

CASHBOOK RECONCILIATION

Cashbook reconciliation is an accounting control process of matching the balances in the cashbook to those in the bank statement. Reconciling differences, such as outstanding deposits or withdrawals, yet to be presented at the bank or yet to be journalised in the General Ledger account are reflected in the Bank Reconciliation report, and can be reviewed. The differences are eventually closed off when either presented in the bank account or recognised in the General Ledger account.

Reconciling the cashbook is typically done so that the cashbook page mirrors the bank statement, and the outstanding items are reviewed and actioned appropriately.

The purpose of this document is to assist financial controllers and accounting personnel in understanding the process of cashbook reconciliation in Baseplan Enterprise.

Software Version: 1801

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CREATING MANUAL ENTRIES

Transactions such as bank fees, interest received / paid or taxes can be entered manually into the cashbook account. Manual entries can only be added to an 'OPEN' cashbook page.

1. From the Menu, select **General Ledger > Cashbook**
2. Select the relevant cashbook account
3. Click SELECT

This will open the *Cashbook Master* screen.

The **CBK Page No.** will default to the latest 'OPEN' cashbook page number.

4. Click FILTER
5. Click EDIT in the toolbar

This will expand the *Details* panel at the bottom of the screen.

6. Click on the *Entry / Edit Details (Alt E)* tab

Date will default to today's date. This can be changed, if required.

7. Enter the reference number for the payment in the **Cheque Number** field
8. Enter information about the transaction in the **Payee** field

For example: The Bank Name when entering bank fees or interest received / paid.

9. Select the GL account combination that the transaction must post to from the **Major, Minor, Account Code** and **Sub Account Code** drop down lists
10. Enter the value of the transaction incl. GST in the **Amount** field

If the transaction is a withdrawal, enter the amount as a negative value with a minus (-) sign.

11. Select a **GST Code**, if applicable

If a **GST Code** is selected, **GST Amount** will be calculated based on the **Amount** entered.

GST entries are posted to the GL Accounts held in the parameters **GST_Minor, GST_Account** and **GST_Sub_Account**. If there is more than one company in a single database, GST related manual cashbook lines must be entered as GL journals from the *Journal Entry* screen.

Description will default to the information entered in the **Payee** field.

12. Click SAVE on the detail line

The entry will now be added as a detail line to the *Cashbook Details* grid.

The **Post To GL** checkbox is automatically checked for all manual entries.

13. Check the **Presented** checkbox on the detail line in the *Cashbook Details* grid

14. Click SAVE in the toolbar

15. Click the POST TO GL button

This will post the manual entry to the bank account as well as the expense account entered.

The posting period for manual cashbook entries is determined by the parameter **Using Journal Date Resolve Period Byte**. If the value of this parameter is '0 – Customers / Suppliers Periods', then the entries will post to the current Customers or Suppliers period (Customers period for deposits and Suppliers period for withdrawals). If the value of the parameter is '1 – General Ledger Periods', then the entries will post to the GL period current at the time of posting the entries to the GL.

Note: Manual entries cannot be created for foreign currency cashbook transactions. For cashbook accounts configured to use foreign currencies, GL journals must be created. When the relevant cashbook GL Account combination is selected while creating the journal from the *Journal Entry* screen, the **Foreign Cur.** field will be unlocked for editing. A local amount will then be calculated using the exchange rate from the Supplier configuration. When the journal is posted, a detail line will be added to the cashbook with the appropriate foreign currency.

SPLITTING DETAIL LINES

Cashbook detail lines are split if transactions on the bank statement have different amounts to the original transaction amount. Details lines can be split only on an 'OPEN' cashbook page.

1. From the Menu, select **General Ledger > Cashbook**
2. Select the relevant cashbook account
3. Click SELECT

This will open the *Cashbook Master* screen.

The **CBK Page No.** will default to the latest 'OPEN' cashbook page number.

4. Click FILTER
5. Click EDIT in the toolbar
6. Click on the *Cashbook Details* tab or double click on the relevant group in the *Cashbook Groups* grid
7. Double click on the detail line that needs to be split
8. Enter the amount that is presented on the bank statement in the **Actual Amount** field
9. Check **Presented**
10. Click SAVE to save the detail line
11. Repeat the process for all the other detail lines that need to be split
12. Click SAVE in the toolbar to save the page
13. Click on the SPLIT DETAIL button

Once the lines have been split, the value of the original transaction will be changed to the amount entered in the **Actual Amount** field. A new line will be created for the outstanding amount.

The original cashbook **Line No.** and **Description** will be included in the **Payee** field of the new cashbook detail line.

The **Split Line No.** field of the new detail line will default to the **Line No.** of the original detail line.

Note: A correcting entry may be required for the outstanding amount in the module where the entry originated from.

RECONCILING THE CASHBOOK

Please refer to the 'How to Create New Cashbook Accounts' guide for information on setting up cashbook accounts.

1. From the Menu, select **General Ledger > Cashbook**
2. Click on the relevant cashbook account
3. Click SELECT

This will open the *Cashbook Master* screen.

By default, the **Status** will be 'OPEN' and **CBK Page No.** will display the open cashbook page number.

4. Click FILTER

This will display details of all the outstanding transaction groups of the 'OPEN' cashbook page in the *Cashbook Groups* grid.

In the *Cashbook Groups* grid, transactions will be grouped by the **Reference** and **Source** fields. The details in this grid can also represent a single transaction, such as a bank transfer or supplier payment. All transactions in the same line can be presented together as a group.

Double clicking on any of the lines in the *Cashbook Groups* grid will display all the transactions within that group in the *Cashbook Details* grid.

5. Refer to the bank statement
6. Select all the transactions that are reflected in the bank statement by checking the **Present** checkbox in the *Cashbook Details* grid

Customer payments must be posted to the cashbook to be available for presenting.

Please refer to the '[Posting to Cashbook](#)' section in this document for more information.

7. Enter manual transactions, if required

Note: In order to cancel cashbook entries originating from the Customers and Suppliers modules, transactions must be cancelled directly in the modules.

For example: If a customer/supplier payment is to be cancelled, display the relevant transaction in the *Cash/Claim Allocations* screen (**Customers > Payments**) or *Supplier Payments* screen (**Suppliers > Payments**) and click CANCEL in the toolbar. This will add a detail line to the cashbook denoting the cancellation.

Only unrepresented transactions can be cancelled.

8. Ensure that the cashbook page balances with the bank statement
9. Click POST TO GL

Info: “This procedure will post the cashbook entries of the current page to General Ledger.”

10. Click OK

Info: This procedure will post the cashbook entries of the current page to General Ledger. Continue?”

11. Click YES

Info: “Posting to GL has been successfully completed!”

12. Click OK

All manual entries will be posted to the General Ledger.

13. Click CLOSE PAGE

This will open the *Close Cashbook Page* screen.

14. Enter the balance reflected in the bank statement in the **Bank Statement Balance** field

15. Enter the date of the statement in the **Bank Statement Date** field

16. Enter the page number of the statement being reconciled in the **Bank Statement Page No.** field

17. Enter the **Reconciliation Frequency**, if required.

For example: Daily, Weekly or Monthly

18. Click OK

Info: “Would you like to close Page No.: [00]?”

19. Click YES

Info: “Operation Successful”

20. Click OK

This will update the **Status** of the current cashbook page to ‘CLOSED’ and create an ‘OPEN’ page with all the outstanding transactions from the previous page.

Clicking on the BANK RECONCILIATION REPORT button will display an overview of the cashbook, bank and general ledger balances.

Note: The Bank Reconciliation report will reference the GL balance from the current financial year. If the GL is in the Prior Year and the sub ledger has been rolled into the new year, then the report will show a GL imbalance equal to the current balance for Next Year. Rolling the GL into the new financial year will fix this imbalance.

Posting to Cashbook

If the parameter **Post Non Cash / Cheque Payments via Post to Cashbook Function** is enabled, all customer payments made by methods other than cash and cheques must be manually posted to the cashbook using the Post to Cashbook procedure.

The parameter **Advanced Post to Cashbook** determines which screen displays when posting to the cashbook.

- Option 0 = Simple - The standard *Post to Cashbook* screen is used for posting customer transactions to the cashbook.
- Option 1 = Advanced - The advanced *Banking* screen is used in order to balance the till and post transactions to the cashbook at the same time.

If the value of this parameter is '0 – Simple', follow the steps below to post customer transactions to the cashbook:

1. From the Menu, select **Customers > Procedures > Post to Cashbook**
2. Click SELECT TRANSACTIONS if some of the transactions are to be posted to the cashbook. Alternatively, click ALLOCATE DEPOSIT NO. if all the transactions are to be posted.

If the parameter **Head Office Post to Cashbook** is disabled, only the transactions belonging to the branch of the user will be displayed. In order to view transactions from a different branch, the user's default Branch (code) must be updated in **Security > Users**.

If a user's default branch is the same as the main admin (head office) branch configured in the **Head Office Branch** (Equipment module), they are able to view and post transactions for all branches.

If the parameter **Head Office Post to Cashbook** is enabled, only users with the same default branch as the main admin (head office) branch configured in the **Head Office Branch** (Equipment module) can post transactions to the cashbook.

3. After a **Deposit No.** is allocated, click PRINT BANK DEPOSIT to preview the deposit amounts in the Bank Deposit Listing report.

This report can be used by someone who is physically going to take the cash and cheques to the bank for depositing.

Clicking PREVIEW BANK will open the *Daily Cash Listing* screen displaying all the transactions that will be posted to the cashbook. If required, the **Payment Method** for a transaction can be changed by double clicking the relevant detail line.

4. Click CLOSE

5. Click POST TO CASHBOOK

Info: “Operation successful”

6. Click OK

The posted transactions will now be available for presenting in the *Cashbook Master* screen.

If the value of the parameter **Advanced Post to Cashbook** is ‘1 – Advanced’, follow the steps below to post customer transactions to the cashbook whilst balancing the till:

1. From the Menu, select **Customers > Procedures > Post to Cashbook**

2. Click ADD NEW

If an ‘OPEN’ banking record is already available for the user’s branch, then a new record cannot be added.

3. Count the till and enter the denominations in the **Money in Till** field of the *User Totals* panel

To add a break-up of the till amount, click on the \$ button and enter the number of notes/coins and the total number of cheques in the *Calculator / Safe* screen.

4. Enter any monies still in safe in the **Money in Safe** field

A break-up of the safe amount can be entered by clicking the \$ button.

5. Enter the amount that the branch wants to hold for the next day in **Today’s Float**

This value will default from the parameter, **Recommended Base Float** for the user’s branch. However, it can be changed if required.

The remaining amount will default in the **Money to Bank** field.

Petty cash expenses can be entered by clicking the \$ button next to the **Petty Cash** field. The user must have sufficient PO limits for the **Sub Line Type** selected. Otherwise, they will not be allowed to complete the Post to Cashbook procedure until the petty cash expense is authorised by a user with sufficient PO limits for the relevant sub line type.

Please refer to the ‘How to Process Purchase Orders’ guide for more information on PO limits.

6. Complete the remaining user totals where applicable, i.e. **Cheques Received, AMEX**, etc.

7. Compare these values with the **System Totals** to check for variances

8. If variances are present, select a reason from the adjacent drop down list

The system creates a GL journal of type 'BNK' when posting the banking record to the cashbook when there is a difference between user and system totals (except 'Total Cards Difference'). This journal derives the Major, Minor, Account and Sub Account codes from the Customer GL group **EOD Variance**.

9. Click PRINT BANK DEPOSIT LISTING

This report can be used by someone who is physically going to take the cash and cheques to the bank for depositing.

10. Click POST TO CASHBOOK

The **Status** of the banking record will be updated to 'POSTED'.

The posted transactions will now be available for presenting in the *Cashbook Master* screen.

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