



QuickStart Guide

Bank Account Reconciliation

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ARKONA QuickStart Guide

Use this QuickStart Guide to learn how to reconcile your bank account.

- The first time you reconcile your bank account, it may be necessary to contact Customer Support for assistance breaking out the cleared portion of the balance forward entry from the conversion. Do not try to break it out using journal entries.
- Do not use function **F10=Complete** if there is a difference on the lower left side of the screen. This will cause a discrepancy between the Total Balance and the G/L Balance on the next reconciliation. A difference on this side indicates that not all of the transactions that appear on the bank statement have been cleared. See step 3 for help or call Customer Support.
- Do not use function **F11=Complete W/Diff** unless you no longer wish to reconcile your computer balance to the bank statement.
- There should never be a difference between the Total Balance and the G/L balance on the lower right side of the screen. If there is a difference, call Customer Support for assistance.

1. Display the unreconciled transactions for the bank account you want to reconcile.

- a. Take option **33=Bank Reconciliation** from the General Ledger menu.
- b. Use function F4 to display a list of bank accounts and take option **1=Select** by the account you want to reconcile.
- c. Enter the ending balance from the bank statement you are reconciling to.
- d. Enter the ending date from the bank statement.
- e. Set Include Transactions After Statement Date = Y.
 - This option may be left to N, however if transactions appearing on the bank statement were entered in the general ledger after the cutoff date they will not appear in the bank reconciliation screen and reconciliation will be impossible.
 - It is recommended that you reconcile your bank statement as soon as possible after receiving the bank statement and include all transactions.
- f. Enter any service charges, interest earned, and other charges that may appear on your bank statement that have not been posted to your general ledger and press [ENTER] to display the unreconciled transactions.
 - These entries will appear in the reconciliation and change the ending balance that displays.

2. Clear all of the transactions that appear on the bank statement.

- The transactions displayed on the Bank Account Reconciliation are sorted by:
 1. All the credits to the account are listed in document sequence.
 2. All the charges to the account are listed in document sequence.
 - **To find a specific deposit or check**, use function **F15=Position** to display the search window. Enter a deposit number or check number and press [ENTER] to position to it.
- b. Take option **C=Clear** by each transaction you want to clear.
 - c. Continue clearing transactions until the Cleared Balance equals or approaches the Statement Balance on the lower left side of the screen.

3. Enter any transactions that appear on your bank statement that are not listed on the bank reconciliation screen.

- a. Use function **F3=Exit** to save your work return to the General Ledger menu.
- b. Take option **21=Enter Transactions** from the General Ledger menu to post the necessary transactions to the bank account.
- c. Return to the Bank Account Reconciliation screen and clear the new entries.

4. Unreconcile any transactions that were shown as reconciled on a previous bank statement by mistake and remain unreconciled on this statement

- Normally you will not have to do this step unless you are reconciling your bank account on a daily basis and the bank indicates a transaction has cleared on one bank statement and the same transactions shows uncleared on the next statement.
- b. Use function **F5=Unreconcile** to display the document selection window.
 - c. Enter the check number or deposit number you want to unreconcile and press [ENTER].
 - d. Use function **F10=Unreconcile** to confirm.
 - The transaction will now appear in the bank account reconciliation.
 - The Starting Balance will be adjusted by the amount of the unreconciled transaction.

5. Make sure the Cleared Balance equals the Statement Balance on the lower left side of the screen.

- This is accomplished by clearing all outstanding entries that appear on the bank statement.
- Differences between the cleared balance and the statement balance may be caused by one of the following:
 1. An entry on the bank statement does not appear in the general ledger. It must be applied as described in step 3.
 2. An entry in the general ledger was posted for an amount different than what is appears on the bank statement for. For example, journal entries made to the bank account for the wrong amount. The entry must be adjusted to match the bank statement as described in step 3.
 3. Transactions on the bank account reconciliation screen were cleared in error. A common mistake is when a user transposes the numbers when deciding to clear a transaction.
 4. A transaction was cleared on a previous reconciliation by mistake. Use function **F5=Unreconcile** as described in step 4.
 5. The transaction is missing from the bank account reconciliation because it occurred in the general ledger on a date after the cutoff date entered. Change your cutoff date or set Include Transactions After Cutoff Date = Y.

6. Print a bank account reconciliation report.

- a. Use function **F18=Print** to print the bank account reconciliation report. This will give you a record of every transaction that was cleared.

7. Apply the bank reconciliation.

- a. Use function **F10=Complete** to clear all of the transactions and post the charges and interest entered in step 1f.