

### Outline/Details

Find below a detailed guide on performing a Bank Reconciliation in an Evolution company.

### Bank Reconciliation Guide

The Bank Reconciliation feature allows you to match processed cashbook entries to the actual bank statement transactions as received from your bank.

Generally, this assists in the process of verifying the correctness and validity of transactions on both the Evolution cashbook, and the bank statement.

Processing a Bank Reconciliation is not adding new, or affecting the previously processed transaction values in the General Ledger. However, the following benefits should be considered by **routinely** (e.g. weekly, bi-weekly) performing a bank recon.

- It ensures the validity of your cashbook's posted transactions, as well as advising you on the need for processing corrective transactions in the General ledger Cashbook batch), relative to your bank statement.
- You may be able to detect possible fraudulent transactions on either the bank statement or in the Evolution cashbook and take appropriate actions to address this.

### Bank Reconciliation Steps

1. To access the Bank Reconciliation node from the System Tree, go to **General Ledger | Transactions | Bank Reconciliation**.
2. Notice the various elements as indicated below.

The screenshot shows the 'General Ledger Bank Reconciliation' window for a 'Current Account'. The window title is 'General Ledger Bank Reconciliation "Current Account"'. The interface includes a menu bar with 'Bank Reconciliation', 'Options', and 'Utilities'. Below the menu bar are buttons for 'Close', 'Save', 'View', 'Cancel', 'Automatic Statement Reconciliation', 'Show Detail', 'Reconcile All', and 'Unreconcile All'. The main area contains several fields: 'Account' (Current Account), 'Statement Balance' (956,796,967.00), 'Find By' (Reference), 'Reconcile up to Month' (January 2019), and 'Bank Reference' (BNK-REF-001). A table of transactions is displayed with columns for Date, Period, Code, Reference, Description, Deposit, Payment, Clr, and Bank Reference. The table shows various transactions, including payments and deposits. A 'Balances' section at the bottom provides a summary of the reconciliation process, including 'Total Unreconciled', 'Reconciled Bank Balance', and 'Difference'. Red annotations highlight key elements: 'Bank Account to reconcile' points to the Account field; 'Select the month to be reconciled, and select the option to include transactions of only the selected month or all prior months' points to the Reconcile up to Month field; 'Enter the Closing Balance from your bank statement' points to the Statement Balance field; 'Click Column used to reconcile' points to the Clr column; and 'Difference between the company's GL account balance and the Bank Statement balance. Note this value fluctuates as you select the Clr check boxes' points to the Difference field in the Balances section.

Date	Period	Code	Reference	Description	Deposit	Payment	Clr	Bank Reference
2018/07/25	52			Payment		5,000.00	<input checked="" type="checkbox"/>	BNK-REF-001
2018/07/31	52					80,000.00	<input type="checkbox"/>	
2018/07/31	52					50,000.00	<input type="checkbox"/>	
2018/08/28	53					1,000.00	<input type="checkbox"/>	
2018/09/13	54					5,000.00	<input type="checkbox"/>	
2018/09/19	54					15,235.10	<input type="checkbox"/>	
2018/10/04	55					12,574,826.00	<input type="checkbox"/>	
2018/10/11	55					50,000.00	<input type="checkbox"/>	
2018/11/06	56					1,000.00	<input type="checkbox"/>	
2019/01/31	58					1,500.00	<input type="checkbox"/>	
2019/01/31	58					500.00	<input type="checkbox"/>	
					9,850.00	12,803,091.60		

Balances		
Description	Deposits	Payments
Computer Bank Balance		12793241.60
Total Unreconciled	5000.00	12797291.60
Reconciled Bank Balance	944004675.40	
Difference	956797917.00	

3. Before reconciling and clicking the View button at the top, do the following:
  - a. Use the **Account** field to select the General Ledger Bank Account to be reconciled.
  - b. After selecting the account, select the relevant period/month you wish to reconcile.
    - If you wish to reconcile transactions in all periods up to and including the selected period, check the **Reconcile up to Month** option.
    - If you wish to reconcile transactions only in the selected period, **uncheck** the Reconcile up to Month option.
  - c. In the Statement Balance field, enter the balance from your bank statement at the end of period that you have selected to reconcile.

**Note:** If the account is in overdraft, enter a negative value.

- d. If you enter a statement balance, the system displays the difference between this value and the current cashbook balance at the bottom of the screen. The end goal is to have a zero balance Difference value, indicating all the transactions between the cashbook and the bank statement agree.
- e. Click on the **Options** menu.



- f. Select which items to show in the **Options** menu.
  - By selecting **Show Reconciled** all transactions that were previously reconciled in the selected period will also be displayed.
  - If you select **Show Unreconciled**, transactions that have not been reconciled in the period selected, will also be displayed.
  - You can also select both options to see all transactions for the selected period.
  - The option to Include **Open Batches** will also include the transactions that have been saved but not yet processed in cashbook batches.
- g. After making the relevant selections, click on the **View** button to display the transaction lines, ready for them to be individually reconciled.

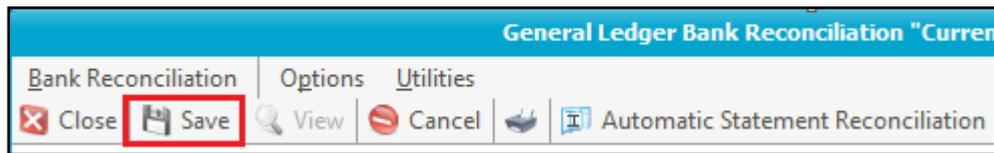
#### 4. Reconciling and Unreconciling transactions:

- Each line is a reconcilable transaction.
- The columns display relevant transaction information, but the important column is the **Clr** (Clear) column.
- To reconcile a transaction, select the **Clr** check box.
- To un-reconcile a transaction, un-select the **Clr** check box.
- You can either use the spacebar or left click in the Clr check box to reconcile or unreconciled the transaction line.

5. The following information displays at the bottom of the Bank Reconciliation window and updates as you work:

Computer Bank Balance	This is the computer's balance of the bank account you are reconciling.
Total Unreconciled	This shows the total of payments and deposits that are not yet reconciled.
Reconciled Bank Balance	This shows the value that the system expects the bank statement to be. Your reconciliation is complete and correct if the value here is the same as the closing balance on your bank statement.
Difference	This shows any difference between the bank account's balance on the computer and the Statement Balance that you entered.

6. When done reconciling, click the **Save** button



**Please Note:**

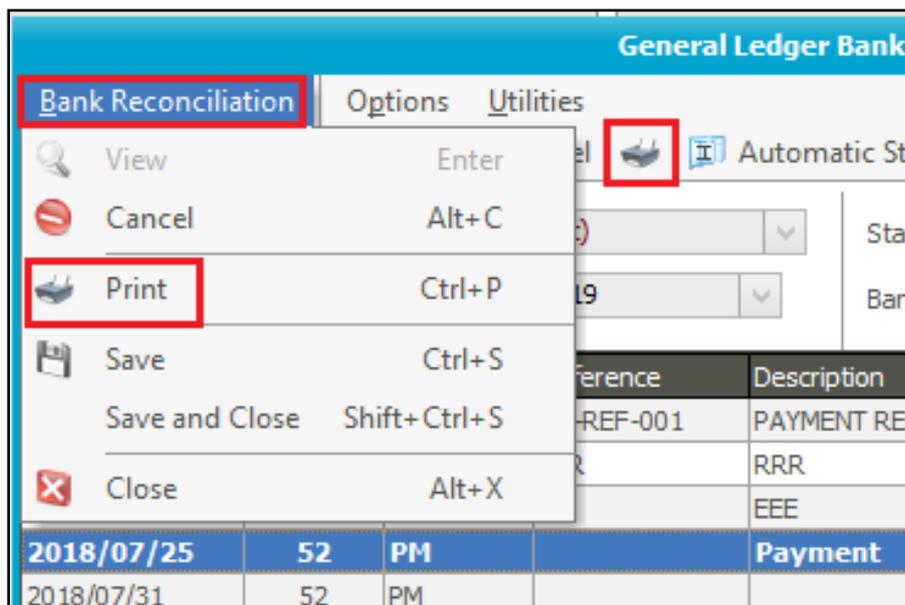
While you work on the reconciliation, the changes you make do not save automatically.

If you wish to discard any changes you have made, OR need to select/enter any other header field values (e.g. selecting a different month to be reconciled), select the **Cancel** button.

7. To print the **Bank Reconciliation Report**, do the following:

Go to **Bank Reconciliation | Print** or click the Print button.

Note that the printout does not reflect any unsaved work you have done.



You should save your work and view/print the report again, until satisfied.

## Frequently asked Questions:

1. Transactions from previous periods do not show.

On the Bank Reconciliation screen select the **Reconcile up to Month** option to ensure all relevant transactions are displayed.

2. I cannot see the transactions that have already been reconciled.

- a. On the Bank Reconciliation screen, click the Cancel button to enable the selection of all header field values again
- b. Select the **Options** menu at the top of the screen.
- c. Ensure the **Show Reconciled** option is selected.
- d. Click on the **View** button again and all reconciled transactions for the selected period should display.