

Key

EXTRA PRACTICE: Problem 1

The following exercise can be used for supplementary practice. The bank statement appearing in this problem should be reconciled using the checkbook records illustrated below.

CHECK REGISTER			DEBITS (-)		CREDITS (+)	BALANCE
NUMBER	DATE	DESCRIPTION OF TRANSACTION	CHECKS FEES	✓	DEPOSITS INTEREST	\$
174	10 01	Becker's Supermarket	42 80	✓		-42 80
		Groceries				385 52
175	10 05	Dr. Ronald Zingen	72 00	○		-72 00
		Dental Work				313 52
176	10 09	Topps Drug Store	26 43	✓		-26 43
		Shampoo and Cosmetics				287 09
177	10 09	Pay-by-Phone/Tele. Bill	56 92	✓		-56 92
		October Electric Bill				230 17
178	10 12	Saturn Gift Shop	34 67	○		-34 67
		Birthday Present				195 50
179	10 14	Bell Telephone Company	21 79	✓		-21 79
		October Phone Bill				173 71
	10 16	Deposit		○	620 14	+620 14
		Paycheck				793 85
180	10 28	Steven Foster	425 00	○		-425 00
		November Rent				368 85
	10-31	Service charge	5 00	✓		-5 00
						263 85

ACCOUNT STATEMENT

Account Summary

BEGINNING BALANCE	428.32 (+)	ACCOUNT NUMBER	207983
DEPOSITS/CREDITS	0.00	STATEMENT DATE	10 31 20--
CHECKS/DEBITS	152.94 (-)		
ENDING BALANCE	275.38		

Checking Summary

10/01	CHECK 174	42.80 -
10/09	CHECK 176	26.43 -
10/14	CHECK 179	21.79 -

Other Account Activity

10/09	PAY-BY-PHONE - National Electric Co.	56.92 -
10/31	Service Charge - SC	5.00 -

HOW TO BALANCE YOUR ACCOUNT

- Check off entries in the register that match entries on the statement.
- List the checks and other payments that are still outstanding.
- Subtract bank charge(s) from your checkbook.
- Complete the reconciliation form shown below.

CHECKS OUTSTANDING		
No.	175	\$72 00
	178	34 67
	180	426 00
TOTAL		531 67

BALANCE SHOWN ON STATEMENT	\$ 275 38
ADD 0/5 +	620 14
DEPOSITS NOT SHOWN	
SUB-TOTAL	= 895 52
SUBTRACT CHECKS OUTSTANDING	- 531 67
BALANCE	363 85

If any service charge is indicated on this statement, subtract the amount from the balance in your checkbook. Your checkbook balance and the balance shown above should then be in agreement.