Prob. 8–4A

1.

FRED'S SPORTS CO.
Bank Reconciliation
June 30, 2010

Balance per bank statement		$18,175
Add deposit of June 30, not recorded by bank		4,275
		$22,450
Deduct: Outstanding checks	$ 6,840	
Bank error in charging check as $460 instead of $640	180	7,020
Adjusted balance		$15,430
Balance per company's records		$13,065*
Add: Proceeds of note collected by bank, including $240 interest	$ 3,240	
Error in recording check	720	3,960
		$17,025
Deduct: Check returned because of insufficient funds	$ 1,560	
Bank service charges	35	1,595
Adjusted balance		$15,430
*Cash balance, June 1	$ 16,515	
Plus cash deposited in June	40,150	
Less checks written in June	(43,600)	
Balance per company's records, June 30	$ 13,065	

2.

Cash	3,960	
Notes Receivable		3,000
Interest Revenue		240
Accounts Payable—Miliski Co.		720
Accounts Receivable—Chim Tech	1,560	
Miscellaneous Administrative Expense	35	
Cash		1,595