GENERAL LEDGER
Why my balance sheet does not balance

Module	GENERAL LEDGER
Topic	BALANCE SHEET

My Balance Sheet does not balance. What should I do?

A. Balance Sheet (Default)

This is the one that shows only Assets and Liabilities as on the date you specified. It should tie up. In the event it does not tie, follow the steps given:-

1. Run Diagnostics to flag out erroneous transactions

   - Go to Systems - Diagnostics - Unbalanced Transactions

   - Go to Systems - Diagnostics - Error Transactions

   - If there are any listed by the Diagnostic, click to Re-Save these erroneous transactions

2. Run the Balance Sheet report again. If the problem is resolved, then issue closed.

3. If the Balance Sheet is not tying again, run the Trial Balance by Year Period report. If the Balance Sheet does not tie, then this Trial Balance would most likely be unbalanced.

   - From this Trial Balance isolate from which month the out-of-balance is occurring. Supposing you are in Dec 2012, select Year = 2012 and Period = 1. See if there are any unbalances from this period. Pay particular attention to your "Previous Balance" amount. It should be zero. If it is not zero, then you had not perform the Year Ending function yet. This will cause the accounts to be unbalance in the current year.

   - If the Previous Amount has a value, then proceed to do the Year Ending option for the previous financial year. In this example, do for Year = 2011 and the system will convert the past year P&L into a Retained Earning account. Your current year Trial Balance will then tie up.

   - Once the Trial Balance is tied, the Balance Sheet Report should be correct now.

B. Balance Sheet (Classification)

1. If the Balance Sheet (Default) is balanced but your Balance Sheet (Classification) is not, then it has to do with the Chart of Account Mapping. Go to General Ledger - Maintenance - Chart of Account and ensure that every one of your chart of accounts has an appropriate mapping to the Final Accounts Layout. The unbalanced amount could be caused by some chart of account value not mapped and not reflected in the calculation.

2. If you check and all Chart of Accounts are mapped, then check and ensure that you did not map any Income or Expense items into the Balance Sheet layout. Check also that no Asset and Liabilities accounts are mapped into a P&L layout.

3. Once the above are OK, the Balance Sheet should be balanced now.

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