

Question:

We have already closed the period for transactions in April 2025, so we can't simply cancel the payment voucher. Is there another way to resolve this issue besides canceling the payment voucher?

Resolution:

To correct the issue and ensure the balances are accurate by month, there are two options you can consider:

♦ Option 1: Reopen April 2025 Period

- Reopen the posting period for April 2025
 - Cancel the original outgoing payment document dated 18/04/2025
 - Reapply the correct outgoing payment in the correct period
- ✓ *This option will preserve accurate transaction history by original dates*

♦ Option 2: Post Adjustment in the Current Period

If reopening April is not preferred:

- Post a manual journal entry in the current period to reflect the refund (bank returned the funds)
 - Then, create a new A/P invoice and outgoing payment in June with the correct bank details and payment information
- ✓ *This maintains financial accuracy while keeping all adjustments within the current open period*

Journal Logic:


✓ 1. Original A/P Invoice (April)

Entry:

Account	Debit	Credit
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Expenses XXX


Supplier XXX

 *This books the expense and creates liability to the supplier.*

2. Original Payment (April — Failed Payment)

Entry:

Account	Debit	Credit
Supplier	XXX	
Bank		XXX


 *This reduces the liability and deducts from bank (but later failed).*

3. Refund from Bank (Manual JE — June)

Entry:

Account	Debit	Credit
Bank	XXX	
Supplier		XXX

 *This reverses the payment. It increases bank balance and re-creates the supplier liability.*

 *Now, the original invoice and payment are offset by the refund, leaving the balance clear.*

4. New A/P Invoice (June — For reissue)

Entry:

Account	Debit	Credit
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Expense s	XXX	
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Supplier		XXX
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📌 This re-books the expense and again opens supplier liability.

✅ 5. Reissued Payment (June)

Entry:

Account	Debit	Credit
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Supplier	XXX	
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Bank		XXX
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📌 Now the supplier is fully paid and bank is reduced again.

📊 Final Impact on Accounts (Net Summary):

Account	Net Movement
Expense s	Recorded once (in June, because original was offset)
Bank	Decreased once (original payment offset by refund, reissued in June)
Supplier	Net = 0 (original + refund + new payment cancel each other)

✅ Correct, clean, auditable.

you do **not need to reverse the original A/P invoice via manual journal entry**, as long as you've already:

- **Refunded the payment** with a manual JE (bank ↔ supplier)
- **Reissued a new invoice and payment** in the current period

Why?

Because the original A/P invoice was **legitimate** — it reflected an actual expense and liability. The issue was with the **payment method**, not the invoice itself.

Long Explanation:

Your Original A/P Invoice (April 2025):

- Was created to record a real supplier bill (goods or services received)
- Was paid (but that payment failed)
- The payment was reversed via **manual journal entry**, which restored the liability

That means:

- **The original A/P invoice remains balanced** (invoice + failed payment – refund JE = net zero)
- There's **no need to reverse or adjust the invoice** itself in the GL

Reissued A/P Invoice (June 2025):

- Is valid for audit and accounting
- Reflects the **actual successful payment**
- Records the expense in the correct month, which aligns with your current reporting period