

Ex. 8–21

a.

GREBE CO.		
Bank Reconciliation		
August 31, 2010		
Cash balance according to bank statement		\$ 10,125
Add: Deposit in transit on August 31		<u>4,725</u>
		\$ 14,850
Deduct: Outstanding checks.....		<u>3,110</u>
Adjusted balance.....		<u>\$ 11,740</u>
Cash balance according to company's records.....		\$ 4,690
Add: Error in recording Check No. 1115 as \$940		
instead of \$490	\$ 450	
Note for \$6,500 collected by bank, including		
interest	<u>6,630</u>	<u>7,080</u>
		\$ 11,770
Deduct: Bank service charges		<u>30</u>
Adjusted balance.....		<u>\$ 11,740</u>

b. \$11,740