

# Bank Reconciliation

i21 reconciles your bank accounts against your monthly statement. Bank Reconciliation is usually done once per month when you receive your printed monthly statement from your bank or financial institution. You will be able to review a list of payments and deposits from your bank accounts and clear the transactions that appear on the statement. The cleared information will be referenced inside the bank account.

## Field Description - header

1. The **Bank Account field** is used to select the bank account you want to perform bank reconciliation.
2. The **Statement Date field** is used to enter the date shown in your Bank Statement.
3. The **Bank Name field** shows the bank where the bank account selected in the Bank Account field is associated.
4. The **G/L Account field** shows the G/L cash, checking or savings account assigned for the bank account.
5. The **G/L Balance field** shows the G/L current balance appearing on General Ledger Account Detail for the bank account selected and at the date set in the Statement Date field.
6. The **Bank & GL Balance Difference field** shows the difference between the account balance recorded in the General Ledger Account Detail screen > Ending Balance field and the balance recorded in the Cash Management screens > Balance field. This helps you identify whether or not, your GL numbers match that of Cash Management numbers.

## Field Description - Payments and Debits panel

1. The **Magnifying glass button** before the Clear checkbox when clicked will open the actual transaction.
2. The **Clear checkbox** is used to select/deselect the transaction to be cleared.
3. The **Date field** shows the date the transaction was posted.
4. The **Number field** shows the Check Number for Miscellaneous Check transactions.
5. The **Payee field** shows the recipient to whom the check is to be issued.
6. The **Transaction Type field** shows the type of transaction.
7. The **Payment field** shows the amount entered for the Miscellaneous Check, Bank Transaction or Bank Transfer.
8. The **Payments Cleared field** shows the total of the payments/debits selected to be cleared.

## Field Description - Deposits and Credits panel

1. The **Magnifying glass button** before the Clear checkbox when clicked will open the actual transaction.
2. The **Clear checkbox** is used to select/deselect the transaction to be cleared.
3. The **Date field** shows the date the transaction was posted.
4. The **Number field** is not necessary as this field is only for Miscellaneous Check, which is on Payments and Debits panel.
5. The **Payor field** is used to enter the name of an individual or company who pays in the form of deposit. Can be a customer or can be a memo for what the Receipt of cash is for.
6. The **Transaction Type field** shows the type of transaction.
7. The **Deposit field** shows the amount entered for the Bank Deposit, Bank Transaction or Bank Transfer.
8. The **Deposits Cleared field** shows the total deposits/credits selected to be cleared.

## Field Description - bottom part

1. The **Prior Reconciliation Ending Balance field** shows the balance of the previous reconciliation. If this is the first time the bank account is to be reconciled, you may enter the previous bank statement balance.
2. The **Cleared Payments field** shows the total payments/debits selected to be cleared.
3. The **Cleared Deposits field** shows the total deposits/credits selected to be cleared.
4. The **Ending Balance Per Reconciliation field** shows the amount derived after deducting the Cleared Payments and adding the Cleared Deposits from the amount entered in the Prior Reconciliation Ending Balance field. Notice that the formula is shown on the Bank Reconciliation to help you visualize how the amount was computed. The formula is:  $\text{Prior Reconciliation Ending Balance} - \text{Cleared Payments} + \text{Cleared Deposits} = \text{Ending Balance Per Reconciliation}$ .
5. The **Bank Statement Ending Balance field** is used to enter the Ending Balance appearing in your Bank Statement.
6. The **Uncleared Payments field** shows the total payments/debits awaiting clearing and will not be part of the current reconciliation. These are transactions to be left in the bank reconciliation screen and will soon be reconciled.
7. The **Uncleared Deposits field** shows the total deposits/credits awaiting clearing and will not be part of the current reconciliation. These are transactions to be left in the bank reconciliation screen and will soon be reconciled.
8. The **Bank Account Balance field** shows the bank account Balance appearing in most Cash Management screens.
9. The **Difference field** shows the amount derived after deducting the Uncleared Payments, adding Uncleared Deposits and deducting Bank Account Balance from the amount entered in the Bank Statement Ending Balance field. Notice that the formula is shown on the Bank Reconciliation to help you visualize how the amount was computed. The formula is:  $\text{Bank Statement Ending Balance} - \text{Uncleared Payments} + \text{Uncleared Deposits} - \text{Bank Account Balance} = \text{Difference}$ . This amount also will tell you whether or not your book record is consistent with your bank record, which if that is the case, resulting amount should be 0.00.

The following topic/s will guide you on how to use the Bank Reconciliation screen.

- [How to reconcile a bank account](#)
- [How Difference field is used](#)
- [Add Deposit/Payment](#)
  - [How to Add Deposits and Credits transaction directly on Bank Reconciliation screen](#)
  - [How to Add Payments and Debits transaction directly on Bank Reconciliation screen](#)
- [How to View and Print Previous Reconciliation](#)
- [How to Import Bank Statement](#)
- [If your bank reconciliation is out of balance and you have Origin Integration](#)