



The person responsible for keeping the books in the group should frequently, eg monthly, check that the balance in the bank agrees with the balance according to the payments and receipt books.

To complete the reconciliation you will require:

- The latest bank statements for your account
- The cheque and lodgement details
- The previous reconciliation statement
- Your books book of account - receipts and payments
- A template attached provides a Bank Reconciliation format for you to use as a guide.
- The balances are given for the same date on both the bank statement and the payment book
- The cheques outstanding
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Cheques Outstanding

The cheques showing up in the payments book as paid but not yet showing as paid through the bank.

- Any charges or interest not entered into the cash book
- Any other items that account for the difference between the cash book and the bank statement balance

You should order bank statements for current accounts to arrive on a regular basis; at least monthly is advisable. Selecting a date at the beginning of the month makes it possible to reconcile the previous month at an earlier stage.

The following shows an example of a bank reconciliation:

Bank reconciliation outline		
	£	£
Balance per bank at 31 may 00		1025,92
Less		
Outstanding Cheques	17.50	
Plus		
Direct Debits	x	
Standing orders	50.00	
Bank interest and charges	6.50	
Outstanding Lodgements	45	
Equals balance per cash book		1109.92