



How Do I Reconcile My Old Open Goods Receipt POs When I Know They Have Been Invoiced?

Summary

The best way to approach old GRPOs is to look at the account balance on the liability account "Goods Received, Not Invoiced" as of the last day of the month. If there is still a balance, it means that there are goods that were brought into stock that have not been paid for (copied to an AP invoice).

Details

As a rule of thumb, the "Goods Received, Not Invoiced" account is solely intended solely to be used as an offset for bringing inventory into stock before you've received the bill from a vendor. Any balance there should always reflect an open GRPO. If there are no open GRPOs but there's still a balance, you'll want to drill into the account and check for any transaction other than a GRPO. There should be no other transactions aside from GRPOs.

In the event that a separate AP invoice is created when there is an Open GRPO, if it is an AP item type invoice (bringing items into stock), either the GRPO or the AP invoice will need to be reversed. Otherwise you're doubling your inventory.

However, if the AP invoice is a service type invoice (no inventory involved), the GRPO may be closed out. To close a GRPO, simply right click on the document and choose "Close". This will be offset to a COGS account called the "Goods Clearing Account" in the GL determinations. It posts as a credit to COGS, so it is basically a gain on your P&L.

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