

QUESTION

The following information is for Bader Est., at June 30 2018:

- 1- Balance per bank statement BD27,520, and Cash account balance was BD28,600.
- 2- Outstanding checks BD2,750.
- 3- Bank service charge not recorded by the company BD160.
- 4- NSF check drawn by Rehab BD1,250, and Deposit in transit BD4,000.
- 5- Notes Receivable collected by the bank BD1,850.
- 6- Issued check#2156 for buying equipment for BD1,500, but recorded incorrectly in the cash book for BD1,050.
- 7- Received check#1100 from debtor Mohammed for BD1,750, but recorded incorrectly in the cash book for BD1,570.

REQUIRED:

- 1 – Prepare the Bank Reconciliation Statement.
- 2 – Prepare the necessary Journal Entries.

Bader Est
Bank Reconciliation Statement /
For the month ended at June 30 2018

Balance per bank statement /	27,520	
Add: Deposit in transit/		31,520
Less: Outstanding checks/		
Adjusted Balance per bank statement/		
Balance per cash account/	28,600	
Add: Collected Notes Receivable/		
Error check#1100 from debtor Mohammed/		30,630
(1,750 – 1,570)		
Less: Bank service charge/		
NSF check drawn by Rehab/	1,250	
Error check#2156 for buying equipment/(1,500-1,050)	450	1860
Adjusted Balance per cash account /		