How to enter opening balances in SAP Business One

This guide shows you how to enter opening balances in SAP Business One for your inventory. You create an Inventory Opening Balance entry, assign the equity adjustment account, and save the entry. Then you check the result in the trial balance.

Prerequisites

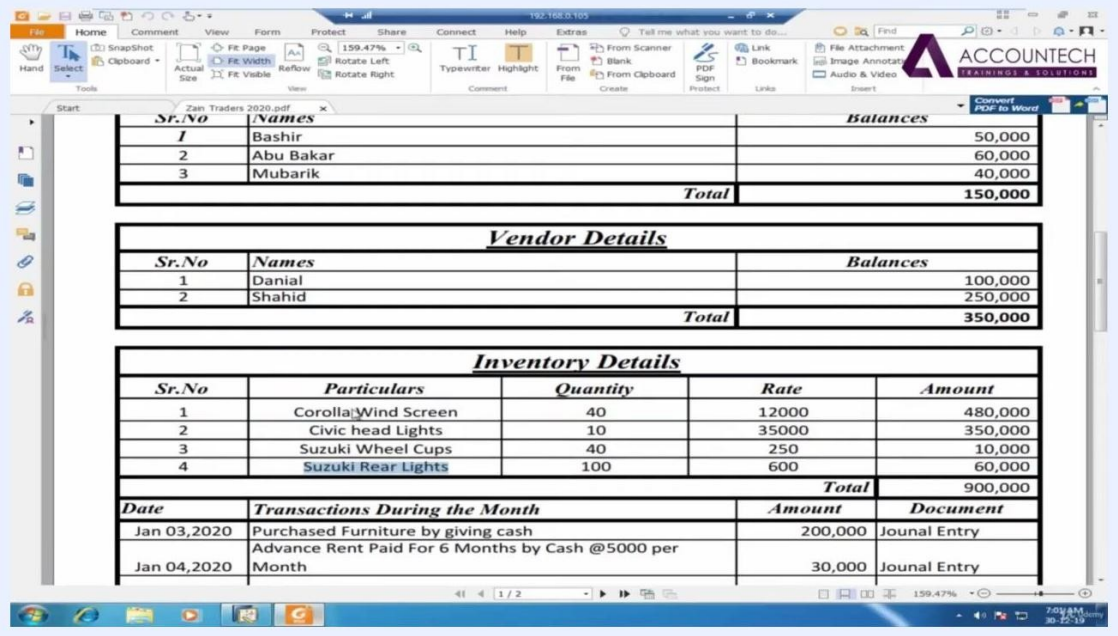
Before you start, make sure you have the following:

- A list of all inventory items and their opening balances.
- Vendor and customer balances, if you need them.
- A login for SAP Business One with appropriate permissions.

This guide uses the following example inventory:

- Corolla Wind Screen: Quantity = 40, Rate = 12,000, Amount = 480,000
- Civic Head Lights: Quantity = 10, Rate = 35,000, Amount = 350,000
- Suzuki Wheel Cups: Quantity = 40, Rate = 250, Amount = 10,000

- Suzuki Rear Lights: Quantity = 100, Rate = 600, Amount = 60,000



Sr.No	Names	Balances
1	Bashir	50,000
2	Abu Bakar	60,000
3	Mubarik	40,000
	Total	150,000

Vendor Details

Sr.No	Names	Balances
1	Danial	100,000
2	Shahid	250,000
	Total	350,000

Inventory Details

Sr.No	Particulars	Quantity	Rate	Amount
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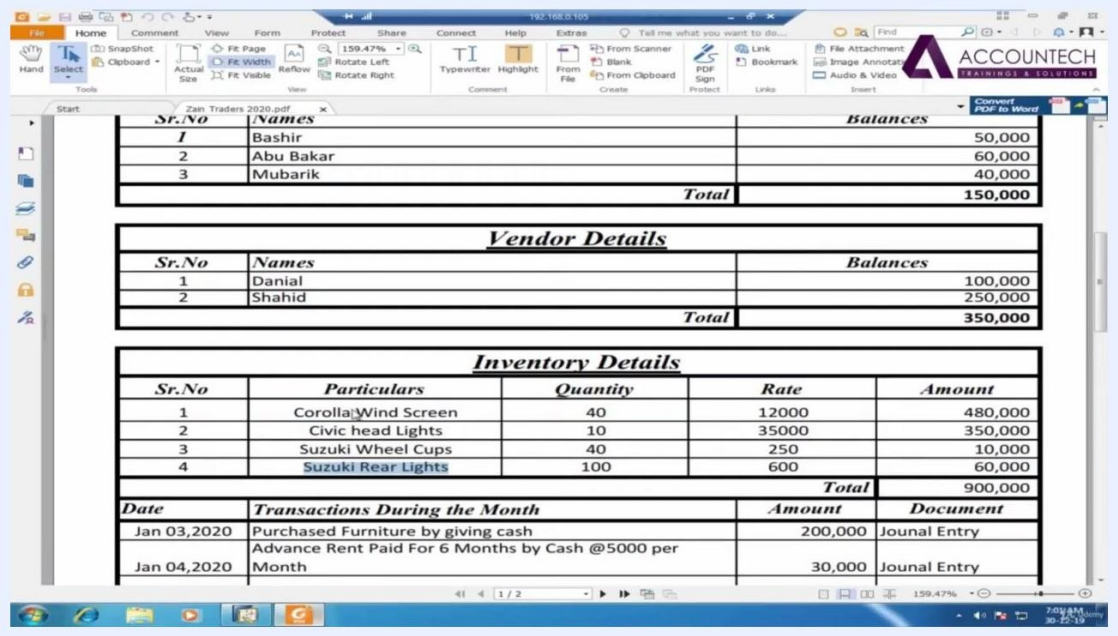
Date	Transactions During the Month	Amount	Document
Jan 03,2020	Purchased Furniture by giving cash	200,000	Jounal Entry
Jan 04,2020	Advance Rent Paid For 6 Months by Cash @5000 per Month	30,000	Jounal Entry

Document listing customer, vendor, and inventory details with quantities, rates, and amounts

Step 1: Open the Inventory Opening Balance window

1. Open SAP Business One and log in.
2. Confirm that the main menu shows modules such as Sales - A/R, Purchasing - A/P, Business Partners, Banking, and Inventory.

3. In the search dropdown at the top right, select **Search Menus** (Ctrl+F3) to enable menu searching.



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SAP Business One main menu with the Inventory module expanded and the Search Menus option highlighted

Step 2: Enter the inventory opening balance details

In the search bar, type "Opening Balance" and select the option for inventory opening balances. The **Inventory Opening Balance** window opens.

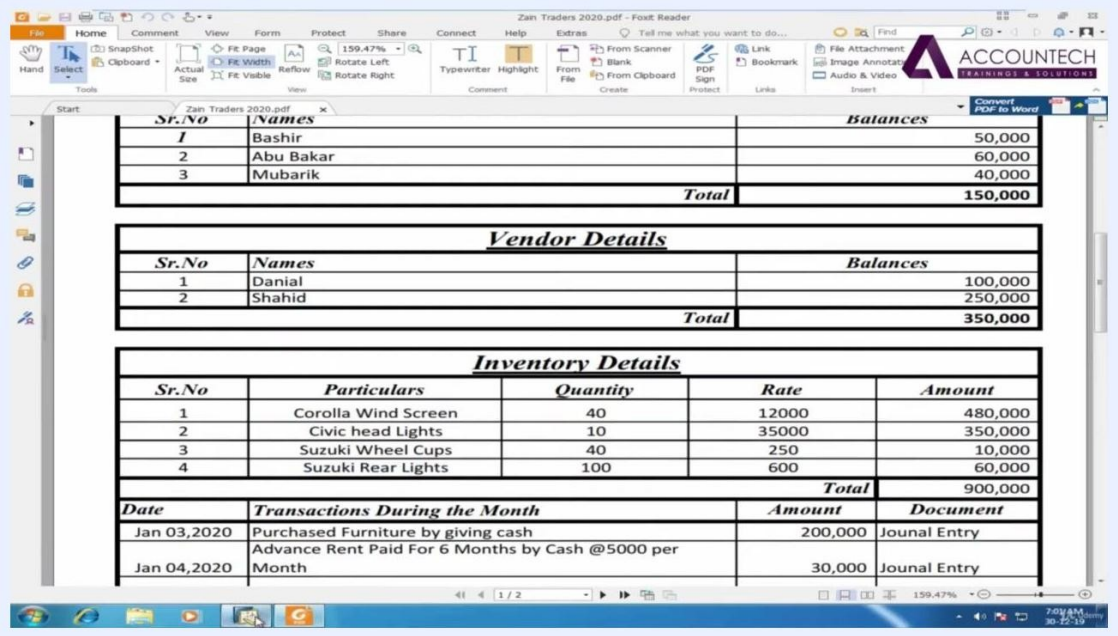
Set the following header fields:

- **Posting Date**: 01-01-19
- **Document Date**: 01-01-19
- **Price Source for Warehouse Inventory Posting**: Item Cost

For each inventory item, complete these fields:

- Enter the **Item No.** and **Item Description**.
- Specify the warehouse (**Whse**) and the **In Warehouse** location if applicable.
- Enter the opening balance, which is the quantity on hand as of the posting date.
- Enter the **Unit Price**, which is the cost per unit.

The **Total** is calculated automatically. You can add remarks if needed, for example "Inventory Opening Balances". Click **Add Items** to include more items. Click **Add** only when you are ready to save, as described in Step 8.



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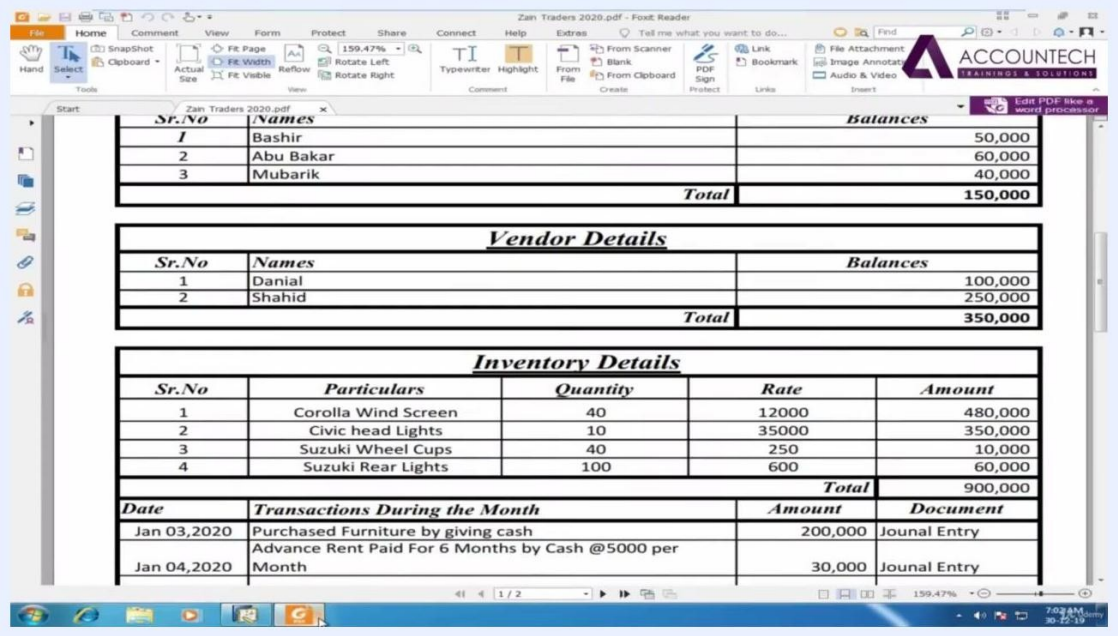
Inventory Opening Balance screen showing fields for item details, quantities, prices, and remarks

Step 3: Select all items at once

You can add opening stock for every item in one action.

1. In the **List of Items** window, click the first item (for example, IT001 Corolla Wind Screen).
2. Hold **Shift** and click the last item (for example, IT004 Suzuki Rear Lights) to select all items in between.

3. Click **Choose** to add the selected items to the Inventory Opening Balance screen.



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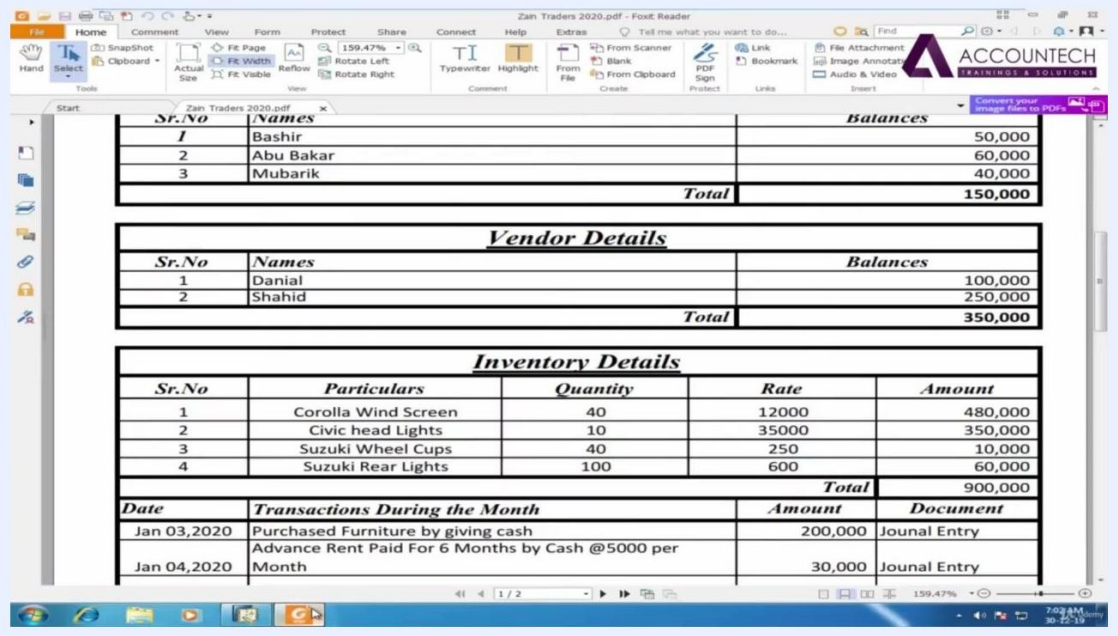
List of Items window with Corolla Wind Screen, Civic Head Lights, Suzuki Wheel Cups, and Suzuki Rear Lights selected, ready to be chosen

Step 4: Set the price source and update unit prices

By default, **Price Source for Whse Inventory Posting** is set to **Item Cost**. This may not show the correct prices if you have already defined them in a price list.

1. Click the dropdown next to **Price Source for Whse Inventory Posting**.

2. Select **By Price List**.



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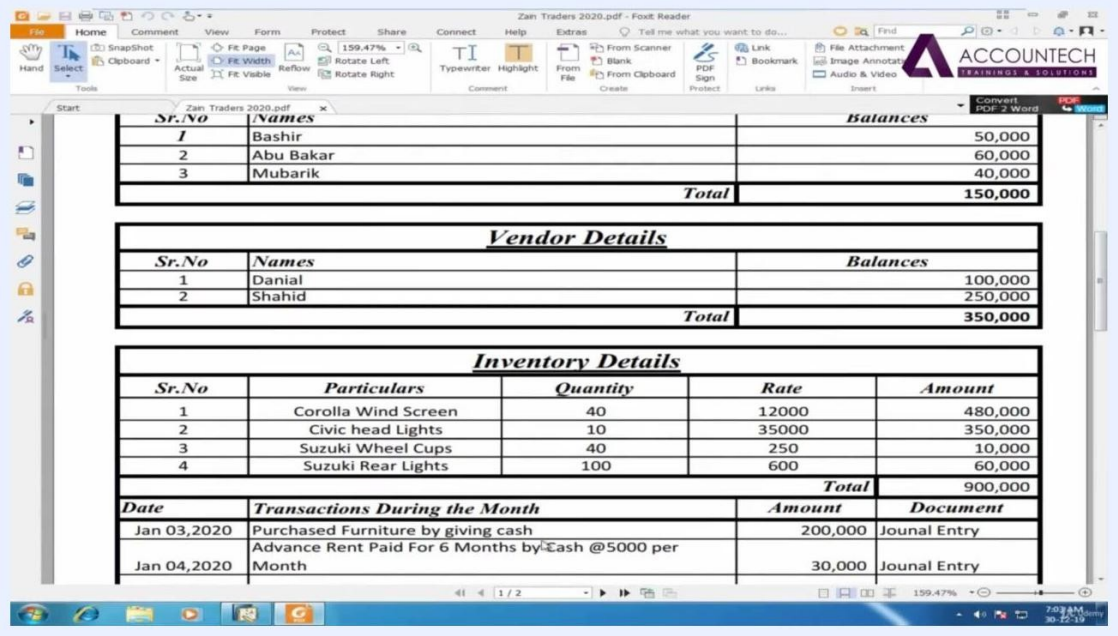
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Price Source dropdown open, showing the options Item Cost, By Price List, and Last Evaluated Price

3. In the **Price List** dropdown, select **Cost Price**, or the price list where you defined your item costs.



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Price List dropdown open with Cost Price highlighted among other options such as Sales Price, Wholesale Price, and Export Price

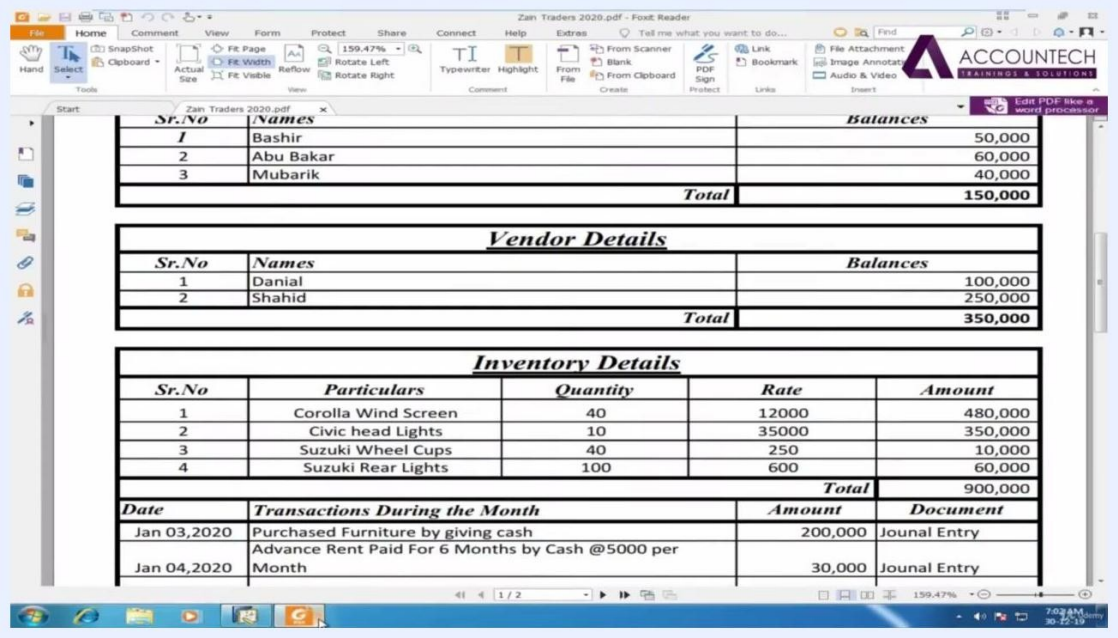
The system updates the **Unit Price** for each item based on the price list you selected.

Step 5: Enter the quantity for each item

Refer to your inventory details for the correct quantities, then enter them as follows:

- Corolla Wind Screen: **40**
- Civic Head Lights: **10**
- Suzuki Wheel Cups: **40**
- Suzuki Rear Lights: **100**

Use the **down arrow key** to move quickly between items as you enter each quantity.



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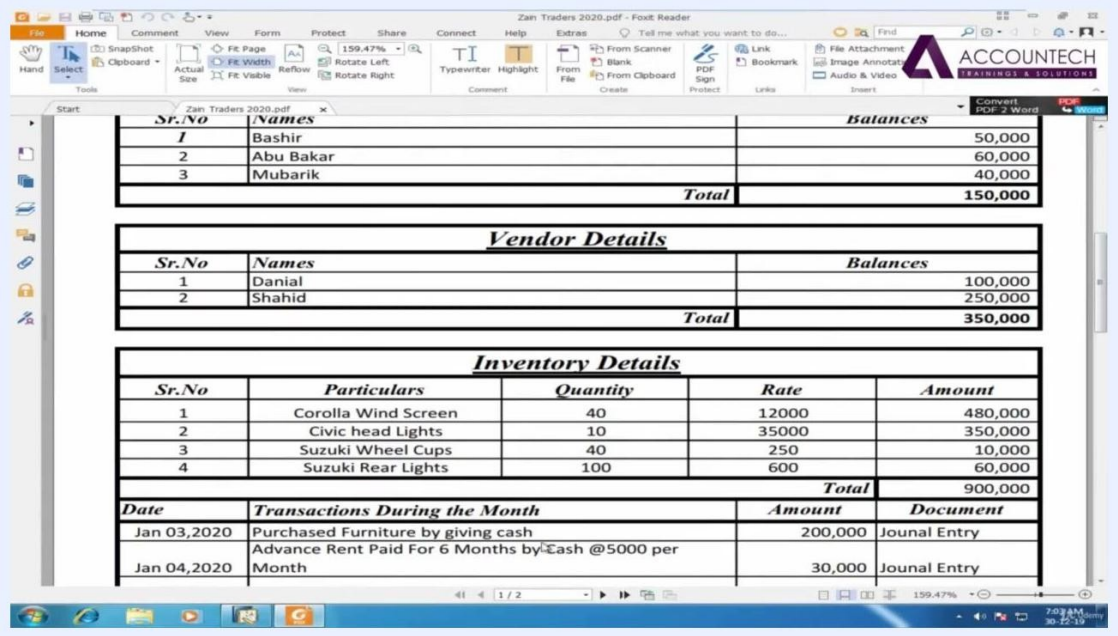
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Inventory details document showing quantities: Corolla Wind Screen (40), Civic Head Lights (10), Suzuki Wheel Cups (40), Suzuki Rear Lights (100)

Step 6: Verify the totals

Confirm that the **Total** for all items matches your inventory details. In this example, the total is **PKR 900,000**.

Then look at the **Open Inventory Account** column. Select the equity adjustment account here, not the regular inventory account. The system uses this account for inventory settlement adjustments.



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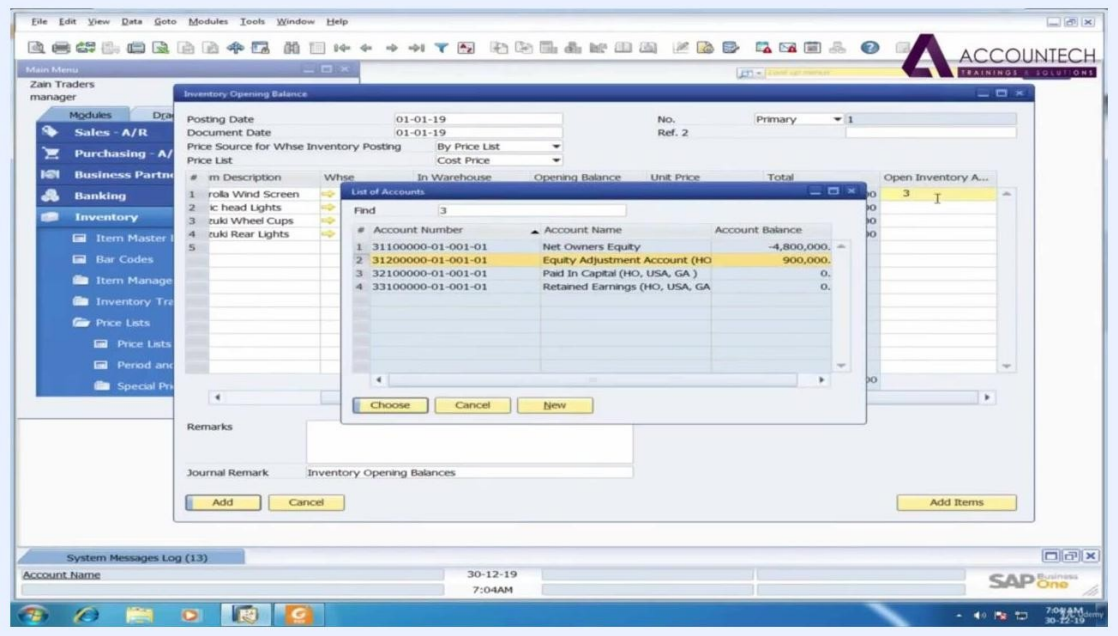
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Inventory Opening Balance screen with all items, quantities, unit prices, totals, and the Open Inventory Account column ready for entry

Step 7: Assign the equity adjustment account to all items

1. In the **Inventory Opening Balance** window, go to the **Open Inventory Account** column.
2. For the first item, select **Equity Adjustment Account (HO, USA, GA)** (Account Number: 31200000-01-001-01).
3. Click the next field in the **Open Inventory Account** column.
4. Hold **Ctrl** and press the **Up Arrow** key to copy the value from the cell above.

5. Repeat for each remaining item until all items have the same account.

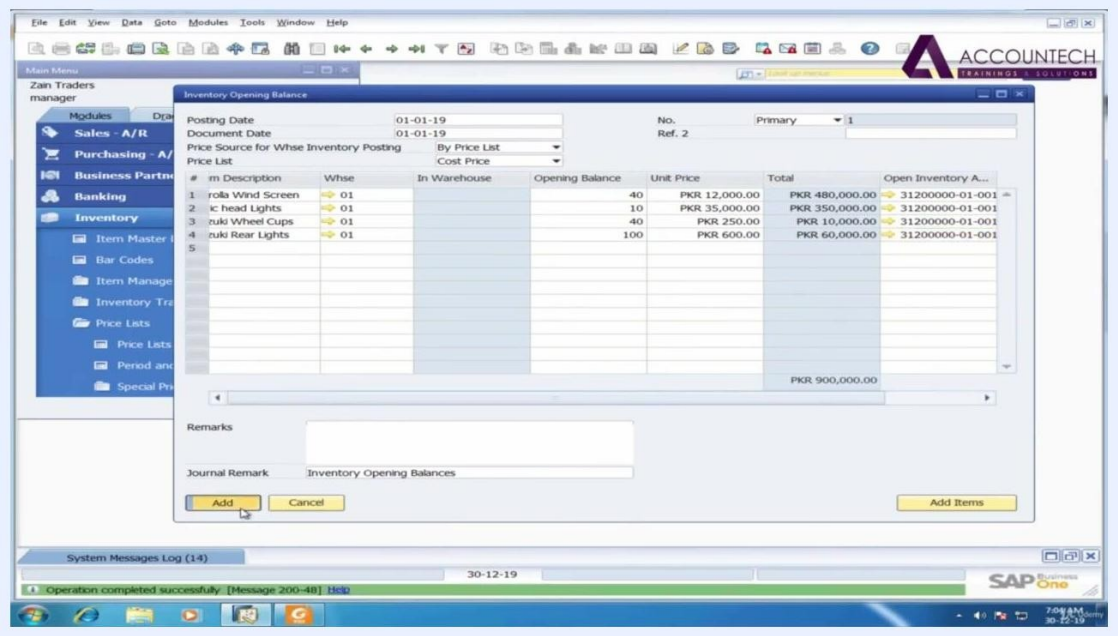


Inventory Opening Balance screen with the Equity Adjustment Account selected for every item in the Open Inventory Account column

Step 8: Save the inventory opening balances

1. Confirm that all items have the correct account and values.
2. Click **Add** at the bottom of the window to save your entries.

3. Wait for the confirmation message in the System Messages Log showing that the operation completed successfully.



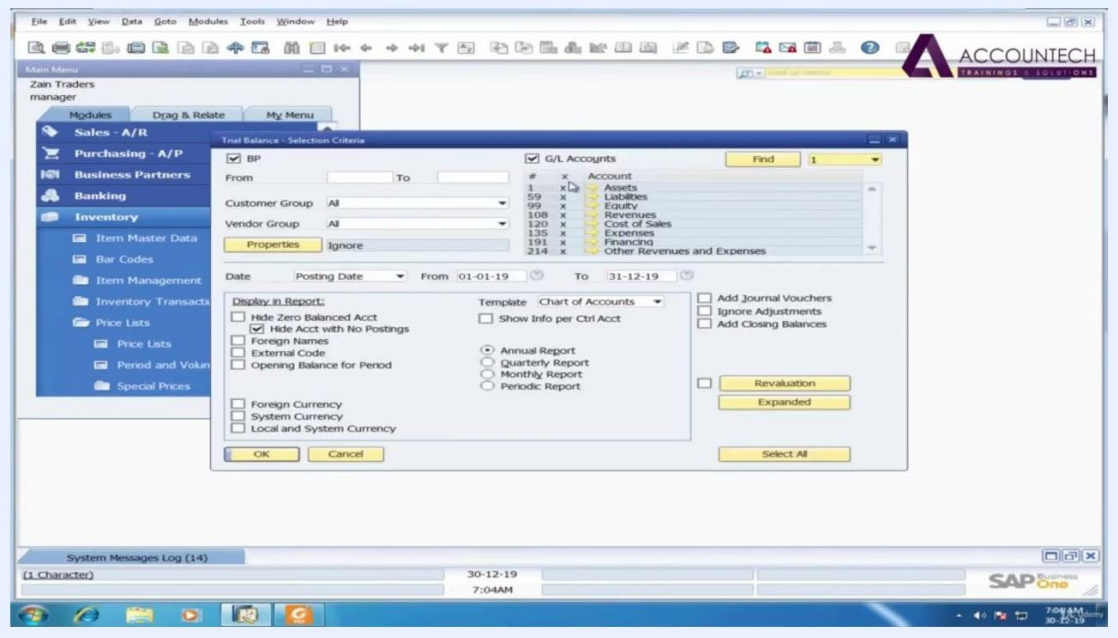
Inventory Opening Balance screen with all fields filled and the Add button being clicked to save the entries

Step 9: Extract the trial balance

To verify your entries, extract the trial balance.

1. Open the **Trial Balance - Selection Criteria** window.
2. Make sure **G/L Accounts** is checked.
3. Check or uncheck **BP** (Business Partners) as needed.
4. Set the date range, for example From: 01-01-19 and To: 31-12-19.
5. Select any additional display options you need, such as **Hide Acct with No Postings**.

6. Click **OK** to generate the report.



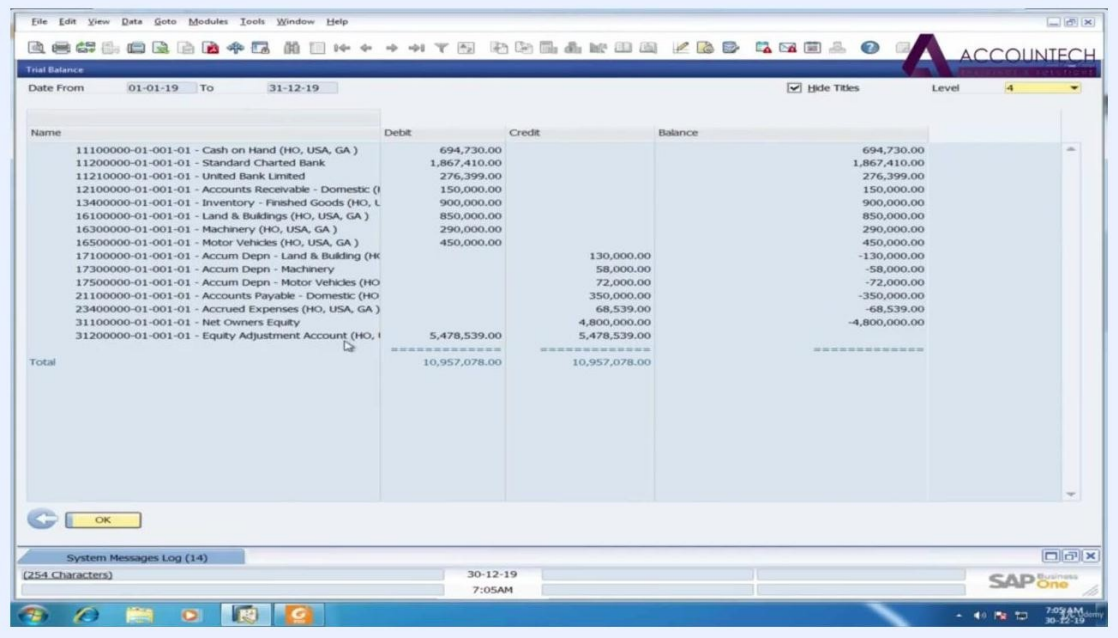
Trial Balance - Selection Criteria window with G/L Accounts checked, the date range set, and the OK button ready to be clicked

Step 10: Verify the inventory and equity adjustment balances

In the **Trial Balance** report, check the following:

- The **Inventory - Finished Goods** account shows a balance of **PKR 900,000**.
- The **Equity Adjustment Account** balance is **zero**.

If there is any difference, review your previous entries for errors.



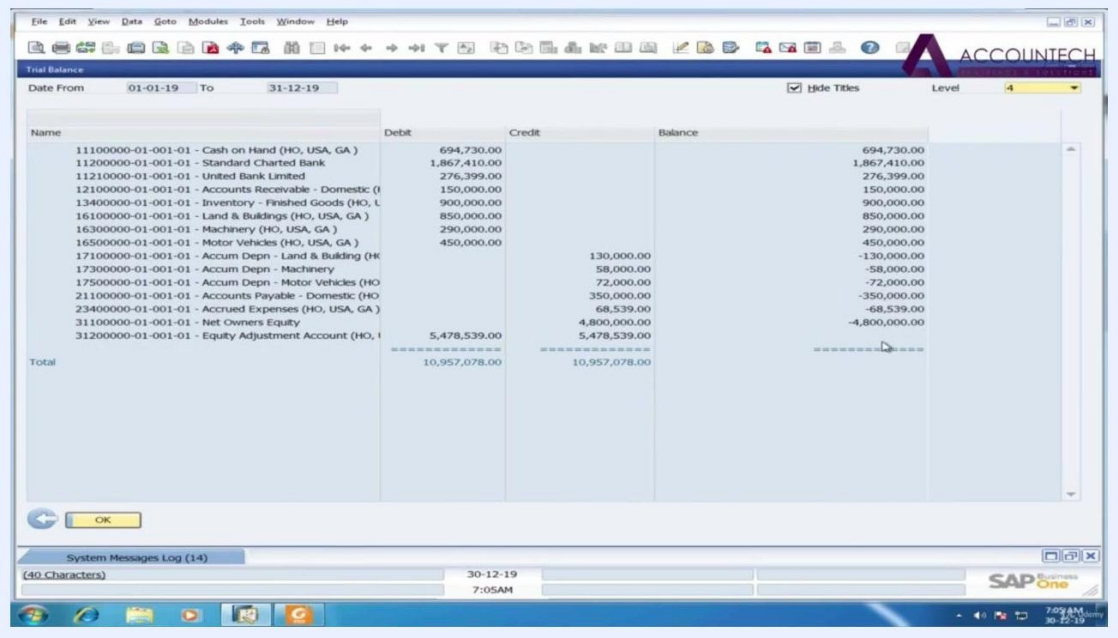
Trial Balance report showing Inventory - Finished Goods at PKR 900,000 and the Equity Adjustment Account at zero

Troubleshooting mismatched balances

If the balances do not match, or the Equity Adjustment Account does not show zero, double-check these items in your Inventory Opening Balance entries:

- Quantities
- Unit prices
- Account assignments

Correct any discrepancies and repeat the process as needed.



Trial Balance report with all balances visible for review and troubleshooting

Summary

To enter opening balances in SAP Business One for inventory, you open the **Inventory Opening Balance** window and add your items. You set the price source to **By Price List**, enter quantities, and assign the equity adjustment account. After you click **Add**, you confirm the result in the trial balance. The **Inventory - Finished Goods** account should show PKR 900,000 and the Equity Adjustment Account should show zero.