

## Journal Entry Cheat Sheet: Cash vs Non-Cash

This quick guide helps clarify when to check the 'Cash' box when recording journal entries in your accounting software.

Transaction	Cash?	Notes
Insurance Payment (Prepaid)	✓ Yes	Money physically leaves your bank
Monthly Insurance Allocation	✗ No	Non-cash entry to spread expense over time
Owner Contribution	✓ Yes	Owner deposits cash into the business
Owner Draw	✓ Yes	Cash withdrawn by the owner
Depreciation Entry	✗ No	Non-cash adjustment
Inventory Adjustment	✗ No	Typically non-cash unless linked to a payment
Loan Payment	✓ Yes	Cash portion applied to principal + interest
Loan Interest Accrual	✗ No	Accrual only — no cash yet
Vendor Payment	✓ Yes	Cash paid to supplier
Customer Invoice Entry	✗ No	Entry of invoice — no cash received yet
Customer Payment	✓ Yes	Cash received and deposited

Note: Always double-check with your accountant or tax pro if you're unsure. Year-end cleanup is the perfect time to tighten up your entries!

💡 To help you out with year-end entries, heres a spreadsheet to help determine whether a JE should be classed as cash or non-cash 📌

<https://docs.google.com/spreadsheets/d/1MDIOWwzPcIO8NuUGLYtzwnFnU9orr9Br/edit?usp=sharing&ouid=102215302617304418765&rtpof=true&sd=true>