

**Solution:**

The bank reconciliation statement is given by:

Cash Balance According to Hospital's Book		Cash Balance According to Bank's Book	
Particulars	Amount	Particulars	Amount
Initial Balance	50,000	Initial Balance	35,860
Bank fees	(140)	Deposits on 31 <sup>st</sup> , not included	9,000
Cheque returned	(11,000)		
Outstanding Balance Not Cleared	6,000		
Total Balance	44,860	Total Balance	44,860

Journal entries will be as follows for the hospital:

Particulars	Debit	Credit
Bank Fees Expense To Bank  (Being bank fees paid for service charges.)	140	140
Accounts Receivables To Bank  (Being cheque failure.)	11,000	11,000
Bank To Accounts Receivables  (Being return of cheque.)	6,000	6,000