CLEARING ACCOUNT REVIEW

# Quillfern Home Goods (fictional)

October 1 to November 30, 2026 · QuickBooks Online · Shopify Payments · PayPal · Store time zone America/New_York

> Demo on fictional data. Read-only: nothing was posted to QuickBooks. Every amount below comes from, or is computed from, rows in the exports listed under "Data used".

## At a glance: November 30, 2026

### Shopify Payments Clearing

| | |
|---|---|
| Books (QuickBooks) | $8,412.95 |
| Shopify Payments balance | $4,767.27 |
| **Difference** | **$3,645.68** |
| Explained by 4 causes | $3,645.68 |
| Unexplained | $0.00 |

Difference fully explained

### PayPal Clearing

| | |
|---|---|
| Books (QuickBooks) | $1,332.12 |
| PayPal balance | $824.92 |
| **Difference** | **$507.20** |
| Explained by 7 causes | $470.10 |
| Unexplained | $37.10 |

$37.10 not explained by these exports

### Findings

| | | |
|---|---|---|
| 8 | **To fix**<br>entries missing, wrong or doubled | $4,885.68 |
| 1 | **Wrong account**<br>clearing right, P&L wrong | $891.90 |
| 1 | **Unexplained**<br>not explained by these exports | $37.10 |
| 0 | **Needs review**<br>the engine would not guess | $0.00 |
| 7 | **Timing**<br>no entry needed; open at Nov 30 | $2,134.00 |

## What to fix

Sorted by kind, then amount. The effect column is the part of the difference between the books and the processor at Nov 30 that each item causes (books minus processor).

| ID | PROCESSOR | WHAT HAPPENED | AMOUNT | EFFECT AT NOV 30 | SINCE |
|---|---|---|---|---|---|
| E01 | Shopify Payments | Shopify Payments payout deposit categorized to Sales | $1,566.10 | +$1,566.10 Shopify Payments Clearing | Oct 16 |
| E02 | PayPal | PayPal payment from Cedarwick Mercantile not recorded | $1,250.00 | -$1,250.00 PayPal Clearing | Oct 20 |
| E03 | Shopify Payments | 14 per-order sales receipts duplicate the sync app's summaries | $945.68 | +$945.68 Shopify Payments Clearing | Nov 9 |
| E04 | Shopify Payments | Shopify Payments payout recorded against PayPal Clearing | $403.90 | +$403.90 Shopify Payments Clearing<br>-$403.90 PayPal Clearing | Nov 4 |
| E05 | PayPal | Payment from the PayPal balance not booked | $286.40 | +$286.40 PayPal Clearing | Oct 27 |
| E06 | PayPal | PayPal fees for November 2026 not booked | $265.60 | +$265.60 PayPal Clearing | Nov 30 |
| E07 | PayPal | PayPal chargeback not booked | $104.00 | +$104.00 PayPal Clearing | Nov 18 |
| E08 | PayPal | PayPal refund not in the books | $64.00 | +$64.00 PayPal Clearing | Nov 13 |
| M01 | Shopify Payments | Shopify Payments fees posted to Sales | $891.90 | none (P&L only) | Oct 1 |
| U01 | PayPal | PayPal Clearing differs from PayPal before the period starts | $37.10 | +$37.10 PayPal Clearing | before Oct 1 |

E01 Shopify Payments **Shopify Payments payout deposit categorized to Sales** **$1,566.10**

The bank deposit of $1,566.10 on Oct 16 is a Shopify Payments payout: it equals the payout that left Shopify Payments on Oct 15, and the bank description names Shopify Payments. QuickBooks booked it as income to Sales instead of a transfer from Shopify Payments Clearing. Sales is overstated by $1,566.10, because the sales inside the payout were already posted by the sync app, and Shopify Payments Clearing still holds the payout.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| Sales | $1,566.10 | |
| Shopify Payments Clearing | | $1,566.10 |

Or edit the deposit of Oct 16: change its account from Sales to Shopify Payments Clearing.

EVIDENCE

**Shopify Payments** Shopify Payments transactions row 96 · Oct 15 · $1,566.10
27 transactions with Payout Date Oct 15; their Net adds up to $1,566.10 (first one at the row shown)

**Bank** Bank statement row 20 · Oct 16 · $1,566.10
SHOPIFY PAYMENTS TRANSFER 0323077762 QUILLFERN HOME GOODS

**QuickBooks** QuickBooks transaction detail row 27 · Oct 16 · $1,566.10
Checking - 4417: Deposit, Shopify, SHOPIFY PAYMENTS TRANSFER 0323077762 QUILLFERN HOME GOODS (split: Sales)

**Next action:** Reclassify; then check whether the bank rule that categorized it is still active.

E02 PayPal **PayPal payment from Cedarwick Mercantile not recorded** **$1,250.00**

PayPal received $1,250.00 on Oct 20 from Cedarwick Mercantile (reference WH-1007). It is not a store order, so the sync app did not post it, and nothing in PayPal Clearing records it. The payouts that followed were recorded as transfers out of PayPal Clearing, so PayPal Clearing is understated by $1,250.00. QuickBooks has invoice WH-1007 for Cedarwick Mercantile of $1,250.00 in Wholesale Sales; confirm it is still open before receiving this payment against it. PayPal Clearing is negative on Oct 31 (-$114.28), a warning sign in itself.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| PayPal Clearing | $1,250.00 | |
| Accounts Receivable (A/R) | | $1,250.00 |

In QuickBooks: Receive Payment on invoice WH-1007 (after checking A/R Aging that it is still open), deposit to PayPal Clearing.

EVIDENCE

**PayPal** PayPal activity row 85 · Oct 20 · $1,250.00
General Payment, Cedarwick Mercantile, WH-1007, Oct 20 09:50 PDT

**QuickBooks** QuickBooks transaction detail row 627 · Oct 6 · $1,250.00
Open invoice WH-1007 for Cedarwick Mercantile, $1,250.00

**Next action:** Record the payment against the invoice.

E03 Shopify Payments **14 per-order sales receipts duplicate the sync app's summaries** **$945.68**

Between Nov 9 and Nov 12, 14 sales receipts were posted to Shopify Payments Clearing for store orders that the daily summary journals already include (each receipt's order number and amount match a Shopify Payments sale, and the summary for that day equals Shopify Payments' total without the receipts). This is the pattern of a second connector running beside the sync app. Shopify Payments Clearing is overstated by $945.68. The receipts also credited $931.90 of income (Sales $874.00, Shipping Income $69.50, Discounts -$11.60) and $13.78 to accounts outside the export, most likely sales tax payable.

SUGGESTED FIX (NOT POSTED)

Void these 14 sales receipts (total $945.68); voiding removes them from Shopify Payments Clearing and from the income and sales tax they credited.

EVIDENCE

**QuickBooks** QuickBooks transaction detail row 279 · Nov 9 · $82.00
Sales Receipt 1551, Hollis Sallow, Shopify order #1551; duplicates #1551 in Shopify Payments

**QuickBooks** QuickBooks transaction detail row 280 · Nov 9 · $50.95
Sales Receipt 1554, Rhett Zeller, Shopify order #1554; duplicates #1554 in Shopify Payments

**QuickBooks** QuickBooks transaction detail row 281 · Nov 9 · $78.95
Sales Receipt 1555, Delphine Sallow, Shopify order #1555; duplicates #1555 in Shopify Payments

**QuickBooks** QuickBooks transaction detail row 282 · Nov 9 · $38.95
Sales Receipt 1556, Bram Zeller, Shopify order #1556; duplicates #1556 in Shopify Payments

**QuickBooks** QuickBooks transaction detail row 286 · Nov 10 · $162.07
Sales Receipt 1560, Emrys Blackwood, Shopify order #1560; duplicates #1560 in Shopify Payments

**QuickBooks** QuickBooks transaction detail row 287 · Nov 10 · $138.00
Sales Receipt 1563, Sabine Dunmore, Shopify order #1563; duplicates #1563 in Shopify Payments

and 8 more rows (all listed in evidence.csv)

**Next action:** Disconnect or limit the second connector, then void the receipts.

E04 Shopify Payments **Shopify Payments payout recorded against PayPal Clearing** **$403.90**

The Shopify Payments payout of $403.90 that left Shopify Payments on Nov 3 reached the bank on Nov 4, and the bank description names Shopify Payments. QuickBooks recorded the deposit as a transfer from PayPal Clearing. Shopify Payments Clearing is overstated and PayPal Clearing understated by $403.90.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| PayPal Clearing | $403.90 | |
| Shopify Payments Clearing | | $403.90 |

Or open the transfer of Nov 4 in QuickBooks and change its 'from' account to Shopify Payments Clearing.

EVIDENCE

**Shopify Payments** Shopify Payments transactions row 231 · Nov 3 · $403.90
8 transactions with Payout Date Nov 3; their Net adds up to $403.90 (first one at the row shown)

**Bank** Bank statement row 46 · Nov 4 · $403.90
SHOPIFY PAYMENTS TRANSFER 5993359195 QUILLFERN HOME GOODS

**QuickBooks** QuickBooks transaction detail row 51 · Nov 4 · $403.90
Checking - 4417: Transfer, SHOPIFY PAYMENTS TRANSFER 5993359195 QUILLFERN HOME GOODS (split: PayPal Clearing)

**QuickBooks** QuickBooks transaction detail row 131 · Nov 4 · -$403.90
PayPal Clearing: Transfer, SHOPIFY PAYMENTS TRANSFER 5993359195 QUILLFERN HOME GOODS (split: Checking - 4417)

**Next action:** Correct the transfer; no client question needed.

E05 PayPal **Payment from the PayPal balance not booked** **$286.40**

$286.40 was paid from the PayPal balance to Bellmere Box & Label on Oct 27 (note: "Invoice BB-5521 shipping boxes"). No expense or bill payment in PayPal Clearing records it, so PayPal Clearing is overstated by $286.40 and the expense is missing.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| Expense account, or the bill from Bellmere Box & Label (to confirm) | $286.40 | |
| PayPal Clearing | | $286.40 |

In QuickBooks: if a bill from Bellmere Box & Label exists, pay it with Pay bills and choose PayPal Clearing as the payment account; otherwise record an Expense paid from PayPal Clearing. A journal entry to Accounts Payable would need the vendor on the line.

EVIDENCE

**PayPal** PayPal activity row 108 · Oct 27 · -$286.40
General Payment, Bellmere Box & Label, Oct 27 11:00 PDT

**Next action:** Ask the client for the bill, then book it paid from the clearing account.

E06 PayPal **PayPal fees for November 2026 not booked** **$265.60**

PayPal charged $265.60 of fees in November 2026 (97 transactions, counted by PayPal's own dates as the earlier months were booked). No fee entry for that month exists in PayPal Clearing, so the clearing account is overstated by $265.60 and fee expense understated.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| Merchant Fees | $265.60 | |
| PayPal Clearing | | $265.60 |

Date it Nov 30, 2026, the same way the earlier months were booked.

EVIDENCE

**PayPal** PayPal activity row 125 · Nov 30 · $265.60
Sum of the Fee column over 97 rows (rows 125 to 236), November 2026 by PayPal's own dates

**Next action:** Book the month's fees.

E07 PayPal **PayPal chargeback not booked** **$104.00**

PayPal took $104.00 on order #1446: $89.00 disputed on Nov 18 and a $15.00 dispute fee on Nov 24. No entry in PayPal Clearing records it (the sync app does not post PayPal chargebacks), so PayPal Clearing is overstated by $104.00.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| Chargebacks | $89.00 | |
| Merchant Fees | $15.00 | |
| PayPal Clearing | | $104.00 |

If the order included sales tax, the tax on a lost chargeback may be adjusted in the sales tax return; the rules differ by state.

EVIDENCE

**PayPal** PayPal activity row 191 · Nov 18 · -$89.00
Chargeback, Rhett Cresswell, #1446, Nov 18 11:45 PST

**PayPal** PayPal activity row 210 · Nov 24 · -$15.00
Dispute Fee, Nov 24 09:40 PST

**Next action:** Book it; ask the client whether the dispute is being contested.

E08 PayPal **PayPal refund not in the books** **$64.00**

PayPal shows a refund of $64.00 on Nov 13 for order #1506 (Leda Fairbanks). The sync app's refunds for that day leave it out, so it was most likely issued directly in PayPal, outside the store, and no refund booked by hand in PayPal Clearing matches it. PayPal Clearing is overstated by $64.00. PayPal note: "Partial refund - lid damaged in transit".

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| Refunds & Returns | $64.00 | |
| PayPal Clearing | | $64.00 |

If the refund included sales tax, split the debit between the refunds account and Sales Tax Payable; if the client files sales tax from QuickBooks' sales tax center, record it as a refund receipt instead of a journal entry, so the tax shows there. Ask whether the refund should also be recorded on the store order so store reports agree.

EVIDENCE

**PayPal** PayPal activity row 170 · Nov 13 · -$64.00
Payment Refund, Leda Fairbanks, #1506, Nov 13 12:05 PST

**Next action:** Book the refund; ask the client to issue future refunds from the store.

M01 Shopify Payments **Shopify Payments fees posted to Sales** **$891.90**

The sync app posts Shopify Payments fees as a debit to Sales instead of a fee expense account: $422.71 in October 2026, $469.19 in November 2026 (61 daily lines). Revenue and fee expense are both understated by $891.90; Shopify Payments Clearing itself is right. Because the mapping has been the same every month, a 'coded differently from last month' check would not flag it.

SUGGESTED FIX (NOT POSTED)

| ACCOUNT | DEBIT | CREDIT |
|---|---|---|
| Merchant Fees | $891.90 | |
| Sales | | $891.90 |

Then change the sync app's fee mapping from Sales to Merchant Fees so new fees post correctly.

EVIDENCE

**QuickBooks** QuickBooks transaction detail row 413 · Oct 1 · -$7.96
Sales: Journal Entry SYNC-20261001, Shopify Payments fees 2026-10-01 (split: -Split-)

**QuickBooks** QuickBooks transaction detail row 415 · Oct 2 · -$10.14
Sales: Journal Entry SYNC-20261002, Shopify Payments fees 2026-10-02 (split: -Split-)

**QuickBooks** QuickBooks transaction detail row 417 · Oct 3 · -$14.80
Sales: Journal Entry SYNC-20261003, Shopify Payments fees 2026-10-03 (split: -Split-)

**Next action:** Reclassify and fix the mapping in the sync app.

U01 PayPal **PayPal Clearing differs from PayPal before the period starts** **$37.10**

On Sep 30, 2026 the books show $854.71 in PayPal Clearing and PayPal held $523.61 at the store's day end. Money in transit explains +$294.00; +$37.10 remains. It comes from before the period, so the exports provided cannot show its cause. The engine does not guess one.

SUGGESTED FIX (NOT POSTED)

No entry needed.

EVIDENCE

**QuickBooks** computed · Sep 30 · $854.71
PayPal Clearing on Sep 30, 2026

**PayPal** computed · Sep 30 · $523.61
PayPal balance at Sep 30 store day end

**Next action:** Request the PayPal activity and the PayPal Clearing detail for the months before October; do not write it off without the client's approval.

## Roll-forward by clearing account

Books: the clearing account in QuickBooks. Processor: the processor's own balance computed from its export at the end of each day in the store's time zone. Each month starts from the balance sheet and must land on it; the processor side rolls the same way.

### Shopify Payments Clearing and the Shopify Payments balance

| | OCTOBER 2026 | | | NOVEMBER 2026 | | |
|---|---|---|---|---|---|---|
| | BOOKS | SHOPIFY PAYMENTS NOT YET PAID OUT | DIFFERENCE | BOOKS | SHOPIFY PAYMENTS NOT YET PAID OUT | DIFFERENCE |
| Opening balance | $1,792.35 | $815.59 | $976.76 | $3,490.30 | $1,594.14 | $1,896.16 |
| Sales and other money received | $12,507.93 | $12,507.93 | $0.00 | $15,105.03 | $14,159.35 | $945.68 |
| Refunds | -$117.10 | -$117.10 | $0.00 | -$54.00 | -$54.00 | $0.00 |
| Processor fees | -$422.71 | -$422.71 | $0.00 | -$469.19 | -$469.19 | $0.00 |
| Chargebacks and chargeback fees | -$69.00 | -$69.00 | $0.00 | $69.00 | $69.00 | $0.00 |
| Payouts to the bank | -$10,201.17 | -$11,120.57 | $919.40 | -$9,728.19 | -$10,532.03 | $803.84 |
| **Closing balance** | **$3,490.30** | **$1,594.14** | **$1,896.16** | **$8,412.95** | **$4,767.27** | **$3,645.68** |

**DIFFERENCE ON SEP 30, 2026: $976.76**

| | |
|---|---|
| T02 Shopify Payments payout in transit | +$976.76 |
| **Not tied to any finding** | **$0.00** |

**DIFFERENCE ON OCT 31, 2026: $1,896.16**

| | |
|---|---|
| E01 Shopify Payments payout deposit categorized to Sales | +$1,566.10 |
| T04 Shopify Payments payout in transit | +$330.06 |
| **Not tied to any finding** | **$0.00** |

**DIFFERENCE ON NOV 30, 2026: $3,645.68**

| | |
|---|---|
| E01 Shopify Payments payout deposit categorized to Sales | +$1,566.10 |
| E03 14 per-order sales receipts duplicate the sync app's summaries | +$945.68 |
| E04 Shopify Payments payout recorded against PayPal Clearing | +$403.90 |
| T03 Shopify Payments payout in transit | +$730.00 |
| **Not tied to any finding** | **$0.00** |

### PayPal Clearing and the PayPal balance

| | OCTOBER 2026 | | | NOVEMBER 2026 | | |
|---|---|---|---|---|---|---|
| | BOOKS | PAYPAL AVAILABLE BALANCE | DIFFERENCE | BOOKS | PAYPAL AVAILABLE BALANCE | DIFFERENCE |
| Opening balance | $854.71 | $523.61 | $331.10 | -$114.28 | $652.00 | -$766.28 |
| Sales and other money received | $6,364.89 | $7,614.89 | -$1,250.00 | $6,440.95 | $6,440.95 | $0.00 |
| Refunds | -$32.00 | -$32.00 | $0.00 | -$73.90 | -$137.90 | $64.00 |
| Processor fees | -$312.79 | -$305.01 | -$7.78 | $0.00 | -$273.38 | $273.38 |
| Chargebacks and chargeback fees | -$87.00 | -$87.00 | $0.00 | $0.00 | -$104.00 | $104.00 |
| Payments made from the processor balance | $0.00 | -$286.40 | $286.40 | -$412.75 | -$412.75 | $0.00 |
| Payouts to the bank | -$6,902.09 | -$6,776.09 | -$126.00 | -$4,507.90 | -$5,340.00 | $832.10 |
| **Closing balance** | **-$114.28** | **$652.00** | **-$766.28** | **$1,332.12** | **$824.92** | **$507.20** |

**DIFFERENCE ON SEP 30, 2026: $331.10**

**DIFFERENCE ON OCT 31, 2026: -$766.28**

**DIFFERENCE ON NOV 30, 2026: $507.20**

| | |
|---|---|
| T05 PayPal payout in transit | +$294.00 |
| U01 PayPal Clearing differs from PayPal before the period starts | +$37.10 |
| **Of which not explained by these exports** | **$37.10** |
| **Not tied to any finding** | **$0.00** |

| | |
|---|---|
| E02 PayPal payment from Cedarwick Mercantile not recorded | -$1,250.00 |
| E05 Payment from the PayPal balance not booked | +$286.40 |
| T06 PayPal payout in transit | +$168.00 |
| T07 Time zone: PayPal and store dates differ at Oct 31 | -$7.78 |
| U01 PayPal Clearing differs from PayPal before the period starts | +$37.10 |
| **Of which not explained by these exports** | **$37.10** |
| **Not tied to any finding** | **$0.00** |

| | |
|---|---|
| E02 PayPal payment from Cedarwick Mercantile not recorded | -$1,250.00 |
| E04 Shopify Payments payout recorded against PayPal Clearing | -$403.90 |
| E05 Payment from the PayPal balance not booked | +$286.40 |
| E06 PayPal fees for November 2026 not booked | +$265.60 |
| E07 PayPal chargeback not booked | +$104.00 |
| E08 PayPal refund not in the books | +$64.00 |
| T01 PayPal payout in transit | +$1,404.00 |
| U01 PayPal Clearing differs from PayPal before the period starts | +$37.10 |
| **Of which not explained by these exports** | **$37.10** |
| **Not tied to any finding** | **$0.00** |

## Timing items (no entry needed)

| ID | PROCESSOR | WHAT IT IS | AMOUNT | CLEARS |
|---|---|---|---|---|
| T01 | PayPal | **PayPal payout in transit**<br>$1,404.00 left PayPal on Nov 30 and reached the bank on Dec 1, after the period end (Nov 30). At Nov 30 it sits in PayPal Clearing but is no longer in the PayPal balance. This is normal timing. | $1,404.00 | No entry needed. It reached the bank on Dec 1; record the transfer in December. |
| T02 | Shopify Payments | **Shopify Payments payout in transit**<br>$976.76 left Shopify Payments on Sep 30 and reached the bank on Oct 1 and was recorded on Oct 1. At Sep 30 it sits in Shopify Payments Clearing but is no longer in the Shopify Payments balance. This is normal timing. | $976.76 | No entry needed. It was recorded after the month end. |
| T03 | Shopify Payments | **Shopify Payments payout in transit**<br>$730.00 left Shopify Payments on Nov 30 and reached the bank on Dec 1, after the period end (Nov 30). At Nov 30 it sits in Shopify Payments Clearing but is no longer in the Shopify Payments balance. This is normal timing. | $730.00 | No entry needed. It reached the bank on Dec 1; record the transfer in December. |
| T04 | Shopify Payments | **Shopify Payments payout in transit**<br>$330.06 left Shopify Payments on Oct 30 and reached the bank on Nov 2 and was recorded on Nov 2. At Oct 31 it sits in Shopify Payments Clearing but is no longer in the Shopify Payments balance. This is normal timing. | $330.06 | No entry needed. It was recorded after the month end. |
| T05 | PayPal | **PayPal payout in transit**<br>$294.00 left PayPal on Sep 30 and reached the bank on Oct 1 and was recorded on Oct 1. At Sep 30 it sits in PayPal Clearing but is no longer in the PayPal balance. This is normal timing. | $294.00 | No entry needed. It was recorded after the month end. |
| T06 | PayPal | **PayPal payout in transit**<br>$168.00 left PayPal on Oct 30 and reached the bank on Nov 2 and was recorded on Nov 2. At Oct 31 it sits in PayPal Clearing but is no longer in the PayPal balance. This is normal timing. | $168.00 | No entry needed. It was recorded after the month end. |
| T07 | PayPal | **Time zone: PayPal and store dates differ at Oct 31**<br>2 PayPal payments around Oct 31 fall in a different month in PayPal's account time (Pacific) than in store time (Eastern, America/New_York). A day ends at 11:59:59 pm store time. The sync app posts them by store date, but the fee entries were booked from PayPal's monthly totals, so their fees ($7.78) sit in a different month. It reverses by itself when the next fee entry is booked. PayPal's own statement for the month will also differ from the store's dates by $187.01 (their net amount). | $7.78 | No entry needed. Keep booking fees the same way every month. |

## Open items by age at Nov 30

| ID | PROCESSOR | ITEM | EFFECT ON CLEARING | SINCE | DAYS | AGE |
|---|---|---|---|---|---|---|

| | | | | | | |
|---|---|---|---|---|---|---|
| U01 | PayPal | PayPal Clearing differs from PayPal before the period starts | +$37.10 PayPal Clearing | before Oct 1 | | before the period |
| E01 | Shopify Payments | Shopify Payments payout deposit categorized to Sales | +$1,566.10 Shopify Payments Clearing | Oct 16 | 45 | 31-60 days |
| E02 | PayPal | PayPal payment from Cedarwick Mercantile not recorded | -$1,250.00 PayPal Clearing | Oct 20 | 41 | 31-60 days |
| E05 | PayPal | Payment from the PayPal balance not booked | +$286.40 PayPal Clearing | Oct 27 | 34 | 31-60 days |
| E04 | Shopify Payments | Shopify Payments payout recorded against PayPal Clearing | +$403.90 Shopify Payments Clearing<br>-$403.90 PayPal Clearing | Nov 4 | 26 | 0-30 days |
| E03 | Shopify Payments | 14 per-order sales receipts duplicate the sync app's summaries | +$945.68 Shopify Payments Clearing | Nov 9 | 21 | 0-30 days |
| E08 | PayPal | PayPal refund not in the books | +$64.00 PayPal Clearing | Nov 13 | 17 | 0-30 days |
| E07 | PayPal | PayPal chargeback not booked | +$104.00 PayPal Clearing | Nov 18 | 12 | 0-30 days |
| E06 | PayPal | PayPal fees for November 2026 not booked | +$265.60 PayPal Clearing | Nov 30 | 0 | 0-30 days |

## Checked and cleared

Items that look like problems to a generic duplicate or miscoding rule. Each was checked against the processor's rows and found correct.

- **PayPal and Shopify Payments deposits of $254.09 on Oct 23** (All). A PayPal payout and a Shopify Payments payout of the same amount reached the bank together. Each was matched by the processor named in the bank description and each was booked to its own clearing account.
- **Deposit of $340.00 on Oct 26 coded to Sales** (All). No processor payout of this amount exists near this date, so it is not a payout booked as income. Left alone.
- **2 sales of $46.00 within 30 minutes on Nov 6** (Shopify Payments). Separate Shopify Payments charges for separate orders (#1525, #1526), all included in that day's summary. A same-amount, same-day duplicate rule would flag them; nothing to fix in the books.
- **Sales Receipt 1005 Iris Penhallow for $180.00 on Oct 8** (PayPal). It matches a PayPal payment that is not a store order (Iris Penhallow, INV-0007), so it is not a duplicate of a sync summary.
- **Refund of $64.00 on Nov 5 (#1466)** (PayPal). Same amount as the refund that is missing, but this one was issued in the store and the sync app posted it.
- **Large PayPal payment of $1,180.00 on Oct 19** (PayPal). It carries store order number #1367 and the day's summary includes it, so it is a store order, not outside money.
- **Shopify Payments chargeback of $69.00 on Oct 20 (#1211)** (Shopify Payments). Booked in Shopify Payments Clearing on Oct 20 by the sync app.
- **Shopify Payments chargeback reversal of $69.00 on Nov 16 (#1211)** (Shopify Payments). Booked in Shopify Payments Clearing on Nov 16 by the sync app.
- **PayPal chargeback of $87.00 on Oct 14 (#1160)** (PayPal). Booked in PayPal Clearing on Oct 14.
- **PayPal fees for October 2026: $312.79** (PayPal). The fee entry in the books equals PayPal's fees for the month (by its own dates).
- **Late order #1480 on Oct 31 at 23:40 store time** (PayPal). It is the same date in PayPal's time zone (20:40 PDT), so it has no month-end timing effect.
- **Late order #1769 on Nov 30 at 21:07 store time** (PayPal). It is the same date in PayPal's time zone (18:07 PST), so it has no month-end timing effect.
- **Late order #1772 on Nov 30 at 21:49 store time** (PayPal). It is the same date in PayPal's time zone (18:49 PST), so it has no month-end timing effect.
- **Payment of $412.75 to Harrowgate Wax Supply from PayPal on Nov 3** (PayPal). Booked in PayPal Clearing as expense on Nov 3.

## Data used and checks passed

| EXPORT | FILE | READ |
|---|---|---|
| QuickBooks transaction detail | qbo_transaction_detail_by_account_2026-10-01_2026-11-30.xlsx | 614 rows |
| QuickBooks balance sheet | qbo_balance_sheet_by_month_2026-09_2026-11.xlsx | 3 accounts used |
| PayPal activity | paypal_activity_2026-09-21_2026-12-05.csv | 248 rows, Sep 21 to Dec 5 |
| Shopify Payments transactions | shopify_payments_transactions_2026-09-21_2026-12-05.csv | 472 rows, Sep 21 to Dec 5 |
| Bank statement | bank_checking_4417_2026-10-01_2026-12-05.csv | 80 rows |

#### EACH FILE WAS CHECKED AGAINST ITSELF BEFORE MATCHING

- QuickBooks transaction detail: 614 rows in 10 accounts; every account's rows add up to its total row; running balances are continuous.
- QuickBooks balances: for every clearing and bank account, the opening balance plus the transaction detail equals the next month-end balance on the balance sheet.
- Shopify Payments transactions: 472 rows; Amount minus Fee equals Net on every row; dates carry their own time zone offset.
- PayPal activity: 248 balance-affecting rows; Gross plus Fee equals Net on every row; the running Balance is continuous from the first row to the last.
- Bank statement: 80 rows from Oct 1 to Dec 4, 2026; the running balance is continuous.
- Shopify Payments fees are booked daily, posted by the sync app.
- PayPal fees are booked monthly, by PayPal's own dates.

## Method and limits

#### HOW THE REVIEW WORKS

1. Every export is checked against itself first (totals, running balances, Gross + Fee = Net). A file that does not add up stops the run; nothing is estimated.
2. Amounts are kept in whole cents. Every amount in this report points to the rows it comes from or is computed from.
3. Each processor payout is traced to one bank deposit and one QuickBooks entry. A pair is accepted only when no other pairing is possible; otherwise the item goes to review.
4. The sync app's daily summary journals are compared with the processor's store sales and refunds by store date. Per-order receipts, fees, chargebacks, non-store payments and payments made from the processor balance are each matched to entries in the clearing account.
5. The clearing account is rolled forward month by month and compared with the processor's own balance at the store's day end. The difference is broken into the causes found. What no cause explains is shown as unexplained. There are no plug lines.
6. Suggested entries are for a person to review. The engine never posts.

#### NOT COVERED IN THIS VERSION

- One currency only. Currency conversions, PayPal holds, Shopify Payments reserves and adjustments go to review.
- Amazon, Stripe and other gateways; sales tax, inventory and cost of goods.
- Shopify Payments payouts are rebuilt from the transactions export by payout date; two payouts on one day would need the payouts list.
- Processor exports must start at least a week before the period and run past its end.
- Export layouts follow the providers' public descriptions; the first real file of each kind needs a check.

QuickBooks, PayPal and Shopify are named only to identify the exports read. Summary journals are described as posted by a sync app; this review is independent of any sync app and of those companies. QuickBooks is a trademark of Intuit Inc.; PayPal is a trademark of PayPal, Inc.; Shopify is a trademark of Shopify Inc.