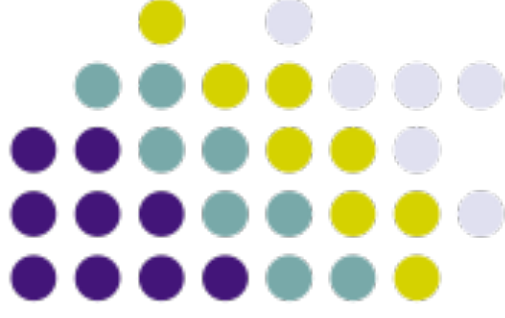


Cash Control Systems

Chapter 11, Section 2
Bank Reconciliation



Bank Statement

A report
balance

ank



Pacific national bank Portland, OR 97203									
STATEMENT OF ACCOUNT FOR									
TECHKNOW CONSULTING 7549 Broadway Portland, OR 97202-2531			ACCOUNT NUMBER 43-452-119		STATEMENT DATE August 30, 20--				
BALANCE FROM PREVIOUS STATEMENT	NO. OF CHECKS	AMOUNT OF CHECKS	NO. OF DEPOSITS	AMOUNT OF DEPOSITS	SERVICE CHARGES	STATEMENT BALANCE			
0.00	11	2,821.00	14	8,125.00	8.00	5,304.00			
DATE	CHECK	AMOUNT	CHECK	AMOUNT	DEPOSIT	BALANCE			
08/01/--						0.00			
08/01/--					5,000.00	5,000.00			
08/04/--	1	275.00				4,725.00			
08/07/--	2	1,200.00				3,525.00			
08/12/--				125.00	495.00	4,020.00			
08/13/--	4	300.00	6			3,595.00			
08/14/--	3	300.00			250.00	3,295.00			
08/15/--					195.00	3,545.00			
08/16/--					175.00	3,740.00			
08/17/--	5	40.00			175.00	3,875.00			
08/18/--	7	78.00			205.00	4,002.00			
08/19/--	8	100.00			180.00	4,082.00			
08/20/--	9	125.00			210.00	4,167.00			
08/21/--					225.00	4,392.00			
08/24/--					205.00	4,597.00			
08/25/--					275.00	4,872.00			
08/26/--					290.00	5,162.00			
08/27/--					205.00	5,367.00			
08/28/--	10	70.00			215.00	5,582.00			
08/29/--	11	200.00				5,512.00			
08/30/--	SC	8.00				5,312.00			
						5,304.00			

PLEASE EXAMINE AT ONCE - IF NO ERRORS ARE REPORTED WITHIN 10 DAYS THE ACCOUNT WILL BE CONSIDERED CORRECT. REFER ANY DISCREPANCY TO OUR ACCOUNTING DEPARTMENT IMMEDIATELY.



Bank's vs. Depositor's Records

May differ for several reasons

- Service charge
- Outstanding deposits
- Outstanding checks
- Math or recording errors
- Important to complete a bank reconciliation

RECONCILIATION OF BANK STATEMENT

August 31, 20--

(Date)

Balance on Check Stub No. 14 \$ 4,972 00

DEDUCT BANK CHARGES:

Description	Amount
<i>Service Charge</i>	\$ <u>8 00</u>

Total bank charges ▲

8 00

Adjusted Check Stub Balance \$ 4,964 00

Balance on Bank Statement \$ 5,304 00

ADD OUTSTANDING DEPOSITS:

Date	Amount
<u>8/31/--</u>	\$ <u>190 00</u>

Total outstanding deposits ▲

190 00

SUBTOTAL \$ 5,494 00

Ck. No.	Amount	Ck. No.	Amount
<u>12</u>	<u>30 00</u>		
<u>13</u>	<u>500 00</u>		

Total outstanding checks ▲

530 00

Adjusted Bank Balance \$ 4,964 00

Recording a Bank Service Charge on a Check Stub



NO. 14 \$ _____

Date _____ 20__

To _____

For _____

BAL. BRO'T. FOR'D,	4,782	00
AMT. DEPOSITED ...	190	00
SUBTOTAL	4,972	00
OTHER: <i>Service Charge</i> 8.00		
	8	00
SUBTOTAL:	4,964	00
AMT. THIS CHECK		
BAL. CAR'D. FOR'D.		

1

2

3

1. Write *Service Charge* \$8.00 on the check stub under the heading "Other."
2. Write the amount of the service charge in the amount column.
3. Calculate and record the new subtotal on the Subtotal line.

Journalizing a Bank Service Charge



- In order for the **Cash** account to be updated, the service charge must also be recorded in the journal.
- Debit **Miscellaneous Expense**
- Credit **Cash**
- Source Document is a memorandum

GENERAL JOURNAL						PAGE 2	
DATE	ACCOUNT TITLE	DOC. NO.	POST. REF.	DEBIT	CREDIT		
16	31 Miscellaneous Expense	M3		8 00		16	
17	Cash				8 00		17