



## QuickBooks Tips and Tricks

Software: QuickBooks Enterprise and QuickBooks Pro/Premier  
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### Bank Reconciliation Discrepancies

You sit down and begin to do your bank reconciliation, but things just aren't "adding up". What do you do? Check out this tech tip for assistance on how to fix reconciliation discrepancies and save yourself all that time of aimlessly searching through your accounts!



#### Let's Get Started...

You are ready to reconcile and notice that the opening balance in QuickBooks does not match the balance on your statement. No need to panic!

Keep scrolling to learn the necessary steps to locate and fix the discrepancies.

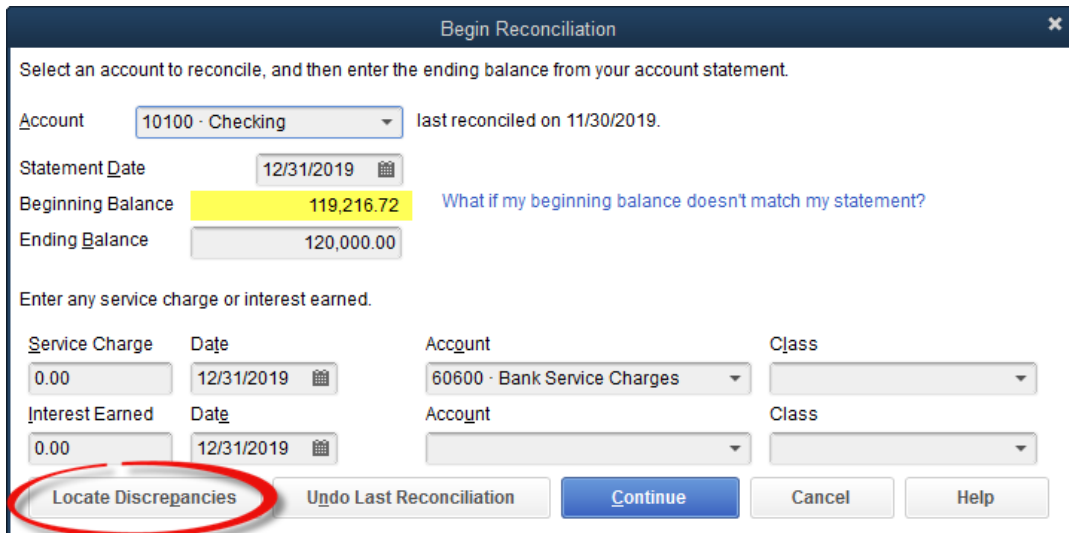
# Bank Reconciliation Discrepancies Cont.

## How to Fix It

### Incorrect Opening Balance:

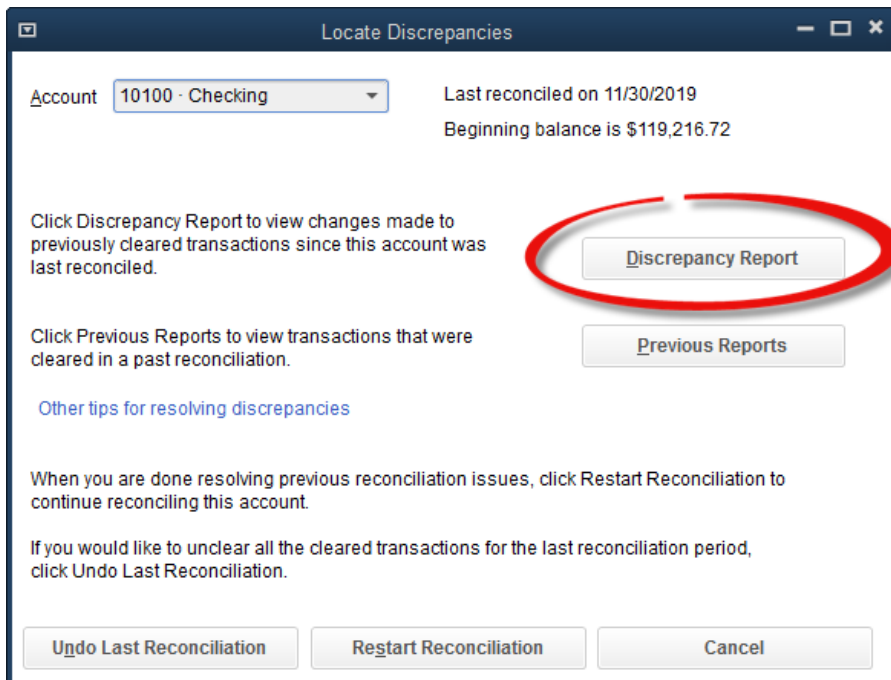
Why is your opening balance not matching? Something that has been reconciled in a previous time period has changed—either the amount has been changed or the transaction has been deleted. Immediately, I notice my beginning balance is off. Let's see what's wrong!

First, go to the **Begin Reconciliation** window, click **Locate Discrepancies**.



The screenshot shows the 'Begin Reconciliation' window. At the top, it says 'Select an account to reconcile, and then enter the ending balance from your account statement.' The 'Account' dropdown is set to '10100 - Checking' and 'last reconciled on 11/30/2019'. The 'Statement Date' is '12/31/2019'. The 'Beginning Balance' is '119,216.72' (highlighted in yellow) and the 'Ending Balance' is '120,000.00'. Below this, there are fields for 'Service Charge' and 'Interest Earned', both set to '0.00'. At the bottom, the 'Locate Discrepancies' button is circled in red, along with 'Undo Last Reconciliation', 'Continue', 'Cancel', and 'Help' buttons.

Click the **Discrepancy Report** button.



The screenshot shows the 'Locate Discrepancies' window. The 'Account' dropdown is '10100 - Checking' and 'Last reconciled on 11/30/2019'. The 'Beginning balance is \$119,216.72'. Below this, there are instructions: 'Click Discrepancy Report to view changes made to previously cleared transactions since this account was last reconciled.' The 'Discrepancy Report' button is circled in red. Other buttons include 'Previous Reports', 'Undo Last Reconciliation', 'Restart Reconciliation', and 'Cancel'.

## Bank Reconciliation Discrepancies Cont.

When the discrepancy report opens, you will see the **transaction(s)** that have been **changed or deleted**.

Type	Date	Entered/Last Modified	Num	Name	Reconciled Amount	Type of Change	Effect of Change
Deposit	12/10/2019	12/15/2019 10:33:33			1,000.00	Amount	100.00
Total 11/30/2019							100.00

As you can see in the screen shot above, a deposit amount has been edited (it tells you when it was modified) as well as the type of change (amount) and the effect of the change which is \$100.00. **This is the same amount of the discrepancy that my opening balance is off in QuickBooks.**

This tech tip comes in handy if you have one or a few transactions to fix. If you assess the discrepancies and feel you may have a mess on your hands, you may need to **undo the previous reconciliation** and start over. In that case, you will want to be sure to back up your data first—but more on that later!

Once you discover the issues, if you have not already corrected them, you will need to do so. If you have already corrected the problems, QuickBooks just does not know this yet.

Let's continue!

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	CLASS	AMOUNT
Violette, Mike:Workshop	12000 - Undeposit...		6321	Cash		1,000.00
Abercrombie, Kristy	10300 - Savings					100.00

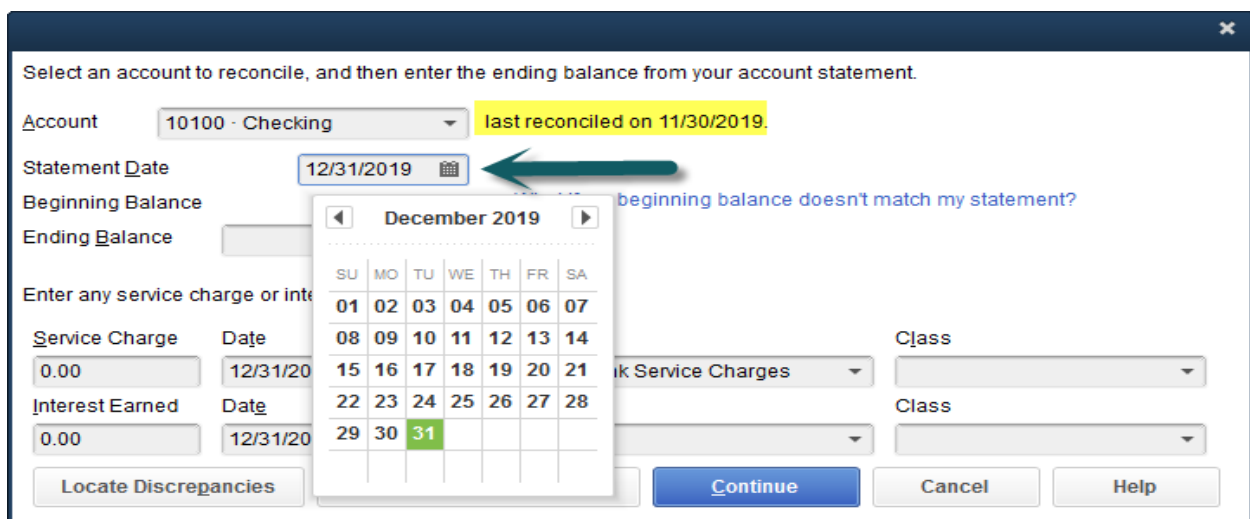
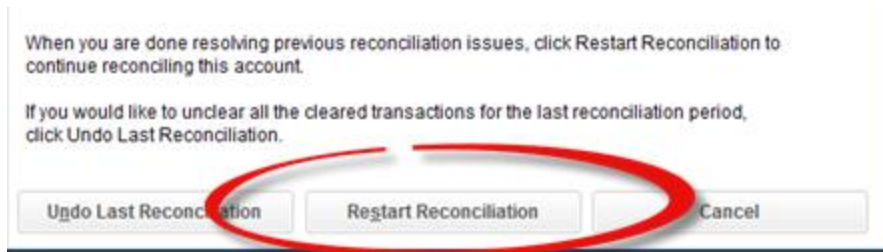
**Double click** on the discrepancy to open it up (except in the case of a deleted transaction as the transaction no longer exists).

In this example, the amount was changed and you can see that \$100.00 was accidentally added to this deposit, but didn't belong there.

## Bank Reconciliation Discrepancies Cont.

The trick is to not have to undo your entire reconciliation, so I have a shortcut for you. Once you know all of your issues have been resolved (amounts have been changed or deleted transactions have been re-entered), it is time to **Re-Reconcile the previous month** over again.

Go into the **Reconcile** window once again. Or if you are in the Locate Discrepancies screen, click on **Restart Reconciliation**. Either way, you will be brought to the normal reconcile window.



### Change your statement date to the last reconciled date.

This is a work around to bring you to the previous reconciliation without having to undo the entire thing. Click **Continue**. Check off any transactions that you have re-entered or edited. This should bring you back to a zero difference. Click **Reconcile** and you are done! You can even print out the reports and they will include all of the reconciled transactions, not just the ones you had to fix.

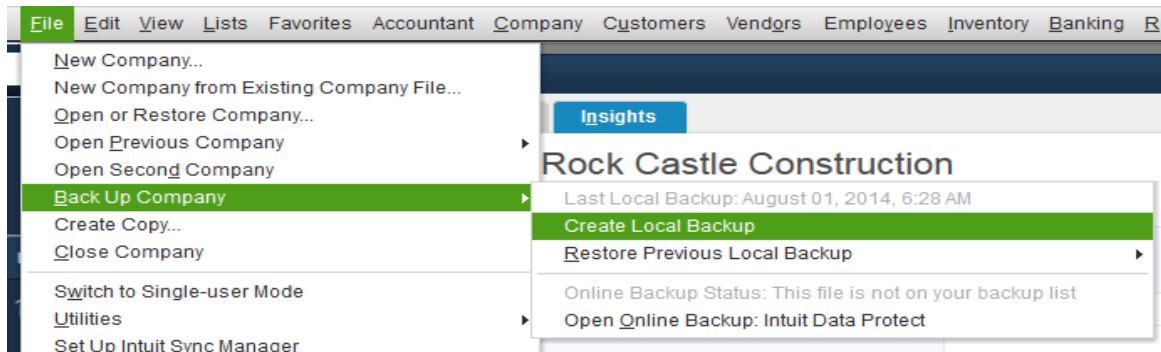
After you complete that, you can go back to the reconcile screen and **reconcile the current month** you are supposed to be working on. The beginning balance should now match the one on the statement as you have corrected all deleted or edited transactions. Click **Continue** and reconcile as usual!

## Bank Reconciliation Discrepancies Cont.

Hopefully with these tips on how to locate and fix your bank reconciliation discrepancies, you will be able to quickly and easily fix the issues and continue on with the rest of the long list of to-dos! 😊 However, if it is the case that you had too many errors, and you would rather just start over, read on and follow these steps.

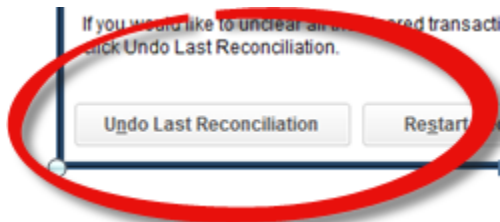
The first and most important step is to back up your data just in case something goes wrong!

Go to **File >> Back Up Company >> Create Local Backup** and backup as usual.



Once you have made a backup, go back to the Reconcile screen again.

Click **Undo Last Reconciliation** in the bottom part of the screen or if you are in the Locate Discrepancies screen, it is in the lower left-hand corner.



Undoing a previous reconciliation removes the cleared status of all its transactions, service charges, and interest and balance adjustments. An **important note is to remember that you will not have to re-enter any service charges or interest on the first Reconcile screen** as normal as QuickBooks would have made a journal entry for them the last time you reconciled. They will be listed once you click continue as a withdrawal or addition on the next screen along with all of your checks and deposits. You can click them off there.

Next, click on **Restart Reconciliation** if you are in the Locate Discrepancies screen or begin your reconcile as normal to repeat the reconciliation process from the beginning!

You should now have all the tips and tricks you need to find and fix your bank reconciliation errors! 😊