

5

Bank reconciliation statements

this chapter covers...

The preparation of bank reconciliation statements requires a knowledge of:

- *bank statements - see page 69*
- *simple cash book - covered in the unit for Processing Bookkeeping Transactions*

The previous chapters have explained the various forms of receipts and payments that may be shown on a business bank statement. The business cash book was covered in Chapter 9 of Bookkeeping 1 Tutorial - for bank reconciliation statements it is the ability to update a simple cash book from the bank statement, and to total and balance the cash book, that is required.

The purpose of bank reconciliation statements is to form the link between the balance at bank shown in the cash book of a business bookkeeping system and the balance shown on the bank statement received from the bank.

The reasons why the cash book and bank statement may differ - and need reconciling - are because:

- *there are timing differences caused by:*
 - *unpresented cheques, ie the time delay between the business writing out a cheque and recording it in the cash book, and the cheque being entered by the bank on the bank statement*
 - *outstanding lodgements, ie amounts paid into the bank by the business, but not yet recorded on the bank statement*
- *the cash book has not been updated with items which appear on the bank statement and which should also appear in the cash book such as direct debits, standing orders and bank charges*

Assuming that there are no errors and both cash book and bank statement are correct, the two documents need to be reconciled with each other, ie their closing balances need to be agreed by means of a calculation known as a bank reconciliation statement.

RECEIVING THE BANK STATEMENT

When the bank statement is received it must be matched or compared with the cash book in order to identify any differences or discrepancies.

These differences are:

- timing differences
- updating items for the cash book

timing differences

The two main timing differences or discrepancies between the bank columns of the cash book and the bank statement are:

- **unpresented cheques**, ie cheques issued, not yet recorded on the bank statement
- **outstanding lodgements**, ie amounts paid into the bank, not yet recorded on the bank statement

The first of these – **unpresented cheques** – is caused because, when a cheque is written out, it is immediately entered on the payments side of the cash book, even though it may be some days before the cheque passes through the bank clearing system and is recorded on the bank statement. Therefore, for a few days at least, the cash book shows a lower balance than the bank statement in respect of this cheque. When the cheque is recorded on the bank statement, the difference will disappear. We have looked at only one cheque here, but a business will often be issuing several cheques each day, and the difference between the cash book balance and the bank statement balance may be considerable.

With the second timing difference – **outstanding lodgements** – the business's cashier will record a receipt in the cash book as he or she prepares the bank paying-in slip. However, the receipt may not be recorded by the bank on the bank statement for a day or so, particularly if it is paid in late in the day, or if it is paid in at a bank branch other than the one at which the account is maintained.

Until the receipt is recorded by the bank the cash book will show a higher bank account balance than the bank statement. Once the receipt is entered on the bank statement, the difference will disappear.

These two timing differences are involved in the calculation known as the **bank reconciliation statement**. The business cash book must not be altered because, as we have seen, they will correct themselves on the bank statement as time goes by.

updating items for the cash book

Besides the timing differences described on the previous page, there may be other differences between the bank columns of the cash book and the bank statement, and these do need to be entered in the cash book to bring it up-to-date.

For example, the bank might make an automatic standing order payment on behalf of a business – such an item is correctly deducted by the bank, and it might be that the bank statement acts as a reminder to the business cashier of the payment: it should then be entered in the cash book.

Examples of items that show in the bank statement and need to be entered in the cash book include:

receipts - money in

- credit transfers (BACS – Bankers Automated Clearing Services) amounts received by the bank, eg payments from trade receivables
- dividend amounts received by the bank
- bank interest received

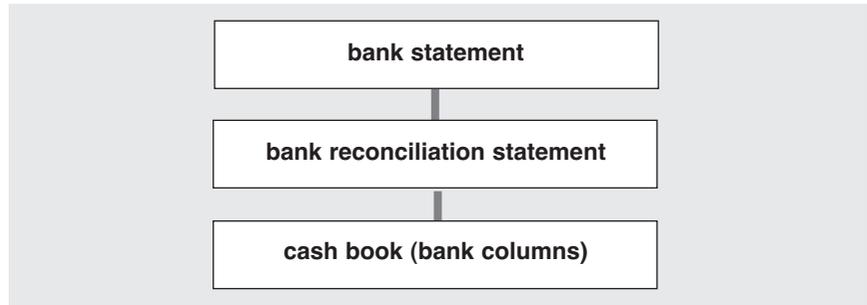
payments - money out

- standing order and direct debit payments (many businesses keep schedules of their standing orders and direct debits – from these they write up the cash book as the payments fall due)
- bank charges and interest
- unpaid cheques deducted by the bank, for example, cheques from customers paid in by the business which have ‘bounced’ and are returned by the bank marked ‘refer to drawer’

For each of these items, the cashier needs to check to see if they have been entered in the cash book; if not, they need to be recorded (provided that the bank has not made an error). If the bank has made an error, it must be notified as soon as possible and the incorrect transactions reversed by the bank in its own accounting records.

THE BANK RECONCILIATION STATEMENT

The **bank reconciliation statement** forms the link between the balances shown in the bank statement and in the cash book:



Upon receipt of a bank statement, reconciliation of the two balances is carried out in the following way:

- tick off the items that appear in both cash book and bank statement
- the unticked items on the bank statement are entered into the bank columns of the cash book to bring it up-to-date (provided none are errors made by the bank)
- the bank columns of the cash book are now balanced to find the revised figure
- the remaining unticked items from the cash book will be the timing differences
- the timing differences are used to prepare the bank reconciliation statement, which takes the following format (with example figures):

XYZ TRADING LIMITED			
Bank Reconciliation Statement as at 31 October 20-1			
		£	£
Balance at bank as per bank statement			245
<i>Less:</i> unrepresented cheques			
J Lewis	cheque no 0012378	60	
ABC Limited	cheque no 0012392	100	
Eastern Oil Company	cheque no 0012407	<u>80</u>	
			<u>240</u>
			5
<i>Add:</i> outstanding lodgements		220	
		<u>300</u>	
			<u>520</u>
Balance at bank as per cash book			<u>525</u>

Notes:

- The layout shown above starts from the bank statement balance, and works towards the cash book balance. A common variation of this layout is to start with the cash book balance and to work towards the bank statement balance (see page 84).
- If a bank overdraft is involved, brackets should be used around the numbers to indicate this for the bank statement or cash book balance. The timing differences are still added or deducted, as appropriate.
- Once the bank reconciliation statement agrees, it should be filed because it proves that the bank statement and cash book were reconciled at a particular date. If, next time it is prepared, it fails to agree, the previous statement is proof that reconciliation was reached at that time.

Case Study**BANK RECONCILIATION STATEMENT****situation**

The cashier of Severn Trading Company has written up the business's cash book for the month of February 20-1, as shown below.

Note that the cheque number is shown against payments.

Dr				Cash Book				Cr	
Date	Details	Cash	Bank	Date	Details	Cash	Bank		
20-1		£	£	20-1		£	£		
2 Feb	Balances b/d	250.75	1,340.50	3 Feb	Appleton Ltd 123456			675.25	
6 Feb	A Abbott		208.50	5 Feb	Wages	58.60			
10 Feb	Sales	145.25		12 Feb	Rent 123457			125.00	
16 Feb	Sales		278.30	17 Feb	D Smith & Co 123458			421.80	
20 Feb	Sales	204.35		24 Feb	Stationery	75.50			
23 Feb	D Richards Ltd		162.30	25 Feb	G Christie 123459			797.55	
26 Feb	Sales		353.95		Balances c/d	466.25		586.25	
27 Feb	P Paul Ltd		262.30						
		600.35	2,605.85			600.35	2,605.85		
	Balances b/d	466.25	586.25						

The cash balance of £466.25 shown by the cash columns at the month-end has been agreed with the cash held in the cash box. The bank statement for February 20-1 has just been received:

National Bank plc Bartown Branch		Account title	Severn Trading Company	
		Account number	67812318	
		Statement	45	
Date	Details	Payments	Receipts	Balance
20-1		£	£	£
2 Feb	Balance brought forward			1340.50 Cr
7 Feb	Credit		208.50	1549.00 Cr
10 Feb	Cheque 123456	675.25		873.75 Cr
17 Feb	Credit		278.30	1152.05 Cr
17 Feb	Cheque 123457	125.00		1027.05 Cr
24 Feb	Credit		162.30	1189.35 Cr
24 Feb	BACS J Jarvis Ltd		100.00	1289.35 Cr
26 Feb	Cheque 123458	421.80		867.55 Cr
26 Feb	Direct debit A-Z Finance	150.00		717.55 Cr
27 Feb	Credit		353.95	1071.50 Cr
27 Feb	Bank charges	10.00		1061.50 Cr

solution

Note that the bank statement is prepared from the bank's viewpoint: thus a credit balance shows that the customer is a payable of the bank, ie the bank owes the balance to the customer. In the customer's own cash book, the bank is shown as a debit balance, ie an asset.

As the month-end balance at bank shown by the cash book, £586.25, is not the same as that shown by the bank statement, £1,061.50, it is necessary to compare individual items in the cash book and on the bank statement for accuracy. The steps are:

- 1 Tick off the items that appear in both cash book and bank statement.
- 2 The unticked items on the bank statement are entered into the bank columns of the cash book to bring it up-to-date. These are:
 - receipt 24 Feb BACS credit, J Jarvis Limited £100.00
 - payments 26 Feb Direct debit, A-Z Finance £150.00
 - 27 Feb Bank Charges, £10.00

In double-entry bookkeeping, the other part of the transaction will need to be recorded in the accounts.

3 The cash book is now balanced to find the revised balance:

Dr		Cash Book (bank columns)				Cr
20-1		£	20-1		£	
	Balance b/d	586.25	26 Feb	A-Z Finance	150.00	
24 Feb	J Jarvis Ltd	100.00	27 Feb	Bank Charges	10.00	
			28 Feb	Balance c/d	526.25	
		<u>686.25</u>			<u>686.25</u>	
1 Mar	Balance b/d	526.25				

4 The remaining unticked items from the cash book are:

- receipt 27 Feb – P Paul Limited £262.30
- payment 25 Feb – G Christie (cheque no 123459) £797.55

These items are timing differences, which should appear on next month's bank statement. They will be used in the bank reconciliation statement.

5 The bank reconciliation statement is now prepared, starting with the bank statement balance of £1,061.50 and using the unticked items from the cash book which were noted above.

SEVERN TRADING COMPANY	
Bank Reconciliation Statement as at 28 February 20-1	
	£
Balance at bank as per bank statement	1,061.50
<i>Less:</i> unrepresented cheque, no 123459	<u>797.55</u>
	263.95
<i>Add:</i> outstanding lodgement, P Paul Limited	<u>262.30</u>
Balance at bank as per cash book	<u>526.25</u>

This bank reconciliation statement starts with the bank statement balance, and finishes with the amended balance from the cash book, ie the two figures are reconciled.

notes on the case study

- The unrepresented cheque is deducted from the bank statement balance because, until it is recorded by the bank, the bank statement shows a higher balance than the cash book.
- The outstanding lodgement is added to the bank statement balance because, until it is recorded by the bank, the bank statement shows a lower balance than the cash book.

PREPARING A BANK RECONCILIATION STATEMENT

In order to help with the Activities at the end of the chapter, here is a step-by-step summary of the procedure. Reconciliation of the bank statement balance with that shown in the cash book should be carried out in the following way:

- 1 From the bank columns of the cash book tick off, in both cash book and bank statement, the receipts that appear in both.
- 2 From the bank columns of the cash book tick off, in both cash book and bank statement, the payments that appear in both.
- 3 Identify the items that are unticked on the bank statement and enter them in the cash book on the debit or credit side, as appropriate. (If, however, the bank has made a mistake and debited or credited an amount in error, this should not be entered in the cash book, but should be notified to the bank for them to make the correction. The amount will need to be entered on the bank reconciliation statement.)
- 4 The bank columns of the cash book are now balanced to find the up-to-date balance.
- 5 Start the bank reconciliation statement with the final balance figure shown on the bank statement.
- 6 In the bank reconciliation statement deduct the unticked payments shown in the cash book – these will be unrepresented cheques.
- 7 In the bank reconciliation statement, add the unticked receipts shown in the cash book – these are outstanding lodgements.
- 8 The resulting money amount shown on the bank reconciliation statement is the balance at bank as per the cash book.

The layout which is often used for the bank reconciliation statement is that shown in the Case Study on the previous page. The layout starts with the bank statement balance and finishes with the cash book balance. However, there is no reason why it should not commence with the cash book balance and finish with the bank statement balance: with this layout it is necessary to:

- *add* unrepresented cheques
- *deduct* outstanding lodgements

The bank reconciliation statement of Severn Trading Company would then appear as (see the next page):

SEVERN TRADING COMPANY	
Bank Reconciliation Statement as at 28 February 20-1	
	£
Balance at bank as per cash book	526.25
<i>Add:</i> unpresented cheque, no 123459	<u>797.55</u>
	1,323.80
<i>Less:</i> outstanding lodgement, P Paul Limited	<u>262.30</u>
Balance at bank as per bank statement	<u>1,061.50</u>

DEALING WITH UNUSUAL ITEMS ON BANK STATEMENTS

The following are some of the unusual features that may occur on bank statements. As with other accounting discrepancies, where they cannot be resolved they should be referred to the accounts supervisor for guidance.

out-of-date cheques

These are cheques that are more than six months old. The bank will not pay such cheques, so they can be written back in the cash book, ie debit cash book (and credit the other double-entry account involved).

returned (dishonoured) cheques

A cheque received by a business is entered as a receipt in the cash book and then paid into the bank, but it may be returned ('bounced') by the drawer's (issuer's) bank to the payee's bank because:

- the drawer (the issuer) has stopped it
- the cheque has been returned by the bank, either because the drawer has no money (a 'dishonoured' cheque) or because there is a technical problem with the cheque, eg it is not signed

A cheque returned in this way should be entered in the bookkeeping system:

- as a payment in the cash book on the credit side, and
- – either as a debit to sales ledger control account (if it is a credit sale), and a debit to the trade receivable's account in sales ledger
- or as a debit to sales account (if it is a cash sale)

bank errors

Errors made by the bank can include:

- **a cheque deducted from the bank account which has not been issued by the business** – look for a cheque number on the bank statement that is different from the current cheque series: take care, though, as it could be a cheque from an old cheque book

- **a BACS receipt shown on the bank statement for which the business is not the correct recipient;** if in doubt, the bank will be able to give further details of the sender of the money
- **standing orders and direct debits paid at the wrong time or for the wrong amounts;** a copy of all standing order and direct debit mandates sent to the bank should be kept by the business for reference purposes, standing order and direct debit schedules should be kept up-to-date so that the cash book can be written up as the payments fall due

When an error is found, it should be queried immediately with the bank. The item and amount should not be entered in the business's cash book until it has been resolved. If, in the meantime, a bank reconciliation statement is to be prepared, the bank error should be shown separately. When the reconciliation is from the bank statement balance to the cash book balance, add payments and deduct receipts that the bank has applied to the account incorrectly.

bank interest received

For certain types of accounts banks may pay interest to their customers. When this happens the bank statement of the customer shows a receipt for 'interest received' or 'bank interest received'.

bank charges and interest paid

From time-to-time banks charge customers' accounts with an amount for:

- service charges, ie the cost of operating the bank account
- interest paid, ie the borrowing cost when the bank account is overdrawn

On a bank statement, such items are shown in the 'payments' or 'paid out' column.

RECONCILIATION OF OPENING CASH BOOK AND BANK STATEMENT BALANCES

If you look back to the Case Study on pages 80-82, you will see that both the cash book (bank columns) and the bank statement balance both started the month with the same balance: 1 February 20-1 £1,340.50.

In reality, it is unlikely that the opening cash book and bank statement balances will be the same. It will be necessary, in these circumstances, to prepare a simple opening bank reconciliation statement in order to prove that there are no errors between cash book and bank statement at the start of the month.

This is set out in the same format as the end-of-month bank reconciliation statement, and is best prepared immediately after ticking off the items that appear in both cash book and bank statement. The earliest unpresented cheques drawn and outstanding lodgements will, most probably, be causing the difference. Of course, where last month's bank reconciliation statement is available, such as in business, there is no need to prepare an opening reconciliation.

There is usually no need to prepare a formal opening bank reconciliation statement as any discrepancy in opening balances can be resolved quickly by checking the bank statement for the earliest receipts and payments.

IMPORTANCE OF BANK RECONCILIATION STATEMENTS

- A bank reconciliation statement is important because, in its preparation, the transactions in the bank columns of the cash book are compared with those recorded on the bank statement. In this way, any errors in the cash book or bank statement will be found and can be corrected (or advised to the bank, if the bank statement is wrong).
- The bank statement is an independent accounting record, therefore it will assist in deterring fraud by providing a means of verifying the cash book balance.
- By writing the cash book up-to-date, the business has an amended figure for the bank balance to be shown in the trial balance.
- It is good business practice to prepare a bank reconciliation statement each time a bank statement is received. The reconciliation statement should be prepared as quickly as possible so that any queries – either with the bank statement or in the cash book – can be resolved. Many businesses will specify to their accounting staff the timescales for preparing bank reconciliation statements – as a guideline, if the bank statement is received weekly, then the reconciliation statement should be prepared within five working days.

Chapter Summary

- The purpose of a bank reconciliation statement is to reconcile the balance shown by the bank statement with that shown by the bank columns of the cash book.
- Certain differences between the two are timing differences. The main timing differences are:
 - unpresented cheques
 - outstanding lodgementsThese differences will be corrected by time and, most probably, will be recorded on the next bank statement.

- Certain differences appearing on the bank statement need to be entered in the cash book to bring it up-to-date. These include:
 - Receipts
 - credit transfer (BACS) amounts received by the bank
 - dividend amounts received by the bank
 - bank interest
 - Payments
 - standing order and direct debit payments
 - bank charges and interest
 - unpaid cheques debited by the bank

- The bank reconciliation statement makes use of the timing differences.

- Once prepared, a bank reconciliation statement is proof that the bank statement and the cash book (bank columns) were agreed at a particular date.

Key Terms

bank reconciliation statement	forms the link between the balances shown in the bank statement and the cash book
timing differences	discrepancies between the bank statement and the cash book that will be corrected over time, such as unpresented cheques and outstanding lodgements
unpresented cheques	cheques drawn, but not yet recorded on the bank statement
outstanding lodgements	amounts paid into the bank, but not yet recorded on the bank statement
direct debit/standing order schedules	lists of direct debit and standing order payments, kept by a business, from which the cash book is written up as payments fall due

Activities

5.1 When preparing a bank reconciliation statement, which one of the following is a timing difference?

- (a) unpresented cheques
- (b) direct debit payments
- (c) bank charges and interest
- (d) BACS receipts

Answer (a) or (b) or (c) or (d)

5.2 A business's bank statement shows a balance of £400 in the bank. Unpresented cheques total £350; outstanding lodgements total £200. What is the balance at bank shown by the cash book?

- (a) £100 credit
- (b) £200 debit
- (c) £250 debit
- (d) £400 debit

Answer (a) or (b) or (c) or (d)

5.3 The bank columns of Tom Reid's cash book for December 20-2 are as follows:

20-2	<i>Receipts</i>	£	20-2	<i>Payments</i>	£
1 Dec	Balance b/d	280	9 Dec	W Smith 345123	40
13 Dec	P Jones	30	13 Dec	Rent 345124	50
17 Dec	H Homer	72	16 Dec	Wages 345125	85
29 Dec	J Hill	13	20 Dec	B Kay 345126	20
			31 Dec	Balance c/d	200
		<u>395</u>			<u>395</u>

He then received his bank statement which showed the following transactions for December 20-2:

BANK STATEMENT		Payments	Receipts	Balance
20-2		£	£	£
1 Dec	Balance brought forward			280 CR
13 Dec	Credit		30	310 CR
15 Dec	Cheque no 345123	40		270 CR
17 Dec	Cheque no 345124	50		220 CR
22 Dec	Credit		72	292 CR
23 Dec	Cheque no 345125	85		207 CR

You are to prepare a bank reconciliation statement which agrees the bank statement balance with the cash book balance.

5.4 The bank columns of P Gerrard's cash book for January 20-3 are as follows:

20-3	Receipts	£	20-3	Payments	£
1 Jan	Balance b/d	800.50	2 Jan	A Arthur Ltd 001351	100.00
6 Jan	J Baker	495.60	9 Jan	C Curtis 001352	398.50
30 Jan	G Shotton Ltd	335.75	13 Jan	Donald & Co 001353	229.70
			14 Jan	Bryant & Sons 001354	312.00
			23 Jan	P Reid 001355	176.50

He received his bank statement which showed the following transactions for January 20-3:

BANK STATEMENT		Payments	Receipts	Balance
20-3		£	£	£
1 Jan	Balance brought forward			800.50 CR
6 Jan	Cheque no 001351	100.00		700.50 CR
6 Jan	Credit		495.60	1,196.10 CR
13 Jan	BACS credit: T K Supplies		716.50	1,912.60 CR
20 Jan	Cheque no 001352	398.50		1,514.10 CR
23 Jan	Direct debit: Omni Finance	207.95		1,306.15 CR
26 Jan	Cheque no 001353	229.70		1,076.45 CR
31 Jan	Bank interest		5.50	1,081.95 CR

You are to:

- (a) check the items on the bank statement against the items in the cash book and update the cash book accordingly; total the cash book and show the balance carried down at 31 January 20-3
- (b) prepare a bank reconciliation statement at 31 January 20-3 which agrees the bank statement balance with the cash book balance

5.5 The bank columns of Jane Doyle's cash book for May 20-4 are as follows:

20-4	<i>Receipts</i>	£	20-4	<i>Payments</i>	£	
1 May	Balance b/d	300	3 May	P Stone	867714	28
7 May	Cash	162	14 May	Alpha Ltd	867715	50
17 May	C Brewster	89	28 May	E Deakin	867716	110
27 May	Cash	60				
28 May	Cash	40				

She received her bank statement which showed the following transactions for May 20-4:

BANK STATEMENT		Payments	Receipts	Balance
20-4		£	£	£
1 May	Balance brought forward			400 CR
2 May	Cheque no 867713	100		300 CR
5 May	Cheque no 867714	28		272 CR
7 May	Credit		162	434 CR
17 May	Standing order: A-Z Insurance	25		409 CR
19 May	Credit		89	498 CR
20 May	Cheque no 867715	50		448 CR
27 May	Credit		60	508 CR
31 May	Bank Charges	10		498 CR

You are to:

- (a) write the cash book up-to-date at 31 May 20-4, and show the balance carried down
- (b) prepare a bank reconciliation statement at 31 May 20-4 which agrees the bank statement balance with the cash book balance

- 5.6 On 4 June Milestone Motors received a bank statement which showed the following transactions for May 20-5:

BANK STATEMENT		Paid out	Paid in	Balance
		£	£	£
20-5				
1 May	Balance brought forward			3,802 C
2 May	Cheque no 451761	150		3,652 C
10 May	Cheque no 451762	751		2,901 C
11 May	Cheque no 451763	268		2,633 C
13 May	Cheque no 451765	1,045		1,588 C
14 May	BACS credit: Perran Taxis		2,596	4,184 C
18 May	Direct debit: Wyvern Council	198		3,986 C
20 May	Direct debit: A1 Insurance	1,005		2,981 C
25 May	Direct debit: Okaro and Company	254		2,727 C
25 May	Bank charges	20		2,707 C

D = Debit C = Credit

The cash book of Milestone Motors as at 31 May 20-5 is shown below:

CASH BOOK

Date	Details	Bank	Date	Cheque no	Details	Bank
20-5		£	20-5			£
1 May	Balance b/f	3,652	4 May	451762	Smith and Company	751
26 May	J Ackland	832	4 May	451763	Bryant Limited	268
28 May	Stamp Limited	1,119	7 May	451764	Curtis Cars	1,895
			7 May	451765	Parts Supplies	1,045

You are to:

- check the items on the bank statement against the items in the cash book
- update the cash book as needed
- total the cash book and show clearly the balance carried down at 31 May and brought down at 1 June
- prepare a bank reconciliation statement at 31 May 20-5 which agrees the bank statement balance with the cash book balance

5.7 On 30 June Durning Trading received a bank statement as at 27 June 20-8:

BANK STATEMENT		Paid out	Paid in	Balance
		£	£	£
20-8				
1 Jun	Balance brought forward			768 C
4 Jun	Cheque 364125	427		341 C
5 Jun	BACS credit: Asif Ltd		1,122	1,463 C
18 Jun	Cheque 364127	4,200		2,737 D
20 Jun	Direct debit: JC Property Co	850		3,587 D
23 Jun	BACS credit: Sand & Stone		2,486	1,101 D
26 Jun	BACS credit: Surfider Ltd		4,110	3,009 C
27 Jun	Direct debit: Vord Finance	275		2,734 C
27 Jun	Cheque 364128	1,062		1,672 C

D = Debit C = Credit

The cash book of Durning Trading as at 27 June 20-8 is shown below:

CASH BOOK

Date	Details	Bank	Date	Cheque no	Details	Bank
20-8		£	20-8			£
1 Jun	Balance b/d	1,890	1 Jun	364125	Penryn Ltd	427
20 Jun	Chiverton Ltd	1,200	3 Jun	364126	Fal Boats	760
24 Jun	Perran Ltd	4,750	10 Jun	364127	S Mawes	4,200
24 Jun	P Porth	8,950	20 Jun	364128	Castle Supplies	1,062

You are to:

- (a) check the items on the bank statement against the items in the cash book
- (b) update the cash book as needed
- (c) total the cash book and clearly show the balance carried down at 27 June and brought down at 28 June

- (d) using the form below, prepare a bank reconciliation statement as at 27 June which agrees the bank statement balance with the cash book balance (note: not all the lines may be needed)

Bank reconciliation statement as at 27 June 20-8	
Balance as per bank statement	£
Add	
Name:	£
Total to add	£
Less	
Name:	£
Total to subtract	£
Balance as per cash book	£

