

Reconciling a Bank Account

Last Modified on 01/31/2022 2:24 pm EST

This guide explains how to compare aACE financial records against bank records. It is intended for general users.

aACE provides a bank reconciliation tool for easy account balancing. This helps you identify any unusual transactions which may signal accounting errors or other issues. After you receive a statement from your bank or credit card company, follow these steps:

1. Navigate from **Main Menu > Accounting > Bank Reconciliation**, then click **New**.

The screenshot shows the 'Bank Statements' interface in a web browser. The title bar indicates 'Bank Statements' and 'Record: 2 of 2'. The main content area is titled 'Bank Statement:' and has a 'PENDING' status. Below this, there are tabs for 'Statement Details', 'Notices', 'Emails', and 'Docs'. The 'Statement Details' tab is active, showing a form with the following fields:

- General Info:** Bank Account (dropdown), Statement Date (calendar), Statement Balance (input field with '0.00'). A 'Build/Refresh Statement Items' link is next to the balance field.
- Statement Items:** A table with columns: Date, Transaction, Notes, Reference, Deposit, Withdrawal, Cleared, Uncleared, and Cleared. The table is currently empty.
- Quick Links:** A list of links: 'Go to Related Receipts', 'Go to Related Disbursements', 'Go to Related GJ Entries', 'Create Receipt', 'Create Disbursement', 'Create GJ Entry', and 'Create Deposit'.
- Totals:** A summary table at the bottom right showing:

Bank Balance	0.00
+ Uncleared Values	0.00
Expected Book Balance	0.00
Actual Book Balance	0.00
Reconciliation Error	0.00

At the bottom of the interface, there are 'Cancel' and 'Save' buttons.

2. At the new bank statement record, enter the reconciliation details:
 - Specify the **Bank Account** (or credit card account) to reconcile.
 - Enter the **Statement Date** (see below for details).
 - Enter the **Statement Balance** from the bank statement.
 - Click the link to **Build/Refresh Statement Items**.
3. aACE populates the list of Statement Items so you can reconcile them against the items appearing on the bank statement (i.e. for each matching item, mark the **Cleared** flag).
Note: You can create additional transactions in aACE using the Quick Links. When you return to the bank reconciliation, be sure to click **Build/Refresh Statement Items** again to display any new items you created.
4. Click the **Totals** () icon to calculate / recalculate the totals shown on the screen and

review the reconciliation totals shown in the lower-right — the **Reconciliation Error** should show zero.

5. Click **Save**.
6. At the confirmation dialog, click **Clear**.

Record Dates for Accurate Reconciliations

You might have problems with a reconciliation if the dates are incorrect. These issues may arise because the GL entries for the purchase carry the date of the purchase, while the check register entries carry the date of the disbursements. This is as-designed so you can reconcile each expense with the statement.

For example, if a purchase is dated 9/15, you should reconcile the account as of 9/15. If you reconcile it as of an earlier date, it's possible that the GL account will show an inaccurate balance.

Note: Changing the date for the GL entries to match the date of the expense can cause additional problems. For example, this would put the aging reports out of sync with the GL. A purchase record has a single aging entry based on its purchase date. Using the sample dates from above, the aged balance would be \$0 as of 9/14. This is because the purchase didn't exist then — it wouldn't even appear on the report. However, the GL would show a balance. Manipulating GL entry dates this way can also cause other complications when dealing with Purchases or other [subsidiary ledgers](https://www.accountingtools.com/articles/what-is-a-subsiary-ledger.html) (<https://www.accountingtools.com/articles/what-is-a-subsiary-ledger.html>).
