

Why Reconcile?

I Download all my transactions

What a great question!

Believe it or not, even downloading transactions from the bank does not guarantee that everything is in QB.

There are several reasons to reconcile.

1. You will find missing deposits. This happens more frequently than you would like to believe. Sometimes a credit card does not process through merchant services. In which case you call the customer to find out whether or not it cleared on their end. Or a cash and check deposit is still in a desk drawer in the office or between the seats in someone's car. Both scenarios have happened with clients.
2. You processed a customer's credit card for more than was due. Do you want the customer calling you to tell you that \$3000 rather than \$300 was billed on their credit card or worse yet-debit card. It's happened. But you can be the hero when you are proactive and call that customer to let them know you found the error while doing your monthly reconciliation and are fixing it right now.
3. A check to a vendor never cleared. You can call the vendor to find out whether or not they received it or just have not processed it. Once again, it is preferable to be proactive as opposed to having the vendor hold up a shipment, charge finance charges or call you.

In all instances, you and your company will maintain your credibility as a professional operation that conducts business in a professional manner.