): You use this form to release a particular funds transfer or multiple funds transfers. On this form, funds transfers have the *Transfer* transaction type, and transactions that correspond to the same transfer have the same transaction number. To release all transactions of a particular funds transfer, you need to select only one transaction of it by selecting the unlabeled check box in the row of the transaction; when you release it by clicking **Release** on the form toolbar, the system releases the other transactions automatically.
- [Cash Account Details](#) (CA303000): You can use this form to release a particular funds transfer or multiple funds transfers. On this form, you start by selecting a cash account, which can be the source account or the destination account for your funds transfer. The system displays a list of transactions that includes the funds transfer transaction of the *Transfer Out* or *Transfer In* type, depending on whether the account you selected is a source or destination account, respectively. To release all transactions of the funds transfer, you need to select only one transaction of the funds transfer by selecting the unlabeled check box in the row of the transaction; when you click **Release** on the form toolbar, the system releases the other transactions automatically.

During processing, a funds transfer can have the following statuses.

Table: Statuses of Funds Transfers

Status	Description
<i>On Hold</i>	The transfer is being edited and cannot be released.
<i>Balanced</i>	The transfer is balanced and can be released.
<i>Released</i>	The transfer has been released.

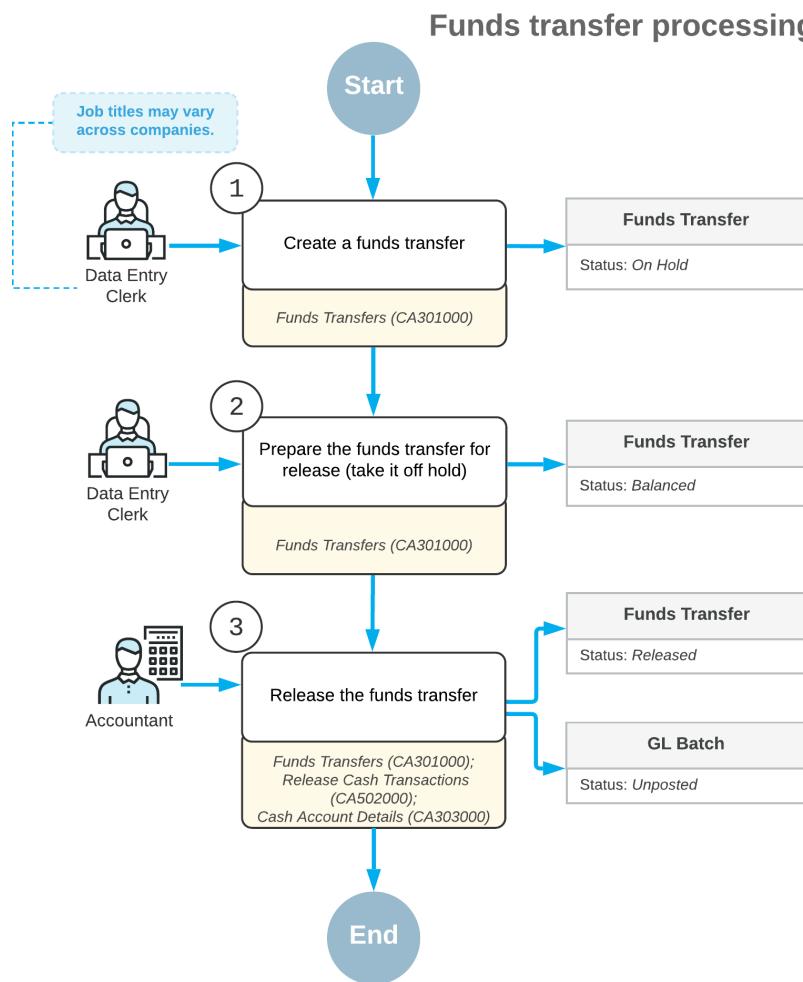
Addition of Expenses

You can record transfer expenses and charges in a funds transfer by adding a row to the table on the [Funds Transfers](#) (CA301000) form and filling in the cash account, entry type, and any additional settings of the expense or charge. Before you record charges, make sure that an entry type is configured that provides the default details for the transaction, including the offset account and subaccount, if subaccounts are configured in your system. For more information, see [Registration of Finance Charges](#).

The expenses you record can include taxes. For the details about creating a funds transfer with taxable expenses, see [Processing Funds Transfers with Taxable Fees](#).

Process Diagram

The following diagram illustrates the workflow of funds transfer processing.



Funds Transfers: Generated Transactions

When you release a funds transfer, its status changes to *Released*, and the system generates the following batch of transactions to be posted to the general ledger.

Table: Transactions for Funds Transfers in Base Currency

Account	Debit	Credit
Source account	0.00	Transfer amount
Destination account	Transfer amount	0.00

The system can generate separate transfer-in and transfer-out general ledger batches for a funds transfer. This can be done, for example, if the post periods of the transfer-out and transfer-in are different, the funds are first moved to the cash-in-transit account, and the funds are then moved from this account to the destination account.

Table: Transfer-Out Batch of Transactions for Transfers with Differing Periods

Account	Debit	Credit
Source account	0.00	Transfer amount
Cash-in-Transit account	Transfer amount	0.00

Table: Transfer-In Batch of Transaction for Transfers with Differing Periods

Account	Debit	Credit
Cash-in-Transit account	0.00	Transfer amount
Destination account	Transfer amount	0.00

If you have added expenses for the funds transfer, the system generates a separate cash transaction when the funds transfer is released, and the following transactions are recorded to the general ledger.

Table: Transactions for Expenses

Account	Debit	Credit
Cash account	0.00	Expense amount
Bank charges account	Expense amount	0.00

Funds Transfers: Process Activity

In this activity, you will learn how to record a funds transfer from one checking account to another.

Story

In February 2025, one of SweetLife's branches, the Service and Equipment Sales Center, is planning on purchasing additional juicer equipment and parts. As the SweetLife accountant, you have approved the expenditures in the amount of \$70,000 for these items, which is roughly \$25,000 more than the amount available in the *10200EQ - Equipment Checking* cash account. To increase the available balance of the *10200EQ* cash account, you need to transfer \$25,000 from the *10200WH - Wholesale Checking* account.

Process Overview

In this activity, you will first review the available balances of the *10200WH* and *10200EQ* cash accounts on the [Cash Account Summary](#) (CA633000) report form. Then on the [Funds Transfers](#) (CA301000) form, you will record a funds transfer in the amount of \$25,500 from the *10200WH* cash account to the *10200EQ* cash account. Finally, you will review the balances of both accounts on the [Cash Account Details](#) (CA303000) form to make sure the transfer is recorded correctly.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in to a company with the *U100* dataset preloaded. To sign in as an accountant, use the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select *2/1/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Reviewing the Balances of the Source and Destination Cash Accounts

To review the balances of the cash accounts, do the following:

1. Open the [Cash Account Summary](#) (CA633000) report form.
2. On the **Report Parameters** tab, specify the following parameters:
 - **Company/Branch:** *SWEETLIFE*
 - **From Date:** *1/1/2025*
 - **To Date:** *2/1/2025*
 - **Include Non-Cleared Transactions:** Selected
 - **Hide Details:** Selected
3. On the report form toolbar, click **Run Report**.
4. In the report, review the ending balances of the *10200WH* cash account and the *10200EQ* cash account.

Step 2: Processing a Funds Transfer

To process a funds transfer from the *10200WH* cash account to the *10200EQ* cash account, do the following:

1. Open the [Funds Transfers](#) (CA301000) form.
2. On the form toolbar, click **Add New Record**, and in the **Description** box of the Summary area, type *Transferring \$25,500 to SWEETEQUIP*.
3. In the **Source Account** section, specify the following settings:
 - **Account:** *10200WH - Wholesale Checking*
 - **Transfer Date:** *2/1/2025*
 - **Amount:** *25500*

These settings indicate that \$25,500 will be transferred from the *10200WH - Wholesale Checking* account on February 1, 2025.

Because this is an internal funds transfer that does not affect bank accounts, you have not indicated the reference number of the source document.

4. In the **Destination Account** section, specify the following settings:
 - **Account:** *10200EQ - Equipment Checking*
 - **Receipt Date:** *2/1/2025*

These settings indicate that the funds will be transferred to the *10200EQ* account, which is defined as the checking account for the SweetLife Service and Equipment Sales Center, as shown in the following screenshot.

The screenshot shows the 'Funds Transfers' form with the following details:

- Transfer Number:** <NEW>
- Description:** Transferring \$25,500 to SWEETEQUIP
- Status:** On Hold
- SOURCE ACCOUNT:**
 - * Account: 10200WH - Wholesale Checking
 - * Transfer Date: 2/1/2025
 - Document Ref.: [empty]
 - Amount: 25,500.00
 - Clear Date: 2/1/2025
 - GL Balance: 805,632.63
 - Available Balance: 803,726.63
 - Base Currency Amount: 25,500.00
- DESTINATION ACCOUNT:**
 - * Account: 10200EQ - Equipment Checking
 - * Receipt Date: 2/1/2025
 - Document Ref.: [empty]
 - Amount: 25,500.00
 - Clear Date: 2/1/2025
 - GL Balance: 44,550.00
 - Available Balance: 44,550.00
 - Base Currency Amount: 0.00

The bottom of the form includes a toolbar with icons for Save, Remove Hold, Release, and other actions, along with a detailed table for currency conversion.

Figure: The created funds transfer

5. On the form toolbar, click **Save** to save the funds transfer.
6. On the form toolbar, click **Remove Hold**, and then click **Release** to release the funds transfer.
7. Click the link in the **Batch Number** box, and review the transaction, which the system has opened on the [Journal Transactions](#) (GL301000) form.

In the **Module** box, CA means that the batch was generated from the cash management subledger. Notice that the batch contains a credit entry for the *HEADOFFICE* branch and a debit entry for *SWEETEQUIP*, whereas the GL account for both branches is the same: 10200.

Step 3: Reviewing the Balances of the Cash Accounts

To see how the funds transfer is reflected in the cash accounts, do the following:

1. Open the [Cash Account Details](#) (CA303000) inquiry form.
2. In the Selection area, specify the following settings:
 - **Cash Account:** 10200EQ
 - **Start Date:** 2/1/2025
 - **End Date:** 2/1/2025
3. In the table, notice the transaction of the *Transfer In* type. This type means that the cash account balance was increased in the amount displayed in the **Receipt** column.
4. In the **Ending Balance** column in the table for the transaction of the *Transfer In* type, notice the ending balance of the selected cash account, which was increased in the amount of the receipt.
5. In the Selection area, change the **Cash Account** to 10200WH.
6. In the table, notice the transaction of the *Transfer Out* type. This type means that the cash account balance was decreased in the amount displayed in the **Disbursement** column.
7. In the **Ending Balance** column in the table for the transaction of the *Transfer Out* type, notice the ending balance of the selected cash account, which was decreased in the amount of the disbursement.

Lesson 4.3: Reconciling Cash Accounts

In this lesson, you will find general information on how to reconcile cash accounts, an activity that describes how to manually reconcile a cash account, and reports that can be useful to find and view created transactions.

Bank Reconciliation: General Information

If you are reconciling your cash accounts, you need quick and accurate tools to ensure that the third-party records match the transactions—cash transactions, payments to vendors, quick checks, incoming payments from customers, and cash sales—recorded in your system. Acumatica ERP offers you capabilities that ease the processes of importing, tracking, and matching the transactions.

Learning Objectives

You will learn how to reconcile a cash account with a statement from a third-party financial institution.

Applicable Scenarios

If you are reconciling an account from a financial institution, you compare its statement to the transactions of the cash account as tracked in your system. Because financial institutions offer a variety of online banking services, you do not need to wait for a monthly statement; you can instead download a list of recent banking transactions in a suitable format as needed. Regular reconciliations can reduce the number of errors on accounts and make it easier to find overlooked transactions, such as missing sales invoices or checks that have been lost in transit.

If you are reconciling a cash account other than a bank account (for instance, a cash register account), you can upload a list of amounts that are confirmed with the cash register receipts or with point-of-sale (or similar) reports.

Steps of the Reconciliation Process

In general, you perform the following steps when you reconcile each cash account:

1. *Preparing for the reconciliation:* During or after each financial period, on the [Process Bank Transactions](#) (CA306000) form, you clear transactions for the account as you receive information that the financial institution has processed them. For details, see [Bank Reconciliation: Uploading and Processing of Bank Transactions](#).
2. *Verifying the beginning balance of the cash account:* At the end of the financial period, on the [Reconciliation Statements](#) (CA302000) form, you verify that the beginning balance of the cash account in Acumatica ERP matches the beginning balance on the bank statement (or on your record of the petty cash account); if they do not match, you void the earlier statement and fix all errors. Also, you can review unreconciled transactions from previous financial periods and see which of them have been preliminarily cleared.



If a transaction has been matched to an entry on a bank statement on the [Process Bank Transactions](#) form, the **Cleared** check box is selected for the transaction on the [Reconciliation Statements](#) form. Also, a transaction is cleared if a user has selected the **Cleared** check box for it on the form where the transaction was entered.

3. *Creating the reconciliation statement:* You create a new reconciliation statement for the cash account on the [Reconciliation Statements](#) form and enter the statement balance—for instance, the ending balance from the bank statement.
4. *Clearing the transactions:* If you have used the [Process Bank Transactions](#) form to clear bank transactions, on the [Reconciliation Statements](#) form, you click the **Reconcile Processed** button on the table toolbar, and the

system selects the **Reconciled** check boxes in the table for all released documents that were processed on the [Process Bank Transactions](#) form.

If you have been manually clearing transactions during the financial period for which you have created the reconciliation statement and are sure that the clearing is valid, you select the **Reconciled** check box for each cleared transaction.

If no transactions have been cleared, by using a bank statement or other paper documents confirming transactions, you compare the transactions to the lines of the bank statement by using transaction identifiers, dates, and amounts. For each confirmed transaction, you select the **Reconciled** check box.



You can perform reconciliation in as many sessions as you need. You can save the reconciliation statement at any time to continue to work with it later.

5. *Adjusting the cash account balance:* As you progress through the list on the [Reconciliation Statements](#) form, you can view the updated value of the difference between the reconciled balance of the cash account and the balance of the statement you have entered. You can create cash adjustments for transactions (such as bank interest or service charges) that have occurred but were not recorded to the account in Acumatica ERP. The reconciliation is finished when the difference between the reconciled balance of the cash account and the balance of the statement is zero. For details, see [Adjustment of a Cash Account Balance](#).
6. *Confirming the reconciliation results:* When you have finished comparing the cash account transactions to a bank statement on the [Reconciliation Statements](#) form and the difference between the reconciled balance of the cash account and the balance of the statement is zero, you save the reconciliation statement. You can now release the reconciliation statement, which confirms that the cash account balance is reconciled for the financial period. For details, see the [Release of a Reconciliation Statement](#) section of this topic.

Process Diagram

The following diagram illustrates the process of bank statement reconciliation if approvals have not been set up in the system. (For details about the workflow when approvals are set up, see [Bank Reconciliation: Approval of Reconciliation Statements](#).)

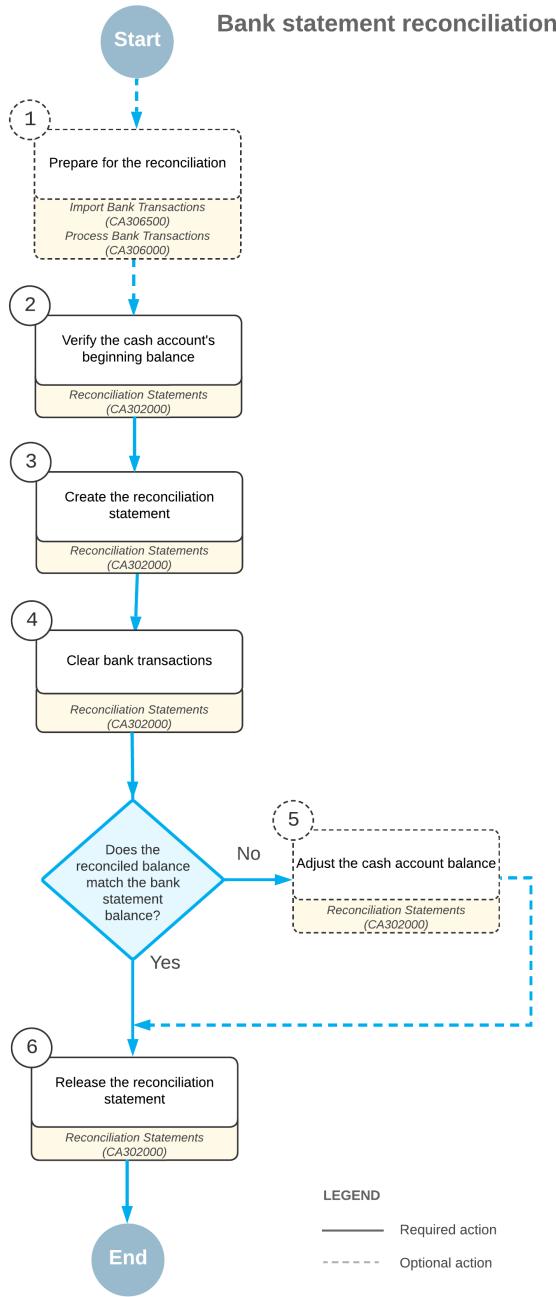


Figure: Bank statement reconciliation workflow

Creation of the First Reconciliation Statement

If you have never performed reconciliation for a particular account and then decide to start reconciling the account on a specific date (for example, when you are converting a cash account into a bank account), consider creating a first reconciliation statement that includes all the transactions that had been recorded to this account before this specific date and that were not recorded to another source.

To start the first reconciliation, you need to know the starting balance of your first reconciliation statement. On the **Cash Account Details** (CA303000) form, select the cash account and the date range for which the transactions are displayed (from the date of the first transaction to the date that immediately precedes the date of conversion). Make sure that all transactions that you are going to reconcile are posted to the general ledger. Then write down

the value of the **Ending Balance** box (in the Summary area)—this will be your first reconciliation statement balance, which you enter in the **Statement Balance** box on the [Reconciliation Statements](#) (CA302000) form.



You can use the [Cash Account Summary](#) (CA633000) report to find out the ending balance of a cash account.

When you know the balance of your first reconciliation statement, you create the reconciliation statement and mark the transactions as reconciled. When the reconciled balance and the statement balance are equal, you save and release the reconciliation statement.

When you are reconciling the account for the second time, if you detect transactions that should belong to the first statement, you void the first statement, add these transactions, and release the statement again.

Adjustment of a Cash Account Balance

If you are reconciling a bank account, you compare the cash account transactions to the bank account records (which are usually found in a bank statement). Theoretically, the balance of the bank account should reconcile with the balance of the associated cash account as shown in your system. However, a transaction may be recorded on your books sooner or later than the bank actually reflects that change in the corresponding account. Also, the bank may invoke service charges of amounts that are not known in advance.

If you do not use automatic processing of the bank transactions, you may encounter a transaction that is in a bank statement, but is not recorded to the system. In Acumatica ERP, you can create cash adjustments for these transactions that have occurred but were not recorded to the account by clicking **Create Adjustment** on the table toolbar of the [Reconciliation Statements](#) (CA302000) form.

Release of a Reconciliation Statement

You can release a balanced statement by clicking **Release** on the form toolbar of the [Reconciliation Statement History](#) (CA302010) or [Reconciliation Statements](#) (CA302000) form.

The released statement includes only documents for which the **Reconciled** check box is selected in the table on the [Reconciliation Statements](#) form. When you release the reconciliation statement, the system assigns a date and a reconciliation statement reference number to all transactions marked as reconciled; these transactions will not appear on any future reconciliation statement.

If transactions were not marked as reconciled but were marked as cleared, they will keep the *Cleared* status and will appear on subsequent statements until they are reconciled.



The amounts of unreleased transactions with the *Cleared* status affect the available balance of a cash account only if the **Unreleased Cleared** check box is selected in the **Receipts to Add to Available Balances** and **Disbursements to Deduct From Available Balances** sections of the [Cash Management Preferences](#) (CA101000) form. For details, see [Cash Account Configuration](#).

Bank Reconciliation: To Reconcile a Cash Account

In this activity, you will learn how to perform bank reconciliation—that is, to match the balances in the company's accounting records for a cash account to the corresponding information on a bank statement.

Story

Suppose that on January 31, 2025 the accounting department of the SweetLife Fruits & Jams company received a bank statement from KeyBank for the amount of \$4,995 ([EU_FinBasic_Bank_Statement_KeyBank_01_31_2025.xlsx](#)).

Acting as a SweetLife accountant, you need to perform bank reconciliation for January 2025 as you prepare to close the 01-2025 financial period in the general ledger. During reconciliation, you will match the records in the system (the book balance) and in the statement for the bank account (the bank balance).

Process Overview

In this activity, you will find the ending balance of the cash account on the *Cash Account Details* (CA303000) form. Then you will create a reconciliation statement on the *Reconciliation Statements* (CA302000) form and review the difference between the bank balance and the book balance. On the same form, you will enter a quick transaction for an amount that is included in the bank statement but has not been entered in the system. Finally, you will release the reconciliation statement.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website, and sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, make sure that the business date in your system is set to *1/31/2025*. If a different date is displayed, click the Business Date menu button and select *1/31/2025*. For simplicity, in this activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Finding the Ending Balance of the Cash Account

To find the ending balance of the cash account for 01/31/2025, do the following:

1. Open the *Cash Account Details* (CA303000) form.
2. In the Selection area, specify the following settings:
 - **Cash Account:** *10210WH - KeyBank Checking*
 - **Start Date:** *1/1/2025*
 - **End Date:** *1/31/2025*
 - **Show Summary:** Cleared
 - **Include Unreleased:** Cleared

The table shows all the transactions that match the specified criteria.

3. Note the amount in the **Ending Balance** box in the Selection area. This is the ending balance of your cash account as of 1/31/2025.



Although this step is not needed for reconciliation, it is presented here to illustrate how to check the cash account balance and payments processed for the cash account for the selected date range.

Step 2: Creating a Reconciliation Statement

To create a reconciliation statement, do the following:

1. Open the Reconciliation Statements (CA3020PL) list of records.
2. On the form toolbar, click **New Record** to open the *Reconciliation Statements* (CA302000) form and create a new statement.
3. In the Selection area, specify the following settings:
 - **Cash Account:** 10210WH - KeyBank Checking
 - **Reconciliation Date:** 1/31/2025
 - **Load Documents Up To:** 1/31/2025

All unreconciled payments with a date not later than 1/31/2025 are loaded to the table.
4. Look through the payments in the table and match them against the respective transactions from the *EU_FinBasic_Bank_Statement_KeyBank_01_31_2025.xlsx* file. For every payment loaded to the table, select the **Reconciled** check box once you have matched it to a record in the bank statement. Note the amount in the **Reconciled Balance** box; it is the amount of all transactions for which this check box is selected.



If any unreleased transactions are displayed in the table, the system warns you that an unreleased document cannot be added to the reconciliation.

5. To match the invoice payment of \$500 from the bank statement to respective transactions in the system, select the **Reconciled** check boxes for three payments of \$300, \$100, and \$100 dated 1/15/2025.
6. Leave the **Reconciled** check box cleared for the payment in the amount of \$520 dated 1/30/2025.
This means that the payment in the amount of \$520 for the *BLUEL/NE* vendor posted on 1/30/2025 was not included in the bank statement dated 1/31/2025.
7. In the table, click the link in the **Orig. Doc. Number** column for this payment, and review it on the *Checks and Payments* (AP302000) form, which opens in a separate window. Close the window to return to the *Reconciliation Statements* form.
8. In the **Statement Balance** box, enter the bank statement balance you have received from the bank (4995).
In the **Difference** box, you can see the difference between the statement balance and the balance calculated based on the payments marked as reconciled. Notice that the box contains **-15.00**, meaning that the bank charge in the amount of \$15 included in the bank statement has not been entered in the system.
9. On the table toolbar, click **Create Adjustment**. You use this action to enter the settings for a line with bank charges that were included in the bank statement but have not been entered in the system.
10. In the **Quick Transaction** dialog box, which opens, specify the following settings:
 - **Entry Type:** BANKFEE
 - **Hold:** Cleared
 - **Doc. Date:** 1/31/2025 (inserted by default)
 - **Fin. Period:** 01/2025 (inserted by default)
 - **Amount:** 15
 - **Description:** Bank Fees (inserted by default)
11. Click **Release** to release the transaction and close the dialog box.

The system has added the created transaction to the table on the *Reconciliation Statements* form.



If you click **Save** and close the dialog box without releasing the transaction, the system will add a line with the *Cash Entry* type to the bank reconciliation statement and will display a warning that unreleased documents cannot be added to a reconciliation statement. You would release the transaction on the *Cash Transactions* (CA304000) form by clicking **Release** on the form toolbar.

12. In the table, select the **Reconciled** check box for the row with the \$15 bank fee.

13. On the form toolbar, click **Remove Hold**; then click **Save** on the form toolbar to save the reconciliation statement. The reconciliation statement before release is shown in the following screenshot.

Reconciliation Statement Details																																																																																																																																																																					
Cash Account:		10210WH - KeyBank Checking	Beginning Balance:	0.00	Document Count:																																																																																																																																																																
Ref. Number:		000001	Reconciled Receipts:	5,800.00	6																																																																																																																																																																
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Figure: The reconciliation statement before release

14. On the form toolbar, click **Release** to release the reconciliation statement.

Bank Reconciliation: Related Reports

In the following sections, you can find details about the reports you may want to review to gather information for bank reconciliation.



If you do not see a particular report or form that is described, you may have signed in to the system with a user account that does not have access rights to the report or form. Contact your system administrator to obtain access to any needed reports or forms.

Reviewing a Reconciliation Statement

You can review a reconciliation statement for a particular cash account by running the reconciliation statement report on the **Reconciliation Statement** (CA627000) form. You can also run this report by clicking **Reconciliation Statement Report** (under **Reports**) on the More menu of the **Reconciliation Statements** (CA302000) form with a reconciliation statement selected. The report shows reconciled and unreconciled disbursements and receipts, the beginning balance of the bank statement, and the cash account balance as of the statement date.

Reviewing a Summary and Details of Reconciliations

On the **Reconciliation Register** (CA623500) and **Reconciliation Register Details** (CA624000) forms, you can review the summary and detailed information about bank reconciliations for a selected cash account within the specified range of dates.

Part 5: Period-End and Year-End Procedures

This part of the course deals with period-end and year-end procedures to be performed in subledgers and in the general ledger.

You need to complete the activities in this part by using user accounts with specific access rights. Each activity provides the credentials to use for sign-in to the prepared *U100* tenant in the *System Preparation* section.

Lesson 5.1: Closing Periods in Subledgers and GL

In this lesson, you will find general information on how to close financial periods, an activity that describes how to close a period in accounts receivable, an activity that describes how to close a period in accounts receivable and in the general ledger, and report and inquiries that can be useful to find and view trial balances and balance discrepancies.

Closing Financial Periods: General Information

After all the needed transactions have been posted to a financial period and all figures have been verified, you can close the financial period in the system. The following capabilities and restrictions apply to the closing of financial periods:

- You can close multiple periods at the same time (for instance, all periods of a financial year).
- Financial periods can be closed starting from the first period of the first financial year. You cannot close a financial period if the previous one has not been closed yet, unless it is being closed at the same time.
- Once closed, a period can later be reopened, if needed.
- You generally close periods to prevent unauthorized users from posting new transactions to the period. However, you can allow users to enter documents and post transactions to the closed period.

Learning Objectives

In this chapter, you will learn how to do the following:

- Close a financial period in a subledger
- Close a financial period in all the subledgers and in the general ledger at the same time

Statuses of Financial Periods

Every financial period belongs to a range of periods that have a particular status—*Inactive*, *Open*, *Closed*, or *Locked*. The system can contain four period ranges, each with a different status.

The example shown in the following screenshot illustrates multiple period ranges in the system, with the periods in each range having a particular status that is valid in the system. You can see the following ranges of periods:

- 01-2024 to 02-2024, whose periods have the *Locked* status
- 03-2024 to 04-2024, whose periods have the *Closed* status
- 05-2024 to 10-2024, whose periods have the *Open* status
- 11-2024 to 13-2024, whose periods have the *Inactive* status

Company Financial Calendar

NOTES ACTIVITIES FILES TOOLS ▾

* Company: SWEETLIFE - Sweet

* Financial Year: 2024

Start Date: 1/1/2024

Number of Periods: 13

Financial Period ID	Start Date	End Date	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
> 01-2024	1/1/2024	1/31/2024	January	Locked	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
02-2024	2/1/2024	2/29/2024	February	Locked	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
03-2024	3/1/2024	3/31/2024	March	Closed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
04-2024	4/1/2024	4/30/2024	April	Closed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
05-2024	5/1/2024	5/31/2024	May	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
06-2024	6/1/2024	6/30/2024	June	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
07-2024	7/1/2024	7/31/2024	July	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
08-2024	8/1/2024	8/31/2024	August	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
09-2024	9/1/2024	9/30/2024	September	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10-2024	10/1/2024	10/31/2024	October	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11-2024	11/1/2024	11/30/2024	November	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12-2024	12/1/2024	12/31/2024	December	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13-2024	12/31/2024	12/31/2024	Adjustment Period	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

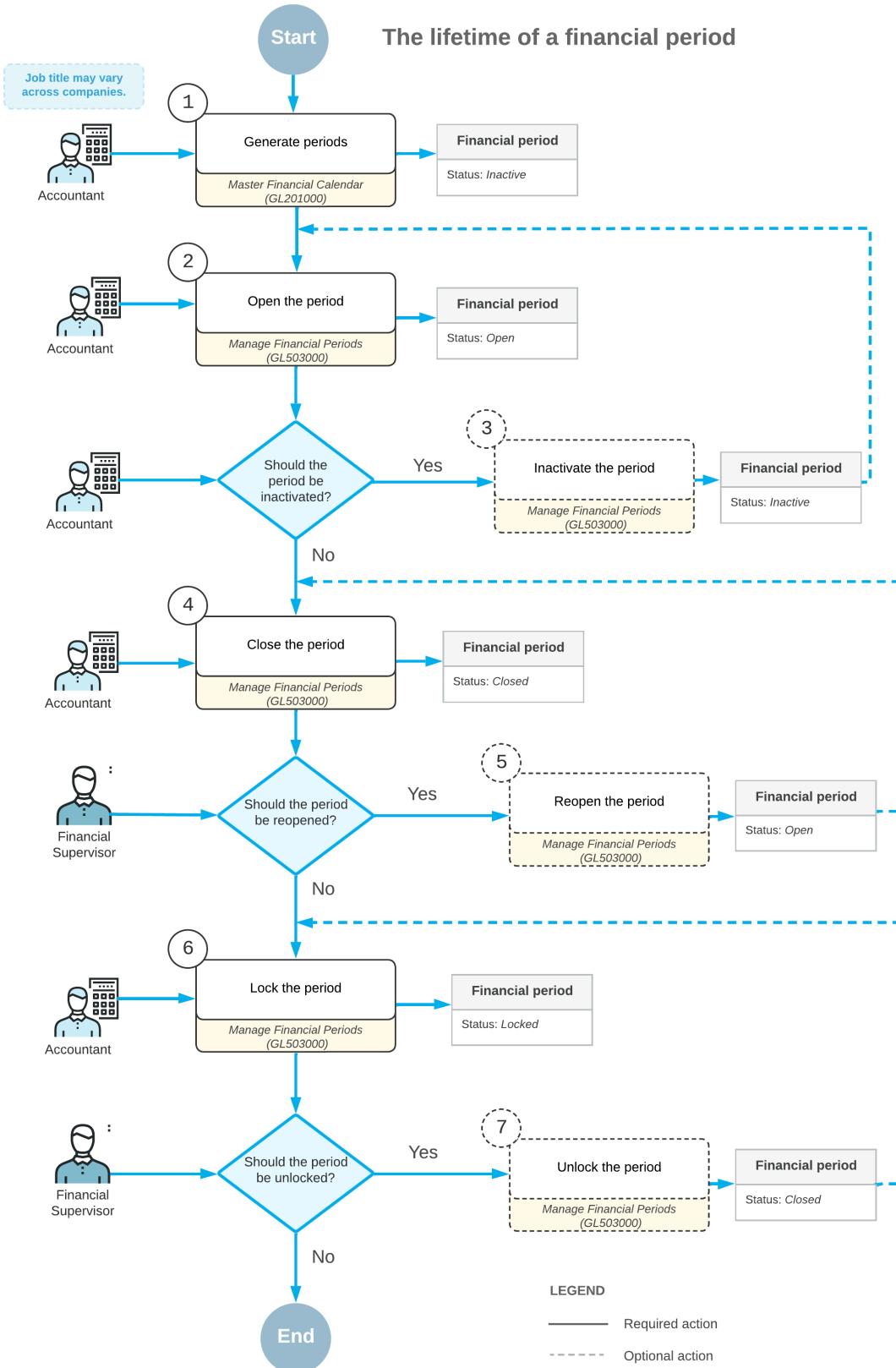
Figure: Ranges of financial periods with particular statuses

The following table lists the possible statuses of financial periods, describes each status, and presents the action or actions that you can perform to change the statuses of periods of each listed status. You can perform actions on periods on the [Manage Financial Periods](#) (GL503000) form by clicking buttons on the form toolbar or the equivalent commands on the More menu.

Status	Description of a Period with This Status	Actions That Can Be Performed
Inactive	An inactive period has been generated in the system but has not yet been opened. Transactions cannot be posted to the period.	Open the period by clicking Open
Open	An open period can be selected in records, and transactions can be posted to it.	Close the period by clicking Close or deactivate it by clicking Deactivate

Status	Description of a Period with This Status	Actions That Can Be Performed
<i>Closed</i>	<p>A closed period cannot be selected in records, and users can be restricted from posting to it.</p> <p>If the Restrict Access to Closed Periods check box is selected on the General Ledger Preferences (GL102000) form, transactions can be posted to a closed period by only users to whom the <i>Financial Supervisor</i> role has been assigned. If this check box is cleared, any user can post to closed periods.</p>	Lock the period by clicking Lock or reopen it by clicking Reopen
<i>Locked</i>	<p>A locked period cannot be selected in a record, and transactions cannot be posted to it in any subledger.</p> <p>You lock a period to prevent changes to period-specific data that has been verified and disclosed in reports.</p>	Unlock the period by clicking Unlock

The following diagram illustrates the statuses in the lifetime of financial periods in the system, along with the actions that change the statuses of these periods.



The lifetime of a financial period in the system includes the following actions:

1. A financial administrator generates the financial period with the *Inactive* status.

2. To give users the ability to create a record in this period or post a transaction to the period under one of the company branches, the financial administrator must open the needed period in the company. This gives the period the *Open* status, and it can be used in all subledgers.
3. Optional: The financial administrator inactivates an open period in the system to prevent users from posting transactions to this period. The inactivated period and the preceding periods will be assigned the *Inactive* status again.
4. When all the needed records have been processed in the period, the financial administrator closes the period to prevent erroneous posting. For a period to be closed in a subledger, it must not contain any unreleased documents (except for rejected and scheduled documents), and the previous period has to be closed in this subledger. For a period to be closed in the general ledger, it must not contain any unposted transactions (except for scheduled ones), it has to be closed in all other subledgers, and the previous period has to be closed in the general ledger. When the financial administrator closes the period, the period and the preceding periods in the range (that is, with the same status) will be assigned the *Closed* status.
5. Optional: A user to which the *Financial Supervisor* role is assigned reopens a closed period for posting. The reopening process sets the period's status to *Open* for the selected period or range of periods; optionally, the periods can be reopened in all subledgers.
6. To keep the data unchanged by all the users and the validation processes, the financial administrator locks a closed period. The period can be locked only if the previous period is locked as well. This process assigns the *Locked* status to the range of periods to which the selected period belongs.
7. Optional: If necessary, a user to which the *Financial Supervisor* role is assigned unlocks the period to assign the *Closed* status to it again so that the needed transactions can be posted to it.

Closing of a Period in Subledgers

Although you can close periods in subledgers and in the general ledger at the same time, you may decide to close periods in subledgers (accounts payable, accounts receivable, cash management, inventory, and fixed assets) separately in your system by using the forms listed below for each subledger. To view information about the status of periods, you can use the [Manage Financial Periods](#) (GL503000) form.

Before you close a period in these subledgers, you should make sure that there are no unreleased documents that are to be posted to this period. (For the fixed assets subledger, the system also checks whether all assets have been depreciated in the period.) To close periods in the subledgers, you use the following forms:

- In the accounts payable subledger, the [Close Financial Periods](#) (AP506000) form
- In the accounts receivable subledger, the [Close Financial Periods](#) (AR509000) form
- In the cash management subledger, the [Close Financial Periods](#) (CA506000) form
- In the inventory subledger, the [Close Financial Periods](#) (IN509000) form
- In the fixed assets subledger, the [Close Financial Periods](#) (FA509000) form

When you close a given financial period in a subledger on any of these forms, all preceding open periods will be closed in the subledger as well.

Closing of a Period in the General Ledger

A period is assigned the *Closed* status only after it has been closed in the general ledger on the [Manage Financial Periods](#) (GL503000) form. For instructions on how to close periods, see [Closing Financial Periods: To Close a Period in Subledgers and GL](#).

Before you close periods, you need to check whether there are unposted documents for the periods that you want to close. To do that, on the [Manage Financial Periods](#) form, you select the periods you want to close and click **Unposted Documents** on the form toolbar. In the *Unposted Documents* report, which opens, you can review the list of documents that have not been posted to the selected periods.

Closing a period in the general ledger initiates the generation of auto-reversing batches if the **Generate Auto-Reversing Entries on Period Closing** check box is selected on the [General Ledger Preferences](#) (GL102000) form and

these batches have been prepared on the [Journal Transactions](#) (GL301000) form. If auto-reversing entries should be generated when the applicable period is closed, you should not close the last financial period that was opened; you should always open at least one financial period before you close the most recent period.

You can view closed periods for a particular year on the [Master Financial Calendar](#) (GL201000) form if the **Centralized Period Management** feature is enabled on the [Enable/Disable Features](#) (CS100000) form or on the [Company Financial Calendar](#) (GL201100) form if the **Centralized Period Management** feature is disabled. For the closed periods, the **Status** column contains *Closed* and the check boxes are selected in the **Closed in AP**, **Closed in AR**, **Closed in IN**, **Closed in CA**, and **Closed in FA** columns.

If a period was closed by mistake, you can reopen it on the [Manage Financial Periods](#) form. For more information, see [Financial Periods: To Reopen a Period](#).

Posting of Transactions to Closed Periods

In some cases, you may find additional transactions to be processed in a period that was closed. To accommodate such situations, you can allow posting transactions to closed periods by assigning appropriate users to the *Financial Supervisor* role on the [User Roles](#) (SM201005) form. Only users assigned to this role can post to closed periods if the **Restrict Access to Closed Periods** check box is selected on the [General Ledger Preferences](#) (GL102000) form. If this check box is cleared, all users can post transactions to closed periods.

If you want to prevent all users from posting to closed periods, you lock periods (that is, you assign the periods the *Locked* status) on the [Manage Financial Periods](#) (GL503000) form. For instructions, see [Financial Periods: To Lock a Period](#).

Period-End Closing Overview

The process of closing a period consists of the following steps:

1. Optional: Closing the period in the subledgers. (You can instead close the period in subledgers along with the general ledger after performing period-end activities.) For details, see [Closing Financial Periods: To Close a Period in a Subledger](#).
2. Generating and posting any recurring transactions. For details, see [Recurring Transactions: Process Activity](#).
3. Performing period-end adjustments—that is, posting adjustment transactions (some of which should be reversed at the beginning of the next period). For details, see [Adjusting Transactions: Process Activity](#).
4. Revaluing general ledger accounts so that the balances of the accounts in foreign currencies are revalued using the end-period exchange rate. For details, see [Revaluation of Bank Accounts: Process Activity](#).
5. Reviewing the trial balance and the list of transactions.
6. Reclassifying transactions if there are errors, as described in [Reclassifying Transactions](#).
7. Running allocations if the distribution of amounts between branches, accounts, and subaccounts is needed. For details, see and [Running Allocations](#)
8. Closing the period in the general ledger. For instructions, see [Closing Financial Periods: To Close a Period in Subledgers and GL](#).

The overall process of closing a period in the system is shown in the following diagram. The steps marked with a star are described in a process activity in this chapter.

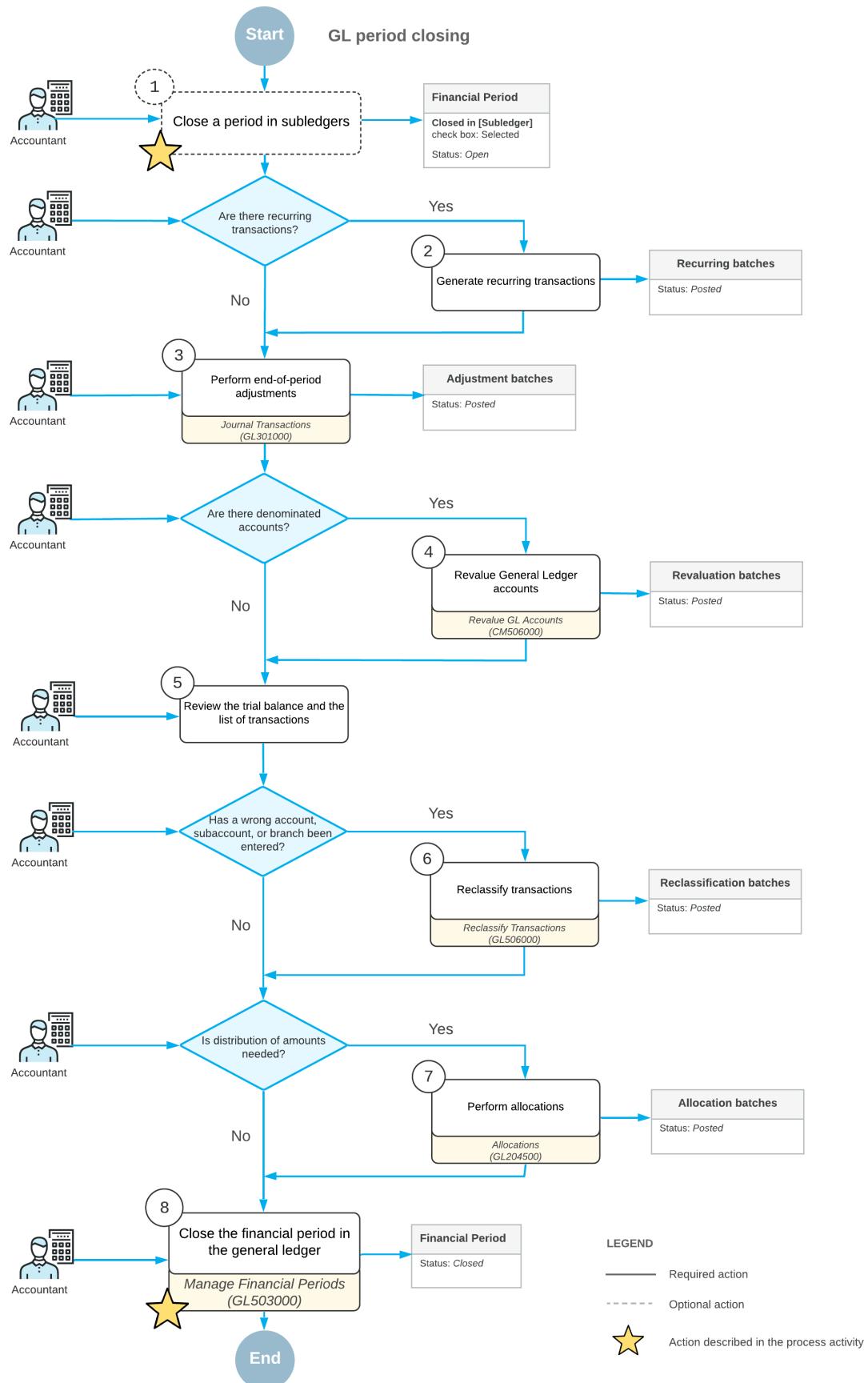


Figure: Closing GL periods

Closing Financial Periods: To Close a Period in a Subledger

The following activity will walk you through the process of closing a period in the accounts receivable subledger.

Story

Suppose that as an accountant of the SweetLife Fruits & Jams company, you have to close the 03-2024 financial period and the preceding periods in the accounts receivable subledger for the SweetLife Head Office and Wholesale Center branch to prevent users from posting to these periods.

Process Overview

In this activity, you will close financial periods in the accounts receivable subledger on the [Close Financial Periods](#) (AR509000) form.



In a production environment, before you get started, you would make sure the following conditions are met:

- There are no batches with a status of *On Hold*, *Balanced*, or *Unposted* in the period or periods.
- If you use auto-reversing entries, at least one financial period will remain open after you close the needed period or periods.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Preparing to Close the Financial Periods

Perform the following instructions to prepare to close the financial periods:

1. Open the [Close Financial Periods](#) (AR509000) form.
2. In the Selection area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Action:** *Close* (selected by default)
 - **To Year:** *2024*
3. Select the unlabeled check box for the 03-2024 period. Notice that the check boxes corresponding to all the preceding periods are selected automatically, as shown in the following screenshot.

The screenshot shows the 'Close Financial Periods' dialog box. At the top, there are buttons for PROCESS, PROCESS ALL, UNRELEASED DOCUMENTS, and a toolbar with various icons. The selection area includes fields for Company (SWEETLIFE - Sweet), Action (Close), From Year (2024), and To Year (2024). Below this is a table of financial periods:

	Financial Period ID	Description
0	01-2024	January
0	02-2024	February
> 0	03-2024	March
0	04-2024	April
0	05-2024	May
0	06-2024	June
0	07-2024	July
0	08-2024	August
0	09-2024	September
0	10-2024	October
0	11-2024	November
0	12-2024	December
0	13-2024	Adjustment Period

The period '03-2024' is highlighted with a blue background and has a checked checkbox next to it.

Figure: Periods selected for closing in the AR subledger

4. On the form toolbar, click **Unreleased Documents** to verify that no unreleased documents exist for these periods.
5. In the dialog box with an informational message that is displayed, click **OK**.

Step 2: Closing the Financial Periods

To close the financial periods, do the following:

1. On the form toolbar of the [Close Financial Periods](#) (AR509000) form, click **Process**.
2. Close the **Processing** dialog box.
3. Open the [Manage Financial Periods](#) (GL503000) form to review the statuses of financial periods.
4. In the Selection area, specify the following settings:
 - **Company:** SWEETLIFE (inserted by default)
 - **Action:** Close
 - **To Year:** 2024
5. In the table, review the statuses of the financial periods that you closed earlier.

The periods have retained the *Open* status (because they are still open in the subledgers and in the general ledger), but the **Closed in AR** check box is selected for all the periods, meaning that these periods have been closed in the accounts receivable subledger.

Closing Financial Periods: To Close a Period in Subledgers and GL

The following activity will walk you through the process of closing periods in all the subledgers and in the general ledger at the same time.

Story

Suppose that as an accountant of the SweetLife Fruits & Jams company, you have to close the 04-2024 financial period (and all previous periods that are not already closed) in all the subledgers and in the general ledger at the same time. The periods should be closed for the SweetLife Head Office and Wholesale Center branch to prevent users from posting to these periods.

Process Overview

In this activity, you will review the statuses of financial periods on the [Company Financial Calendar](#) (GL201100) form and close the financial periods on the [Manage Financial Periods](#) (GL503000) form.



In a production environment, before you get started, you would make sure the following conditions are met:

- There are no batches with a status of *On Hold*, *Balanced*, or *Unposted* in the period or periods.
- If you use auto-reversing entries, at least one financial period will remain open after you close the needed period or periods.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Reviewing the Statuses of Financial Periods

To review the statuses of the financial periods of 2024, do the following:

1. Open the [Company Financial Calendar](#) (GL201100) form.
2. In the Selection area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Financial Year:** *2024*

Notice that the displayed periods have the *Open* status in the subledgers and in the general ledger, except for the three periods (January, February, and March) that were closed in the AR subledger in the [Closing Financial Periods: To Close a Period in a Subledger](#) activity.

Step 2: Closing the Financial Periods

To close the financial periods, do the following:

1. On the More menu of the *Company Financial Calendar* (GL201100) form, click **Close Periods**.
2. On the *Manage Financial Periods* (GL503000) form, which opens, notice that the system has selected the *Close* action in the Summary area. In the table, select the unlabeled check box for the 04-2024 period. The check boxes for the preceding periods are automatically selected, as shown in the following screenshot.

The screenshot shows the 'Manage Financial Periods' form. At the top, there are buttons for PROCESS, PROCESS ALL, UNPOSTED DOCUMENTS, and a TOOLS dropdown. The summary section includes fields for Company (SWEETLIFE - Sweet), Action (Close), From Year (2024), and To Year (2024). Below this is a table with columns: Financial Period ID, Description, Status, Closed in AP, Closed in AR, Closed in IN, and Closed in CA. The table lists months from January to December, plus an Adjustment Period. The rows for January through March have checkboxes checked in the first column. The row for April has checkboxes checked in the first three columns. The rows for May through December and the Adjustment Period have all checkboxes in the first column unchecked. The row for April is highlighted with a light blue background.

Financial Period ID	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
01-2024	January	Open	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
02-2024	February	Open	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
03-2024	March	Open	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
04-2024	April	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
05-2024	May	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
06-2024	June	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
07-2024	July	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
08-2024	August	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
09-2024	September	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10-2024	October	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11-2024	November	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12-2024	December	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13-2024	Adjustment Period	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure: Periods selected for closing in subledgers and general ledger

3. On the form toolbar, click **Unposted Documents** to verify that no unposted documents exist for these periods.
4. In the dialog box with an informational message, which is displayed, click **OK**.
5. On the form toolbar, click **Process**.
6. In the dialog box with an informational message (which informs you that the selected periods will be closed in the subledgers and in the general ledger), click **OK**.
7. Close the **Processing** pop-up window.

Closing Financial Periods: Related Reports and Inquiries

This topic describes the reports, inquiries, and forms you may want to review to gather information about possible discrepancies in subledgers that should be corrected before you close financial periods.

Reviewing the Trial Balance

Before closing financial periods, you may want to review the company's trial balance to ensure that the total value of all debit entries equals the total value of the credit entries and that the data is accurate. You can use one of the following forms to review the trial balance: the [Account Summary](#) (GL401000) inquiry form, the [Trial Balance Summary](#) (GL632000) report, and the [Trial Balance Detailed](#) (GL632500) report.

Reviewing Balance Discrepancies

You can use the [Discrepancies by Account](#) (AP409010) and [Discrepancies by Account](#) (AR409010) forms to find discrepancies between the balances of AP accounts and AR accounts in the GL and in a subledger (AP or AR) with the accounts listed for a particular range of financial periods.

If discrepancy is found on either of the forms, you can click the needed links in the **Discrepancy** column to open the [Discrepancies by Vendor](#) (AP409020) or [Discrepancies by Customer](#) (AR409020) form and view the discrepancies listed by vendor or customer. From either of these forms, you can click the needed links in the **Discrepancy** column to open the [Discrepancies by Document](#) (AP409030) or [Discrepancies by Document](#) (AR409030) form to view the specific documents causing the discrepancies.

Lesson 5.2: Managing Financial Periods

In this lesson, you will find general information on how to manage financial periods and activities that describe how to lock, unlock, reopen, and deactivate financial periods subledgers and in the general ledger.

Financial Periods: General Information

Early in the configuration of Acumatica ERP, financial periods were configured to meet your company's needs and to organize the journal transactions posted to make financial statements and reports meaningful. Over time, you manage these periods to keep your organization's financial processes flowing smoothly. This chapter contains instructions on maintaining financial periods in Acumatica ERP.

Learning Objectives

In this chapter, you will learn how to do the following:

- Lock a financial period in a subledger
- Unlock a locked financial period in a subledger
- Reopen a financial period in the subledgers and the general ledger at the same time
- Deactivate a financial period in the subledgers and the general ledger

Locking of Periods

Once a period has been closed and the data from this period has been verified and disclosed in financial reports, you need to secure this data from further changes. To do this, you need to lock this period—which changes its status from *Closed* to *Locked*—on the [Manage Financial Periods](#) (GL503000) form. For detailed instructions, see [Financial Periods: To Lock a Period](#).

If necessary, you can unlock a locked period. For instructions, see [Financial Periods: To Unlock a Period](#).

Reopening of Periods

You use the [Manage Financial Periods](#) (GL503000) form to reopen periods that have been closed. You can reopen a period in the general ledger only (with the period staying closed in all the subledgers) or you can select the **Reopen Financial Periods in All Modules** check box to reopen this period in all the subledgers and the general ledger at the same time. If you need to open a period in a particular subledger, you select *Reopen* in the **Action** box on one of the following forms before invoking processing for the selected period or periods:

- For accounts payable: The [Close Financial Periods](#) (AP506000) form
- For accounts receivable: The [Close Financial Periods](#) (AR506000) form
- For cash management: The [Close Financial Periods](#) (CA506000) form
- For inventory: The [Close Financial Periods](#) (IN509000) form
- For fixed assets: The [Close Financial Periods](#) (FA509000) form

For detailed instructions, see [Financial Periods: To Reopen a Period](#).

Deactivation of Periods

If periods have been opened by mistake, to prevent posting to these periods, you can deactivate these financial periods for the master calendar or a company calendar on the [Manage Financial Periods](#) (GL503000) form.

If you need to review the statuses of periods before deactivating them, you open the [Master Financial Calendar](#) (GL201000) form if the *Centralized Period Management* feature is enabled, or the [Company Financial Calendar](#) (GL201100) form if this feature is disabled. From either form, you then navigate to the [Manage Financial Periods](#) form by clicking **Deactivate Periods** on the More menu.

For detailed instructions, see [Financial Periods: To Deactivate a Period](#).

Financial Periods: To Lock a Period

In this activity, you will learn how to lock a period in a particular company.

Story

Suppose that now that the accounting department of the SweetLife Fruits & Jams company has finished verifying all the figures disclosed in reports, users should be prevented from posting transactions to the appropriate periods.

Acting as SweetLife's chief accountant, you have to lock these periods in the system.

Process Overview

In this activity, you will review period statuses on the [Company Financial Calendar](#) (GL201100) form, and then lock a particular financial period on the [Manage Financial Periods](#) (GL503000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*

- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step: Locking a Financial Period

To lock the 02-2024 financial period, do the following:

- Open the [Company Financial Calendar](#) (GL201100) form.
- In the Selection area, specify the following settings:
 - Company:** SWEETLIFE (inserted by default)
 - Financial Year:** 2024

In the table, notice that some of the periods have the *Closed* status. These periods can be locked.

- On the More menu, click **Lock Periods**.
- On the [Manage Financial Periods](#) (GL503000) form, which opens, notice that the system has selected the *Lock* action in the Summary area. In the table, select the unlabeled check box for the 02-2024 period. The preceding periods are selected automatically.
- On the form toolbar, click **Process**, as shown in the following screenshot.

The screenshot shows the 'Manage Financial Periods' form. The toolbar at the top includes buttons for Refresh, Undo, Redo, and Process, with 'PROCESS' highlighted with a red box. Below the toolbar, there are fields for Company (SWEETLIFE - Sweet), Action (Lock), From Year (2022), and To Year (2024). The main area is a grid table with columns: Financial Period ID, Description, Status, Closed in AP, Closed in AR, Closed in IN, and Closed in CA. The rows represent financial periods from January to April 2024. The 02-2024 row is selected, indicated by a blue highlight and a checked checkbox in the first column. The entire row is bordered in red, and the checkbox in the first column is also highlighted in red.

Financial Period ID	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
01-2024	January	Closed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
02-2024	February	Closed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
03-2024	March	Closed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
04-2024	April	Closed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Figure: The periods selected for locking

- In the **Processing** pop-up window, which is opened, click the **Processed** tab, and review the list of periods that have been locked. Click **Close**.

Financial Periods: To Unlock a Period

In this activity, you will learn how to unlock financial periods and post a GL batch to a closed financial period.

Story

Suppose that at the end of January 2024, the 01-2024 financial period was locked for the SweetLife Fruits & Jams company. Acting as SweetLife's chief accountant, you have realized that it should not have been locked yet,

because a transaction hasn't been entered in the system (a purchase of office supplies on January 31, 2024, in the amount of \$300).

You need to unlock the *01-2024* period and post this transaction to it.

Process Overview

In this activity, you will review period statuses on the *Company Financial Calendar* (GL201100) form, and unlock a particular financial period on the *Manage Financial Periods* (GL503000) form. You will then create and post a GL batch for this period on the *Journal Transactions* (GL301000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. In the info area, in the upper-right corner of the top pane of the Acumatica ERP screen, click the Business Date menu button and select *1/31/2024*. For simplicity, in this process activity, you will create and process all documents in the system on this business date.
3. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Unlocking the Financial Period

To unlock the *01-2024* financial period, do the following:

1. Open the *Company Financial Calendar* (GL201100) form.
2. In the Selection area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Financial Year:** *2024*Notice that several periods have the *Locked* status.
3. On the More menu, click **Unlock Periods**.
4. On the *Manage Financial Periods* (GL503000) form, which opens, notice that the system has selected the *Unlock* action in the Summary area. In the table, select the unlabeled check box for the *01-2024* period. The following *02-2024* period is selected automatically.
5. On the form toolbar, click **Process**, as shown in the following screenshot.

The screenshot shows the 'Manage Financial Periods' window. At the top, there are buttons for 'PROCESS' (highlighted with a red box), 'PROCESS ALL', 'UNPOSTED DOCUMENTS', and 'TOOLS'. Below this is a form with fields: 'Company' set to 'SWEETLIFE - Sweet', 'Action' set to 'Unlock', 'From Year' set to '2024', and 'To Year' set to '2024'. A table below lists financial periods with columns: Financial Period ID, Description, Status, and four 'Closed' checkboxes (in AP, AR, IN, CA). Two rows are selected: '01-2024' (January) and '02-2024' (February), both of which are currently 'Locked'.

Financial Period ID	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
01-2024	January	Locked	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
02-2024	February	Locked	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Figure: The periods selected for unlocking

6. In the **Processing** pop-up window, which is opened, click **Close**.

The status of the periods has changed from *Locked* to *Closed*.

Step 2: Posting a GL Batch to the Closed Period

To create a GL batch and post it to the closed 01-2024 period, which you unlocked in the previous step, do the following:

1. Open the [Journal Transactions](#) (GL301000) form.
2. On the form toolbar, click **Add New Record**, and specify the following settings in the Summary area:
 - **Module:** GL (inserted by default)
 - **Branch:** HEADOFFICE (inserted by default)
 - **Ledger:** ACTUAL (inserted by default)
 - **Transaction Date:** 01/31/2024
 - **Post Period:** 01-2024
 - **Description:** Office supplies
3. On the table toolbar, click **Add Row**, and specify the following settings for the added row:
 - **Branch:** HEADOFFICE (inserted by default)
 - **Account:** 62400
 - **Debit Amount:** 300
4. Click **Add Row**, and specify the following settings for the added row:
 - **Branch:** HEADOFFICE (inserted by default)
 - **Account:** 10200
 - **Credit Amount:** 300
5. On the form toolbar, click **Remove Hold**.
6. Notice the warning message that is displayed next to the **Post Period** box. It informs you that the 01-2024 period is closed in the SWEETLIFE company (but you still can post to this closed period). Click **Save** to save your changes.
7. On the form toolbar, click **Release** to release the transaction.

Financial Periods: To Reopen a Period

In this activity, you will learn how to reopen a financial period for a particular company in the general ledger and other subledgers at the same time.

Story

Suppose that acting as the chief accountant of the SweetLife Fruits & Jams company, you need to reopen a previously closed financial period (02-2024), so that users can post transactions to it without having to type the period manually (as they need to do when posting to closed periods).

Process Overview

In this activity, you will review period statuses on the [Company Financial Calendar](#) (GL201100) form, and then you will reopen a particular financial period on the [Manage Financial Periods](#) (GL503000) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step: Reopening the Financial Period

To reopen the 02-2024 financial period, do the following:

1. Open the [Company Financial Calendar](#) (GL201100) form.
2. In the Selection area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Financial Year:** *2024*
- Notice that several periods in the table have the *Closed* status and the **Closed in AP**, **Closed in AR**, **Closed in IN**, and **Closed in CA** check boxes are selected.
3. On the More menu, click **Reopen Periods**.
4. On the [Manage Financial Periods](#) (GL503000) form, which opens, notice that the system has selected the **Reopen** action in the Summary area.
5. In the table, select the unlabeled check box for the 02-2024 period. The 03-2024 period and later periods are selected automatically.
6. To reopen the selected periods in all subledgers, select the **Reopen Financial Periods in All Modules** check box in the Selection area.
7. On the form toolbar, click **Process**, as shown in the following screenshot.

The screenshot shows the 'Manage Financial Periods' screen in Acumatica. At the top, there are buttons for 'PROCESS', 'PROCESS ALL', 'UNPOSTED DOCUMENTS', and a 'TOOLS' dropdown. The 'PROCESS' button is highlighted with a red box. Below the buttons, there are fields for 'Company' (SWEETLIFE - Sweet), 'Action' (Reopen), 'From Year' (2024), and 'To Year' (2024). A checkbox labeled 'Reopen Financial Periods in All Modules' is checked and highlighted with a red box. The main area displays a grid of financial periods for 2024. The columns are: Financial Period ID, Description, Status, Closed in AP, Closed in AR, Closed in IN, and Closed in CA. The rows are: January (Closed), February (Closed), March (Closed), and April (Closed). The period '02-2024' is selected, indicated by a blue highlight and a red box around the row.

Figure: The periods selected for reopening in all subledgers and the general ledger

- In the **Processing** pop-up window, which is opened, click **Close**.



You can reopen a financial period in a particular subledger by performing similar instructions on the [Close Financial Periods](#) (AP506000), [Close Financial Periods](#) (AR509000), [Close Financial Periods](#) (CA506000), [Close Financial Periods](#) (FA509000), and [Close Financial Periods](#) (IN509000) forms.

Financial Periods: To Deactivate a Period

In this activity, you will learn how to deactivate a period for a particular company.

Story

Suppose that as an accountant of the SweetLife Fruits & Jams company, you have to deactivate the open 09-2025 financial period to prevent data entry clerks from posting transactions to it.

Process Overview

In this activity, you will review the status of the financial period on the [Company Financial Calendar](#) (GL201100) form and deactivate the period on the [Manage Financial Periods](#) (GL503000) form.

System Preparation

To prepare the system, do the following:

- Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
- On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step: Deactivating the Financial Period

To deactivate the open 09-2025 financial period, do the following:

1. Open the [Company Financial Calendar](#) (GL201100) form.
2. In the Selection area, specify the following settings:
 - **Company:** SWEETLIFE (inserted by default)
 - **Financial Year:** 2025
- Notice that some periods including *October* have the *Open* status.
3. On the More menu, click **Deactivate Periods**.
4. On the [Manage Financial Periods](#) (GL503000) form, which opens, notice that the system has selected the *Deactivate* action in the Summary area.
5. In the table, select the unlabeled check box for the 09-2025 period. Notice that the later periods have been selected automatically.
6. On the form toolbar, click **Process**, as shown on the following screenshot.

The screenshot shows the 'Manage Financial Periods' form. At the top, there are buttons for Refresh, Undo, Redo, **PROCESS** (which is highlighted with a red box), PROCESS ALL, UNPOSTED DOCUMENTS, and a close button. Below this is a summary section with fields for Company (SWEETLIFE - Sweet), Action (Deactivate), From Year (2025), and To Year (2026). The main area is a grid of financial periods from January to December 2025, plus an Adjustment Period. The columns are: Financial Period ID, Description, Status, Closed in AP, Closed in AR, Closed in IN, and Closed in CA. Rows 9 through 13 (September to December 2025 and Adjustment Period) have their first column checkboxes checked, and these rows are highlighted with a red border.

Financial Period ID	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
01-2025	January	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
02-2025	February	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
03-2025	March	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
04-2025	April	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
05-2025	May	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
06-2025	June	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
07-2025	July	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
08-2025	August	Open	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
09-2025	September	Open	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10-2025	October	Open	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11-2025	November	Open	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12-2025	December	Open	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13-2025	Adjustment Period	Open	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure: The periods selected for deactivation

7. In the **Processing** pop-up window, which is opened, click **Close**.

The statuses of the periods have changed from *Open* to *Inactive*.

Lesson 5.3: Generating a Financial Calendar for a New Financial Year

In this lesson, you will find general information on how to generate financial calendars and an activity that describes how generate a financial calendar for a new financial year.

Financial Calendar Generation: General Information

In Acumatica ERP, you add a new year and generate financial periods for each new year to which transactions and documents are going to be posted.



In this chapter, financial periods are managed at the company level—that is, the *Centralized Period Management* feature is disabled on the [Enable/Disable Features](#) (CS100000) form.

Learning Objectives

You will learn how to generate financial periods for a new financial year in the system and review the period statuses.

Applicable Scenarios

You generate financial periods at the end of a year for the upcoming year so that you can open periods and post transactions in the upcoming year.

Generation of the Master Calendar

In Acumatica ERP, you can post transactions to periods that are open or to both open and closed periods (depending on the settings on the [General Ledger Preferences](#) (GL102000) form). You generate financial periods on the [Master Financial Calendar](#) (GL201000) form.



If the *Centralized Period Management* feature is disabled on the [Enable/Disable Features](#) (CS100000) form, you have to generate financial periods separately in each company on the [Company Financial Calendar](#) (GL201100) form. If the *Centralized Period Management* feature is enabled, you generate financial periods for all companies in the tenant on the [Master Financial Calendar](#) form.

When periods have been generated, you can modify them before any transactions have been performed. To do so, you select the **User-Defined Periods** check box.

After you have generated the master calendar, you open any number of periods for posting on the [Manage Financial Periods](#) (GL503000) form. (On this form, you can process periods with the selected action to change their statuses.)

Financial Calendar Generation: Process Activity

In this activity, you will learn how to perform operations required to generate a financial calendar for a new month-based financial year.

Story

Suppose that at the end of 2025, acting as the accountant of the SweetLife Fruits & Jams company, you must generate a financial calendar for the 2026 year in the system.

Process Overview

In this activity, you will generate periods for a new year on the [Master Financial Calendar](#) (GL201000) form. You will then review and change the period statuses for this year on the [Company Financial Calendar](#) (GL201100) form.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Generating a Calendar for a New Financial Year

To generate a calendar for a new financial year, do the following:

1. Open the [Master Financial Calendar](#) (GL201000) form.
2. On the form toolbar, click **Generate Calendar**.
3. In the **Generate GL Calendar** dialog box, which opens, verify that 2026 is displayed in the **From Year** and **To Year** boxes and click **OK**.
4. In the Summary area, select 2026 in the **Financial Year** box and review the generated periods displayed in the table.

Step 2: Reviewing the Periods for 2026

To review the financial periods generated for 2026 in the *SWEETLIFE* company, do the following:

1. Open the [Company Financial Calendar](#) (GL201100) form.
2. In the Selection area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Financial Year:** *2026*
3. In the table, review the periods generated for 2026.

Note that all the periods in the new 2026 financial year have the *Inactive* status, as shown in the following screenshot.

The screenshot shows the 'Company Financial Calendar' form. At the top, there are search and navigation icons. Below that, the company and financial year are set to 'SWEETLIFE - Sweet' and '2026'. The start date is '1/1/2026' and the number of periods is '13'. The main area displays a grid of 13 financial periods from January to December 2026, plus an adjustment period, all marked as 'Inactive' with no checkboxes checked under 'Closed in AP', 'Closed in AR', 'Closed in IN', and 'Closed in CA'.

Financial Period ID	Start Date	End Date	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
> 01-2026	1/1/2026	1/31/2026	January	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
02-2026	2/1/2026	2/28/2026	February	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
03-2026	3/1/2026	3/31/2026	March	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
04-2026	4/1/2026	4/30/2026	April	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
05-2026	5/1/2026	5/31/2026	May	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
06-2026	6/1/2026	6/30/2026	June	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
07-2026	7/1/2026	7/31/2026	July	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
08-2026	8/1/2026	8/31/2026	August	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
09-2026	9/1/2026	9/30/2026	September	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10-2026	10/1/2026	10/31/2026	October	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11-2026	11/1/2026	11/30/2026	November	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12-2026	12/1/2026	12/31/2026	December	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13-2026	12/31/2026	12/31/2026	Adjustment Period	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure: Financial periods generated for the new financial year

Lesson 5.4: Opening Financial Periods

In this lesson, you will find general information on how to open financial periods and an activity that describes how to open financial periods in subledgers and in the general ledger.

Opening Financial Periods: General Information

You have to open the financial periods to which users will post transactions and documents. If you need to review the statuses of periods before opening periods, you open the [Master Financial Calendar](#) (GL201000) form if the [Centralized Period Management](#) feature is enabled on the [Enable/Disable Features](#) (CS100000) form, or the [Company Financial Calendar](#) (GL201100) form if this feature is disabled. On either form, you click **Open Periods** on the More menu to navigate to the [Manage Financial Periods](#) (GL503000) form. You can also navigate to this form directly if you do not need to review the statuses of periods.



If the [Centralized Period Management](#) feature is disabled, you have to open financial periods separately in each company on the [Manage Financial Periods](#) form.

After you have opened periods, they can be used in the general ledger module and subledgers of Acumatica ERP. At any time, you can have multiple open periods; opening one period does not require you to close the previous one.

Opening Financial Periods: Process Activity

In this activity, you will learn how to open a period in the subledgers and in the general ledger.

Story

Suppose that at the end of November 2026, acting as an accountant of the SweetLife Fruits & Jams company, you need to open the next financial period—12-2026—to enable users to post transactions to it.

Process Overview

In this activity, you will review the statuses of periods on the [Company Financial Calendar](#) (GL201100) form, and open a new financial period on the [Manage Financial Periods](#) (GL503000) form.



In a production environment, before opening a period, you would make sure the following conditions are met:

- The 2026 financial year for which you want to open the financial period has been created.
- Financial periods (that have the *Inactive* status) have been generated for the 2026 year.

System Preparation

To prepare the system, do the following:

1. Launch the Acumatica ERP website with the *U100* dataset. Sign in as an accountant by using the following credentials:
 - Username: *johson*
 - Password: *123*
2. On the Company and Branch Selection menu, also on the top pane of the Acumatica ERP screen, make sure that the *SweetLife Head Office and Wholesale Center* branch is selected. If it is not selected, click the Company and Branch Selection menu button to view the list of branches that you have access to, and then click *SweetLife Head Office and Wholesale Center*.

Step 1: Preparing to Open the Financial Period

To prepare for opening the financial period, do the following:

1. Open the [Company Financial Calendar](#) (GL201100) form.
2. In the Selection area, specify the following settings:
 - **Company:** *SWEETLIFE* (inserted by default)
 - **Financial Year:** *2026*

In the table, notice that all of the periods have the *Inactive* status. These periods can be opened in the system.

Step 2: Opening the Financial Period

To open the financial period, do the following:

1. On the More menu of the [Company Financial Calendar](#) (GL201100) form, click **Open Periods**.

2. On the **Manage Financial Periods** (GL503000) form, which opens, notice that the system has selected the *Open* action in the Summary area. In the table, select the unlabeled check box for the 13-2026 period, and on the form toolbar, click **Process**, as shown in the following screenshot.

	Financial Period ID	Description	Status	Closed in AP	Closed in AR	Closed in IN	Closed in CA
0	11-2025	November	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	12-2025	December	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	13-2025	Adjustment Period	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	01-2026	January	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	02-2026	February	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	03-2026	March	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	04-2026	April	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	05-2026	May	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	06-2026	June	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	07-2026	July	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	08-2026	August	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	09-2026	September	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	10-2026	October	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	11-2026	November	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
0	12-2026	December	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
>	13-2026	Adjustment Period	Inactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure: The period selected for opening

3. In the **Processing** pop-up window, which is opened, click **Close**.