

Business One in Action - Why Are Zero Value Journal Entries Found On Customers' Account Statement How Can They Be Excluded?



Applies to:

SAP Business One, [Accounting, Currency/Exchange Rates](#)

Summary:

It is a common occurrence that zero value journal entries appear on customer statements. This document explains where these journals come from and how to remove them from the business partner account balance and thus the printed statement.

Author: Kerstin Pauquet, Support Expert, GSC, SAP Business One

Company: SAP

Created on: XXX 20XX

Author Bio:

Kerstin Pauquet joined SAP in 2003 and is currently active as Global Topic Lead and Support Expert for SAP Business One. She has worked as both technical and business consultant. She authored this article as a direct response to a partner enquiry during the Expert-on-Phone project, where she consulted on mainly financial and banking related topics.

Table of Content

Why Are Zero Value Journal Entries Found On Customers' Account Statement - How Can They Be Excluded?	3
Related Contents	8
Copyright	9

Why Are Zero Value Journal Entries Found On Customers' Account Statement - How Can They Be Excluded?

When printing foreign currency (FC) customer statements, it is a common occurrence that zero value journal entries (JE) appear. The example below was generated from a UK localization company (GBP is local currency) for a Euro-zone customer:

Customer Statement Date 05.06.09

Aged By Document Date
Ageing Date: 04.06.09

1001 The Smoothie Company

Phone #: Contact Person: Paddy Murphy
 Fax #: Sales Employee: Blue Elf
 Address: Credit Limit: 0.00
 Commitment Limit: 0.00

Prior Period Balance						
Document	BP Ref. No.	Post. Date	Due Date	Details	Amount	Balance
IN 61		01.05.09	01.05.09	A/R Invoices - 1001	EUR 182.23	EUR 182.23
IN 62		10.05.09	10.05.09	A/R Invoices - 1001	EUR 10.26	EUR 192.49
IN 63		20.05.09	20.05.09	A/R Invoices - 1001	EUR 202.50	EUR 394.99
JE 342		31.05.09	31.05.09	Std FX for 05 month end		EUR 394.99
Total						EUR 394.99

	Balance Due	Future Remit	0 - 30	31 - 60	61 - 90	91 - 120	120+
Total	EUR 394.99		EUR 212.76	EUR 182.23			
Ageing (%)	% 100.00		% 53.86	% 46.14			

These journals are typically exchange rate differences postings that were routinely executed at period end and had not been reversed at the first day of the next period. In the above example, JE 342 had been posted on 31.05.09 in order to be able to accurately report on outstanding monies due to the company in local currency (LC) at that date. Naturally, this has no bearing on the business partner (BP) account balance, since the journal merely adjusts the LC value of the outstanding FC balance at the precise point of reporting with the then current exchange rate.

Such journals are generally set to be reversed the next day within the *Exchange Rate Differences* window:

Exchange Rate Differences

Execution Date: 31.05.09 Acct / BP Currency: All Currencies

Details on Transactions

Ref. 1	Code	Remarks	<input type="checkbox"/> Auto. Remarks	<input checked="" type="checkbox"/> Auto. Reverse	Reversal Date
		Std FX for 05 Period End			01.06.2009

If such a journal is not reversed, it will remain un-reconciled on the BP account balance:

Account Balance - 1001, The Smoothie Company

BP Code 1001 The Smoothie Company

Posting Date From 01.05.09

Display 50 Last Transactions

Display Unreconciled Trans. Only

#	Posting Date	Origin	Origin No.	Offset A...	Details	C/D (LC)	Balance Due (LC)	Cumulative Balance ...	C/D (FC)	Balance Due (FC)	Cumulative Balance ...
1		OB					GBP 0.00	GBP 0.00			0.00
2	01.05.09	IN	61	400000	A/R Invoices - 1001	GBP	381.88	GBP 209.47	EUR	182.23	EUR 332.23
3	10.05.09	IN	62	400000	A/R Invoices - 1001	GBP	29.38	GBP 11.94	EUR	10.26	EUR 357.49
4	20.05.09	IN	63	400000	A/R Invoices - 1001	GBP	414.70	GBP 238.23	EUR	202.50	EUR 709.99
5	31.05.09	JE	342	700032	Std FX for 05 month end	GBP	22.06	GBP 22.06			EUR 709.99

When running the customer ageing report this un-reconciled journal is included and consequently will appear on the customer statement:

Customer Receivables Aging - Details

Currency Business Partner Aging Date 04.06.09 Age By Due Date

The Smoothie Company

Date	Type	Doc...	Installment No.	BP Ref. No.	Balance ...	Future R...	0 - 30	31 - 60	61 - 90
01.05.09	IN	61	1		EUR 182.23			EUR 182.23	
10.05.09	IN	62	1		EUR 10.26		EUR 10.26		
20.05.09	IN	63	1		EUR 202.50		EUR 202.50		
31.05.09	JE	342	0						
					EUR 394.99		EUR 212.76	EUR 182.23	
					% 100.00		% 53.86	% 46.14	

OK

In order to remove this journal from the BP account balance, it needs to be reconciled with its reversal transaction. SAP Business One automatically reconciles journal entries that were created by executing the exchange rate differences functionality with their reversal journals once they are posted.

To create the reversal for JE 342, the document is called up and the checkbox *Reversal* ticked. This initiates the display of a date field which is automatically populated with the first day of the period after the current one. SAP Business One will look to the system date and then determine which posting date range includes this date. The application will identify the first day of the next defined posting period and propose that date as reversal date.

In the database used for this example the posting period 2009 has 12 sub-periods with a posting date range from the first to the last day of the calendar month:

General				Posting Date		Due Date	
#	Period Code	Period Name	Period Status	From	To	From	To
19	2009-01	2009-01	Closing Period	01.01.09	31.01.09	01.01.09	31.12.09
20	2009-02	2009-02	Closing Period	01.02.09	28.02.09	01.01.09	31.12.09
21	2009-03	2009-03	Closing Period	01.03.09	31.03.09	01.01.09	31.12.09
22	2009-04	2009-04	Closing Period	01.04.09	30.04.09	01.01.09	31.12.09
23	2009-05	2009-05	Closing Period	01.05.09	31.05.09	01.01.09	31.12.09
24	2009-06	2009-06	Unlocked	01.06.09	30.06.09	01.01.09	31.12.09
25	2009-07	2009-07	Unlocked	01.07.09	31.07.09	01.01.09	31.12.09
26	2009-08	2009-08	Unlocked	01.08.09	31.08.09	01.01.09	31.12.09
27	2009-09	2009-09	Unlocked	01.09.09	30.09.09	01.01.09	31.12.09
28	2009-10	2009-10	Unlocked	01.10.09	31.10.09	01.01.09	31.12.09
29	2009-11	2009-11	Unlocked	01.11.09	30.11.09	01.01.09	31.12.09
30	2009-12	2009-12	Unlocked	01.12.09	31.12.09	01.01.09	31.12.09
31	2010-01	2010-01	Unlocked	01.01.10	31.01.10	01.01.10	31.12.10

Automatic Change of Period Status to 'Closing Period'
 Date When Automatic Change Is Applied:

Buttons: OK, Cancel, New Period

Since the system date is 04.06.09, SAP Business One will propose 01.07.09 as the reversal date:

Series	Number	Posting Date	Due Date	Doc. Date	Ref. 1	Ref. 2	Trans. Code	Remarks
Primary	342	31.05.09	31.05.09	31.05.09	FX0509			Std FX for 05 month end

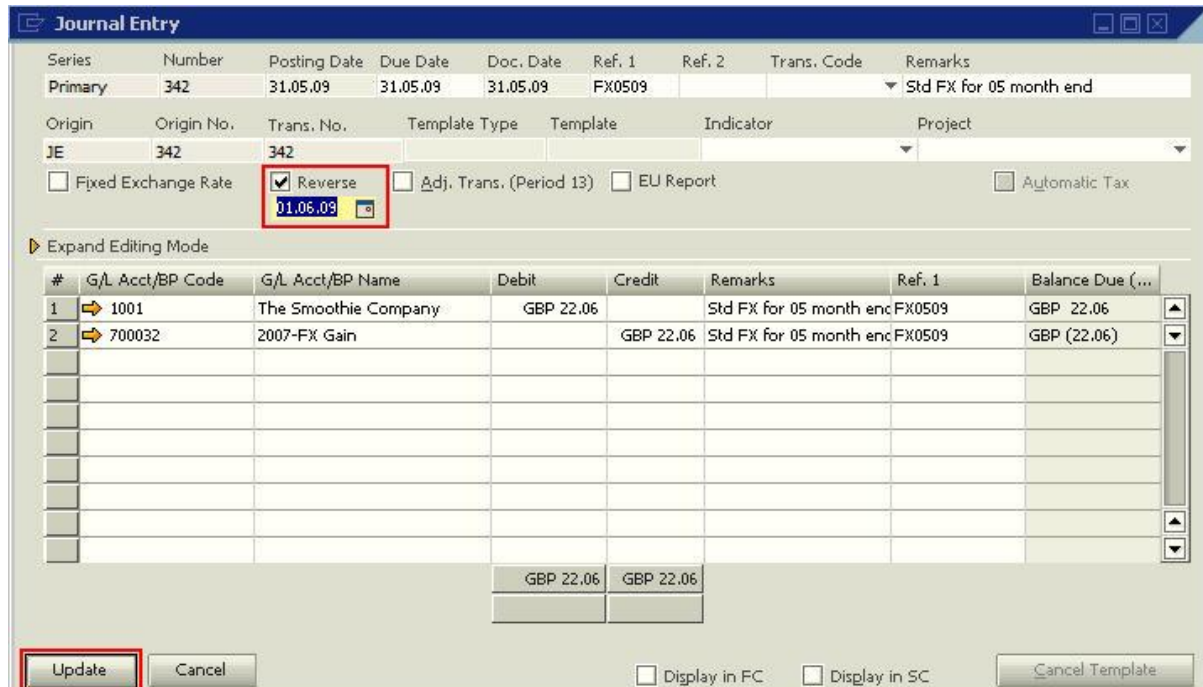
Origin: JE, Origin No.: 342, Trans. No.: 342

Fixed Exchange Rate Reverse Adj. Trans. (Period 13) EU Report Automatic Tax

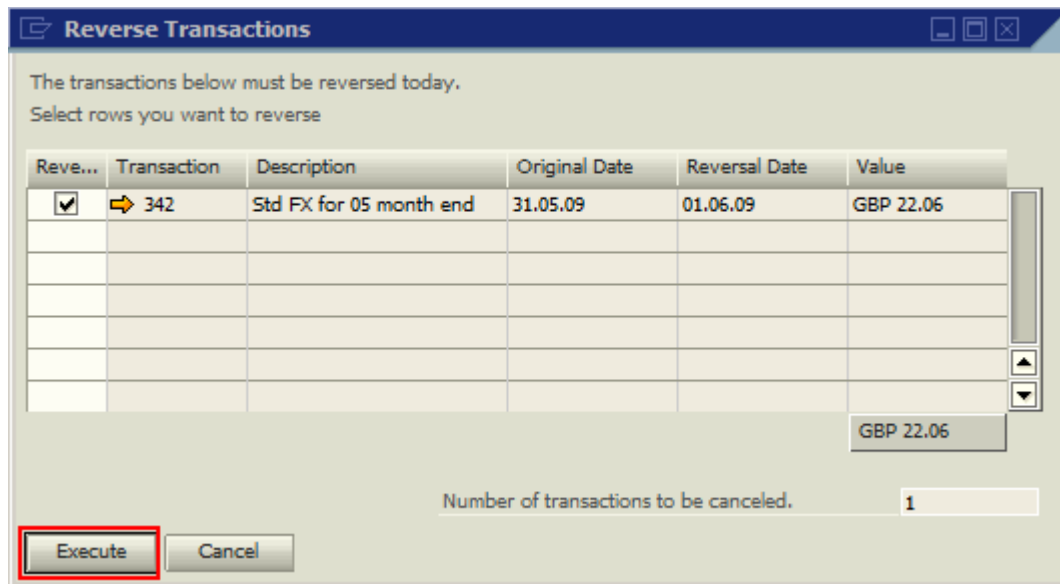
Reversal Date: 01.07.09

Expand Editing Mode

This is merely a proposed reversal date and can be manually overwritten. In this example the reversal date is changed to 01.06.09 and the journal then updated:



The reversal of this journal is due to be posted before the current system date of 04.06.09 and can therefore be accessed straight away under *Financials -> Reverse Transactions*:



Select the transaction to be reversed and click on the *Execute* button. Clicking on *Execute* triggers 2 actions:

- 1.) The reversal journal entry is posted.
- 2.) The original exchange rate differences journal is reconciled with its reversal transaction.

As a result, the exchange rate differences journal is no longer displayed in the BP account balance or the ageing report:

Account Balance - 1001, The Smoothie Company

BP Code: 1001 The Smoothie Company

Posting Date From: 01.05.09

Display: 50 Last Transactions

Display Unreconciled Trans. Only:

#	Posting Date	Origin	Origin No.	Offset A...	Details	C/D (LC)	Balance Due (LC)	Cumulative Balance...	C/D (FC)	Balance Due (FC)	Cumulative Balance ...
1		OB					GBP 0.00	GBP 0.00		EUR (0.00)	0.00
2	01.05.09	IN	61	400000	A/R Invoices - 1001	GBP 381.88	GBP 209.47	GBP 381.88	EUR 332.23	EUR 182.23	EUR 332.23
3	10.05.09	IN	62	400000	A/R Invoices - 1001	GBP 29.38	GBP 11.94	GBP 411.26	EUR 25.26	EUR 10.26	EUR 357.49
4	20.05.09	IN	63	400000	A/R Invoices - 1001	GBP 414.70	GBP 238.23	GBP 825.96	EUR 352.50	EUR 202.50	EUR 709.99

Customer Receivables Aging - Details

Currency: Business Partner

Aging Date: 04.06.09

Age By: Document Date

The Smoothie Company

Date	Ty	Installment No.	BP Ref. No.	Balance ...	Future R...	0 - 30	31 - 60	61 - 90	91 - 120	120+	Doubtful ...	Consolidated ...
01.05.09	➔	1		EUR 182.23			EUR 182.23					➔ 1001
10.05.09	➔	1		EUR 10.26		EUR 10.26						➔ 1001
20.05.09	➔	1		EUR 202.50		EUR 202.50						➔ 1001

The journal is therefore no longer shown in the customer statement:



Customer Statement

Date 05.06.09

Aged By **Document Date**
 Ageing Date: 04.06.09

1001 The Smoothie Company

Phone #:	Contact Person:	Paddy Murphy
Fax #:	Sales Employee:	Blue Elf
Address:	Credit Limit:	0.00
	Commitment Limit:	0.00

Prior Period Balance						
Document	BP Ref. No.	Post. Date	Due Date	Details	Amount	Balance
IN 61		01.05.09	01.05.09	A/R Invoices - 1001	EUR 182.23	EUR 182.23
IN 62		10.05.09	10.05.09	A/R Invoices - 1001	EUR 10.26	EUR 192.49
IN 63		20.05.09	20.05.09	A/R Invoices - 1001	EUR 202.50	EUR 394.99
Total						EUR 394.99

	Balance Due	Future Remit	0 - 30	31 - 60	61 - 90	91 - 120	120+
Total	EUR 394.99		EUR 212.76	EUR 182.23			
Ageing (%)	% 100.00		% 53.86	% 46.14			

Related Contents

- [SAP Business One in Action Catalog Page](#)
- [Link to DRC](#) documentation
- Note [1227722](#)
- For more information, visit the [Business One homepage](#).

Copyright

© Copyright 2009 SAP AG. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP AG. The information contained herein may be changed without prior notice.

Some software products marketed by SAP AG and its distributors contain proprietary software components of other software vendors.

Microsoft, Windows, Excel, Outlook, and PowerPoint are registered trademarks of Microsoft Corporation.

IBM, DB2, DB2 Universal Database, System i, System i5, System p, System p5, System x, System z, System z10, System z9, z10, z9, iSeries, pSeries, xSeries, zSeries, eServer, z/VM, z/OS, i5/OS, S/390, OS/390, OS/400, AS/400, S/390 Parallel Enterprise Server, PowerVM, Power Architecture, POWER6+, POWER6, POWER5+, POWER5, POWER, OpenPower, PowerPC, BatchPipes, BladeCenter, System Storage, GPFS, HACMP, RETAIN, DB2 Connect, RACF, Redbooks, OS/2, Parallel Sysplex, MVS/ESA, AIX, Intelligent Miner, WebSphere, Netfinity, Tivoli and Informix are trademarks or registered trademarks of IBM Corporation.

Linux is the registered trademark of Linus Torvalds in the U.S. and other countries.

Adobe, the Adobe logo, Acrobat, PostScript, and Reader are either trademarks or registered trademarks of Adobe Systems Incorporated in the United States and/or other countries.

Oracle is a registered trademark of Oracle Corporation.

UNIX, X/Open, OSF/1, and Motif are registered trademarks of the Open Group.

Citrix, ICA, Program Neighborhood, MetaFrame, WinFrame, VideoFrame, and MultiWin are trademarks or registered trademarks of Citrix Systems, Inc.

HTML, XML, XHTML and W3C are trademarks or registered trademarks of W3C®, World Wide Web Consortium, Massachusetts Institute of Technology.

Java is a registered trademark of Sun Microsystems, Inc.

JavaScript is a registered trademark of Sun Microsystems, Inc., used under license for technology invented and implemented by Netscape.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, SAP Business ByDesign, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Business Objects S.A. in the United States and in other countries. Business Objects is an SAP company.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.