

Cage and Credit MICS #62
Accounts Receivable Listings Monthly Reconciliation

	Active Markers	Active Return Checks	Inactive Markers and Returned Checks (Write-offs)	Write-off Recoveries	Settlements/ Discounts	Totals
Balance per the listings as of 1/31/08	\$19,700,000	\$500,000	\$2,300,000	\$(400,000)	\$1,400,000	\$23,500,000
Balance per the listings as of 1/1/08	20,000,000	400,000	2,200,000	(395,000)	1,000,000	23,205,000
Net increase/(decrease) in the listing for the month	\$(300,000)	\$100,000	\$100,000	\$(5,000)	\$400,000	\$295,000

Net Change in Listings per NGC Tax Return:

Marker credits for the month (amount of credit instruments transferred to the cage from the pit). Insert here as a positive number since the listings are being increased. **(1)** \$3,520,000

Collections in the cage (or any area other than the pit). Amount is shown as a positive number next to the caption "Collections in areas other than the pit" on the tax return since recoveries increase taxable revenue; insert here as a negative number since collections decrease the listings balance. **(2)** (3,375,000)

Cage issuances labeled "cage credit issued" on the tax return and shown there as a negative amount since these issuances reduce taxable revenue, since any issuances increase the listings; insert here as a positive number. **(3)** 50,000

Increase/(decrease) in returned checks. Shown as "Net of Return Checks" on the tax return. Increases are shown on the tax return as a negative number. Decreases are a positive number since a decrease represents a taxable recovery. For purposes of this reconciliation, if a negative number is shown on the tax return, show as a positive number here (and vice versa). **(4)** 100,000

Net change in listings per the NGC tax return **\$ 295,000**

Variance **0**

General Notes:

Separate listings for discounts applied, settlements and write-off recoveries are advised to be maintained. These listings provide detail information to support credit activity and are useful in performing an accounts receivable reconciliation. A separate listing may also be maintained for returned checks write-offs.

- (1)** Marker credits - This amount is not indicated on the NGC tax return. The marker credit amount is the calculation of pit issues minus pit payments as reported on the NGC tax return.
- (2)** The collections amount does not include settlements or discounts; however, it does include payments received on active and written-off accounts.
- (3)** This category is only for cage markers (not pit markers) issued including cage counter checks.
- (4)** Returned checks should be evaluated separately from marker activity. The dollar amount of checks returned from the bank is an increase to the returned checks listing and returned checks redeposited to the bank is a decrease to the returned checks listing.