



PENTAGON *2000 Software, Inc.*

QUICK REFERENCE GUIDE

Pentagon 2000 Software

Bank Reconciliation Procedures

Version 8.0

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Important:

Use your TAB key to move from field to field or use your mouse left click to click on the appropriate field in each module.

BANK RECONCILIATION

The Pentagon 2000 Software offers its Financial Module Users an effective way to Control and analyze the differences in the cash account(s). The Bank Reconciliation is a Basic way to prepare a list of the details pertaining to the items responsible for the Differences reported in the bank statement and the balance of the accounting records (General Ledger).

STATEMENT RECONCILIATION

- At the main screen, go to Financials
- Select General Ledger
- Open the Reconciliation Menu
- Double Click Statement Reconciliation
 - a This window will list all existing Bank Statement Reconciliations
 - b Click on Add for a new Statement Reconciliation
 - c Select the Bank in which you are trying to Reconcile, then click OK
- At the New Bank Statement screen, hit the Edit button to begin selecting data
- The following fields are mandatory:
 - a Statement Date
 - b Statement Begin Balance
 - c Statement Ending Balance

NOTE: *This information you would obtain from your actual Bank Statement*

- Select Accounts Receivable:

Accounts Receivable pertains to all A/R documents – Checks, Wire Transfers, EFT, Credit Cards, Cash also including Vendor Credit Receipts

 - a In Edit Mode, you can Select the Accounts Receivable entered in the Pentagon 2000 Software accounting records
 - b Mark All then OK for all records listed
 - c Click each record to highlight a selection of the listed transactions, then OK
 - d Use the Remove button remove the selected transaction from the Bank Reconciliation

STATEMENT RECONCILIATION (continued)

- Select Deposits
 - a In Edit Mode, you can Select the Accounts Receivable Deposits entered in the Pentagon 2000 Software accounting records
 - b Mark All then OK for all records listed
 - c Click each record to highlight a selection of the listed transactions, then OK
 - d Use the Remove button remove the selected transaction from the Bank Reconciliation

NOTE: *Accounts Receivable Deposits pertain to previously deposited Checks and Cash*

- Select Accounts Payable:

Accounts Payable pertains to all A/P documents – Checks (manual & automatic), Wire Transfers, EFT, Credit Cards, Cash also including Credit Payments to Customer

 - a In Edit Mode, you can Select the Accounts Payables entered in the Pentagon 2000 Software accounting records
 - b Mark All then OK for all records listed
 - c Click each record to highlight a selection of the listed transactions, then OK
 - d Use the Remove button remove the selected transaction from the Bank Reconciliation
- Select Journal Entries:
 - a In Edit Mode, you can Select the Journal Entries entered in the Pentagon 2000 Software accounting records which have hit the GL Code of that of the Bank (asset account) you are Reconciling
 - b Mark All then OK for all records listed
 - c Click each record to highlight a selection of the listed transactions, then OK
 - d Use the Remove button remove the selected transaction from the Bank Reconciliation
 - e Use the Open button to jump to and open the selected document

Note: The items listed for selection will only apply to the Bank Account you are reconciling for and the dates of these transactions are on or before the Statement Date.

- Click OK when complete to save the Bank Reconciliation
- Click Print to preview / print the Bank Reconciliation document
- Click Close to exit this Bank Reconciliation

RECONCILIATION REPORT

- At the main screen, go to Financials
- Select General Ledger
- Open the Reconciliation Menu
- Double Click Reconciliation Report
- Select the Statement Number previously reconciled in the Pentagon 2000 Software accounting records
- This Report will list the details of the selected Bank Reconciliation

OUTSTANDING TRANSACTIONS

- At the main screen, go to Financials
- Select General Ledger
- Open the Reconciliation Menu
- Double Click Outstanding Transactions
- Filter the Pentagon 2000 Software accounting records by the following criteria:
 - a Bank ID
 - b Bank Account
 - c Transaction Date
- This Report will list the outstanding non-reconciled transactions by category and type

OUTSTANDING TRANSACTIONS NOTES

- If you reconcile your bank account each month, you first scan your bank statements for any bank entries that you have not yet recorded. You enter these amounts into your checkbook register and determine the balance of your account. If you stop at this point you are assuming the bank hasn't made any changes.
- If you fully reconcile your account, you should also scan your checkbook for items in that the bank has not yet recorded for 1 – deposits in transit and 2 outstanding checks.
- Deposits in transit should be added to the bank balance and outstanding checks should be subtracted from the bank balance. The result is an adjusted bank balance which should agree with the balance of your checkbook. If the 2 are not equal either you or the bank has made an error.