

How to Really Reconcile Xero Bank Accounts

ments Account transactions

Great job!
You've reconciled all the transactions for this account

Statement Balance 30 Mar 2017 **3,116.52**

Once you have matched all of your transactions from the dashboard of your Xero it looks like your accounts are fully reconciled but you need to dig just a little deeper to make sure.

1. Go into the Reconciliation Report by clicking "**Manage Accounts**" button on the upper right hand corner of the screen when you are in Bank Accounts area of Xero. You will find the link to the **Reconciliation Report** under the Reconcile column of the options that will appear.

The screenshot shows the Xero interface for a BankSA account. A 'Manage Account' dropdown menu is open, displaying several options. The 'Reconciliation Report' option is highlighted in yellow. Other options include 'Find', 'Reconcile', and 'Bank Feeds'. The 'Reconcile' section includes 'Reconcile Account', 'Bank Rules', 'Reconciliation Report', and 'Import a Statement'. The 'Bank Feeds' section includes 'Activated' and 'View Status Updates'. There is also an 'Edit Account Details' link at the bottom of the menu.

2. The Bank Reconciliation report will then open and you will see three tabs that make up this report. On the **Bank Reconciliation Summary** tab make sure the options for the Bank Account and Date are the ones that you want. Just double check that the Balance in Xero figures and the Statement Balance figure are equal – if they are then all is well with your bank rec and you can stop here. But if you see a line that says "Balance out by" then you know you have an issue you need to resolve. On my example below my balance is out by \$4.18.

Bank Reconciliation Summary

As at 31 March 2017

[Add Summary](#)

Date	Description	Reference	Amount
31 Mar 2017	Balance in Xero		3,116.52
31 Mar 2017	Statement Balance		3,116.52
30 Mar 2017	Imported Statement Balance		3,120.70
	Balance out by		4.18

3. If your Balance is out click on the **Statement Exceptions** tab of the report.

This tab will show the transactions that are causing your bank account in Xero to be different from your banking records. The things that may be creating the problems are Items that are in Xero and are manually reconciled, imported statement items that are deleted in Xero or transactions that have been doubled up.

Statement Exceptions

From 1 July 2016 to 31 March 2017

[Add Summary](#)

Date	Description	Reference	Reconciled	Source	Reason	Amount
27 Jul 2016	Square		Yes	User	Manual	(1.11)
28 Jul 2016	Sqaure		Yes	User	Manual	(2.09)

In my example I have made 2 manual entries that do not match the imported statement.

To fix this I would firstly go back to the old faithful bank generated version of my bank statement for that period, which will show me if these 2 transactions really took place in my bank account. If they did not I would delete them but if they had I would then check to see if they were missed in the bank feed for that time.

If you can't see the reason why you have statement exceptions just contact a Xero Certified Advisor like Kerry Casanova from Exact Accounting and they will help you get it sorted.