



The #2 liability Accounts Payable/Vendors account is a "parent" account that contains your individual vendors or payees. These individual vendor balances total the balance in Accounts Payable. Each individual vendor account, under the Accounts Payable list, contains its own balance and all transactions posted to that account.

1. Three ways to find Vendors with a Balance:

- Go to Pay Bills>Quick Pay>View Vendors with a Balance
- Go to Reports/Export>Worksheets>Accounts Payable>at Accounts Payable List, uncheck Show Unpaid Invoices and Include Vendors with Zero Balance.
- Go to Reports>Worksheets>List Chart of Accounts.

2. The next step is to determine what is causing the balance. To do this you can print an Accounts Payable Journal and/or a General Ledger report on each account with a balance to determine why the account has a balance.

- Go to Reports>Worksheets>Accounts Payable>Accounts Payable Journal. The Accounts Payable Journal shows bill and payment transactions posted to that account and summary information.
- Go to Reports>Transactions>General Ledger. The General Ledger Report will print a report that includes each account you select, its beginning balance, each transaction that affected that account and the account's running/ending balance.

3. Review the report to determine the reason for the balance. The resulting correction will depend on the transaction affecting the vendor balance.

Some possible reasons for a balance in the vendor account include:

- Posting a bill without entering a payment.
- Posting a payment without entering a bill.
- Duplicate posting of the bill and/or the payment.
- Posting part of a transaction to a wrong vendor.
- Original bill and payment posted correctly but one part of the transaction reversed.
- Transferring money between 2 vendors.

An example of how you would handle a bill without entering the payment, go to Pay Bills>Quick Pay>View Outstanding Bills, click in the check box to select the bill and Create the payment. Then review and edit appropriately and post the payment.

**Please Note:** Before any corrections are made, please backup your data!! Depending on the issues, going back in a previous year to make corrections may cause catastrophic problems to bank reconciliations and reports. We recommend a *Journal Entry* in the current year.