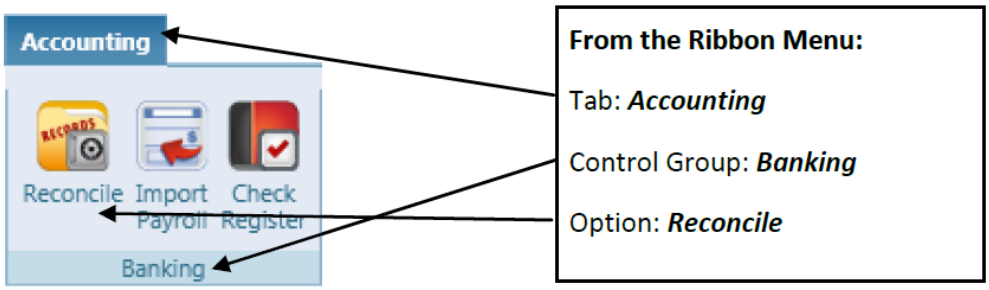
How Do You Reconcile a Cash General Ledger Account?

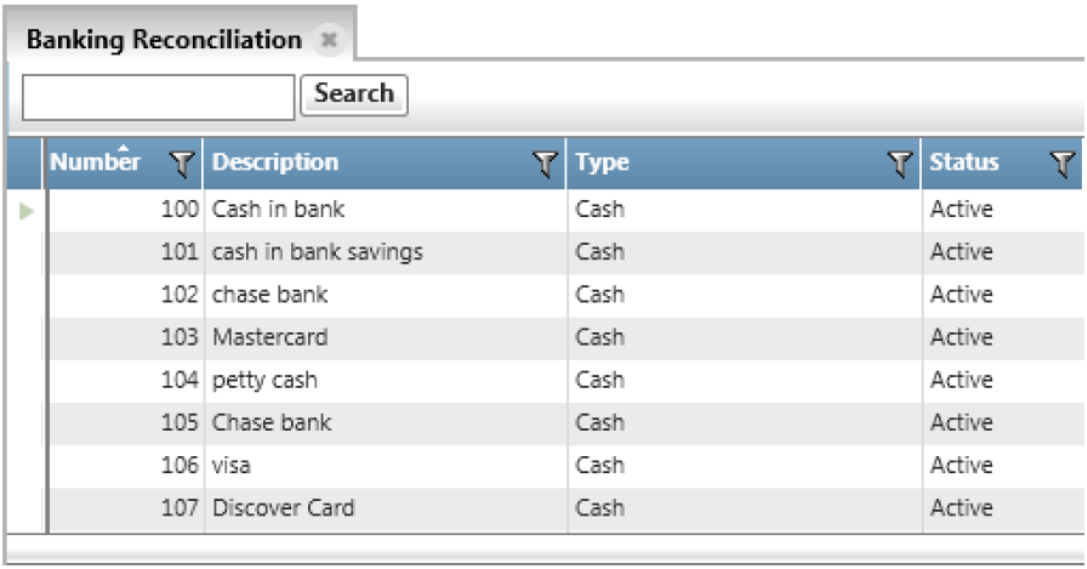
Tammy Mason - 2024-06-19 - in Accounting

How Do You Reconcile a Cash General Ledger Account?

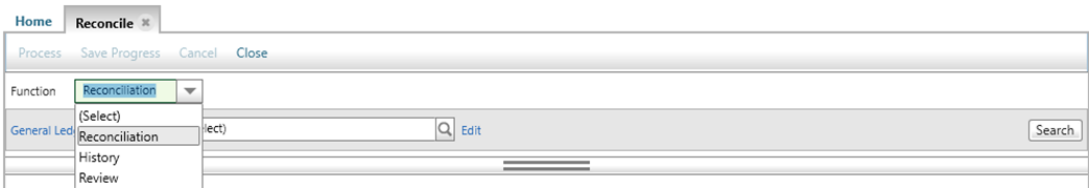


Explanation: A general ledger account must exist for each bank account you want to reconcile. At least one bank account was created during your conversion or company setup. If you have multiple bank accounts, a general ledger account needs to be created for each account. Please see: “Add a New General Ledger Account” in this document.

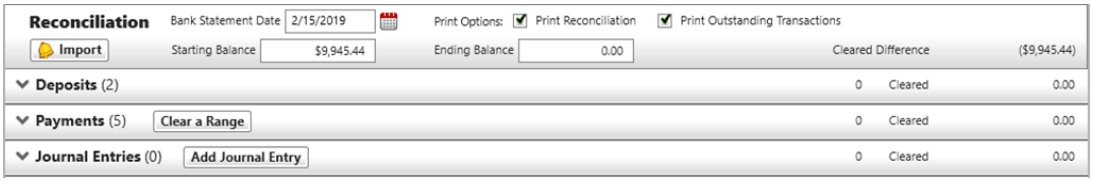
The Reconcile function allows the reconciliation of payments and deposits made under various general ledger accounts. Reconciliation can be completed for cash accounts, as well as liability accounts such as credit cards.



1. After selecting the Reconciliation option under the Function dropdown, select the general ledger account to reconcile and click search.

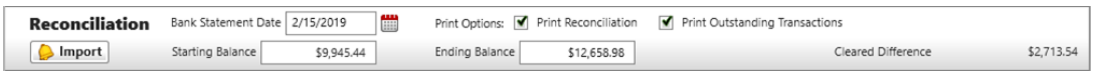


2. Select the appropriate general ledger from the list to reconcile with a single mouse click. The detail for that ledger will appear in the bottom of your screen or the right hand side, depending on your view selection.

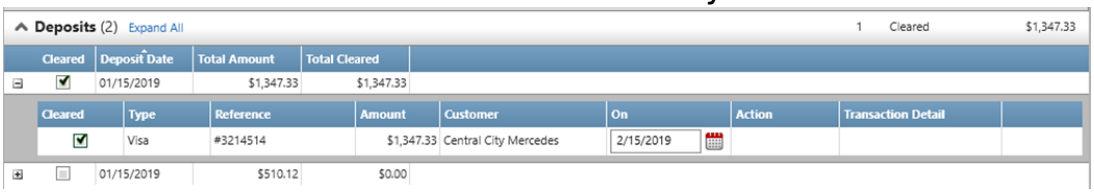


3. Enter the correct ending Bank Statement Date. Leave Print Reconciliation and Print Outstanding Transactions checked if you wish these to print, otherwise uncheck them.

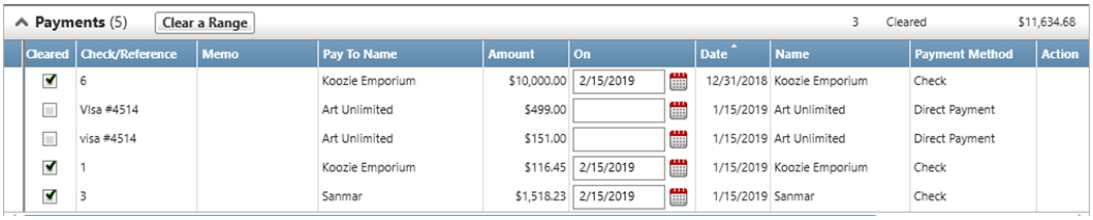
If this is the first one you have completed in ASI SmartBooks you will have to enter in your starting Balance as well as your Ending Balance. If there is a prior reconciliation, the Ending Balance from that reconciliation will default in as the Starting Balance. Your Cleared Difference will show, and the goal is to get this 0.00 in order to post the finalized reconciliation.



4. Transactions entered using Receipt Deposit will appear under the **Deposits** expander. Clear the deposits that show on your bank statement by checking the Cleared checkbox for that payment. If not all checks in a deposit cleared, you can expand the deposit and leave some uncleared for the next reconciliation. This will enter a cleared-on date based on your machine date.

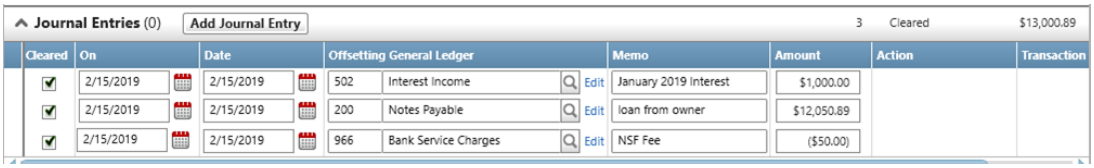


5. Transactions entered using Bill Pay or Import Payroll will appear under the **Payments** expander. Clear the payments that show on your bank statement by checking the Cleared checkbox for that payment. This will enter a cleared-on date based on your machine date. If you have a range of checks to clear you can enter that here to save time.



6. All other transactions not entered using Receipt Deposit, Bill Pay, or Import Payroll will appear under the **Journal Entries** expander. This includes transactions entered using Journal Entries, Receipt Allocate and Bill Apply when the cash ledger has been referenced. Clear the transactions that appear on the bank statement by checking the **"Cleared"** checkbox.

Any additional charges seen on the bank statement can be entered under the Add Journal Entry button as either Other Deposits (interest income, transfers from savings) entered as a positive number or Other Payments (Bank service charges, credit card fees) entered as a negative number.



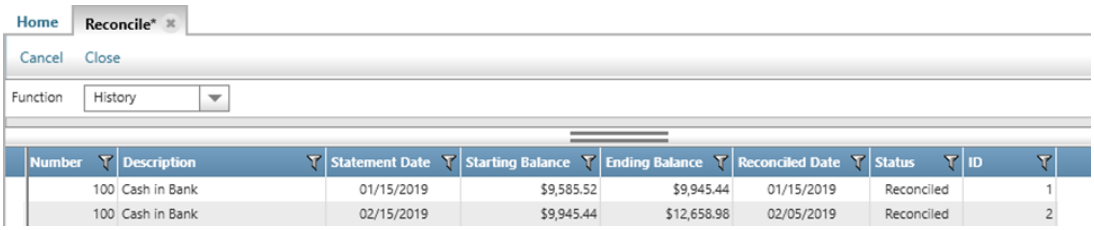
There are no date restrictions so voided checks and posting to

different months are not an issue.

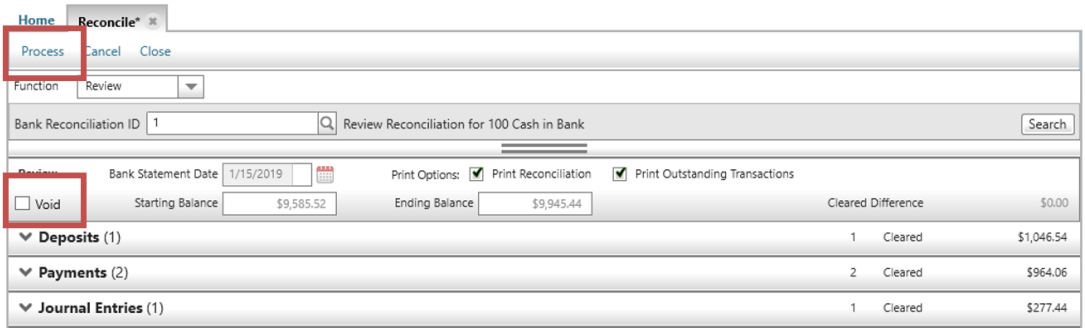
- If the cleared difference at the top is not zero, simply double check the beginning and ending balances and all cleared transactions.
- Most bank statements give a total for cleared deposits and cleared checks. These can be used to determine any differences.
- You also have the option to save progress if you need to exit and come back later to continue.

Once the Cleared Difference is 0.00 you can process the Reconciliation. If checked, the bank reconciliation report and the outstanding transactions report will print.

In Reconcile change the Function to history to review what reconciliations were completed. All previous bank reconciliations can be accessed through the Bank Reconcile History list. Select the general ledger you want to see the history for under Bank Reconcile. Select the time period and click search. Note the ID number.



Change the function option to review, you can reprint or void a Bank Reconciliation. Select the Bank Reconciliation ID and search.



To reprint click process.

To void check void and process.