


**BANK RECONCILIATIONS**  
The Underappreciated Process

PRESENTED BY  
FLOCKBASE SOFTWARE



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**GOAL:**  
Verify that your records are  
correct – not just “make it  
balance.”

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**PROCESS**

1. Start with the ending bank balance (based on the bank statement)
2. Adjust it for all outstanding items
  - a. Deposits
  - b. Payments

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**PROCESS**

3. Compare the adjusted bank balance to your adjusted book balance

- a. If they agree, you're (almost) done
- b. If they don't agree, then there's an error somewhere
  - i. Investigate
  - ii. Correct
  - iii. Repeat until you're in balance

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**PROCESS**

4. But there's more...

- a. Now review the outstanding items
  - i. Look for outstanding deposits – you may find a duplicate
  - ii. Review the outstanding debits
    - 1. Electronic payments
    - 2. Checks
  - iii. Either of the above will result in your financials being incorrect
- b. Review the endorsement on the cancelled checks

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**PROCESS**

5. Now you're done and can have confidence in your financials

Let's take a look at how this works in FlockBase

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