

Chapter 6

Banking in QuickBooks Online

The Banking page is where you connect your accounts and download transactions. This is sometimes known as “bank feeds.” Why connect your accounts? Because it saves you from lots of manual data entry.

Your bank and credit card companies store information about the money going in and out of your accounts. You want that same information in QuickBooks because it’s part of your business finances.

Instead of manually typing it all in, let QuickBooks get the information for you. You choose whether to add transactions as new items or match them up with items you already entered in QuickBooks. After you are connected, QuickBooks downloads your bank data automatically, usually at least once daily.

In addition to the bank feed feature, this chapter introduces you to the two important banking tasks—the bank transfer and account reconciliation.

Lesson Objectives

In this chapter, you’ll learn how to:

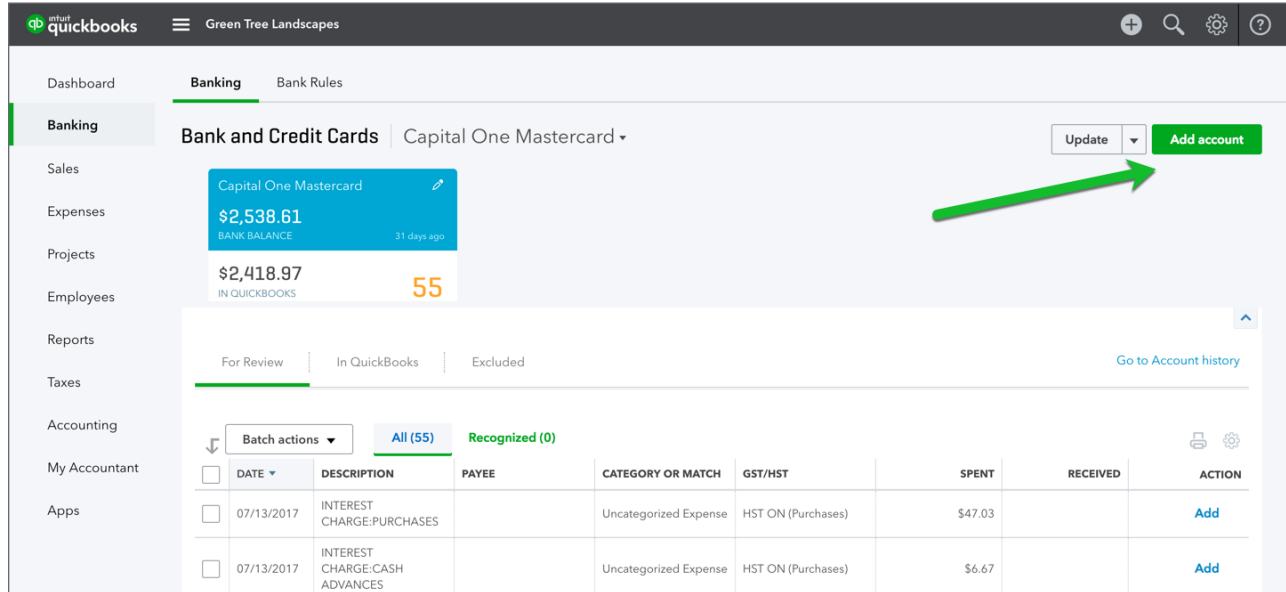
- Connect your bank and credit card accounts to QuickBooks
- Categorize transactions in the bank feed
- Reconcile accounts
- Transfer funds

Connect Your Bank or Credit Card Accounts

You can connect your bank account or credit card to QuickBooks to automatically download transactions. You can connect chequing, savings, or credit card accounts, including foreign currency accounts, if you use a participating bank. To connect your bank for the first time:

1. Click **Banking**.

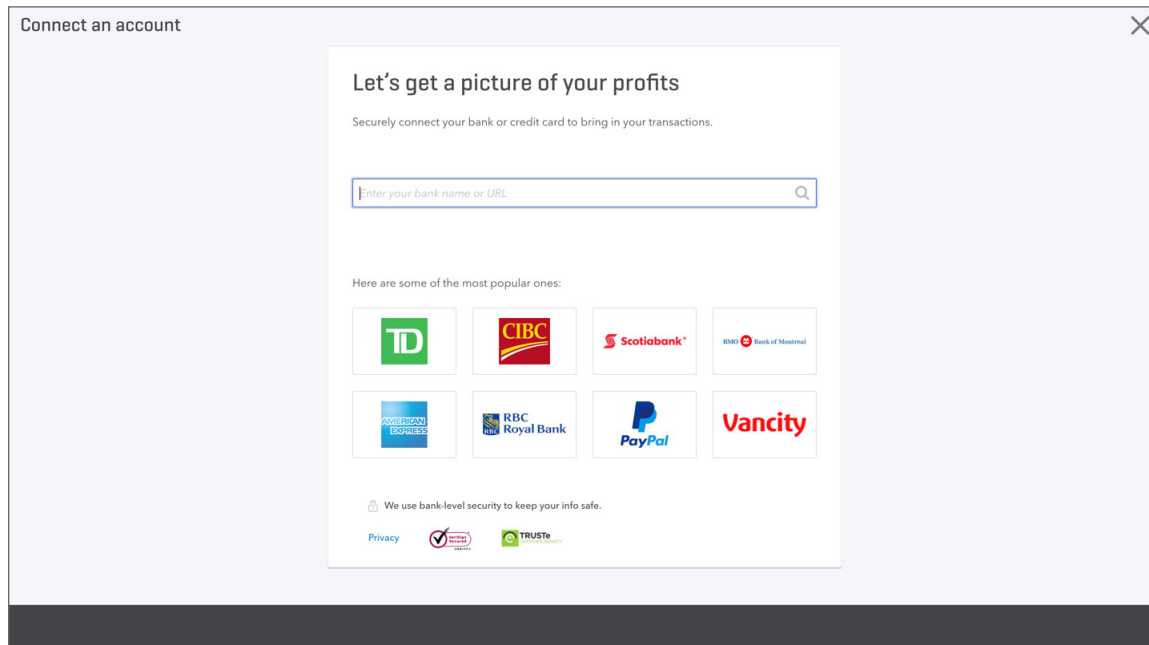
2. Click **Add account**.



The screenshot shows the QuickBooks Online interface for 'Green Tree Landscapes'. The 'Banking' section is active, displaying 'Bank and Credit Cards' for 'Capital One Mastercard'. A green arrow points to the 'Add account' button in the top right corner. Below the account summary, there is a table of transactions for review.

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	GST/HST	SPENT	RECEIVED	ACTION
07/13/2017	INTEREST CHARGE: PURCHASES		Uncategorized Expense	HST ON (Purchases)	\$47.03		Add
07/13/2017	INTEREST CHARGE: CASH ADVANCES		Uncategorized Expense	HST ON (Purchases)	\$6.67		Add

3. Choose from one of the common banks or search for your bank in the **Search** bar.



The 'Connect an account' dialog box is displayed. It features a search bar with the placeholder text 'Enter your bank name or URL'. Below the search bar, it lists 'Here are some of the most popular ones:' followed by a grid of bank logos: TD, CIBC, Scotiabank, BMO Bank of Montreal, American Express, RBC Royal Bank, PayPal, and Vancity. At the bottom, there is a security statement: 'We use bank-level security to keep your info safe.' and logos for Privacy, TRUSTe, and a security seal.

4. Enter your Banking or Credit login information including the **User name** and **Password**. This is the same information you use when signing into your online bank or credit card account. QuickBooks establishes a connection between the bank and QuickBooks.

5. Click Sign In.


Connect an account ✕


Sign in to your bank.



**Capital One Mastercard
Platinum (Canada)**
www.capitalone.ca 1-800-481-3239

User name

Password

I'm not a robot 
reCAPTCHA
Privacy Terms

 We use bank-level security to keep your info safe.

[Privacy](#)  

6. You may need to add more information like a one-time code delivered to you via email or text. This depends on your financial institution.


Connect an account ✕



Sign in to your bank.

**Capital One Mastercard
Platinum (Canada)**
www.capitalone.ca 1-800-481-3239

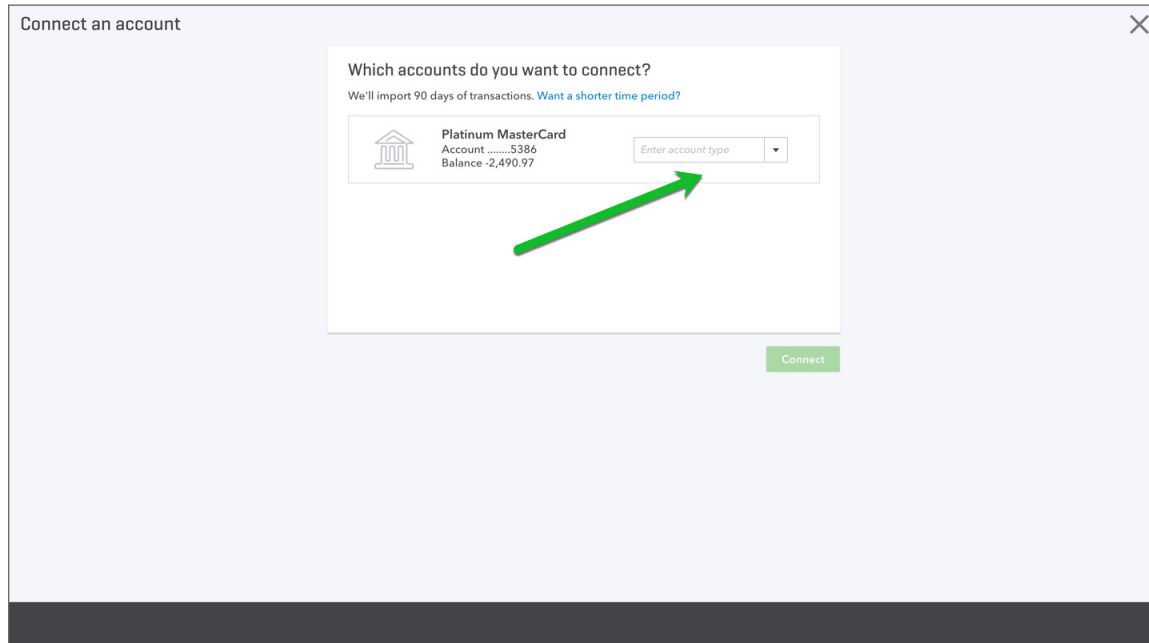
Your bank requires extra information.

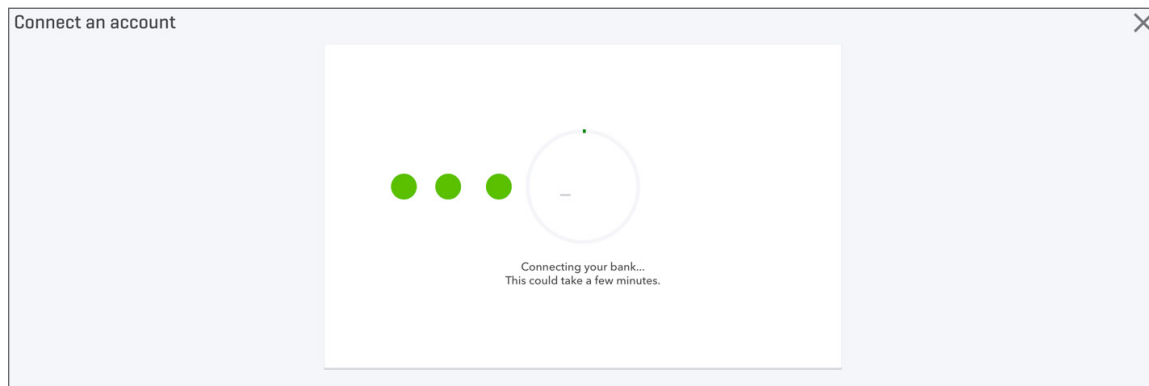
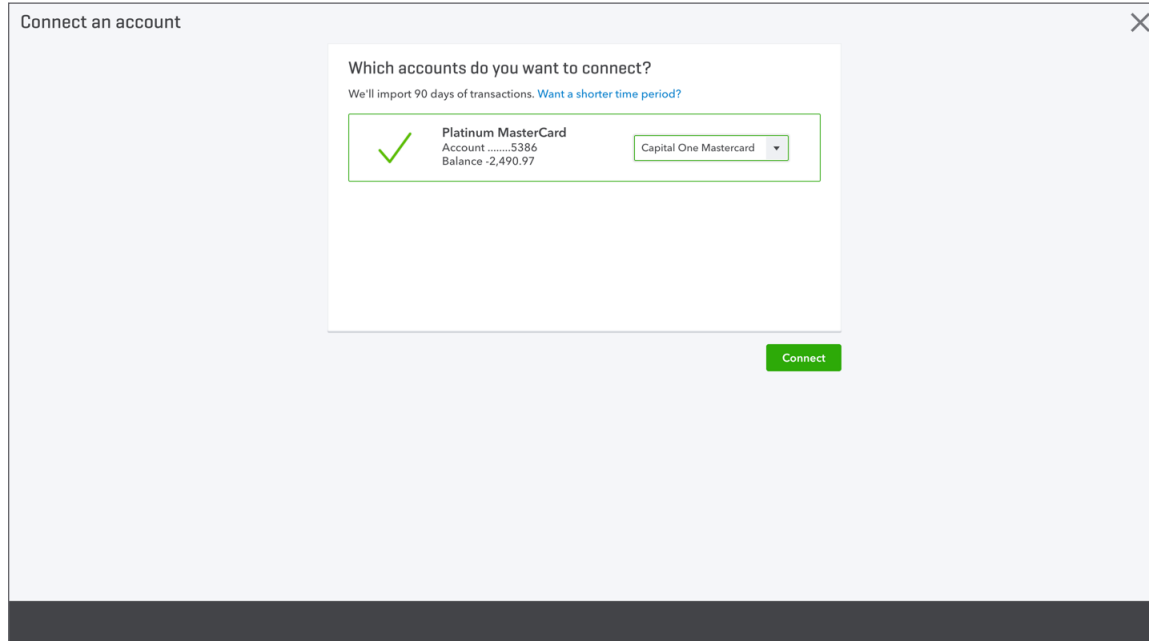
Please choose a way to receive a one-time code

 We use bank-level security to keep your info safe.

[Privacy](#)  

7. QuickBooks asks you **Which accounts do you want to connect?** Choose the account in QuickBooks that matches the online account.



8. Click Connect.

NOTE This may take a few minutes to make the connection between your online account and QuickBooks and then download the transactions.

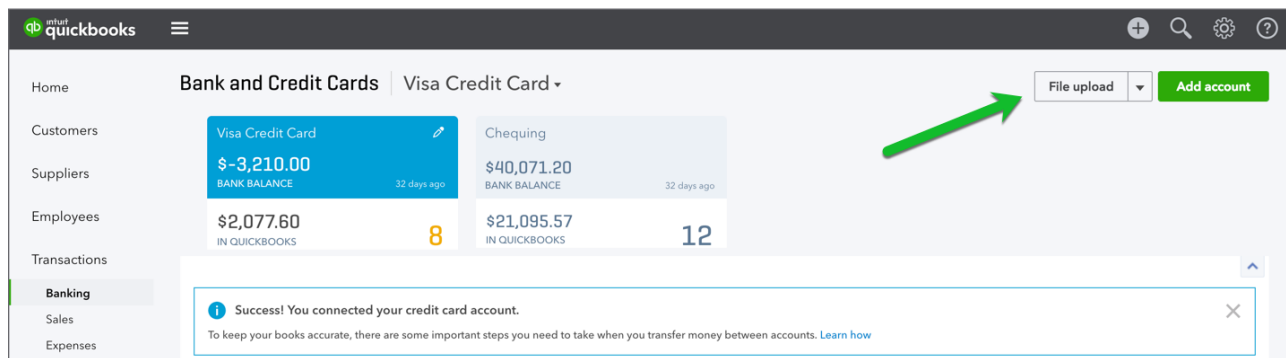
When you first connect an account QuickBooks automatically downloads the last 90 days of transactions from your bank or credit card account. You cannot change this however, you can upload a longer date range of transactions using a manual upload. See below.

▶ Manual Upload of Transactions

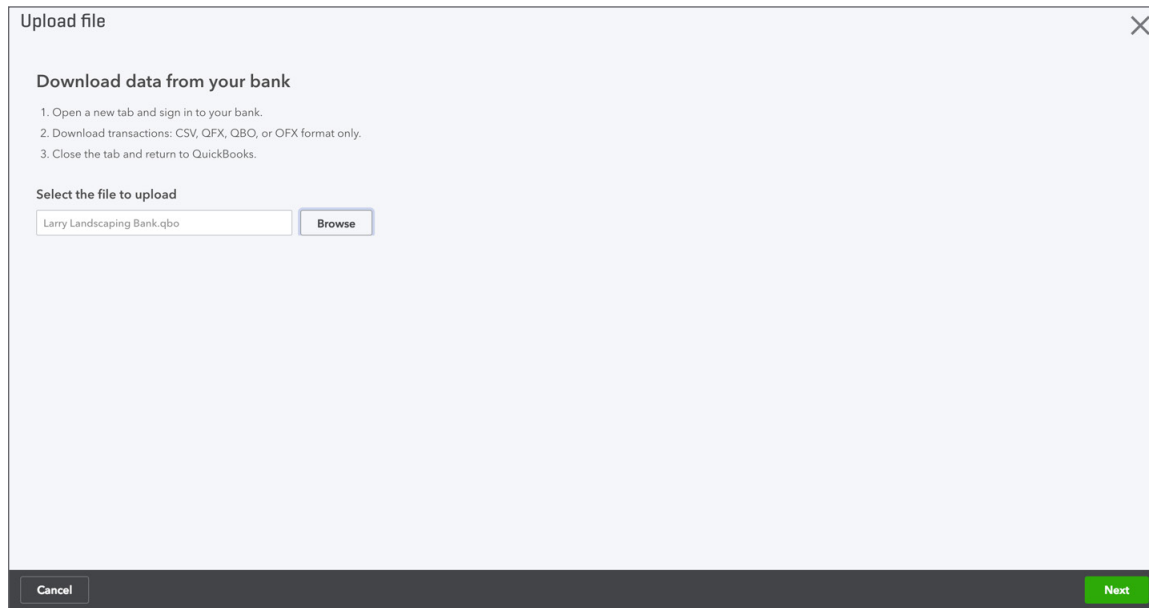
QuickBooks automatically downloads the last 90 days of transactions. If you don't need these transactions, you can exclude them from QuickBooks. If you'd like to import more than 90 days of transactions, you can use the **File Upload** to import.

Many banks give you the ability to download a data file with your transactions. If the file is a QBO (Web Connect), QFX, OFX, or CSV file, you can upload it to QuickBooks. To upload a file manually:

1. Download the file from your financial institution to your desktop.
2. Click **Transactions** and then click **Banking**.
3. Click **File upload**.



4. Click **Browse** to find the file on your computer. Click **Next**.



5. Choose the **QuickBooks Account** to upload to.

6. Click Next.

Select an account

Select a QuickBooks account for each bank account you want to upload

Bank file Larry Landscaping Bank.qbo

UPLOADED ACCOUNT → QUICKBOOKS ACCOUNT

WFB
9193077790
2016-03-01 - 2016-03-29

WFB Chequing

Cancel Back Next

7. QuickBooks completes the upload and now you're ready to accept the transactions.

Import completed

✔ Congrats! You've uploaded a csv file.

Next step: Accept your transactions

You're in control of how your bank info goes into QuickBooks. Transactions only show up in your books after you review and accept them.

Let's go!

▶ Working with Banking Transactions in QuickBooks

After you've downloaded transactions from your financial institution, you can assign and categorize them. For each downloaded transaction, QuickBooks Online analyzes all the information received from the bank and tries to give you the best possible suggestion for accepting the transaction.

QuickBooks follows some basic logic to help you categorize and add transactions to QuickBooks as efficiently as possible.

Bank Data Overview

When QuickBooks receives your bank data, it:

- Looks for matches among the transactions you already entered into QuickBooks
- Remembers categorizations you made before, and applies those categorizations to similar transactions
- Suggests logical categories based on bank descriptions
- Checks for rules you created to handle certain transactions in a particular way
- Cleans up cryptic bank descriptions

Banking Page Overview

After setting up the bank feed and connecting accounts to QuickBooks the Banking page will display information about your accounts.

Bank and credit card accounts. The different accounts appear as cards along the top of the page. Select the card of the account you want to work with. Its transactions appear beneath it. You can tell which account you're working with because its card is darker (a darker blue) than the other cards. Additionally, the account name appears next to the page title.

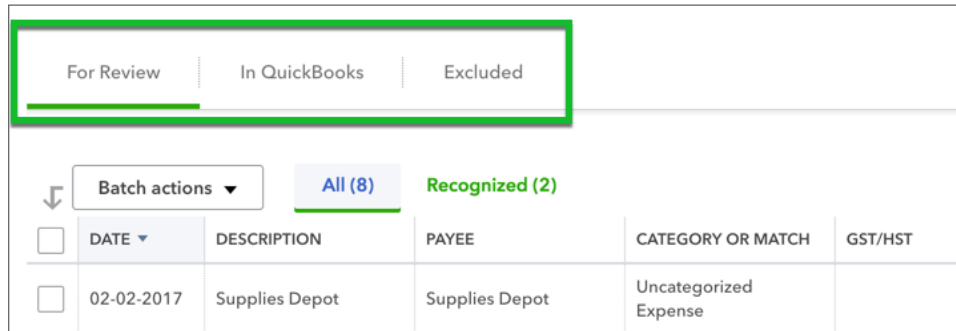
The screenshot displays the QuickBooks Online interface for 'Green Tree Landscapes'. The 'Banking' section is active, showing a 'Bank and Credit Cards' overview for 'Capital One Mastercard'. A green box highlights the account card, which displays a balance of \$2,538.61 and \$2,418.97 in QuickBooks. Below the card, there is a table of transactions for review, with columns for DATE, DESCRIPTION, PAYEE, CATEGORY OR MATCH, GST/HST, SPENT, RECEIVED, and ACTION. The table shows two transactions for 07/13/2017, both categorized as 'Uncategorized Expense' with a GST/HST of 'HST ON (Purchases)'. The first transaction is an interest charge of \$47.03, and the second is a cash advance of \$6.67. The page also includes a 'Batch actions' dropdown, a filter for 'All (55)' transactions, and a 'Recognized (0)' count.

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	GST/HST	SPENT	RECEIVED	ACTION
07/13/2017	INTEREST CHARGE: PURCHASES		Uncategorized Expense	HST ON (Purchases)	\$47.03		Add
07/13/2017	INTEREST CHARGE: CASH ADVANCES		Uncategorized Expense	HST ON (Purchases)	\$6.67		Add

For Review—Transactions are broken out by account, waiting to be added to your books. You can filter the list to show only “recognized” transactions or view *all* transactions waiting to be added or matched.

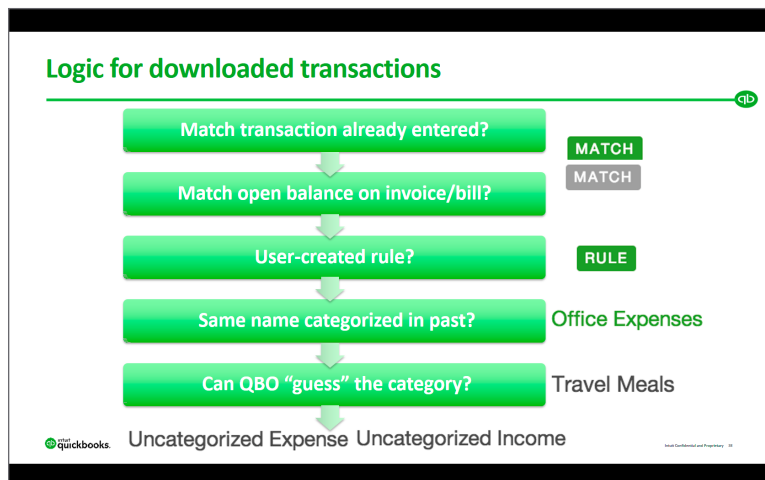
“Recognized” transactions are those that QuickBooks could “preprocess” for you because it found logical categories, remembered earlier categorizations made to similar transactions, found matches, or applied rules. You can add or match recognized items more quickly, and with a high degree of confidence.

In QuickBooks and Excluded transactions—When you accept bank transactions, they move from the **For Review** tab to the “In QuickBooks” tab so you always have a record of the items you accepted. You can also exclude bank items if they shouldn’t be part of your accounting. (If you change your mind, you can always undo a transaction you accepted or excluded.)



Categorizing Transactions in QuickBooks

Now that you know what the banking windows look like and what the terminology means, it’s time to get to work categorizing your downloaded transactions. QuickBooks will do some of the categorization work for you. After downloading new transactions, QuickBooks goes through a logical process to categorize your transactions. Below is a diagram of the QuickBooks Logic and the labels QuickBooks displays to help you know what action to take for each transaction.



Matched Transactions

When QuickBooks downloads bank data, it tries to find a match with any QuickBooks transactions you created manually. If it finds a likely match, it lists the transaction in the Recognized tab and displays the word “MATCH” in green in the row.

If you’re satisfied with the match information shown in the row, simply click **Match** at the end of the row to move the bank item into QuickBooks and match it with the existing QuickBooks transaction.

<input type="checkbox"/>	30-12-2016	Jennifer Hargreaves	Jennifer Hargreaves	MATCH Expense 28-12-2016 \$245.80 Jennifer Hargreaves		\$245.80		Match
<input type="checkbox"/>	23-12-2016	Supplies Depot	Supplies Depot	Uncategorized Expense		\$24.86		Add
<input type="checkbox"/>	22-12-2016	Bank of AnyCity	Bank of AnyCity	MATCH Cheque 20-12-2016 \$1,000.00 Bank of AnyCity		\$1,000.00		Match

To review an item before matching:

1. Click the transaction row. The row expands to show you more details.
2. Review the details in the expanded row.
3. When you’re satisfied with the details, click **Match**.

30-12-2016 Jennifer Hargreaves Jennifer Hargreaves **MATCH** Expense 28-12-2016 \$245.80 Jennifer Hargreaves \$245.80

Add Match

POSSIBLE MATCH

[Expense 28-12-2016 \\$245.80 Jennifer Hargreaves](#) Find other matching transactions [Match](#)

BANK DETAIL Jennifer Hargreaves , Anytown | [Add Attachment](#)



NOTE The transaction disappears from the list and moves to the **In QuickBooks** tab.



NOTE To identify a MATCH in QuickBooks Online, it looks for different elements based on the transaction type.

For **bank deposits and credits**, it looks at:

- Both deposited and undeposited payments:
 - Payments received against invoices (on the Receive Payment page)
 - Sales receipts
 - Deposits or payments you entered yourself in the bank or credit card account history in QuickBooks
 - Deposits you entered from the Deposits page
- Journal entries and other positive or credit transactions you created in QuickBooks
- Open invoices and invoices that are not fully paid

For **bank withdrawals and debits**, it looks at:

- Payments you entered for a supplier
- Expenses you entered using the Expenses page or Create (+) menu
- Expenses or debits you entered directly in the bank or credit card account history in QuickBooks
- Journal entries and other negative or debit transactions you created in QuickBooks

In some cases, you may need to search QuickBooks for more than one transaction that may match a downloaded transaction.

1. In the navigation bar, click **Transactions > Banking**.
2. Select an account from the cards at the top of the page.
3. Select a transaction that you know has multiple QuickBooks transactions (that is, a deposit).
4. Click the **Find other matching transactions** button.

The screenshot shows the QuickBooks interface for entering a transaction. At the top, there are tabs for 'All (19)' and 'Recognized (0)'. Below the tabs is a table with columns: DATE, DESCRIPTION, PAYEE, CATEGORY OR MATCH, GST/HST, SPENT, RECEIVED, and ACTION. A transaction is listed with the date 03/29/2016, description 'Web Sales Dep', category 'Sales of Product Income', and amount '\$6,000.00'. Below the table is a form for adding or finding matches. The form has two radio buttons: 'Add' (selected) and 'Find match'. A green arrow points to the 'Find match' radio button. The form also includes dropdown menus for 'Deposit', 'Select Payee (optional)', 'Sales of Product Income', and 'Select GST/HST'. A text field contains 'WEB SALES DEP 160315 385059899701AC3 Craig's LANDSCAPING'. At the bottom, there are 'Split' and 'Add' buttons. The footer of the form reads 'BANK DETAIL WEB SALES DEP 160315 385059899701AC3 Craig's LANDSCAPING | @ Add Attachment'.

5. In the **Match transactions** window, select the transactions that add up to the downloaded transaction amount.

Match transactions
?
✕

Web Sales Dep

WEB SALES DEP
03/29/2016

Received

\$6,000.00

Show: All Search: From: To:

Select transaction to match

DATE	TYPE	REF NUMBER	PAYEE	TRANSACTION AMOU...	PAYMENT
<input checked="" type="checkbox"/> 01/04/2016	Sales Receipt		Craig's Landscaping	\$3,000.00	3000.00
<input checked="" type="checkbox"/> 01/04/2016	Sales Receipt		Craig's Landscaping	\$3,000.00	3000.00

2 Selected transaction(s) [Show](#) | [Remove](#) \$6,000.00

Downloaded transaction \$6,000.00

Resolve difference Difference \$0.00

Total \$6,000.00

Cancel
Save

If you don't see an item you expected to see, it may not be in the date range QuickBooks analyzes. Try changing the date range in the From and To fields.



NOTE To be sure that the total amount matches the downloaded amount, do one of the following:

- If the total amount matches the downloaded amount, that's good. No further action is needed.
- If the total amount is more than the downloaded amount, remove some of the matches until the difference is 0. Or, adjust the QuickBooks transaction amounts and then try matching again.
- If the total amount is less than the downloaded amount, select more matches, or adjust the QuickBooks transaction amounts and then try matching again.
- Click **Resolve the difference** to handle the leftover amount if necessary.

Resolve difference ▼
Difference
\$0.00

✔ Add new transaction

Add new transaction

DATE	PAYEE	CATEGORY	MEMO	AMOUNT	GST/HST
<input type="text" value="03/29/2016"/>	Payee (optional) ▼	Sales of Product Income ▼	<input type="text"/>	<input type="text"/>	Select GST/HST ▼

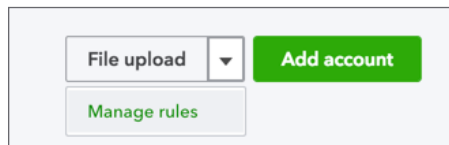
New transaction total \$0.00

Bank Feed Rules

Bank Feed Rules go beyond the automatic memorizing and categorizing that QuickBooks Online does. For frequently downloaded items, rules can save you lots of time by scanning bank items for certain the details you assign for specific payees and categories.

To Create a Rule:

1. Go to **Transactions > Banking**.
2. On the Banking page, click the Update drop-down arrow in the upper right corner and select **Manage Rules**.



3. In the upper right corner select **New Rule**.
4. Enter the **Rule Name**.
5. Tell QuickBooks if the rule applies to **Money In** or **Money Out**.
6. Choose the account(s) the Rule applies to.
7. Enter the **Conditions** for the Rule. Click **Add Line** to add another condition.



NOTE You can choose from the conditions including **Description, Amount, and Bank Text**.

8. Click **Save**. QuickBooks automatically applies the new rule to any **Unaccepted** transactions in the Banking window.



NOTE Rules apply to unaccepted transactions only in **For Review** tab on the banking downloads screen).



NOTE To reduce the need for multiple rules, you can create rules with “or” so that transactions are edited when they meet any of the outlined conditions. In order for the “or” function to be available, you must change the drop-down so that it shows “when a transaction meets ANY of these conditions.”

QuickBooks Rules

When QuickBooks downloads your bank data, it analyzes the bank information and gives you a suggested action to take. After entering the Matched transactions, QuickBooks will make suggestions on how to categorize transactions. These transactions will be labeled in green and will include the **Add** icon in the far-right column.

Batch actions ▾		All (6)	Recognized (3)					
DATE ▾	DESCRIPTION	PAYEE	CATEGORY OR MATCH	GST/HST	SPENT	RECEIVED	ACTION	
<input type="checkbox"/>	14-01-2017	Supplies Depot	Supplies Depot	Uncategorized Expense	HST ON (Purchases)	\$18.60	Add	
<input type="checkbox"/>	13-01-2017	Coffee Place	Meals and entertainment	HST ON (Purchases)	\$20.50	Add		
<input type="checkbox"/>	12-01-2017	Supplies Depot	Supplies Depot	Uncategorized Expense	HST ON (Purchases)	\$35.88	Add	

The more that you use QuickBooks Online banking, the more QuickBooks learns how you categorize your transactions. As it learns, QuickBooks begins to follow what we call “QuickBooks Rules”. While they are not actual rules, QuickBooks uses your history to automate the categorization of your banking transactions.

To add a transaction where a “QuickBooks” is suggested click **Add** under the **Action** column.

Batch actions ▾		All (6)	Recognized (3)					
DATE ▾	DESCRIPTION	PAYEE	CATEGORY OR MATCH	GST/HST	SPENT	RECEIVED	ACTION	
<input type="checkbox"/>	14-01-2017	Supplies Depot	Supplies Depot	Uncategorized Expense	HST ON (Purchases)	\$18.60	Add	
<input type="checkbox"/>	13-01-2017	Coffee Place	Meals and entertainment	HST ON (Purchases)	\$20.50	Add		

Uncategorized Transactions

After QuickBooks completes the logic and doesn't find any matches, rules, or suggestions to make, it lets you categorize the transaction. When QuickBooks does not know what to do with a transaction, it will be labeled as:

- **Uncategorized Income**
- **Uncategorized Expense**

To review and categorize the uncategorized transactions:

1. Click the within the row of the transaction. The Description column gives you a clue about the type of transaction it is.
2. QuickBooks Online may display a matching customer or vendor/supplier name, if one exists. If you don't select or add a name, QuickBooks Online adds the transaction to the register without a name/payee when you accept the transaction.

- Choose a specific category from the list. You can create additional categories (from your “chart of accounts” in QuickBooks Online) as needed. You can also split a transaction between different categories (see section below).

12-01-2017 Supplies Depot Supplies Depot Office expenses HST ON (Purchases) \$35.88

Add Find match

Expense: Supplies Depot Category: Office expenses

Billable: Select Customer (optional): HST ON (Purchases) Select Class (optional):

Supplies Depot, Anytown

We'll set **Supplies Depot** to *Office expenses* from now on. [Edit this setting](#)

BANK DETAIL Supplies Depot, Anytown | [Add Attachment](#)

- Select a class or location, if these fields appear in the row. These fields only appear if you have set up classes or locations in your company settings. (Optional)
- When you're satisfied with the information in the row, click Add. The transaction moves from the **For Review** tab over to the **In QuickBooks** tab.

Assign a single payee, category, class, or location to multiple transactions:

- Click the checkbox for each transaction row you want to assign to the same accounting information (payee, category, class, location). You can choose multiple rows by selecting the first, holding down shift, and clicking on the last.
- Click **Batch Actions** drop-down arrow at the top of the list, then click **Modify Selected** and make the changes you want.
- Click **Apply**.
- The transactions move from the **For Review** tab over to the **In QuickBooks** tab.

Modify Selected

Payee: Select Payee (optional) Category: Select Category (optional)

GST/HST: Select GST/HST (optional) Class: Select Class (optional)

Assigning multiple categories to a single transaction (**Split**):

There may be times when you want to split a transaction, either a deposit or expense, between different categories. To split a transaction:

1. Click within the row of the transaction and select **Split** towards the right.
2. In the first line, select a category from the Account list and then enter an amount.
3. Click in the second row, repeat step 3.
 - To add more rows, click **Add Lines**.
 - To delete a row, click the trash can that appears to the right of the row.
 - Click **Reset** to start the Split Transaction over.
4. When the total amount matches the downloaded amount, click **Save** and **Add**.
5. The transaction moves from the **For Review** tab over to the **In QuickBooks** tab.

Split Transaction
Downloaded Transaction
Supplies Depot on 12-01-2017 for \$-35.88

\$35.88

✕

Payee
Supplies Depot ▼

CATEGORY	GST/HST	CLASS	AMOUNT (CAD)	
Office expenses ▼	HST ON (Purchases) ▼	Select Class (option) ▼	20.00	🗑️
Dues and Subscript ▼	HST ON (Purchases) ▼	Select Class (option) ▼	15.88	🗑️

Add lines Reset

Split amount	\$35.88
Original amount	\$35.88
Difference	\$0.00

Memo
Supplies Depot, Anytown

Cancel
Save and add

Accept Multiple Transactions

You can accept multiple transactions at the same time.

1. Review and categorize several transactions, but don't accept them.
2. Reviewing can be more efficient if you, click a column header, such as Description, to sort similar transactions together.
3. Click the **checkbox** to the left of the date column for each row you want.
4. At the top of the list, click the **Batch Actions** drop-down arrow and select **Accept Selected**.

5. All the selected transactions move from the **For Review** tab to the **In QuickBooks** tab.

For Review		In QuickBooks		Excluded		Go to Account history	
DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	GST/HST	SPENT	RECEIVED	ACTION
			RULE Office expenses	HST ON (Purchases)	\$18.60		Add
13-01-2017	Coffee Place		Meals and entertainment	HST ON (Purchases)	\$20.50		Add
12-01-2017	Supplies Depot	Supplies Depot	Office expenses	HST ON (Purchases)	\$35.88		Add
30-12-2016	Jennifer Hargreaves	Jennifer Hargreaves	MATCH Expense 28-12-2016 \$245.80 Jennifer Hargreaves		\$245.80		Match
23-12-2016	Supplies Depot	Supplies Depot	RULE Office expenses	HST ON (Purchases)	\$24.86		Add
22-12-2016	Bank of AnyCity	Bank of AnyCity	MATCH Cheque 20-12-2016 \$1,000.00 Bank of AnyCity			\$1,000.00	Match

Edit a Transaction

You can change how you assigned or categorized a transaction. You can also undo an acceptance, and even exclude a transaction from being included in your business finances.

To change an assignment or category for a transaction:

1. On the **For Review** tab, click a row to select it.
2. Click the **Category or Match** drop-down list and select a category from the **Account** list.



NOTE You can't change the assignment or category from the **In QuickBooks** tab. You can only change them on the **For Review** tab or in the corresponding QuickBooks transaction.

To undo an accepted transaction:

1. On the **In QuickBooks** tab, click the **Undo** button to move that transaction back to the **For Review** tab.
2. For multiple transactions, check the box to the left of all transactions then click the **Batch Actions** drop-down and select **Undo Selected**. The transaction will now be in the **For Review** tab.

- From the **For Review** tab, select the transaction and click the **Category or Match** drop-down list and select a category from the **Account** list.



▶ Account Reconciliation

Banks and credit card companies usually generate a monthly statement for each bank and credit card account. When you reconcile an account, you make sure that what you have in QuickBooks matches this monthly statement.

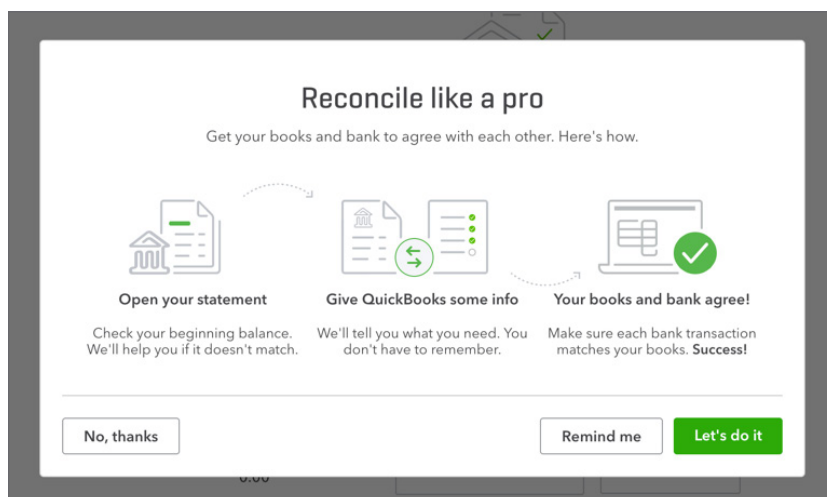
One by one, you check the beginning balance and each transaction in the statement and compare them with your books. When you're finished, your books and bank agree with each other. You know your bank and your books agree when the difference between them is \$0.00.

Reconcile a Connected Account

Using the bank feed to enter and categorize transactions will help you automate your bank and credit card account reconciliations. If you enter every transaction downloaded from the bank feed all your transactions will automatically be marked as reconciled.

To reconcile a connected account:


- Click the **Gear** icon and then click **Reconcile**.
- Click **Let's do it**.



3. Choose the **Account** to reconcile.
4. Enter the **Ending Balance**. This information will come from your bank or credit card statement.
5. Enter the **Ending Date** listed on the statement.
6. Click **Start Reconciling**.

Chart of accounts > Credit card register > Reconcile

Reconcile [Reconciliation history](#) | [Give Feedback](#)



Reconcile an account

Open your statement and let's get started.

Which account do you want to reconcile?

Account

Visa Credit Card CAD

Enter the following from your statement

Beginning balance	Ending balance *	Ending date *
0.00	-621.80	28-02-2017

[Start reconciling](#)

7. QuickBooks opens the Reconcile window. If you've entered every transaction on your bank statement using the bank feed, the account will be auto reconciled. You'll notice that the transactions entered from your bank feed will be marked with a special statement icon (see column to the left of Charge).

Chart of accounts > Credit card register > Reconcile

Reconcile | Visa Credit Card

Statement ending date: February 28, 2017

\$-621.80 STATEMENT ENDING BALANCE - **\$-621.80** CLEARED BALANCE

\$0.00 BEGINNING BALANCE + **\$378.20** 7 CHARGES - **\$1,000.00** 1 PAYMENT


\$0.00 DIFFERENCE

Give Feedback

DATE	TYPE	REF NO.	PAYEE	MEMO	CHARGE (CAD)	PAYMENT (CAD)	
02-02-2017	Expense		Supplies Depot	Supplies Depot , Anytown	24.68		✓
20-01-2017	Expense			Coffee Place treet, Anytown	7.88		✓
14-01-2017	Expense		Supplies Depot	Supplies Depot , Anytown	18.60		✓
13-01-2017	Expense			Coffee Place , Anytown	20.50		✓
12-01-2017	Expense		Supplies Depot	Supplies Depot , Anytown	35.88		✓
10-01-2017	Cheque	2055	Bank of AnyCity			1,000.00	○
28-12-2016	Expense		Jennifer Hargreaves		245.80		✓
23-12-2016	Expense		Supplies Depot	Supplies Depot , Anytown	24.86		✓
20-12-2016	Cheque	2054	Bank of AnyCity			1,000.00	✓
20-01-2016	Expense				3,831.80		○

8. Click **Finish Now**.

9. Click **Done** to complete the reconciliation.



Yay! You reconciled your account.

To see a report of this reconciliation, click [View report](#). Otherwise, you're done!

[View report](#) [Done](#)

Manual Account Reconciliation

The manual account reconciliation means that you will manually select all the transactions in QuickBooks that appear on your account reconciliation. This requires a detailed review of your monthly statement. Every transaction appearing on your statement including cheques, payments, deposits, refunds, etc. will be selected in QuickBooks Online.

To get started with your reconciliation go to the **Gear** icon and click **Reconcile**.

The screenshot shows the QuickBooks Online interface for account reconciliation. The main heading is "Reconcile an account" with the instruction "Open your statement and let's get started." Below this, a question asks "Which account do you want to reconcile?" and a dropdown menu shows "BFCU Chequing" selected. A green box highlights the input fields for "Beginning balance" (0.00), "Ending balance *", "Ending date *", "Service charge" (0.00), "Expense account" (Bank charges), and "Interest earned" (0.00). A "Start reconciling" button is located at the bottom of the form.



NOTE Alternatively, you can click **Accounting** on the left-hand navigation bar to access the account reconciliation.

1. Enter the **Ending balance**. This information will come from your monthly statement.
2. Enter the **Ending date**. This will also come from your monthly statement. This date is used to limit the transactions on the reconcile window to transactions before this date.
3. Click **Start Reconciling**.



NOTE If you're required to enter a **Service** charge for this account, enter the charge in the appropriate field. Add the **Expense account** to track the charge.

If you've earned interest income, you can track the amount in the **Interest earned** field. This also requires an income account to track the amount.

On the Reconcile window there are several areas of importance.

The top of the Reconcile window displays both the statement information as well as the transactions that are marked as cleared while you reconcile. Most importantly, it displays the Difference. The difference represents the difference between the **Cleared Balance** in QuickBooks and the **Statement Ending Balance**. The goal of the reconcile process is to have a \$0.00 difference. Once you get to a \$0.00 difference you know that you've been successful reconciling the account.

Chart of accounts > Bank register > Reconcile

Reconcile | SBCU Chequing

Statement ending date: February 28, 2017

\$1,090.09	-	\$-1,817.91	
STATEMENT ENDING BALANCE		CLEARED BALANCE	
\$0.00	-	\$47,501.06	+
BEGINNING BALANCE		5 PAYMENTS	\$45,683.15
			6 DEPOSITS

\$2,908.00
DIFFERENCE

Edit info Save for later

Click the **Edit info** button to edit the Statement information. Click **Save for Later** to save your progress in the Reconciliation window and return to it later.

Reconcile Window Display

When you open the Reconcile window, QuickBooks displays the **All** the transactions entered before the **Statement ending date**.

Statement ending date Clear filter / View all

Payments Deposits **All**

DATE	TYPE	REF NO.	PAYEE	MEMO	PAYMENT (CAD)	DEPOSIT (CAD)
------	------	---------	-------	------	---------------	---------------

Give Feedback

To change the display of the Reconcile window you do the following:

1. Click the **Filter** option. You can filter the transactions using any of the option available on the **Filter** window.

2. To display a specific transaction type, click the **Payments** or **Deposits** button. QuickBooks filters the window and displays just the selected transactions.

DATE	TYPE	REF NO.	PAYEE	MEMO	PAYMENT (CAD)	DEPOSIT (CAD)	
02/15/2017	Bill Payment	112	US Gnome Factory		1,380.00		
02/01/2017	Expense		Edmonton Credit Union		2,900.00		✓
01/31/2017	Sales Tax Payment			Payment in full for sales tax	17,775.29		✓
01/26/2017	Refund				145.77		✓
01/26/2017	Bill Payment	110	Japan Gnomes Unlimi...		1,504.51		
01/26/2017	Cheque	109	Payroll		10,000.00		✓
01/26/2017	Cheque	108	John Deere		16,500.00		✓
01/17/2017	Expense		Hank's Courier		113.00		
01/05/2017	Transfer				5,000.00		

3. Click any of the column headings to sort the Reconcile window per that column.

DATE	TYPE	REF NO. ▲	PAYEE	MEMO	PAYMENT (CAD)	DEPOSIT (CAD)	
09/01/2016	Cheque	100	Woodcroft Law Group	Voided		0.00	
09/30/2016	Cheque	101	Powerhouse Staffing		536.75		
11/19/2016	Cheque	102	Green Jeans Lawn Ma...		9,070.00		
11/22/2016	Cheque	103	Canada Small Engine ...		8,250.00		
11/30/2016	Bill Payment	104	Japan Gnome Inc.		575.00		
12/06/2016	Cheque	105	Leavitt Machinery		12,800.00		
12/15/2016	Cheque	106	Green Jeans Lawn Ma...	Subcontracted fencing	8,814.00		
01/05/2017	Bill Payment	107	Office Supplies Depot		945.00		
01/26/2017	Cheque	108	John Deere		16,500.00		✓
01/26/2017	Cheque	109	Payroll		10,000.00		✓

Marking Transactions as Reconciled

After modifying the Reconcile window to display the way you want it to, you're now ready to reconcile. This means selecting every transaction in QuickBooks that displays on your bank statement. When you see a transaction on your bank statement that matches a QuickBooks transaction, select the transaction in the far-right column.

11/30/2016	Bill Payment	104	Japan Gnome Inc.	575.00	<input type="radio"/>
12/06/2016	Cheque	105	Leavitt Machinery	12,800.00	<input type="radio"/>
12/15/2016	Cheque	106	Green Jeans Lawn Ma... Subcontracted fencing	8,814.00	<input type="radio"/>
01/05/2017	Bill Payment	107	Office Supplies Depot	945.00	<input type="radio"/>
01/26/2017	Cheque	108	John Deere	16,500.00	<input checked="" type="radio"/>
01/26/2017	Cheque	109	Payroll	10,000.00	<input checked="" type="radio"/>
01/26/2017	Bill Payment	110	Japan Gnomes Unlimi...	1,504.51	<input type="radio"/>

Do this for every transaction appearing on your statement. With every selection, QuickBooks gets closer to reconciling your account. As you select transactions you'll see the **Difference** amount get closer to **\$0.00**.

After you have marked all the cleared transactions from your statement and your difference is at **\$0.00**, you're ready to complete the reconcile.

1. Click **Finish Now**.

Home | Chart of accounts > Bank register > Reconcile

Reconcile | SBCU Chequing

Statement ending date: February 28, 2017

\$1,090.09 STATEMENT ENDING BALANCE - **\$1,090.09** CLEARED BALANCE

\$0.00 BEGINNING BALANCE - **\$48,701.06** 6 PAYMENTS + **\$49,791.15** 7 DEPOSITS

\$0.00 DIFFERENCE

Buttons: Edit info, Finish now

DATE	TYPE	REF NO.	PAYEE	MEMO	PAYMENT (CAD)	DEPOSIT (CAD)
09/01/2016	Cheque	100	Woodcroft Law Group	Voided		0.00
09/30/2016	Cheque	101	Powerhouse Staffing		536.75	

After clicking **Finish Now**, QuickBooks marks all the transactions in the account Reconciliation as reconciled transactions. QuickBooks indicates that the account is reconciled.

Yay! You reconciled your account.

To see a report of this reconciliation, click View report. Otherwise, you're done!

Buttons: View report, Done

To view the reconcile report QuickBooks creates for you, click **View report**. QuickBooks displays the **Reconciliation report**. This report shows the overall totals of deposits/credits and cheques/payments cleared in a previous reconciliation. You can compare a printed copy of the report directly against a bank statement to spot discrepancies between your QuickBooks records and your financial institution's records.

Chart of accounts > Bank register > Reconciliation history > Report

[Reconcile](#) | [Give Feedback](#)

Reconciliation report

Account: SBCU Chequing CAD Statement ending date: 02/28/2017

Green Tree Landscapes
SBCU Chequing, Period Ending 02/28/2017

RECONCILIATION REPORT
Reconciled on: 03/29/2017
Reconciled by: Matthew Peterson

Any changes made to transactions after this date aren't included in this report.

Summary	CAD
Statement beginning balance.....	0.00
Cheques and payments cleared.....	-48,701.06
Deposits and other credits cleared.....	49,791.15
Statement ending balance.....	<u>1,090.09</u>
Uncleared transactions as of 02/28/2017.....	136,565.31
Register balance as of 02/28/2017.....	137,655.40
Cleared transactions after 02/28/2017.....	0.00
Uncleared transactions after 02/28/2017.....	-99,782.04
Register balance as of 03/29/2017.....	37,873.36

Details



NOTE The Reconciliation Reports details include:

- Summary of the account including cleared and Uncleared balances
- List of cleared cheques and payments
- List of cleared deposits and credits
- List of uncleared cheques and payments
- List of uncleared deposits and credits

▶ Transfers in QuickBooks

You can transfer funds between most balance sheet accounts in your chart of accounts (except between A/P and A/R accounts). Common examples include transfers from chequing to savings accounts or from a bank account to a credit card account (credit card payment).

To create a transfer in QuickBooks:

1. Click the **Create** menu.
2. Click **Transfer**.
3. Enter the **Date**.
4. Enter the **Transfer Funds from** account.
5. Choose the **Transfer Funds to** account.

The screenshot shows the 'Transfer' form in QuickBooks Online. The form is titled 'Transfer' and has a close button (X) in the top right corner. The form is divided into several sections:

- Transfer Funds From:** A dropdown menu with 'Chequing' selected.
- Transfer Funds To:** A dropdown menu with 'Savings Account' selected.
- Currency:** A dropdown menu with 'CAD Canadian Dollar' selected.
- Transfer Amount:** A text input field containing '150,000.00'.
- Date:** A text input field containing '03/15/2017'.
- Memo:** A text input field containing 'Transfer to increase balance in savings account'.
- Attachments:** A section with a maximum size of 25MB, containing a drag/drop area and a 'Show existing' link.
- Privacy:** A link at the bottom center.

At the bottom of the form, there are several buttons: 'Cancel', 'Clear', 'Make recurring', and 'Save and new' (with a dropdown arrow).

6. Enter a **Memo** to remind you of the reason for this transfer.
7. Click **Save**.