

**Prob. 8–4A**

1.

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

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

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