ACCOUNTS PAYABLE



Accounts Payable

- When a company purchases goods on credit which needs to be paid back in a short period of time to its creditors and suppliers, it is known as Accounts Payable. It is treated as a liability and comes under the head 'current liabilities’.

Accounts Payable Reconciliation

- We should check the closing balance in the BS whether is it match with Aged Accounts Payable Summary or not? If yes, fine.
- If not, We should check the opening balance whether is it match with aged accounts Payables summary of PY or not? If yes, fine or should ask query.
- We should check if any outstanding more than 90 days or not? if yes,
- We should open the invoice which is more than 90 days and we should check any payment paid against this invoice in the next FY, if yes no need to ask query. If not should ask query for write off as Discount Received and we should reverse the GST also through credit note option.
- Do the GL Scrutiny of Accounts Payable ledger whether any other transactions related to some other heads included in this ledger or not?
- We should check if any out of balance in Aged Accounts Payable Summary or not? If yes we should find the reason and which date.
- Reasons for out of balance.

  - The purchase is dated AFTER the date of payment for this invoice this will cause an out of balance issue.

  - Making Journal entries instead of raising purchase invoice etc…

https://help.myob.com/wiki/display/ar/Receivables%2C+payables+or+inventory+out+of+balance#expand-Ifyourreceivablesareoutofbalance

THANK YOU