

## BANK RECONCILIATION

A Bank Reconciliation is the process of matching the balances in an entity's accounting records for a cash account to the corresponding information on a bank statement. The goal of this process is to ascertain the differences between the two, and to book changes to the accounting records as appropriate. Listed Below in the *Figure 1* is the **1<sup>st</sup> Step: Outstanding Check**.

Figure 1

Bank Reconciliation

Step 1: Outstanding Check Step 2: Bank Reconciliation

\* Account: Cash in Bank - GRB

\* Start Date: 01/01/2019

\* End Date: 10/30/2019

ISSUED CHECKS

Check #	Txn Date	Check Date	Particular	Book	Department	Ref #	Amount	Outstanding	Good Check
0000000035	2019-07-29	2019-07-29	Supplier Name	CDJ	Accounting	TXN-20190729-71	5,500.00	<input type="radio"/>	<input type="radio"/>
0000000012	2019-07-25	2019-07-23	Supplier Name	CDJ	Admin	TXN-20190725-65	25,000.00	<input type="radio"/>	<input type="radio"/>

Showing 1 to 2 of 2 entries

< Previous 1 Next >

Change the **Date Range** (from and to), and the **Bank Account Title** to your preference to filter the shown Journal (Check) Transactions. Then **Tick** which Checks are **Outstanding** and which are **Good Checks**. Then go to **Step 2: Bank Reconciliation** (Figure 2).

Figure 2

Bank Reconciliation

Step 1: Outstanding Check Step 2: Bank Reconciliation

JOURNAL

ACCOUNT TO RECONCILE

Cash in Bank - GRB 112,921.00

DEDUCT :

BANK SERVICE CHARGE 50.00

NSF CHECKS 0.00

CHECK PRINTING CHARGE 100.00

ADD :

INTEREST EARNED 3.15

NOTES RECEIVABLE COLLECTED (BY BANK) 0.00

ADJUSTED COLLECTED BALANCE 112,774.15

BANK STATEMENT

CURRENT BANK ACCOUNT

Cash in Bank - GRB

ACTUAL BALANCE 130,000.00

DEDUCT :

OUTSTANDING CHECKS 25,000.00

ADD :

DEPOSIT IN TRANSIT 7,774.15

ADJUSTED COLLECTED BALANCE 112,774.15

PROCESS

Adjust the **Journal Details**: Bank Service Charge, NSF Checks, Check Printing Charge, Interest Earned, Notes Receivable Collected, and the **Bank Statement Details**: Actual Balance, and Deposit in Transit. Adjusted Collected Balance from both **Journal** and **Bank Statement** must be equal to Process (Click the Process Button) the Bank Reconciliation.