

BANK RECONCILIATION

If there are bank fees, direct debits, periodical payments, or direct deposits, these need to be entered before the reconciliation is started.

TO ENTER ALL DEBIT ITEMS

From the Banking menu, select **Write Cheques**.

Key in **BS** (Bank Statement) into the cheque number field. Adjust the date if necessary. In the payee field, key in the name of the bank (Quick add if necessary). Key in the amount of the bank fee.

Account	Tax	Net Amt	Tax Amt	Memo	Customer:Job
Bank Service Charges		25.00			
Totals		25.00	0.00		

In the account field, select **Bank charges** from the pull down list of accounts. (Open the Bank Charges account if necessary). Check that the amount of the bank fee is entered in the amount column. Click on **Save & Close**.

To enter direct deposits

From the Banking menu, select **Make deposits**.

Received From	From Account	Memo	Chq No.	Pmt Meth.	Amount
Eastpac Bank	Interest Revenue				35.00

Adjust the date.

In the Received From field, enter the source of the deposit (name of the bank). Select the account for the income from the pull down list (or open the account if necessary). The Memo field can be used to note the reason for the deposit.

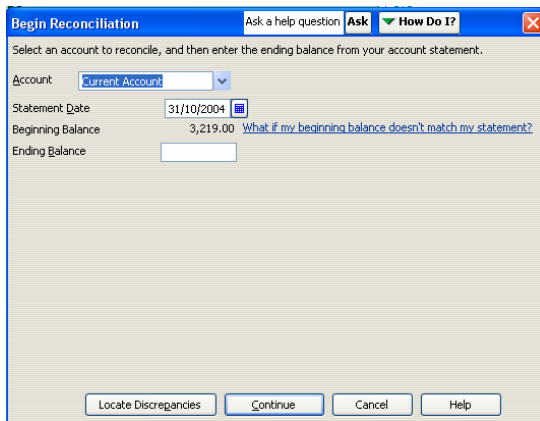
Key in the amount of the deposit.

Click on **Save & Close**.

TO RECONCILE THE ACCOUNT WITH THE BANK STATEMENT

From the Banking menu, select **Reconcile**.

In the reconcile box, enter the closing balance of the bank account from the bank statement.



The screenshot shows a dialog box titled "Begin Reconciliation" with a blue header bar. The header bar contains the text "Ask a help question" followed by "Ask" and "How Do I?". Below the header, the main area is light gray and contains the following fields and text:

- Text: "Select an account to reconcile, and then enter the ending balance from your account statement."
- Account: A dropdown menu showing "Current Account".
- Statement Date: A text box containing "31/10/2004" with a calendar icon to its right.
- Beginning Balance: A text box containing "3,219.00" with a link that says "What if my beginning balance doesn't match my statement?".
- Ending Balance: An empty text box.

At the bottom of the dialog box, there are four buttons: "Locate Discrepancies", "Continue", "Cancel", and "Help".

Click on **Continue**.

Reconcile - Current Account Ask a help question Ask How Do I?

Reconciling for the period ending 31/10/2004 Show only transactions on or before the statement ending date

Cheques and Payments				Deposits and Other Credits					
✓	Date	Chq #	Payee	Amount	✓	Date	Ref #	Memo	Amount
✓	01/03/2005	1245	Cash	3,200.00	✓	16/03/2005		Deposit	35.00
✓	01/03/2005	1246	Sam Smooth	2,500.00	✓	28/03/2005			3,960.00
	02/03/2005	1247	QBE	165.00					
	07/03/2005	1248	Hillside Ltd	1,650.00					
	11/03/2005	1249	Optus	855.00					
✓	11/03/2005	1250	Forsyth Paints	2,860.00					
	15/03/2005	1251	Eastpac Bank	3,500.00					
	16/03/2005	85	Bank of Melbourne	25.00					
	20/03/2005	1252	Sam Smooth	2,500.00					
	26/03/2005	1253	Ampol	363.00					
	28/03/2005	1254	Piping Hot	4,400.00					

Sort by: Date Columns to Display...

Beginning Balance	3,219.00	Modify	Ending Balance	2,115.00
Items you have marked cleared			Cleared Balance	-1,346.00
2 Deposits and Other Credits	3,995.00		Difference	3,461.00
3 Cheques and Payments	8,560.00			

At the Reconcile screen, lists of deposits and cheques appear. These need to be compared to the cheques and deposits on the bank statement. Insert a tick on the left of the lists for any item which appears on both records.

At the bottom right of the box is the field **Difference**. As the cheques and deposits which are showing on the bank statement are ticked off, this difference will decrease to **0.00**. The account is now ready to be reconciled.

Click on **Reconcile Now** and QuickBooks removes the reconciled items from the list and prepares the lists for the next reconciliation.

Printouts of the full list of deposits and withdrawals showing the reconciled items, or a summary of the reconciliation showing unpresented cheques and deposits not credited are obtained by selecting the report required from the following screen.