

Sample excerpt, fictional company (Northwind)

October 2026 close pack: First Ohio Bank operating account

An excerpt of the pack a learner assembles in Week 4: completeness evidence, the reconciliation, the journal-entry screen and a close memo. Built from a real recorded AI run on Northwind Supply Co. data and checked against the course answer key. Nothing is booked; every entry is a proposal.

1. Completeness evidence: prove the load before any conclusion

Input	Rows	Net movement	Recomputed closing	Agreed to header
Bank statement (opening 1,842,615.33)	276	(95,759.97)	1,746,855.36	Yes
GL cash account 1000 (opening 1,842,615.33)	278	(56,638.49)	1,785,976.84	Yes
Manual journal entries	78	total 874,249.35	n/a	No duplicate JE numbers; all accounts in chart

No duplicate references and no blank fields in either cash file. The completeness line comes first because every later conclusion rests on it.

2. Bank reconciliation at October 31, 2026

Per bank	Amount
Balance per bank	1,746,855.36
Add deposits in transit: DEP9901 46,318.20; DEP9902 12,904.00	59,222.20
Less outstanding checks: CHK10459 8,412.50; CHK10460 2,960.00; CHK10461 15,230.75	(26,603.25)
Adjusted bank balance	1,779,474.31

Per books	Amount
Balance per books	1,785,976.84
Less NSF returned item, Hartwell Fabrication	(6,240.00)
Add interest credit	212.47
Less account analysis service charge	(385.00)
Less transposition, DEP5333 Summit Machine Works (books 18,540.00; bank 18,450.00)	(90.00)
Adjusted book balance	1,779,474.31

Adjusted bank 1,779,474.31 = adjusted book 1,779,474.31. Difference 0.00. Nine reconciling items: 3 outstanding checks, 2 deposits in transit, 3 bank-only items, 1 transposition. About 50 other checks cleared with a one to four day lag, all within October; they are timing, not reconciling items.

Sample excerpt, fictional company (Northwind)

3. Proposed adjusting entries (nothing booked)

Entry	Debit	Credit	Amount	Basis
AJE-06	1100 Accounts receivable	1000 Cash	6,240.00	NSF return, Hartwell Fabrication
AJE-07	1000 Cash	7100 Interest income	212.47	Interest credited by bank
AJE-08	6800 Bank fees	1000 Cash	385.00	Account analysis charge
AJE-09	1100 Accounts receivable	1000 Cash	90.00	DEP5333 transposition

Caution carried with AJE-09: the bank is treated as right. Confirm against the remittance advice and the Summit invoice, since the receivable could be misstated instead.

4. Journal-entry screen: 78 entries, ranked by risk

Policy tested: entries of \$25,000 or more need CFO approval; preparer and approver must differ; no posting to Suspense (2900) without a clearing plan; every entry needs support. Red flags add round amounts, weekend dates, vague descriptions, and entries that raise revenue or cut cost of sales.

Rank	Entry	Amount	Why it ranks here
1	JE2026176: Dr 4000 Sales, Cr 2900 Suspense. Saturday, Oct 31	60,000.00	Prepared and approved by the CFO, no support, Suspense, vague description. The debit to Sales <i>reduces</i> revenue. Approval override is the worst risk because the CFO is the control. Needs independent review.
2	JE2026177: Dr 1200 Inventory, Cr 5000 COGS. Sunday, Oct 18	48,250.00	Over the \$25,000 threshold but approved by the Controller, not the CFO. Largest income-raising entry. Support is marked Yes: inspect it.
3	JE2026175: Dr 6700 Professional fees, Cr 2100 Accrued liabilities. Sunday, Oct 25	24,900.00	\$100 under the threshold, no support. The classic structuring pattern.
4	JE2026178: Dr 6950 Office & other, Cr 1000 Cash. "Misc"	3,150.00	Self-approved, no support. No matching 3,150 item in the bank statement or the GL cash extract. Resolve before booking anything.

Patterns reviewed as groups. Nine entries debit Inventory and credit COGS, 144,953.48 in total (96,703.48 excluding JE2026177). Eleven further entries between 18,000 and 25,000 were all approved with support; noted, not treated as findings.

A flag is a question, not a conclusion. Each finding leads to a request for support and, where needed, escalation to someone independent of the preparer. No finding is concluded on AI output alone.

5. Checked against the course answer key

Item	Key	AI run	Verdict
Reconciling items	9 (3 O/S, 2 DIT, 3 bank-only, 1 transposition)	Same 9	Correct
Adjusted balance	1,779,474.31	1,779,474.31	Correct
Flagged entries	176, 177, 175, 178	Same four, same order	Correct
Totals	78 entries, 874,249.35; 9 COGS credits 144,953.48	Same	Correct
Own date flag ("posted after Oct 24")	Not in key	Raised by its script, then set aside in the report	Self-corrected and disclosed

Sample excerpt, fictional company (Northwind)

6. Close memo: October 2026 cash and manual entries

Prepared from the recorded Week 4 run (October 25, 2026). Amounts are exactly as the AI gave them and agree to the answer key.

Conclusion. The First Ohio Bank operating account reconciles at October 31, 2026 to 1,779,474.31 on both sides, with nine reconciling items classified and four adjusting entries proposed. Four manual journal entries need support or independent review before the close is signed. Nothing has been booked.

Open items before sign-off

- **JE2026176 (60,000.00, Sales to Suspense):** obtain support and a clearing plan; review by someone independent of the CFO, for example the CEO or the audit committee.
- **JE2026177 (48,250.00, Inventory to COGS):** inspect the support marked attached; confirm approval at the right level.
- **JE2026175 (24,900.00 accrual):** obtain support and confirm the estimate.
- **JE2026178 (3,150.00, Cash):** the entry is in the JE listing but not in the GL cash extract. Either the extract is incomplete or the entry was never posted. Request the system GL detail for account 1000 and the entry's audit trail. This is an inconsistency in the data, not something to reconcile away.
- **Probable duplicate payment (found unprompted):** CHK10457 and CHK10458, Allied Fasteners, 3,118.40 each (AF-2291 and AF2291), both cleared. The AI offered to draft the recovery note.

What the AI could not do. It could not confirm that the deposits in transit and outstanding checks clear in November, see how the second Allied check was coded, or confirm which invoice the NSF item reopens. Those need documents it was not given.

7. Sign-off and corrections log

Item	Status and control
Adjusting entries AJE-06 to AJE-09	Proposed. Each needs a named human approver who is not the preparer before posting. No AI output posts without that approval.
Flagged entries	Open. Escalated for support and independent review as listed above.
Corrections log	No stated fact was wrong in the recorded run. One wobble, a date-based flag from the AI's own script, was caught by the AI and disclosed. Gaps the AI could not know are listed above.
Re-performance	JE totals (78 entries, 874,249.35; COGS credits 144,953.48) re-performed by the course team; reconciliation checked against the answer key.

Data note. Fictional Northwind Supply Co. data created for the course; no client or personal data. In your own pack this line states what data you used, why you may use it, and how it was anonymized.

Source: the recorded Week 4 close run on the Northwind books and the Week 4 student guide. General education, not accounting, audit or legal advice.