



LetMC.com[®]
lettings software

Guide to Bank Reconciliation

(Tantum eruditi sunt liberi)

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Download your bank statement

The first stage of Bank reconciliation comes by downloading your bank statement from your bank. By logging on to your online banking system you can download a current statement this will show entries up until midnight from the day previous. This file will be in the format of an xml file (*Extensible Markup Language, as used by excel*) or a csv file (*comma-separated values*). These data files contain all the transaction data from your bank account. Once you have downloaded the statement from your bank save it to a folder on your PC.

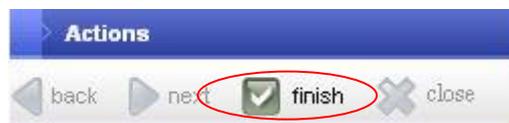
Upload your statement onto the LetMC System

To upload your bank statement onto the LetMC system select:
Accounting > Bank Reconciliation > Upload a Bank Statement



In the upload screen you will now have to click on the Browse button this will take your PC's folders where you now need to navigate to the location where you saved the bank statement. When you have found the statement highlight it by clicking on it once then click on the "open" button.

You should now see the file name appear in the upload statement screen in the LetMC System you should now click on the upload button to load it into LetMC. Finally click finish on the Actions toolbar.



Reconcile Bank Statements

To begin the bank reconciliation process you should select:

Accounting > Bank Reconciliation > Reconcile Bank Statements

You should see something similar to the graphic below

A list of bank statement entries will be displayed. By default, the list is filtered to show Un-posted entries with a date within the last month. If you have any outstanding entries change the 'from' calendar accordingly.

Looking at the statement now in the system you will notice that the figures show some positive and some negative. The positive amounts are monies being paid to the system and the negative amounts are monies that are being paid out. There could be multiple pages of statement entries.

All these figures now need to be linked with their corresponding **Payment Groups** within the system. These payment groups were created when take a payment/Make a bank deposit was done and when a payment to people in credit was carried out.

Entries that will not have a corresponding payment group will be payments made to you by bank transfer and standing orders.

Previously reconciled Standing Orders will have been auto reconciled and will be shown in blue as per the example below. This money is already linked to the recipients account and is just waiting to be posted to the account.

FILTER

Branch / Bank: Client Account

Entry State: From: 20 January 2013 To: 20 February 2013

UN-POSTED STATEMENT ENTRIES

Client Account Bank Account

20/01/2013 - 21/02/2013

Statement Entries:

Date	Statement Entry	Amount	
19/02/2013	Payment to landlord Status: Un-posted	-£180.80	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	Landlord Paymemnts 15,02 Status: Un-posted	-£200.00	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	Bank Deposit Slip Number: 111 Status: Un-posted	£600.00	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	Bank Deposit Slip Number: 555 Status: Un-posted	£2,096.00	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	123456 Status: Un-posted	-£484.50	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	Contractor Payments Status: Un-posted	-£1,981.81	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	Payment to landlord Status: Un-posted	-£440.00	<input type="button" value="edit"/> <input type="button" value="delete"/>
19/02/2013	676767 Status: Un-posted	-£188.00	<input type="button" value="edit"/> <input type="button" value="delete"/>
20/02/2013	STO Nicola Williams 35 Waun Ganol Status: Un-posted - Resolved as 'Electronic Payment(repeat) To Nicola Williams (Tenant, 35 Waun Ganol 20/08/2012-To Date)	£850.00	<input type="button" value="edit"/> <input type="button" value="delete"/>

Selecting payments to reconcile

Payment or Deposit

Click on the Edit button

<input type="checkbox"/>	19/02/2013	Bank Deposit Slip Number: 555 Status: Un-posted	£2,096.00		
<input type="checkbox"/>	19/02/2013	123456	£484.50		

STATEMENT ENTRY DETAILS

Entry Date	Reference	Amount	Duplicate	Uploaded	Posted
19/02/2013	Bank Deposit Slip Number: 555	£2,096.00	No	19/02/2013	N/A

STATEMENT ENTRY STATUS

Current State: Unlinked (Un-posted)

Link To: 

The next screen will show you summary details of the statement entry.

Linking

STATEMENT ENTRY STATUS

Current State: Unlinked (Un-posted)

Link To: 

- Payment or Deposit
- Person as Electronic Payment(repeat)
- Person as Electronic Payment(once only)
- Special Account

There are four options to link the payments.

The option to be used for the above example would be **Payment or Deposit**. This is because it is money that you have taken into the system and paid to the bank. This has created the payment group to reconcile against. When you have selected this option, click on the Link button.

Payment Groups

STATEMENT ENTRY DETAILS

Reference	Entry Date	Amount	Duplicate	Uploaded
Bank Deposit Slip Number: 555	19/02/2013	£2,096.00	No	19/02/2013

LINK AS PAYMENT OR DEPOSIT

Date	Reference	Amount
<input type="checkbox"/>	19/02/2013 Bank Deposit Slip Number: 111	£600.00
<input type="checkbox"/>	19/02/2013 Payment to landlord	-£440.00
<input type="checkbox"/>	19/02/2013 Payment to landlord	-£180.80
<input checked="" type="checkbox"/>	19/02/2013 Bank Deposit Slip Number: 555	£2,096.00
<input type="checkbox"/>	19/02/2013 676767	-£188.00
<input type="checkbox"/>	19/02/2013 123456	-£484.50
<input type="checkbox"/>	19/02/2013 Contractor Payments	-£1,981.81
<input type="checkbox"/>	14/02/2013 Landlord Paymements 15.02	-£200.00

On the next screen you will see the payment groups that are on the system waiting to be reconciled. Search for your corresponding payment group and tick the box on the left then tick the ok action button.

Confirmation

STATEMENT ENTRY DETAILS

Entry Date	Reference	Amount	Duplicate	Uploaded	Posted
19/02/2013	Bank Deposit Slip Number: 555	£2,096.00	No	19/02/2013	N/A

STATEMENT ENTRY STATUS

Current State: Linked to Payment Group (Un-posted - Resolved)
Linked To: to 'Various' as 'Payment or Deposit'

[un-link](#)

On the confirmation screen you will see that the entry has been resolved yet still un-posted within the system. Also the system will have linked it to the person or persons (various) connected to the Payment Group. You may also unlink the entry if you think this linking may be wrong.

Click **Finish** on the **Actions** bar to continue

The entry on the bank statement page will now show that it has been reconciled.

	Status: Un-posted		
<input type="checkbox"/>	19/02/2013 Bank Deposit Slip Number: 111 Status: Un-posted	£600.00	 
<input type="checkbox"/>	19/02/2013 Bank Deposit Slip Number: 555 Status: Un-posted - Resolved To 'Various' as 'Payment or Deposit'	£2,096.00	 
<input type="checkbox"/>	19/02/2013 123456 Status: Un-posted	-£484.50	 
<input type="checkbox"/>	19/02/2013 Contractor Payments	-£1,981.81	 

Posting Entry

The final action you must do is to tick the box on the left then down the bottom of this page there is a button labelled Post. Clicking on this will allow a credit to be authorised on the persons account or confirm that a payment has been cashed by the recipient. The entry will now be removed from this list.

<input checked="" type="checkbox"/>	19/02/2013 Bank Deposit Slip Number: 555 Status: Un-posted - Resolved To 'Various' as 'Payment or Deposit'	£2,096.00	 
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[post](#)

Reconcile Standing Orders

When a standing order shows on the statement you will not find a payment group on the system to link it to as it has happened solely outside of the system. For instance a tenant has set up a standing order to pay their rent. So you now need to link it to that person.

Select Entry

Once again start the reconciliation process by clicking on the Edit button

<input type="checkbox"/>	20/02/2013	STO Jack Daniels 10 Cardiff Road	£200.00		
		Status: Un-posted			
<input type="button" value="post"/>					

Link entry

On the Statement Entry Details Screen select Person as Electronic Payment (Repeat). The reasoning behind this selection is to tell the system that this is a standing order and that next time it 'sees' the reference 'STO Jack Daniels 10 Cardiff Road' it should auto reconcile that entry to the correct person, thus reducing your time spent reconciling.

STATEMENT ENTRY DETAILS

Entry Date	Reference	Amount	Duplicate	Uploaded	Posted
20/02/2013	STO Jack Daniels 10 Cardiff Road	£200.00	No	20/02/2013	N/A

STATEMENT ENTRY STATUS

Current State: Unlinked (Un-posted)

Link To:

- Payment or Deposit
- Person as Electronic Payment(repeat)**
- Person as Electronic Payment(once only)
- Special Account

Just before you click the Link button remember to make a note of the person's name

Search for payee

Using the search criteria enter the person's name to link the standing order to.

SEARCH CRITERIA

Forename:

Surname: Branch: User Type:

Exclude Closed Tenancies

RESULTS

Name	Branch
<input type="checkbox"/> Jack Daniels	Default Branch
<small>Head Tenant at '10 Cardiff Road, CF31 5CR'(Renewal of ten-3); Signed Tenancy(Renewal) 01/11/2012 - 30/04/2013</small>	

Tick the box next to their name then click the **ok** button on the **Actions** bar

Statement Entry Details

STATEMENT ENTRY DETAILS

Entry Date	Reference	Amount	Duplicate	Uploaded	Posted
20/02/2013	STO Jack Daniels 10 Cardiff Road	£200.00	No	20/02/2013	N/A

STATEMENT ENTRY STATUS

Current State: Linked to Standing Order on Jack Daniels (Un-posted - Resolved)
Linked To: Standing Order on Jack Daniels (Tenant on Signed Tenancy(Renewal) on 10 Cardiff Road)

[un-link](#)

The Statement Entry Details screen will now show that the entry has been resolved but not posted. There is also the availability of the U-Link button in case you are unsure about this linking.

Click Finish on the Actions bar.

<input checked="" type="checkbox"/>	20/02/2013	STO Jack Daniels 10 Cardiff Road	£200.00		
Status: Un-posted - Resolved as 'Electronic Payment(repeat) To Jack Daniels (Tenant, 10 Cardiff Road 01/11/2012-30/04/2013)					
post					

The Statement Entry Screen will now show that the Standing Order Entry has been resolved. The final action again to seal this as accredit on the persons account is to tick the box next to the entry and click on the post button to Authorise.

Reconciling Payments made to your bank

There will be some payments made to your bank which may be for example rent money paid in by a tenant. These deposits into your bank account will not have payment groups to match against. Like the standing orders you must link these payments to a person.

Begin as in other reconciliation processes by clicking on the edit button

<input type="checkbox"/>	20/02/2013	Bank Transfer 011 P Court	£700.00		
Status: Un-posted					
post					

Statement Entry Details

On the Statement Entry Details screen the selection from the drop down menu this time would be Person as electronic Payment (once only). This option is chosen because you only want this reconciled once and not regularly. Even though the payment may be coming in regularly the person who pays it into your bank will probably not use the same reference each month.

▶ **STATEMENT ENTRY DETAILS**

Entry Date	Reference	Amount	Duplicate	Uploaded	Posted
20/02/2013	Bank Transfer 011 P Court	£700.00	No	20/02/2013	N/A

▶ **STATEMENT ENTRY STATUS**

Current State: **Unlinked (Un-posted)**

Link To: Payment or Deposit link

- Payment or Deposit
- Person as Electronic Payment(repeat)
- Person as Electronic Payment(once only)**
- Special Account

Linking payment to person

Once you have selected the option click the Link button. Like the standing order method you will be asked to search for a person.

▶ **SEARCH CRITERIA**

Forename:

Surname: Branch: User Type: search

Exclude Closed Tenancies

▶ **RESULTS**

Name	Branch
<input type="checkbox"/> Phillip Court Head Tenant at '34 Masons Avenue, CF24 4AY'; Signed Tenancy(First Let) 10/08/2012 - 09/08/2013	Default Branch

Select the correct person and click ok on the action buttons.

▶ **STATEMENT ENTRY DETAILS**

Entry Date	Reference	Amount	Duplicate	Uploaded	Posted
20/02/2013	Bank Transfer 011 P Court	£700.00	No	20/02/2013	N/A

▶ **STATEMENT ENTRY STATUS**

Current State: **Linked to Standing Order on Phillip Court (Un-posted - Resolved)**

Linked To: Standing Order on Phillip Court (Tenant on Signed Tenancy(First Let) on 34 Masons Avenue)

un-link

Confirm your selection

Click Finish on the action buttons

The entry is now linked to the correct person and to complete tick the box next to the entry and click the Post button

<input type="checkbox"/>	20/02/2013 Bank Transfer 011 P Court Status: Un-posted - Resolved as 'Electronic Payment(once only) To Phillip Court (Tenant, 34 Masons Avenue 10/08/2012-09/08/2013)	£700.00	 
<input type="button" value="post"/>			

User Payment References

Standing orders will be logged as an electronic payment reference. This can be verified by opening **Accounting > Bank Reconciliation > Electronic Payment References > Manage User Payment References**

When you are in here use the search criteria to find the person.
Tick the box next to their name and click next.

SEARCH CRITERIA

Forename:

Surname: Branch: User Type:

Exclude Closed Tenancies

RESULTS

Name	Branch
<input type="checkbox"/> Jack Daniels Head Tenant at '10 Cardiff Road, CF31 5CR'(Renewal of ten-3); Signed Tenancy(Renewal) 01/11/2012 - 30/04/2013	Default Branch

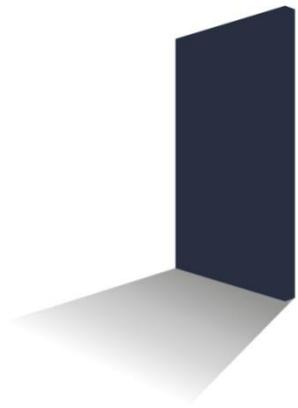
PAYMENT REFERENCES

<input type="checkbox"/> Created at Standing Order Reference
<input type="checkbox"/> 13/11/2012 STO Jack Daniels 10 Cardiff Road
<input type="button" value="cancel"/>

The next screen will show the electronic payment reference that has been recorded in the system.

This Electronic reference will enable automatic recognition of the standing order payment next time it shows on your uploaded bank statement. The system will then automatically resolve the payment and it will show as blue in the statement entry screen ready to be posted.

Electronic references can be cancelled at any time by ticking the box next to the one you want to cancel and then clicking the Cancel button.



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