

CONCEPT: JOURNAL ENTRIES FOR BANK RECONCILIATION

- After the bank reconciliation is complete, we must make journal entries for every item in the _____ column

Bank collections	
Electronic Funds Transfer (EFT)	
Service Charge	
Interest revenue	
Nonsufficient Funds (NSF) Checks	
Book errors	

PRACTICE: Create the journal entries from the information in the bank reconciliation:

Unadjusted Book Balance	\$3,400	Unadjusted Bank Balance	\$5,900
Add:		Add:	
EFT receipt of dividend revenue	\$900	Deposits in Transit	\$600
Book error – Check #333	\$360	Bank error	\$100
Subtract:		Subtract:	
Service Charge	\$20	Outstanding Checks	\$2,010
NSF check	\$50		
Adjusted Book Balance	<u>\$4,590</u>	Adjusted Bank Balance	<u>\$4,590</u>