

# Reconciling the Bank

## Reconciling the bank

Bank account transactions automatically flow into Xero via a bank feed. Each transaction is then coded to an appropriate account code from the chart of accounts. The easiest way to do this is via the reconciliation function. From the **Dashboard**, click **'Reconcile X items'** as shown below:

**Business Bank Account**  
12-0102-0345678-000

**Reconcile 28 items**

Balance in Xero 1,451.47  
Statement balance (Jul 14) 8,417.92

Jun 27 Jul 4 Jul 11 Jul 18

Next, review the bank statement transaction and match or create a transaction in Xero,

To create a transaction, click, **create**. Code the transaction to the appropriate chart of accounts code/s as shown below, enter the other details.

### Create

		Options ▾
6 Jul 2021	4,500.00	
SMART Agency		
0195 0210		
<a href="#">More details</a>		

Match	Create	Transfer	Discuss	Find & Match
Who	Name of the contact...	What	choose the account...	
Why	Enter a description...			
Region	Tax Rate			<b>Add details</b>

### Add details

To add extra details, enter the GL code, description, to enter multiple transaction lines and upload source documents click on add details. Be sure to upload source documents by clicking on the file icon and uploading them (invoices, receipts etc). These are important for financial record keeping and auditing purposes

## Upload documents

1. Find & select matching transactions - 0 transactions selected

2. View your selected transactions. Add new transactions, as needed. ?

Spent as Direct Payment 

To SMART Agency Date 6 Jul 2021 Reference

NZD New Zealand Dollar Amounts are Tax Inclusive

Item	Description	Qty	Unit Price...	Account	Tax Rate	Region	Amount NZD
	0195 0210	1.00	4,500.00				4,500.00

Add a new line Assign expenses to a customer

Subtotal	4,500.00
GST	0.00
<b>TOTAL</b>	<b>4,500.00</b>

Save Transaction Cancel

## Upload documents

Click **Save transaction**

Click **OK** to reconcile. (If you haven't added extra details just click ok on the reconcile screen)

Spent	Received
5 Jul 2021 Ridgeway University INV-0035 More details	6,187.50 <span>Options</span> <span>OK</span>
Match Create Transfer Discuss Find & Match	03 Jul 2021 Ridgeway University Ref. INV-0035 6,187.50

## To Find & Match a transaction

### Click find & Match

If you have entered bills into Xero prior to paying them or invoices prior to receiving payment for them, you will be able to find the relevant transaction using Find & match.

Enter either the **name** or the amount of the transaction

**Tick** which transaction/s apply to the payment, the Xero side of the bank rec will go green when it matches exactly, click **ok**.

Options ▾

Match Discuss

6 Jul 2021  
SMART Agency  
0195 0210  
More details

4,500.00

OK

2 transactions selected

1. Find & select matching transactions ?

Show Received Items

Show NZD items only

Search by name or reference

Search by amount

smart agency

Go

Clear search

Date	Name	Reference	Spent	Received
<input checked="" type="checkbox"/> 19 May 2021	SMART Agency	SM0195	Split 2,000.00 NZD	
<input checked="" type="checkbox"/> 19 Jun 2021	SMART Agency	SM0210	Split 2,500.00 NZD	

Select all on this page

Showing 1 - 2 of 2

Work through every transaction for all the accounts until they are all reconciled. If you pay a Cleaner these wages will need to be separated out from Co-Ordinator's wages. Utilities – Cleaners Wages 2910, Supervision – Wages for General Session 2810.

## Other options on the reconciliation screen

### Transfer

When you have transferred money between your bank accounts you do a transfer.

Options ▾

Match Create **Transfer** Discuss Find & Match

5 Jul 2021  
Truxton Property Management  
Rent  
More details

1,181.25

OK

Select a bank account

Reference

Business Savings Account

### Discuss

If you want to do a note while you wait for more information before reconciling a transaction, click

Discuss, remember to **save** it.

Options ▾

Match Create Transfer **Discuss** Find & Match

5 Jul 2021  
Truxton Property Management  
Rent  
More details

1,181.25

SAVE

Note

Ctrl + S at any time to save