Clearing Out Reconciled Transactions

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The first step is to clear all of the previously reconciled transactions out of ABR, so they don't interfere with future reconciliations. In order to do this, these transactions must be extracted from the GL into ABR.

1. Launch the Extract Transactions window (Tools >> Routines >> Financial >> Advanced Bank Reconciliation >> Extract Transactions) to extract the transactions from the GL.

- Leave the From Date field blank and enter a "cutoff" date in the To Date field. The "cutoff" date
  should be the date of the last successful reconciliation. (Jan 31 in this example)
- Select the Bank Account ID in the From Bank and To Bank fields.
- Click Extract to extract all transactions from the GL for all open years. d. Close the NC Extract Log.

2. Open the Reconcile Bank Transactions window (Transactions >> Financial >> Advanced Bank Reconciliation >> Reconcile Bank Transactions).

- Select the Bank Account from the Bank Account ID lookup or type it in. This will load all the extracted transactions on the left side of the Reconcile window.

- Enter in the “cutoff” date (from step 1a) in the Balance Date field. The Current Book Balance will update based on the GL Transactions populated in the grid. This should be the same balance as the GL balance on the last reconciliation report. If this balance isn’t the same as the balance at the end of the last reconcile, then transactions have been posted to the related period since the last reconcile. Those transactions should be confirmed, as they will be added to the list of outstanding checks.
- The next step is to select all the transactions from the left side of the Reconcile window that have already been reconciled outside of ABR (leaving just the outstanding transactions that have not been reconciled). It may be easier to mark all the transactions, and then unmark those transactions that are outstanding. Also be sure to unmark any transactions that were posted to the period since the last reconcile, as noted in the previous step.
- Once all the previously reconciled transactions have been selected, make note of the Total Marked below the GL transactions list. This is the total net amount of all the selected transactions. Leave the Reconcile window open for now.

3. Launch the Bank Statement Entry window (Transactions >> Financial >> Advanced Bank Reconciliation >> Bank Statement Entry).

- Choose the Bank Account from the Bank Account ID lookup window or type it in. There shouldn’t be any previous bank statements for this Bank Account, so “1” should appear in Statement Number field.
- Set the Statement Date to the ending date of the last reconciliation (the “cutoff” date from step 1a). In this example the ending date should be Jan 31st. Set the Ending Balance to the known bank statement ending balance as of the statement date (“cutoff” date).
- Add one line to the bank statement, with the Trn Date (Transaction date) set to Jan 31st (the same as Statement Date). Set Reference = “Clearing GL transactions”, and then fill in the amount into either the Withdrawal or Deposit column with the total marked transactions from step 2d above. (a positive amount is a deposit and a negative amount is withdrawal)

- Set the Starting Balance to be equal to the Ending Balance (from step 3b) minus the clearing GL transactions amount (from step 2d), since Ending Balance = Starting Balance + Transactions.

Example: if the Ending Balance is $100.00 and the one transaction is for -$100.00, then the Starting Balance should be $200.00 ($200 = $100 – {-$100.00}). During the initial setup, this calculated starting balance does not directly relate to the starting balance from the previous bank statement.

- The Ending Balance (read only) which appears in the lower right corner of the window should be equal (in sign and amount) to the Ending Balance field entered in step 3b.
- Save the statement and close the window.

4. Go back to the Reconcile window and click on Redisplay.

- Now all the transactions selected on the left side and the one bank transaction on the right side should appear in the grid. Select the bank transaction created in step 3c and click Match.
- If there are any outstanding checks on the reconcile report (from outside ABR) that do not appear in ABR, they need to be created manually. Follow the steps in the next section (Adding in Outstanding Checks from Closed Years) before proceeding.
- At this point, all of the matched transactions (transactions that have a match number other then 0) are transactions that have been previously reconciled outside of ABR. All of the unmatched transactions are those transactions that were outstanding at the end of the last reconciliation (or posted after the last reconciliation).
- Confirm that the Current Book Balance, the Statement Ending Balance, and the Difference are all correct as compared to the last reconcile report. If any of these numbers are off, then there are some transactions or other data missing that should be resolved before continuing.
- Once the reconciled and outstanding transactions look correct, click Reconcile to reconcile the Account. Print out the Reconciled Report and Closing Balance reports for future reference.

- Once reconciled, only the un-reconciled transactions should appear on the left side (GL side) of the ABR Reconcile window and the right (bank side) should be blank.