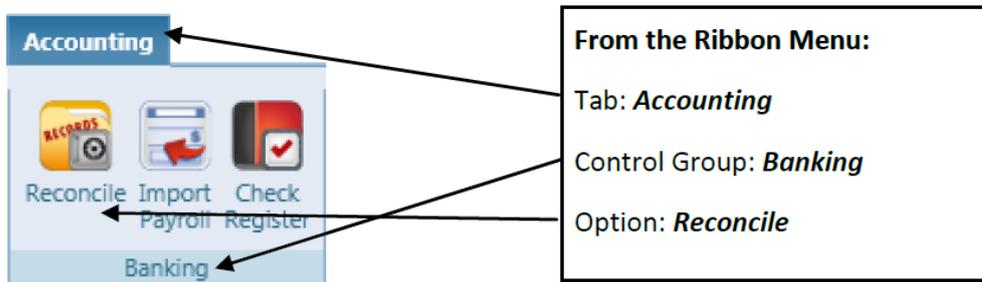


How Do You Reconcile a Cash General Ledger Account?

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.

Banking Reconciliation					
					Search
Number	Description	Type	Status		
100	Cash in bank	Cash	Active		
101	cash in bank savings	Cash	Active		
102	chase bank	Cash	Active		
103	Mastercard	Cash	Active		
104	petty cash	Cash	Active		
105	Chase bank	Cash	Active		
106	visa	Cash	Active		
107	Discover Card	Cash	Active		

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

The screenshot shows the 'Reconcile' window. The 'Function' dropdown is set to 'Reconciliation'. Below it, a 'General Ledger' dropdown is open, showing 'Reconciliation' as the selected option. To the right of the dropdown is a search field with a magnifying glass icon and an 'Edit' button. At the bottom right of the window is a 'Search' button.

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.

The screenshot shows the 'Reconciliation' summary screen. At the top, it displays 'Bank Statement Date' as 2/15/2019. Below this, there are fields for 'Starting Balance' (\$9,945.44) and 'Ending Balance' (0.00). To the right, there are checkboxes for 'Print Reconciliation' and 'Print Outstanding Transactions', both of which are checked. Below the balance fields, there is a 'Cleared Difference' field showing (\$9,945.44). At the bottom, there are three sections: 'Deposits (2)', 'Payments (5)', and 'Journal Entries (0)', each with a 'Clear a Range' or 'Add Journal Entry' button.

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.

Reconciliation Bank Statement Date Print Options: Print Reconciliation Print Outstanding Transactions

Import Starting Balance Ending Balance Cleared Difference

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.

Deposits (2) Expand All				1	Cleared	\$1,347.33	
Cleared	Deposit Date	Total Amount	Total Cleared				
<input checked="" type="checkbox"/>	01/15/2019	\$1,347.33	\$1,347.33				
Cleared	Type	Reference	Amount	Customer	On	Action	Transaction Detail
<input checked="" type="checkbox"/>	Visa	#3214514	\$1,347.33	Central City Mercedes	2/15/2019		
<input type="checkbox"/>	01/15/2019	\$510.12	\$0.00				

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.

Payments (5) Clear a Range										3	Cleared	\$11,634.68
Cleared	Check/Reference	Memo	Pay To Name	Amount	On	Date	Name	Payment Method	Action			
<input checked="" type="checkbox"/>	6		Koozie Emporium	\$10,000.00	2/15/2019	12/31/2018	Koozie Emporium	Check				
<input type="checkbox"/>	Visa #4514		Art Unlimited	\$499.00		1/15/2019	Art Unlimited	Direct Payment				
<input type="checkbox"/>	visa #4514		Art Unlimited	\$151.00		1/15/2019	Art Unlimited	Direct Payment				
<input checked="" type="checkbox"/>	1		Koozie Emporium	\$116.45	2/15/2019	1/15/2019	Koozie Emporium	Check				
<input checked="" type="checkbox"/>	3		Sanmar	\$1,518.23	2/15/2019	1/15/2019	Sanmar	Check				

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.

Journal Entries (0) Add Journal Entry										3	Cleared	\$13,000.89
Cleared	On	Date	Offsetting General Ledger		Memo	Amount	Action	Transaction				
<input checked="" type="checkbox"/>	2/15/2019	2/15/2019	502	Interest Income	January 2019 Interest	\$1,000.00						
<input checked="" type="checkbox"/>	2/15/2019	2/15/2019	200	Notes Payable	loan from owner	\$12,050.89						
<input checked="" type="checkbox"/>	2/15/2019	2/15/2019	966	Bank Service Charges	NSF Fee	(\$50.00)						

There are no date restrictions so voided checks and posting to

different months are not an issue.

Cleared Difference	\$0.00
--------------------	--------

- 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.

The screenshot shows the 'Reconcile' window with the 'Function' dropdown set to 'History'. Below the dropdown is a table with the following data:

Number	Description	Statement Date	Starting Balance	Ending Balance	Reconciled Date	Status	ID
100	Cash in Bank	01/15/2019	\$9,585.52	\$9,945.44	01/15/2019	Reconciled	1
100	Cash in Bank	02/15/2019	\$9,945.44	\$12,658.98	02/05/2019	Reconciled	2

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

The screenshot shows the 'Reconcile' window with the 'Function' dropdown set to 'Review'. The 'Process' button is highlighted with a red box. Below the dropdown is a search bar with 'Bank Reconciliation ID' 1 and a search button. Below the search bar is a 'Review' section with a 'Void' button highlighted with a red box. The 'Review' section includes the following information:

Bank Statement Date	1/15/2019	Print Options:	<input checked="" type="checkbox"/> Print Reconciliation	<input checked="" type="checkbox"/> Print Outstanding Transactions	
Starting Balance	\$9,585.52	Ending Balance	\$9,945.44	Cleared Difference	\$0.00

Below the 'Review' section is a table with the following data:

Category	Count	ID	Status	Amount
Deposits	(1)	1	Cleared	\$1,046.54
Payments	(2)	2	Cleared	\$964.06
Journal Entries	(1)	1	Cleared	\$277.44

To reprint click process.

To void check void and process.