

# Prepare a Bank Reconciliation

The Reconcile allows the user to prepare periodic bank reconciliations. Note that there are several pages of *QBO* windows for this section, and the circled letters from the Quick Reference Table below are disbursed throughout those pages.

Transactions	DR	CR	Subsidiary Records Updated	General Ledger Updated
Appropriate Bank Account	\$	or \$		✓
Other Appropriate Accounts	\$	or \$		✓
Bank Service Charge	\$			✓
Interest Income		\$		✓

## Quick Reference Table

Step	Box or Other Location	Procedure
<b>A</b>	<b>QBO Home Page</b>	Select the <b>Settings menu</b> → <b>Reconcile</b> from the <b>QBO Home page</b> . If you get a message asking if you want to try the new AI-powered reconciliation, click the No, use the existing experience link.
<b>B</b>	<b>Get Started button</b>	Click the <b>Get Started button</b> .
<b>C</b>	<b>Let’s get reconciled button</b>	Click the <b>Let’s get reconciled button</b> .
<b>D</b>	<b>Account</b>	Select the general ledger account for the cash account being reconciled.
<b>E</b>	<b>Statement ending balance</b>	Enter the correct ending balance from the bank statement.
<b>F</b>	<b>Statement ending date</b>	Select the date of the bank reconciliation. <b>Note:</b> Ignore any message you may receive about certain transactions being “Uncategorized.”
<b>G</b>	<b>Date – service charge section</b>	Select the date of the bank reconciliation.
<b>H</b>	<b>Service charge</b>	Type the amount of the bank service charges.
<b>I</b>	<b>Expense account</b>	Select the general ledger account where the service charge expense is to be recorded.
<b>J</b>	<b>Date – interest earned section</b>	Select the date of the bank reconciliation.
<b>K</b>	<b>Interest earned</b>	Type the amount of the interest earned on the account being reconciled.
<b>L</b>	<b>Income account</b>	Select the general ledger account where the interest income is to be recorded.
<b>M</b>	<b>Start reconciling button</b>	Click the <b>Start reconciling button</b> .

(continued)



Step	Box or Other Location	Procedure
<b>N 1</b>	Select all radio button,	Click the radio button at the top of the last column to select all transactions. Click the <b>Yes, select all button</b> when asked if you are sure. <i>Note:</i> it is often easier to select all transactions and then go back and unselect checks or deposits that have not yet cleared the bank. See step P.
<b>N 2</b>	Yes, select all button	
<b>O</b>	Radio buttons – last column	Review the transactions in the window and remove the check mark next to any transaction that has not yet cleared the bank.
<b>P</b>	Difference	Make sure the <b>Difference box</b> is 0. If it is not, return to previous steps to find the error. Do not proceed until the <b>Difference box</b> is 0.
<b>Q</b>	Finish now	After determining that the <b>Difference box</b> is 0, click the <b>Finish now button</b> .
<b>R</b>	View reconciliation report link	Click the <b>View reconciliation report link</b> to preview a copy of the bank reconciliation.
<b>S</b>	PDF of bank reconciliation	Print a PDF of the bank reconciliation. See last illustration for a sample printed bank reconciliation report.

## Prepare a Bank Reconciliation

### QBO windows

YOUR COMPANY	LISTS	TOOLS	PROFILE
Account and settings	All lists	Order checks <input type="checkbox"/>	Subscriptions and billing
Manage users	Products and services	Import data	What's new
Custom form styles	Recurring transactions	Import desktop data	Feedback
Chart of accounts	Attachments	Export data	Privacy
Workers' comp	Custom fields	Reconcile  <b>A</b>	Switch company
Get the desktop app	Rules	Budgeting	
Additional info		Audit log	
		Share screen	
		Resolution center	



## Prepare a Bank Reconciliation

QBO windows (continued)

**Accounting**

Chart of accounts **Reconcile**

# Match the books to the bank records

Connected accounts are easier to reconcile. [Connect now](#)

[See how it works](#)  
(7:50)

- Keep yourself on track
- Find holes in your accounting
- Get things tidy for tax time

[Get started](#) **B**



## Reconcile like a pro

Get your books and your bank statement to agree



Open the bank statement      Match your books to the statement      Success! Your account is reconciled

[Let's get reconciled](#) **C**

# Prepare a Bank Reconciliation

QBO windows (continued)

Chart of accounts > Bank register > Reconcile

## Reconcile

[Summary](#) | [History by account](#)

**Which account do you want to reconcile?**

Account: 10100 Cash D

**Add the following information\***

Beginning balance: 0.00 E      Statement ending balance: F E      Statement ending date: F E

**Enter the service charge or interest earned, if necessary**

Date: G G      Service charge: H 0.00 H      Expense account: I I

Date: J J      Interest earned: K 0.00 K      Income account: 31100 Interest Income L L

Start reconciling M

}

Not applicable for Craig's Landscaping, but you will use for Waren Sports Supply in Chapter 9.]

Chart of accounts > Bank register > Reconcile

## Reconcile Checking

Statement ending date: May 31, 2024 [Edit info](#) [Save for later](#)

**\$636.60**  
STATEMENT ENDING BALANCE

---

**\$5,000.00**  
BEGINNING BALANCE

**\$5,000.00**  
CLEARED BALANCE

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**\$0.00**  
0 PAYMENTS

**\$0.00**  
0 DEPOSITS

**-\$4,363.40**  
DIFFERENCE

Show me around

Statement ending date:  Clear filter / View all Payments Deposits All

DATE ▲	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)	
01/25/2024		Bill Payment	10	Accounts Payable (A/P)	Robertson & As...		300.00		<span style="border: 1px solid black; border-radius: 50%; padding: 2px;">N<sub>1</sub></span>
02/02/2024		Receive Payment	1053	Accounts Receivable (A/...	Bill's Windsurf S...			175.00	<span style="border: 1px solid black; border-radius: 50%; padding: 2px;">O</span>
02/16/2024		Expense	12	Legal & Professional Fe...	Robertson & As...		250.00		
03/09/2024		Check	4	Automobile:Fuel	Chin's Gas and Oil		54.55		
03/15/2024		Sales Tax Payment		- Split -		Q1 Payment	38.50		
03/15/2024		Sales Tax Payment		- Split -		Q1 Payment	38.40		
03/18/2024		Expense	9	Job Expenses:Job Mate...	Tania's Nursery		89.09		
03/18/2024		Check	12	Legal & Professional Fe...	Books by Bessie		55.00		
03/24/2024		Check	5	Automobile:Fuel	Chin's Gas and Oil		62.01		
03/25/2024		Expense	15	Job Expenses	Tania's Nursery		108.09		
04/03/2024		Receive Payment	5664	Accounts Receivable (A/...	Freeman Sport...			86.40	
04/03/2024		Sales Receipt	1008	Design income	Kate Whelan			225.00	

## Prepare a Bank Reconciliation

QBO windows (continued)



**Are you sure you want to select all 10 transactions?**

Some might already be selected. You won't be able to go back to these selections.

Don't ask me again

Chart of accounts > Bank register > Reconcile

### Reconcile Checking

Statement ending date: May 31, 2024

<b>\$636.60</b>		<b>\$636.60</b>	
STATEMENT ENDING BALANCE		CLEARED BALANCE	
<b>\$5,000.00</b>	<b>\$6,766.60</b>	<b>\$2,403.20</b>	
BEGINNING BALANCE	30 PAYMENTS	10 DEPOSITS	

✓ **\$0.00** P  
 DIFFERENCE

Statement ending date:  Clear filter / View all Show me around

DATE	CLEARED DATE	TYPE	REF NO. Y	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)
03/09/2024		Check	4	AutomobileFuel	Chin's Gas and ...		54.55	
04/26/2024		Bill Payment	3	Accounts Payable (A/P)	Books by Bessie		75.00	
04/22/2024		Check	2	Office Expenses	Mahoney Mugs		18.08	
04/25/2024		Bill Payment	1	Accounts Payable (A/P)	Brosnahan Insu...		2,000.00	
05/12/2024		Credit Card Credit		Mastercard			900.00	
05/01/2024		Cash Expense		Job Expenses:Job Mate...	Tania's Nursery		23.50	
04/28/2024		Deposit		- Split -				868.15
04/27/2024		Deposit		- Split -				408.00
04/27/2024		Cash Expense		AutomobileFuel	Chin's Gas and ...		63.15	
04/26/2024		Receive Payment		Accounts Receivable (A/...	Freeman Sporti...			50.00
04/26/2024		Deposit		- Split -				218.75



**You reconciled this account**

To see a report of this reconciliation, click [View reconciliation report](#). Otherwise, you're done!



## Prepare a Bank Reconciliation

QBO windows (continued)

### Craig's Design and Landscaping Services

Checking, Period Ending 05/31/2024

#### RECONCILIATION REPORT



Reconciled on: 05/24/2024

Reconciled by: Craig Carlson

Any changes made to transactions after this date aren't included in this report.

Summary	USD
Statement beginning balance.....	5,000.00
Checks and payments cleared (30).....	-6,766.60
Deposits and other credits cleared (10).....	2,403.20
Statement ending balance.....	<u>636.60</u>
Uncleared transactions as of 05/31/2024.....	564.40
Register balance as of 05/31/2024.....	1,201.00

#### Details

##### Checks and payments cleared (30)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/25/2024	Bill Payment	10	Robertson & Associates	-300.00
02/16/2024	Expense	12	Robertson & Associates	-250.00
03/09/2024	Check	4	Chin's Gas and Oil	-54.55
03/15/2024	Sales Tax Payment			-38.50
03/15/2024	Sales Tax Payment			-38.40
03/18/2024	Expense	9	Tania's Nursery	-89.09
03/18/2024	Check	12	Books by Bessie	-55.00
03/24/2024	Check	5	Chin's Gas and Oil	-62.01
03/25/2024	Expense	15	Tania's Nursery	-108.09
04/07/2024	Bill Payment	7	Hicks Hardware	-250.00
04/10/2024	Expense	8	Hicks Hardware	-24.36
04/19/2024	Cash Expense		Bob's Burger Joint	-5.66
04/19/2024	Check		Tony Rondonuwu	-100.00
04/19/2024	Cash Expense		Squeaky Kleen Car Wash	-19.99
04/20/2024	Cash Expense		Chin's Gas and Oil	-52.14
04/20/2024	Check	70	Chin's Gas and Oil	-185.00
04/21/2024	Bill Payment	11	Hall Properties	-900.00
04/22/2024	Expense	13	Hicks Hardware	-215.66
04/22/2024	Check	2	Mahoney Mugs	-18.08
04/24/2024	Cash Expense		Bob's Burger Joint	-3.86
04/25/2024	Bill Payment	1	Brosnahan Insurance Ag...	-2,000.00
04/26/2024	Refund	1020	Pye's Cakes	-87.50
04/26/2024	Bill Payment	3	Books by Bessie	-75.00
04/26/2024	Check	Debit	Squeaky Kleen Car Wash	-19.99
04/27/2024	Bill Payment	6	PG&E	-114.09
04/27/2024	Bill Payment	45	Tim Philip Masonry	-666.00
04/27/2024	Expense	108	Tania's Nursery	-46.98
04/27/2024	Cash Expense		Chin's Gas and Oil	-63.15
05/01/2024	Cash Expense		Tania's Nursery	-23.50
05/12/2024	Credit Card Credit			-900.00

**Total** -6,766.60

##### Deposits and other credits cleared (10)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/02/2024	Receive Payment	1053	Bill's Windsurf Shop	175.00
04/03/2024	Receive Payment	5664	Freeman Sporting Good...	86.40

