

EXCERSIZE
BANK RECONCILIATION

RECONCILING ITEMS

- Item that appeared on the bank reconciliation statement at 30 November 20.8 but not on the bank statement:
 - Cheque No 632, issued to L Marine on 15 June 20.8 231
- Items that appeared in the cash receipts and cash payments journals, but not on the bank statement:
 - A deposit entered in the cash receipts journal on 31 December 20.8, banked on 3 January 20.9 792
 - Cheque No 985, issued on 29 December 20.8 to the municipality to pay the water and electricity account 2,211
- Items that appeared on the bank statement but not in the cash journals:
 - A deposit, paid directly into the bank account of Ontario Traders, by a tenant F Flee 1,100
- Differences between the items on the bank statement and the cash journals:
 - Cheque no. 986 for R118 issued to Pros Limited, a creditor, during the month was recorded as R181 in the cash payments journal. This mistake was discovered when the CPJ was compared with the bank statement.

BALANCES

- Balance of the bank account in the general ledger at 31 December 20.8 (credit) (before being adjusted by the above items) -1,100
- Balance as per the bank statement at 31 December 20.8 (Favourable) 487

BANK RECONCILIATION**SOLUTION**

Adjusted bank balance

Closing balance per general ledger	-1,100
Correction of cheque 986	-63
Reversal of cheque 632	231
Unrecorded deposit	1,100
Adjusted closing balance	<u><u>-932</u></u>

Bank reconciliation

Balance per bank statement	487
Outstanding deposit	792
Outstanding cheque 985	-2,211
Balance per general ledger account	<u><u>-932</u></u>