To void a transaction for a prior year where the closing date was set, see “After the Closing Date is Set.”

Void a transaction rather than delete it. "Voiding a Transaction" changes the amount of a transaction to zero but keeps a record of it in the Register. "Deleting a Transaction" removes the transaction completely from the Register. In either process, a record of your action is recorded in the Audit Trail. Important! Deleting a transaction is irreversible.

It is highly recommended that you Void Checks or Void Deposits.

Voided transactions can be viewed easily in the Register at a later date to remind us of adjustments we made in the Council's records. Deleted transactions are removed from the Register but retained in the audit trail. It makes it difficult to explain discrepancies or to determine why Class balances no longer match the Register!

To void a transaction

1. Open the appropriate Register. (Banking, Use Register)
2. Click Once in the transaction you want to void.
3. From the Edit menu, choose Void [transaction].
   - It will display "void check" or "void deposit" depending on what type transaction you will void.
   - The Amount will reset to 0.00.
   - The word "VOID" will be inserted in the Memo field.
   The Date that you void the check or deposit will remain the same as the Original Date of the transaction. Therefore, your bank account balance will change as of the date of the original transaction! This impacts on your Register and on your Funds Class Balance Report!
4. Click Record.
5. Select Yes to the message “You have changed the transaction. Do you want to record your changes?”
6. Select No, just void the check for the message “….. Would you like QuickBooks to void the check and enter the appropriate journal entries for you?”

Note: If “Yes” is selected, QuickBooks voids the transaction, recreates the transaction without class codes as a Journal transaction, and then creates a second Journal transaction with class codes for both the cash and income/expense account to reverse the 1st Journal transaction. This method distorts all financial reports!

Sample Voided Transaction

<table>
<thead>
<tr>
<th>Date</th>
<th>Number</th>
<th>Type</th>
<th>Account</th>
<th>Payee</th>
<th>Memo</th>
<th>Payment</th>
<th>Deposit</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/27/2000</td>
<td>15718</td>
<td>CHK</td>
<td>Telephone Serv - Tolls</td>
<td>VOID: long distance calls</td>
<td></td>
<td>0.00</td>
<td></td>
<td>5,638.29</td>
</tr>
</tbody>
</table>

See section, “Prepare a Memo to Explain the Voided or Reversing Transaction.”
See section, “Configure Void Transactions Report.”
If the voided transaction happens to be a payroll or liability check and a new check is to be issued, it is best to date the new check in the same quarter as the voided check so that taxes and reports are not affected.

After the Closing Date is Set – What to do with Prior Year Transactions

Once a closing date has been established for your Council financial records, transactions on or before the closing date cannot be voided. Instead, you will need to:

- create a Reversing Transaction using the same income or expense account and class code.
- clear the original transaction in the Bank Reconciliation screen.

<table>
<thead>
<tr>
<th>Date</th>
<th>Number</th>
<th>Payee</th>
<th>Payment</th>
<th>Deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2014</td>
<td>8888</td>
<td>Utilities</td>
<td>90.00</td>
<td>Deposit</td>
</tr>
</tbody>
</table>

For example, if the original transaction was...

<table>
<thead>
<tr>
<th>Date</th>
<th>Number</th>
<th>Payee</th>
<th>Payment</th>
<th>Deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/16/2010</td>
<td>8888</td>
<td>Supplies</td>
<td>50.00</td>
<td></td>
</tr>
</tbody>
</table>

Then, create a transaction to reverse the original transaction in the Checking register.

- Same: class, account, payee
- Different: date, type & Memo.
- Place a checkmark in checkmark column.

Clear the Original check in the Bank Reconcile Screen.

Prepare a Memo to Explain the Voided or Reversing Transaction

After voiding a transaction and/or creating the reversing transaction, type a Memo in Microsoft Word or another word processing application and include the following information:

- Reference both the original and/or reversing transactions’ dates
- Explain why the transaction was voided or a reversing transaction created.
- Bookkeeper signs and dates the Memo.
- County Program Director or Council Officer signs and dates the Memo.
- File Memo with appropriate year’s financial reports.

Configure Void Transactions Report

Report for Voided Checks only

- Under Memorized Reports, open the Check Detail Report.
- Change the Filter...
  - Click the Filter button at top left of screen.
  - On left side of window, scroll down in the Filter box all the way to the end and Select Voided Checks.
  - Under the Voided Option, select Yes.
  - Click Ok.

- At top of screen, specify the desired Date Range.
- Under the Customized Button, you can also change the columns that appear on report, if desired. Then Click Ok.
- On the Report, Columns may be narrowed (or widened) by
  - Placing cursor on the diamond-shaped symbol to the right of the column to be adjusted.
**Report for All Voided Transactions**
- Select **Reports** from menu bar at top of screen.
- Select **Custom Transactions Detail Report**
- In the **columns** box, select the data that you want on the report.
- Enter the **Date Range**.
- Click the **Filter** button.
- In the filter box at left of screen, scroll down to end of list and select **Voided**.
- Select **Yes** under “voided” in middle of screen.
- Click **OK**.
- Add or remove columns from the report by selecting the **Customize** button at top left of screen.
- Adjust width of columns as desired by clicking and dragging the **diamond symbol** that is on the right of the column to be adjusted.

**Change the Report title**
- Click the **Format** button at top left of screen.
- Click **Header/footer** button
- Change the **Report title**
- Click **OK, OK**.
- Click **Memorize** button at top of screen and save the Report to your List of Memorized Reports.

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**Read the Following Instructions Only** if you voided an Outstanding Check or Deposit transaction that was entered at the time you established your Opening Balances) when you established opening balances for the QB Data file.

Otherwise, go to section, **“Configure Void Transactions Report.”**

If you voided an **Outstanding** check or deposit created when you established your QB Opening Balances, then your Register Balance will change and your Class Balances on the Fund Class Balance Report will not match your Register.

According to the "Enter Opening Balances" instructions, the Outstanding Checks and deposit transactions were not assigned a Class code. Therefore, the Voided transaction will impact on your Class balance SPLIT allocations in your Opening Balance transaction and the "Difference" amount.

**You will need to make the following adjustments:**

**If the Transaction is a Voided Check**, then … (see illustration below)
- Determine the class code originally assigned in the former accounting system (CIS) for the voided transaction.
- Locate the Opening Balance Transactions in the appropriate QB Register - either dated 9/30/00 or 12/31/00, depending on when you started entering QB data.
- Click **ONCE** in the Opening Balance Transaction.
  - Add the amount of the Voided Check to the appropriate Class code in the split screen
  - Recalculate the "DIFFERENCE" amount in the split screen.
    - Subtract the Voided Check Amount from the Total Difference.
    - Enter the revised Total Difference.
- Click the Recalc button.
- Click the Record button.

Note: This Split adjustment should not affect the bank balance since the voided check was set to zero and the balance was immediately recalculated.

**Example:**

Here are original transactions for outstanding checks, deposits, and Opening Balances.

<table>
<thead>
<tr>
<th>Date</th>
<th>Number</th>
<th>Account</th>
<th>Memo</th>
<th>Payment</th>
<th>Deposit</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/01/2000</td>
<td>123</td>
<td>CHK</td>
<td>Doe, John</td>
<td>300.00</td>
<td>-300.00</td>
<td></td>
</tr>
<tr>
<td>12/15/2000</td>
<td>124</td>
<td>CHK</td>
<td>American Society of Agronomy</td>
<td>200.00</td>
<td>-200.00</td>
<td></td>
</tr>
<tr>
<td>12/10/2000</td>
<td></td>
<td>DEP</td>
<td>1600 Balance Transfers</td>
<td>800.00</td>
<td>-800.00</td>
<td></td>
</tr>
<tr>
<td>12/18/2000</td>
<td></td>
<td>DEP</td>
<td>1600 Balance Transfers</td>
<td>12/18/2000 Deposit</td>
<td>1,800.00</td>
<td>2,100.00</td>
</tr>
</tbody>
</table>

If check # 123 is Voided and originally was classed under 1000, then your year-to-date bank balance, class balance, and Difference would be recalculated, as illustrated.

- Increase Class 1000 by $300.00. Class balance is now $500.00
- Subtract $300.00 from the original Difference ($300.00 minus $300.00 = 0)
- Split screen Difference is now 0.00.
- Ending Bank Statement Balance of $1,800.00 should not change.

If the Transaction is a Voided Deposit, then … (see illustration below)

- Determine the class code originally assigned in the former accounting system (CIS) for the voided transaction.
- Locate the Opening Balance Transactions in the appropriate Register - either dated 9/30/00 or 12/31/00, depending on when you started entering QB data.
- Click ONCE in the Opening Balance Transaction.
  - Subtract the amount of the Voided Deposit from the appropriate Class code in the split screen
  - Recalculate the "DIFFERENCE" amount in the split screen.
- Add the Voided Deposit Amount to the Total Difference.
- Enter the revised Total Difference.

- Click the Recalc button.
- Click the Record button.
Note: This Split adjustment should not affect the bank balance since the voided check was set to zero and the balance was immediately recalculated.

**If the $800.00 Deposit is Voided** and originally was classed under 3200, then your year-to-date bank balance, class balance, and Difference would be recalculated as illustrated.

- Decrease Class 3200 by $800.00. Class balance is now 0.00.
- Add $800.00 to the original Difference ($300.00 plus $800.00 = $1100.00)
- Split screen Difference is now $1100.00
- Ending Bank Statement Balance of $1,800.00 should not change.