CHAPTER 3 OVERVIEW

- Check Register
- Record Deposits
- Write Checks
- Reconcile Bank Statements
Home Page Banking
QuickBooks Check Register Shows...

- Checking Balance
- Deposits
- Payments (Checks)
**Record Deposits**

- **Customer Payments** are entered using *Receive Payments* (*Customer section of Home page*)

- **Undeposited funds** are customer payments received but not deposited yet

- **Nonsales receipts** can be entered using *Record Deposits* window
WRITE CHECKS...

Can be used to pay:

- **Expenses**, such as rent, utilities, and insurance
- **Non-inventory items**, such as office supplies
- **Services**, such as accounting or legal services
PAY BILLS

- One–Step Approach
- Write Checks
WRITE CHECKS...

Should **NOT** be used to pay:

- **Paychecks** to employees for wages and salaries
- Payroll taxes and liabilities
- Sales taxes
- Bills already entered using *Enter Bills* window  
  *(Vendor section of the Home page)*
RECONCILE BANK STATEMENTS TO...

- Detect errors
- Update accounting records for unrecorded items
RECONCILE...

Bank statement balance to Company’s accounting records
DIFFERENCES

Differences between the bank statement and accounting records are due to:

- Errors
- Timing differences
ERRORS

- Bank errors
- Company errors
TIMING DIFFERENCES

Bank has recorded an item, but the company has not
- Unrecorded bank charges
- Unrecorded interest earned

The company has recorded an item, but the bank has not
- Deposits in transit
- Outstanding checks
Bank Reconciliation Using QuickBooks

- Record interest earned from bank statement
- Record bank service charges from bank statement
- Compare Bank statement with the Reconcile Window
- Mark deposits that have cleared
- Mark checks that have cleared
TO LEARN MORE …

Turn to Chapter 3

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