

Martindale Company

Bank Reconciliation

Use the information below to prepare a bank reconciliation for Martindale Company for the month of January.

- Outstanding checks as of January 31 amounted to \$2,223.
- Deposits in transit as of January 31 amounted to \$1,879.
- The ending balance per the January bank statement is \$36,482.
- The bank statement shows that Martindale earned \$150 of interest on its bank balance for the month of January.
- The bank mistakenly recorded a deposit of \$2,800 as \$280 on January 15.
- The company pays its insurance of \$986 by EFT.
- The bank collected rent for the company, \$3,000. The bank statement shows an EFT receipt from a Martindale customer of \$481.
- There was a NSF check on the bank statement for \$368.
- The ending cash balance per the books for January before any adjustments was \$36,381.

Required:

1. Prepare the bank reconciliation at January 31.
2. Prepare the journal entries at January 31.