

A balanced bank reconciliation is only the first check

Blog draft | Accounting practice audience

Start with the items that did not clear

A zero difference tells you that the arithmetic agrees. It does not tell you whether an old payment is valid, a transfer was posted twice or a receipt belongs in the period. Before closing the file, read the outstanding-item list as a set of questions, not as a balancing figure.

Give each old item a next step

For each material outstanding payment or receipt, record the original date, source reference and what would prove clearance. Ask who owns the follow-up. An old item with no explanation should not roll forward indefinitely just because last month's reconciliation contained it.

Trace transfers on both sides

Where money moves between accounts, connect the withdrawal and deposit using references and dates. A timing difference is different from a missing entry. Keep that distinction in the working paper so the reviewer does not have to reconstruct the transfer from separate ledger screens.

Keep proposals separate from posted entries

A reconciliation can lead to a proposed correction. The file should say whether it has been approved and posted, rather than leaving the reviewer to infer status from a revised balance. A proposed journal without supporting evidence belongs on the question list.

Make the handoff easy to inspect

A useful pack includes the statement reference, reconciled ledger balance, outstanding items, subsequent-clearance evidence where available and open questions. The reviewer should be able to see what was checked and what remains unresolved without a separate status call.

Use the same test at year-end

Ask whether another accountant can follow the cash balance back to the bank evidence and understand every material reconciling item. That is a more useful acceptance test than a green status icon. La Comptabilité's fictional sample review pack shows one way to organise the schedules; it is not a real client result.