



ACCOUNTS

BOOKS - SULTAN CHAND & SONS ACCOUNTS (HINGLISH)

BANK RECONCILIATION STATEMENT

Illustration

1. On 31 st March, 2019 bank column of the Cash Book showed a debite balance of ₹4900. Banke Stattement of Pass Book showed credit blance ₹ 37,400. Entries in the Cash Book and Pass were compared and following differences were idntified :

- (i) Cheques of Syam ₹ 9,000 and of Mohan ₹ 15,000 were deposited in the bank but were not collected up to 31 st March, 2019
- (ii) Ramesh, a debtor, deposited a cheque of ₹ 8,000 directly into the bank.
- (iii) Bank had credite4d ₹ 500 as interest which was not recorded in Cash

Bank.

(iv) Cheque for ₹ 10,000 issued to Radhey Shyam was not presented for payment.

(v) Bank debited the account by ₹ 6,000 being insurance premium aid as per standing instruction.

(vi) Bank debited the account by ₹7,000 being bank charges.

You are required to prepare Bank Reconciliation Statement as on 31st March, 2019 .



[Watch Video Solution](#)

2. From the following information, prepare Bank Reconciliation Statement on 31st March, 2019

(i) Cheques from Morarji ₹ 2,500, Dinkar ₹ 3,000 and Baliram ₹2,400 were deposited into account in March , 2019 but were credited by the bank in April, 2019

(ii) Cheques issue to M. Kher ₹3,000 Natverlal ₹ 5,000 Dayabhai ₹ 3,000 in March, 2019 and were presented for payment in April, 2019

(iii) A cheque for ₹ 1,000 which was received from a customer was entered

in the bank column of the Cash Book in March, 2019 but it was deposited in April, 2019

(iv) Bank Statements shows a credit of ₹ 2,500 for interest and a debit of ₹ 500 for bank charges.

Balance as per Cash Book on 31st March, 2019 was ₹ 1,80,000 (Dr.) whereas the Bank Statement showed a credit balance of ₹ 1,84,100 .



[Watch Video Solution](#)

3. From the following information, prepare Bank Reconciliation Statement on 31st March, 2019

(i) On 31st March, 2019 Cash Book showed a bank balance of ₹ 12,000 (Dr.)

(ii) Out of the total cheques ₹ 10,000 issued cheques aggregating ₹ 3,000 were presented in March, 2019 cheques aggregating ₹ 4,000 were presented in April, 2019 and the remaining have not been presented yet.

(iii) Out of the total cheques amounting to ₹ 5,000 deposited, cheques aggregating ₹ 1,500 were credited in March, 2019 and balance cheques were credited in April, 2019

(iv) Bank has debited ₹ 100 as bank charges and has credited ₹ 200 as

interest.

(v) Bank had reversed bank charges of ₹ 200 wrongly debited earlier.

(vi) Bank paid insurance premium of ₹ 2,000 but it was recorded as ₹ 200 in the Cash Book

(vi) Receipts side of Cash Book was undercasted by ₹ 500.



[Watch Video Solution](#)

4. State any four reasons when the Cash Book balance will be higher than the Pass Book balance .



[View Text Solution](#)

5. State four reasons when Cash Book balance will be lower than balance as per Bank Statement of Bank Pass Book .



[View Text Solution](#)

6. On comparing the Cash Book of Saksham with the Pass Book, following discrepancies were noted :

(i) Out of ₹ 41,000 paid in by cheques into the bank on 25th, March cheques amounting to ₹ 15,000 were collected on 5th April,

(ii) Out of cheques drawn amounting to ₹ 15,600 on 28th March a cheque for ₹ 5,000 was presented on 3rd April.

(iii) A cheque for ₹ 2,000 entered in Cash Book but omitted to be banked on 31st March.

(iv) A cheque for ₹ 1,200 deposited into bank omitted to be recorded in Cash Book and was collected by the bank 29th March.

(v) A bill receivable for ₹ 1,040 previously discounted (discount ₹ 40) with the bank had been dishonoured but advice was received on 3rd April.

(vi) A cheque ₹ 20,000 was retired/paid by the bank under a rebate of ₹ 300 but the full amount of the bill was credited in the bank column of the Cash Book.

(vii) A cheque of ₹ 5,000 wrongly credited in the Pass Book on 29th March was reversed on 2nd April.

(viii) Bank had wrongly debited ₹ 10,000 in the account on 31st March and

reversed it on 10th April, 2019

(ix) A chequ of ₹ 400 drawn on the Saving Account has been shown as on Current Account in Cash Book.

Prepare a Bank Reconciliation Statement as on 31st March, 2019 if the Balance as per Cash Book on 31st March was ₹ 79,140



[Watch Video Solution](#)

7. On 31st March, 2019 Bank Statement of Dinesh showed credit balance of ₹ 15,650 whereas Cash Book showed debit balance of ₹ 15,200. The reasons for the differences were:

(i) Cheques issued to Roshan for ₹ 6,000 and to Daniel for ₹ 3,840 were not presented for payment

(ii) Bank charged ₹ 350 as bank charges.

(iii) Nitesh directly deposite ₹8,160 into the Bank Account of Dinesh which was not entered in the Cash Book. Itbr (iv) Two cheques one from Shyam

for ₹ 5,150 and another from Kailash for ₹ 12,500 were collected by bank in the first week of April, 2019 although they were banked on 25th March

,2019

(v) Interest credited by bank ₹ 540

Prepare Bank Reconciliation Statement as on 31st March, 2019

 [Watch Video Solution](#)

8. Prepare Bank Reconciliation Statement from the following particular on 30th June, 2006 Bank statement showed a favourable balance of ₹ 9,214 .

(i) On 29th, June, 2006 bank credited a sum of ₹ 1,650 in error.

(ii) Certain cheques valued at ₹ 4,500 issued before 29th June, 2006 were not cleared.

(iii) A hire purchase payment of ₹ 950 made by a standing order was not entered in the Cash Book.

(iv) A cheque of ₹ 600 received, deposited and credited by bank, was accounted as a receipt in the cash Book

(v) Other cheques for ₹ 8,500 were deposited in June but cheques for ₹ 6,000 only were cleared by the bankers.

 [Watch Video Solution](#)

9. Prepare Bank Reconciliation statement of Shri Krishan as on 31st March , 2019 :

- (i) Balance as per Bank Pass Book as on the date is ₹ 10,000.
- (ii) Bank collected a chequ of ₹ 500 on behalf of Shri Krisrhan but wringly credited it to Shri Kishan's Account (another customer)
- (iii) Bank recorded a cash deposit of ₹ 2,598.
- (iv) Withdrawal column of the Pass Book undercasted by ₹ 100
- (v) Credit balance of ₹ 1,500 as on Page 10 of the Pass Book was recorded on Page 11 as a debit balance.
- (vi) payment of a cheque of ₹ 350 was recorded twice in the Pass Book.
- (vii) Pass Book showed a credit of ₹ 1,000 deposited by Shri Kishan (another coutomer of the Bank)
- (viii) Divided collected by bank ₹ 125



[Watch Video Solution](#)

10. On 31st March, 2019 Bank Pass Book of Radha showed a balance of ₹ 15,000 to her credit.

- (ii) Befor that date, she had issued cheques amounting to ₹ 8,000 out of

which cheques amounting to ₹ 3,200 have so far been presented for payment.

(iii) A cheque of ₹ 2,200 deposited by her into the bank on 26th March ,2019 is not yet credited in the Pass Book.

(iv) She had also received a cheque of ₹ 500 which although recorded by her in the bank column of Cash Book, was omitted to be deposited in the bank.

(v) On 30th March, 2019 a cheque of ₹ 1,570 received by her was paid into the bank but the same was omitted to be recorded in the Cash Book.

(vi) There was credit of ₹ 150 for interest on current account and a debit of ₹ 25 for bank charges.

(vii) Bank recorded cash deposit of ₹ 25,489 as ₹ 25,498. The error was rectified by the bank on 30th March ,2019

Draw up Bank Reconciliation Statement as on 31st March ,2019



[Watch Video Solution](#)

11. Following information is of Roshan who requires you to reconcile his Cash Book with the Pass Book balance :

Rs

Balance as per Cash Book (Cr.)	2,800
Unpresented cheques	3,440
Uncredited cheques	2,260

Additional Information :

- (a) Debit side of the Cash (bank column) has been undercasted by ₹ 500
- (b) A cheque of ₹ 200 Paid to creditor has been entered by mistake in the Cash Column.
- (c) Bank charges ₹ 80 have not been entered in the Cash Book.



[Watch Video Solution](#)

12. Prepare Bank Reconciliation Statement as on 31st March , 2019 from the following :

- (i) Overdraft Balance as per Cash Book as on 31st March, 2019.
- (ii) Overdraft Balance as per Bank Statement as on 31st March, 2019.
- (iii) Cheque deposited into bank no entry passed in the Cash Book.
- (iv) Cheque received and entered into the Cash Book but not sent to bank.
- (v) Credit side of the bank column casted short.
- (vi) Insurance premium paid directly by the bank under standing instructions.
- (vii) Bank charges entered in the Cash Book twice.
- (viii) Cheque 'received' returned by the bank but no entry passed.
- (ix) Cheque 'issued' returned on technical grounds.
- (x) Bill discounted dishonoured.
- (xi) Bills receivable directly collected by the bank.



[Watch Video Solution](#)

13. From the following information determine the balance as per Bank Pass Book of Ajay on 31st March, 2019

- (i) Bank overdraft as per Cash Book on 31st March ₹ 63,400.
- (ii) Interest on overdraft for 6 months ended 31st March, 2019, ₹ 1,600 entered in the Pass Book.
- (iii) Bank charges of ₹ 300 for the above are debited in the Pass Book.
- (iv) Cheques issued but not cleared before 31st March, 2019, amounted to ₹ 11,680.
- (v) Cheques paid into the bank but not cleared before 31st March, 2019

were for ₹ 21,700.

(vi) Interest investments collected by the bank and credited in the Pass Book ₹ 12,000.

(viii) Credit side of the Bank Column of the Cash Book was undercasted by ₹ 1,100.



[Watch Video Solution](#)

14. Prepare Bank Reconciliation Statement as on 30st June , 2018 for Jyoti Sales Private Limited from the information given below :

(i) Bank overdraft as per Cash Book on 30th June, 2018

(ii) Cheques issued on 20th June, 2018 but not yet presented.

(iii) Cheques deposited but not yet credited by the bank.

(iv) Bills for collection not advised by the bank but credited to the account.

(v) Interest debited by the bank on 27th June, 2018 but no advice received.

(vi) Subsidy received from the authorities by the bank on our behalf,

(vii) Amount wrongly debited by the bank.

(viii) Amount wrongly credited by the bank.



[Watch Video Solution](#)

15. Compare Ram's Cash Book with the Statement of his overdraft account for the month of April, 2019 find the following :

(i) Cash Book showed and overdraft of ₹ 45,000

(ii) Payment side of the Cash Book had been undercaset by ₹ 1,500

(iii) A cheque for ₹ 7,500 drawn on his Savings Account has been shown as drawn on his Current Account.

(iv) Cheques amounting to ₹ 70,000 drawn and entered in the Cash Book have not been presented.

(v) Cheque amounting to ₹ 60,000 sent to the bank for collection, which though entered in the Cash Book have not been credited by the bank.

(vi) Bank charges of ₹ 750 as per Bank Statement have not been recorded in the Cash Book. These bank charges were reversed by the bank on 10th April, 2019.

(vii) Dividends amounting to ₹ 35,000 have been directly by the bank and not entered in the Cash Book.

(viii) Cheque of ₹ 10,000 dated 10th May, 2019 issued to Joshi & Co. was dishonoured by the bank being post dated. It was also not recorded in

the books of account yet.

You are required to prepare Bank Reconciliation Statement on 30th April,

 [Watch Video Solution](#)

16. On 31st Decemebr, 2019 Bank Pass Book of Teneja & Co. showed overdraft of ₹ 7,700. On the basis of the following particulars a Bank Reconciliation Statement.

(i) Cheques issued before 31st December, 2019 but not yet presented for payment amounted to ₹ 3,500 .

(ii) Cheques paid into the Bank but a cheque amounting to ₹ 2,600 has not been collected yet.

(iii) Interest on Loan amounting to ₹544 , directly by the Bank did not apper in the Cash Book.

(vi) ₹ 4,800 directly deposited by the customer entered in the Pass Book but not in the Cash Book

 [Watch Video Solution](#)

17. From the following particulars, prepare Bank Reconciliation Statement as on 31st March, 2019

- (i) Balance as per Pass Book on 31st March, 2019 overdraft Rs. 80,000.
- (ii) Cheques drawn on 25th March, 2019 but not presented for payment till April, 2019 Rs. 15,000 , Rs. 5,000 and Rs. 8,000.
- (iii) Interest on bank overdraft not entered in the Cash Book Rs. 2,000.
- (iv) Outstation cheque Rs. 30,000 deposited into bank but collected in April, 2019.
- (v) Rs. 10,000 Insurance premium paid by the bank as per the trader's standing instructions has not been entered in the Cash Book.
- (vi) Chamber of Commerce fee Rs. 3,000 paid by the for traders but not recorded in the Cash Book.
- (vii) Collection charges of Rs. 1,000 charged by the bank but not entered in the Cash Bank.
- (viii) Bill discounted dishonoured but not recorded in the Cash Book Rs. 5,000.



Watch Video Solution

18. On 31st January, 2019, the Pass Book of Rajender shows a debit balance of Rs. 41,000. Prepare Bank Reconciliation Statement from the following particulars:

(i) Cheques amounting to Rs. 15,600 were drawn on 27th January, 2019. Out of which cheques for Rs. 11,000 were encashed up to 31st January, 2019

(ii) A wrong debit Rs. 800 has been given by the bank in the Pass Book

(iii) A cheque for Rs. 200 was credited in the Pass Book but was not recorded in the Cash Book.

(iv) Cheques amounting to Rs. 21,000 were deposited for collection. But out of these, cheques for Rs. 7,400 have been credited in the Pass Book on 5th February, 2019.

(v) A cheque for Rs. 1,000 was returned dishonoured by the bank and was debited in the Pass Book only.

(vi) Interest on overdraft and bank charges amounted to Rs. 100 were not entered in the Cash Book.

(viii) A cheque of Rs. 500 debited in the Cash Book was omitted to be banked.



19. Following information has been given by Rajendera. Prepare a Bank Reconciliation Statement as on 31st March, 2019 showing balance as per the Cash Book.

(i) Debit balance shown by Bank Statement Rs. 17,800.

(ii) Cheques of Rs. 21,00 were issued in the last week of March but only cheques of Rs. 14,800 were presented for payment.

(iii) Cheques of Rs. 10,750 were presented to the bank. Out of them a cheque of Rs. 4,200 was credited in the first week of April , 2019

(iv) A cheque of Rs. 1,200 was debited in the Cash Book but was not presented in the bank.

(v) Insurance premium paid by the bank Rs. 1,450 as per standing instruction.

(vi) A Bill of Exchange of Rs. 6,200 which discounted with the bank was returned dishonoured but no entry was made in the Cash Book ltb rgt (vii)

A draft for Rs. 5,000 favouring Basu Brothers was issued by the bank levying bank charges of Rs 100 . In the books, entry for Rs. 5,000 was recorded.

(viii) Rs. 400 for bank charges were recorded twice in Cash Book and Bank charges of Rs. 350 were not recorded in Cash Book.

 [Watch Video Solution](#)

20. On 31st March, 2019 , Pass Book of Shri Rajendra shows a debite of Rs. 10,000 . From the following , prepare Bank Reconciliation Statement :

(i) Cheques amounting to Rs. 8,000 drawn on 25th March , 2019 of which cheques of Rs. 5,000 were encashed on 2nd April, 2019

(ii) Cheques paid into the bank for collection Rs 5,000 cheques of Rs 2,200 could only be collected in March, 2019.

(iii) Bank charges Rs. 25 and dividend of Rs. 350 on ivestments collected by the bank could not be shown in the Cash Book.

(iv) A bill of Rs. 10,000 was retired by the bank under rebate of Rs. 150 but the full amount was credited in the bank column of Cash Book

 [Watch Video Solution](#)

21. Prepare Bank Reconciliation Statement from the details given below and ascertain the balance as per Gami's Cash Book as on 31st March, 2019

:

(i) Bank overdraft balance as per Pass Book was Rs. 12,000 whereas Cash Book showed credit balance of Rs. 30,760

(ii) Cheques to creditors amounting to Rs. 20,000 in the month of March, 2019 of which cheques worth Rs. 3,000 were presented to the bank up to 31st March, 2019

(iii) A cheque of Rs. 6,000 received from Raj was deposited in the Bank Account on 26th March, 2019 but no entry was passed in the Cash Book. The same was collected and credited to Gami's Account on 29th March, 2019

(iv) A cheque of Rs. 2,000 received from Baria on 20th March, 2019 was recorded in the discount column of the Cash Book and was not banked.

(v) A bank draft for Rs. 5,000 favouring Rajesh was taken and recorded in Cash Book. But, bank charges of Rs. 40 were not recorded.

(vi) The pass Book showed that the bank had collected Rs. 4,000 as interest on Government Securities. The bank had charged interest Rs. 500

and bank charges Rs. 200. These were not recorded in the Cash Book.

(vii) Gami had issued cheque of Rs. 7,5000 as his LIC premium. The cheque was dishonoured due to technical reasons. He paid cash of LIC against the dishonoured cheque. No entry was passed in the Cash Book for dishonour of cheque.



[Watch Video Solution](#)

22. Prepare Bank Reconciliation Statement as on 31st March, 2019 from the following transactions:

(i) Amrit's Overdraft as per Pass Book Rs. 12,000 as on 31st March, 2019.

(ii) On the 28th March, cheque had been issued for Rs. 70,000 out of which cheques of Rs. 3,000 only had been encashed up to 31st March, 2019

(iii) Cheques amounted to Rs 3,500 has been deposited into bank for collection but out of these only Rs. 500 had been credited in the Pass Book.

(iv) Bank has charged Rs. 500 as interest on overdraft and the intimation of which has been received on 2nd April, 2019

(v) Bank had collected Rs. 600 as interest on Amrit's investment

(vi) A chequ for Rs. 200 has been debited in Bank column of Cash Book by Amrit, but it was not sent to bank.

Credite of Rs. 15,000 was wrongly given by the baank on 20th March, 2019. which was reversed on 17th April, 2019



[Watch Video Solution](#)

23. From the following information provided by Gokul, prepare his Bank Reconciliation Statement as on 31st March 2019

- (i) Bank overdraft as per Pass Book
- (ii) cheques issue but not presented for payment for payment.
- (iii) Cheques deposited with the bank but not collected.
- (iv) cheques recorded in the Cash Book but not sent to the bank for coll.
- (v) Payment received from customers directly but the bank.
- (vi) Bank charges debited in the Pass Book.
- (vii) Premium on life policy of Gokul paid by the bank on standing advi
- (viii) A bill Rs. 3,000 (discounted with the bank for Rs. 2,850 in Februar
- (ix) Bank debited Caer loan instalment of rs. 15,700 including interest c



[Watch Video Solution](#)

24. On 31st March, 2019 the Pass Book of Madan shows a debit balance of Rs. 41,000, Prepare Bank Reconciliation Statement from the following particulars:

(i) A wrong debit of Rs. 15,600 were drawn on 27th March, 2019 .Out of which cheque for Rs. 11,000 were encashed up to 31st March, 2019

(ii) A wrong debit of Rs. 800 was has been given by the bank in the Pass Book.

(iii) A cheque for Rs. 200 was credited in the Pass Book but was not recorded in the Cash Book.

(iv) Cheques amounting to Rs. 21,000 were deposited for collection. But of these cheques for Rs. 7,400 have been credited in the Pass Book on 5th April, 2019

(v) A cheque for Rs. 1,000 was returned dishonoured by the bank and was debited in the Pass Book. only

(vi) A Bill Receivable for Rs. 500 discounted with the bank on 28th February, 2019 was dishonoured on 30th March, 2019. The Bank debited the account along with notary chargees of Rs. 500 .

(viii) Interest on overdraft to Rs. 100 were not entered in the Cash Book.

(viii) A cheque of Rs. 500 debited in the Cash Book was omitted to be banked.



[Watch Video Solution](#)

25. Following are the entries recorded in the bank column of the Cash Book of Vikas for the month ended 31st March, 2019

CASH BOOK (BANK COLUMN ONLY)					
Date	Particulars	₹	Date	Particulars	₹
2019			2019		
March 15	To Cash	36,000	March 1	By Balance <i>b/d</i>	40,000
March 21	To Roy	24,000	March 4	By John	2,000
March 22	To Kapoor	10,000	March 6	By Raj	-00
March 31	To Balance <i>c/d</i>	7,640	March 15	By Kailash	240
			March 20	By Joshi	35,000
		<u>77,640</u>			<u>77,640</u>

Vikas received his Bank Statement and identified following mismatches:

- (i) Cheques deposited but not credited by the bank Rs. 10,000
- (ii) Interest on securities collected by the bank but not recorded in the Cash Book Rs. 1,080,
- (iii) Credit transfer not recorded in the Cash Book Rs. 200
- (iv) Dividend collected by the bank directly but not recorded in the Cash Book Rs. 1,0000.
- (v) Cheques issued but not presented for payment Rs. 37,400
- (vi) Interest debited by the bank but not recorded in the Cash Book Rs.

1,000

(vii) Bank charges not in the Cash Book Rs 340

Prepare the Bank Reconciliation Statement .



[Watch Video Solution](#)

26. You are given the following particulars:

(i) Debit balance in the bank column as per the Cash Book on 31st March, 2019 was Rs. 50,000

(ii) Cheques and drafts deposited into the bank but not collected Rs. 5,000

(iii) Cheque of Rs. 10,000 was issued but not presented for payment.

(iv) Bank charges of Rs. 50 for expenses were not recorded in the Cash Book

(v) Interest of Rs. 5,000 wrongly debited by the bank and also recorded in the Cash Book was reversed by it on 31st March, 2019

Pass necessary entries in Cash Book and prepare Bank Reconciliation Statement on 31st March, 2019



[Watch Video Solution](#)

27. From the following particulars, ascertain the Bank balance as per bank Statement as on 31st March, 2019 (a) without adjusting the Cash Book balance and (b) after adjusting the Cash Book balance :

(i) Bank balance as per Cash Book on 31st March, Rs. 80,000

(ii) Cheques issued but not encashed up to 31st March, 2019 amounted to Rs. 20,000

(iii) Cheques paid into the bank but not cleared up to 31st March, 2019 amounted to Rs. 30,000

(iv) Interest on investments collected by the bank but not recorded in the Cash Book Rs. 1,000.

(v) Cheques deposited in the bank but not recorded in the Cash Book Rs. 25,000

(vi) Bank Charges debited in the Bank Statement but not recorded in Cash Book Rs. 200

(vii) A bill for Rs. 20,000 was discounted with the Bank and recorded in the Cash Book as Rs. 20,000. The proceeds credited by Bank to the account was Rs. 18,500



28. Jagdeep Singh' s Cash Book on 31st March, 2019 showed an overdraft balance of Rs. 12,100 in his Account No. 1 in the bank

On investigation it is found that:

(i) Cheque drawn amounting to Rs. 4,200 had not been presented to the bank for payment

(ii) Cheque for Rs. 3,600 entered in the Cash Book and paid into the bank had not been credited by the bank.

(iii) Receipts side of the Cash Book had been undercast by Rs. 1,000

(iv) Bank charges of Rs. 50 entered in the Bank Statement had not been entered in the Cash Book.

(v) A cheque for Rs. 5,200 drawn in the Account No. 1 had been charged by the bank erroneously to Account No. 2

(vi) Dividend of Rs. 300 paid directly to the bank had not been entered in the Cash Book

(vii) A cheque for Rs. 700 received from a debtor paid into the bank, dishonoured and shown as such by the bank out no entry of dishonour had been made in the Cash Book

(viii) A cheque for Rs. 420 drawn by another customer of the bank bearing the same name had been charged to Jagdeep Singh's BANK Account by error,

You are required to:

- (a) show the necessary adjustments to be made in the Cash Book, and
- (b) Prepare a Bank Reconciliation Statement for Account No.1 as on 31st March, 2019



[Watch Video Solution](#)

29. Cash Book of Rajive showed an overdraft of Rs. 30,000 on 30th September, 2018 with his bank. On investigation it is found that :

- (i) Receipts side of Cash Book was undercast by Rs. 20,000
- (ii) A cheque of Rs. 12,000 received from his customer and deposited into his bank was dishonored and passed in the Cash Book.
- (iii) Bank had debited Rs. 1,2800 as interest on overdraft up to 30th September, 2018 but no entry was passed in the Cash Book
- (iv) Cheque issued amounting to Rs. 14,000 had not been presented for payment to the Bank up to 30th September, 2018

(v) Cheques amounting to Rs. 10,000 entered on the Receipts for payment to the Bank up to 30th September, 2018

(vi) A cheque for Rs. 6,000 drawn by another customer of the Bank of similar name had been debited to the account of Rajive in error.

You are required to:

(1) Show the necessary adjustments to be made in the Cash Book by preparing Amended Cash Book, and balancing the same as on 30th September, 2018

(2) To prepare Bank Reconciliation Statement as on 30th September, 2018



[Watch Video Solution](#)

30. On 31st March, 2019 bank column of the Cash Book showed a debit balance of ₹1,490. Bank Statement of Pass Book showed credit balance ₹37,400. Entries in the Cash Book and Pass were compared and following differences were identified :

(i) Cheques of Syam ₹9,000 and of Mohan ₹15,000 were deposited in the bank but were not collected up to 31st March, 2019

(ii) Ramesh, a debtor, deposited a cheque of ₹8,000 directly into the

bank.

(iii) Bank had credited $\text{â,}^1 500$ as interest which was not recorded in Cash Bank.

(iv) Cheque for $\text{â,}^1 10,000$ issued to Radhey Shyam was not presented for payment.

(v) Bank debited the account by $\text{â,}^1 6,000$ being insurance premium paid as per standing instruction.

(vi) Bank debited the account by $\text{â,}^1 7,000$ being bank charges.

You are required to prepare Bank Reconciliation Statement as on 31st March, 2019 .



[Watch Video Solution](#)

31. From the following information, prepare Bank Reconciliation Statement on 31st March, 2019

(i) Cheques from Morarji $\text{â,}^1 2,500$, Dinkar $\text{â,}^1 3,000$ and Baliram $\text{â,}^1 2,400$ were deposited into account in March, 2019 but were credited by the bank in April, 2019

(ii) Cheques issued to M. Kher $\text{â,}^1 3,000$, Natverlal $\text{â,}^1 5,000$, Dayabhai $\text{â,}^1 3,000$

in March, 2019 and were presented for payment in April, 2019

(iii) A cheque for $\text{â,}^1 1,000$ which was received from a customer was entered in the bank column of the Cash Book in March, 2019 but it was deposited in April, 2019

(iv) Bank Statements shows a credit of $\text{â,}^1 2,500$ for interest and a debit of $\text{â,}^1 500$ for bank charges.

Balance as per Cash Book on 31st March ,2019 was $\text{â,}^1 1,80,000$ (Dr.) whereas the Bank Statement showed a credit balances of $\text{â,}^1 1,84,100$.



[Watch Video Solution](#)

32. From the following information, prepare Bank Reconciliation Statement on 31st March, 2019

(i) On 31st March , 2019 Cash Book showed a bank balance of $\text{â,}^1 12,000$ (Dr.)

(ii) Out of the total cheques $\text{â,}^1 10,000$ issued cheques aggregating $\text{â,}^1 3,000$. were presented in March , 2019 cheques aggregating $\text{â,}^1 4,000$ were presented in April, 2019 and the remaining have not been presented yet.

(iii) Out the total cheques amounting to $\text{â,}^1 5,000$ deposited, cheques

aggregating ₹ 1,500 were credited in March, 2019 and balance cheques were credited in April, 2019

(iv) Bank has debited ₹ 100 as bank charges and has credited ₹ 200 as interest.

(v) Bank had reversed bank charges of ₹ 200 wrongly debited earlier.

(vi) Bank paid insurance premium of ₹ 2,000 but it was recorded as ₹ 200 in the Cash Book

(vi) Receipts side of Cash Book was undercasted by ₹ 500.



[Watch Video Solution](#)

33. On comparing the Cash Book of Saksham with the Pass Book, following discrepancies were noted :

(i) Out of ₹ 41,000 paid in by cheques into the bank on 25th, March cheques amounting to ₹ 15,000 were collected on 5th April,

(ii) Out of cheques drawn amounting to ₹ 15,600 on 28th March a cheque for ₹ 5,000 was presented on 3rd April.

(iii) A cheque for ₹ 2,000 entered in Cash Book but omitted to be banked on 31st March.

- (iv) A cheque for ₹ 1,200 deposited into bank omitted to be recorded in Cash Book and was collected by the bank 29th March.
- (v) A bill receivable for ₹ 1,040 previously discounted (discount ₹ 40) with the bank had been dishonoured but advice was received on 3rd April.
- (vi) A cheque ₹ 20,000 was retired/paid by the bank under a rebate of ₹ 300 but the full amount of the bill was credited in the bank column of the Cash Book.
- (vii) A cheque of ₹ 5,000 wrongly credited in the Pass Book on 29th March was reversed on 2nd April.
- (viii) Bank had wrongly debited ₹ 10,000 in the account on 31st March and reversed it on 10th April. 2019
- (ix) A cheque of ₹ 400 drawn on the Saving Account has been shown as on Current Account in Cash Book.

Prepare a Bank Reconciliation Statement as on 31st March, 2019 if the Balance as per Cash Book on 31st March was ₹ 79,140



[Watch Video Solution](#)

34. On 31st March, 2019 Bank Statement of Dinesh showed credit balance of ₹ 15,650 whereas Cash Book showed debit balance of ₹ 15,200. The reasons for the differences were:

(i) Cheques issued to Roshan for ₹ 6,000 and to Daniel for ₹ 3,840 were not presented for payment

(ii) Bank charged ₹ 350 as bank charges.

(iii) Nitesh directly deposited ₹ 8,160 into the Bank Account of Dinesh which was not entered in the Cash Book. (iv) Two cheques one from Shyam for ₹ 5,150 and another from Kailash for ₹ 12,500 were collected by bank in the first week of April, 2019 although they were banked on 25th March, 2019

(v) Interest credited by bank ₹ 540

Prepare Bank Reconciliation Statement as on 31st March, 2019



[Watch Video Solution](#)

35. Prepare Bank Reconciliation Statement from the following particulars on 30th June, 2006 Bank statement showed a favourable balance of ₹ 9,214

- (i) On 29th, June, 2006 bank credited a sum of $\text{â,}^1 1,650$ in error.
- (ii) Certain cheques valued at $\text{â,}^1 4,500$ issued before 29th June, 2006 were not cleared.
- (iii) A hire purchase payment of $\text{â,}^1 950$ made by a standing order was not entered in the Cash Book.
- (iv) A cheque of $\text{â,}^1 600$ received, deposited and credited by bank, was accounted as a receipt in the cash Book
- (v) Other cheques for $\text{â,}^1 8,500$ were deposited in June but cheques for $\text{â,}^1 6,000$ only were cleared by the bankers.



[Watch Video Solution](#)

36. Prepare Bank Reconciliation statement of Shri Krishan as on 31st March, 2019 :

- (i) Balance as per Bank Pass Book as on the date is $\text{â,}^1 10,000$.
- (ii) Bank collected a cheque of $\text{â,}^1 500$ on behalf of Shri Krishan but wrongly credited it to Shri Krishan's Account (another customer)
- (iii) Bank recorded a cash deposit of $\text{â,}^1 2,598$.

- (iv) Withdrawal column of the Pass Book undercasted by $\text{â,}^1 100$
- (v) Credit balance of $\text{â,}^1 1,500$ as on Page 10 of the Pass Book was recorded on Page 11 as a debit balance.
- (vi) payment of a cheque of $\text{â,}^1 350$ was recorded twice in the Pass Book.
- (vii) Pass Book showed a credit of $\text{â,}^1 1,000$ deposited by Shri Kishan (another customer of the Bank)
- (viii) Dividend collected by bank $\text{â,}^1 125$



[Watch Video Solution](#)

37. On 31st March, 2019 Bank Pass Book of Radha showed a balance of $\text{â,}^1 15,000$ to her credit.

(ii) Before that date, she had issued cheques amounting to $\text{â,}^1 8,000$ out of which cheques amounting to $\text{â,}^1 3,200$ have so far been presented for payment.

(iii) A cheque of $\text{â,}^1 2,200$ deposited by her into the bank on 26th March, 2019 is not yet credited in the Pass Book.

(iv) She had also received a cheque of $\text{â,}^1 500$ which although recorded by her in the bank column of Cash Book, was omitted to be deposited in the

bank.

(v) On 30th March, 2019 a cheque of $\text{â,}^1 1,570$ received by her was paid into the bank but the same was omitted to be recorded in the Cash Book.

(vi) There was credit of $\text{â,}^1 150$ for interest on current account and a debit of $\text{â,}^1 25$ for bank charges.

(vii) Bank recorded cash deposit of $\text{â,}^1 25,489$ as $\text{â,}^1 25,498$. The error was rectified by the bank on 30th March, 2019

Draw up Bank Reconciliation Statement as on 31st March, 2019



[Watch Video Solution](#)

38. Following information is of Roshan who requires you to reconcile his

Cash Book with the Pass Book balance :

	<i>Rs</i>
Balance as per Cash Book (Cr.)	2,800
Unpresented cheques	3,440
Uncredited cheques	2,260

Additional Information :

(a) Debit side of the Cash (bank column) has been undercasted by $\text{â,}^1 500$

(b) A cheque of $\text{â,}^1 200$ Paid to creditor has been entered by mistake in

the Cash Column.

(c) Bank charges of ₹ 80 have not been entered in the Cash Book.

 [Watch Video Solution](#)

39. Prepare Bank Reconciliation Statement as on 31st March , 2019 from the following :

- (i) Overdraft Balance as per Cash Book as on 31st March, 2019.
- (ii) Overdraft Balance as per Bank Statement as on 31st March , 2019.
- (iii) Cheque deposited into bank no entry passed in the Cash Book.
- (iv) Cheque received and entered into the Cash Book but not sent to bank.
- (v) Credit side of the bank column casted short.
- (vi) Insurance premium paid directly by the bank under standing instructions.
- (vii) Bank charges entered in the Cash Book twice.
- (viii) Cheque 'received' returned by the bank but no entry passed.
- (ix) Cheque 'issued' returned on technical grounds.
- (x) Bill discounted dishonoured.
- (xi) Bills receivable directly collected by the bank.

 [Watch Video Solution](#)

40. From the following information determine the balance as per Bank Pass Book of Ajay on 31st March, 2019

(i) Bank overdraft as per Cash Book on 31st March $\text{â}^1 63,400$.

(ii) Interest on overdraft for 6 months ended 31st March, 2019, $\text{â}^1 1,600$ entered in the Pass Book.

(iii) Bank charges of $\text{â}^1 300$ for the above are debited in the Pass Book.

(iv) Cheques issued but not cleared before 31st March, 2019, amounted to $\text{â}^1 11,680$.

(v) cheques paid into the bank but not cleared before 31st March, 2019 were for $\text{â}^1 21,700$.

(vi) Interest investments collected by the bank and credited in the Pass Book $\text{â}^1 12,000$.

(vii) Credit side of the Bank Column of the Cash Book was undercasted by $\text{â}^1 1,100$.



Watch Video Solution

41. Prepare Bank Reconciliation Statement as on 30st June , 2018 for Jyoti

Sales Private Limited from the information given below :

- (i) Bank overdraft as per Cash Book on 30th June, 2018
- (ii) Cheques issued on 20th June, 2018 buy not yet presented.
- (iii) Cheques deposited but not yet credited by the bank.
- (iv) Bills for collection not advised by the bank but credited to the account.
- (v) Interest debited by the bank on 27th June, 2018 but no advice received.
- (vi) Subsidy received from the authorities by the bank on our behalf,
- (vii) Amount wrongly debited by the bank.
- (viii) Amount wrongly credited by the bank.



Watch Video Solution

42. Compare Ram's Cash Book with the Statement of his overdraft account for the month of April, 2019 find the following :

- (i) Cash Book showed and overdraft of $\text{â}^1 45,000$
- (ii) Payment side of the Cash Book had been undercaset by $\text{â}^1 1,500$
- (iii) A cheque for $\text{â}^1 7,500$ drawn on his Savings Account has been shown as drawn on his Current Account.
- (iv) Cheques amounting to $\text{â}^1 70,000$ drawn and entered in the Cash Book have not been presented.

(v) Cheque amounting to ₹ 60,000 sent to the bank for collection, which though entered in the Cash Book has not been credited by the bank.

(vi) Bank charges of ₹ 750 as per Bank Statement have not been recorded in the Cash Book. These bank charges were reversed by the bank on 10th April, 2019.

(vii) Dividends amounting to ₹ 35,000 have been directly by the bank and not entered in the Cash Book.

(viii) Cheque of ₹ 10,000 dated 10th May, 2019 issued to Joshi & Co. was dishonoured by the bank being post dated. It was also not recorded in the books of account yet.

You are required to prepare Bank Reconciliation Statement on 30th April,



[Watch Video Solution](#)

43. On 31st December, 2019 Bank Pass Book of Teneja & Co. showed overdraft of ₹ 7,700. On the basis of the following particulars a Bank Reconciliation Statement.

(i) Cheques issued before 31st December, 2019 but not yet presented for payment amounted to ₹ 3,500 .

(ii) Cheques paid into the Bank but a cheque amounting to $\text{â}^1 2,600$ has not been collected yet.

(iii) Interest on Loan amounting to $\text{â}^1 544$, directly by the Bank did not appear in the Cash Book.

(vi) $\text{â}^1 4,800$ directly deposited by the customer entered in the Pass Book but not in the Cash Book



[Watch Video Solution](#)

44. From the following particulars, prepare Bank Reconciliation Statement as on 31st March, 2019

(i) Balance as per Pass Book on 31st March, 2019 overdraft Rs. 80,000.

(ii) Cheques drawn on 25th March, 2019 but not presented for payment till April, 2019 Rs. 15,000 , Rs. 5,000 and Rs. 8,000.

(iii) Interest on bank overdraft not entered in the Cash Book Rs. 2,000.

(iv) Outstation cheque Rs. 30,000 deposited into bank but collected in April, 2019.

(v) Rs. 10,000 Insurance premium paid by the bank as per the trader's standing instructions has not been entered in the Cash Book.

(vi) Chamber of Commerce fee Rs. 3,000 paid by the for traders but not recorded in the Cash Book.

(vii) Collection charges of Rs. 1,000 charfed by the bank but noe entered in the Cash Bank.

(viii) Bill discounted dishonoured but not recorded in the Cash Book Rs. 5,000.



[Watch Video Solution](#)

45. On 31st January, 2019, the Pass Book of Rajender shows a debit balance of Rs. 41,000. Prepare Bank Reconciliation Statement from the following particulars:

(i) Cheques amounting to Rs. 15,600 were drawn on 27th January, 2019.

Out of which cheques for Rs. 11,000 were encashed up to 31st January, 2019

(ii) A wrong denit Rs. 800 has been given by the bank in the Pass Book

(iii) A cheque for Rs. 200 was credited in the Pass Book but was not recorded in the Cash Book.

(iv) Cheques amounting to Rs. 21,000 were deposited for collection. But

out of these, cheques for Rs. 7,400 have been redited in the Pass Book on 5th February, 2019.

(v) A cheque for Rs. 1,000 was returned dishonoured by the bank and was debited in the Pass Book only.

(vi) Interest on overdraft and bank charges amounted to Rs. 100 were not entered in the Cash Book.

(viii) A cheque of Rs. 500 debited in the Cash Book was omitted to be banked.



[Watch Video Solution](#)

46. Following information has been given by Rajendera. Prepare a Bank Reconciliation Statement as on 31st March, 2019 showing balance as per the Cash Book.

(i) Debit balance shown by Bank Statement Rs. 17,800.

(ii) Cheques of Rs. 21,00 were issued in the last week of March but only cheques of Rs. 14,800 were presented for payment.

(iii) Cheques of Rs. 10,750 were presented to the bank. Out of them a cheque of Rs. 4,200 was credited in the first week of April, 2019

(iv) A cheque of Rs. 1,200 was debited in the Cash Book but was not presented in the bank.

(v) Insurance premium paid by the bank Rs. 1,450 as per standing instruction.

(vi) A Bill of Exchange of Rs. 6,200 which discounted with the bank was returned dishonoured but no entry was made in the Cash Book Itb rgt (vii)

A draft for Rs. 5,000 favouring Basu Brothers was issued by the bank levying bank charges of Rs 100 . In the books, entry for Rs. 5,000 was recorded.

(viii) Rs. 400 for bank charges were recorded twice in Cash Book and Bank charges of Rs. 350 were not recorded in Cash Book.



[Watch Video Solution](#)

47. On 31st March, 2019 , Pass Book of Shri Rajendra shows a debite of Rs. 10,000 . From the following , prepare Bank Reconciliation Statement :

(i) Cheques amounting to Rs. 8,000 drawn on 25th March , 2019 of which cheques of Rs. 5,000 were encashed on 2nd April, 2019

(ii) Cheques paid into the bank for collection Rs 5,000 cheques of Rs 2,200

could only be collected in March, 2019.

(iii) Bank charges Rs. 25 and dividend of Rs. 350 on investments collected by the bank could not be shown in the Cash Book.

(iv) A bill of Rs. 10,000 was retired by the bank under rebate of Rs. 150 but the full amount was credited in the bank column of Cash Book



[Watch Video Solution](#)

48. Prepare Bank Reconciliation Statement from the details given below and ascertain the balance as per Gami's Cash Book as on 31st March, 2019 :

(i) Bank overdraft balance as per Pass Book was Rs. 12,000 whereas Cash Book showed credit balance of Rs. 30,760

(ii) Cheques to creditors amounting to Rs. 20,000 in the month of March, 2019 of which cheques worth Rs. 3,000 were presented to the bank up to 31st March, 2019

(iii) A cheque of Rs. 6,000 received from Raj was deposited in the Bank Account on 26th March, 2019 but no entry was passed in the Cash Book. The same was collected and credited to Gami's Account on 29th March ,

2019

(vi) A cheque of Rs. 2,000 received from Baria on 20th March, 2019 was recorded in the discount column of the Cash Book and was not banked.

(v) A bank draft for Rs. 5,000 favouring Rajesh was taken and recorded in Cash Book. But, bank charges of Rs. 40 were not recorded.

(vi) The pass Book showed that the bank had collected Rs. 4,000 as interest on Government Securities. The bank had charged interest Rs. 500 and bank charges Rs. 200. These were not recorded in the Cash Book.

(vii) Gami had issued cheque of Rs. 7,500 as his LIC premium. The cheque was dishonoured due to technical reasons. He paid cash of LIC against the dishonoured cheque. No entry was passed in the Cash Book for dishonour of cheque.



[Watch Video Solution](#)

49. Prepare Bank Reconciliation Statement as on 31st March, 2019 from the following transactions:

(i) Amrit's Overdraft as per Pass Book Rs. 12,000 as on 31st March, 2019.

(ii) On the 28th March, cheque had been issued for Rs. 70,000 out of

which cheques of Rs. 3,000 only had been encashed up to 31st March, 2019

(iii) Cheques amounted to Rs 3,500 has been deposited into bank for collection but out of these only Rs. 500 had been credited in the Pass Book.

(iv) Bank has charged Rs. 500 as interest on overdraft and the intimation of which has been received on 2nd April, 2019

(v) Bank had collected Rs. 600 as interest on Amrit's investment

(vi) A chequ for Rs. 200 has been debited in Bank column of Cash Book by Amrit, but it was not sent to bank.

Credite of Rs. 15,000 was wrongly given by the baank on 20th March, 2019. which was reversed on 17th April, 2019



[Watch Video Solution](#)

50. From the following information provided by Gokul, prepare his Bank Reconciliation Statement as on 31st March 2019

- (i) Bank overdraft as per Pass Book
- (ii) cheques issue but not presented for payment for payment.
- (iii) Cheques deposited with the bank but not collected.
- (iv) cheques recorded in the Cash Book but not sent to the bank for collection.
- (v) Payment received from customers directly but the bank.
- (vi) Bank charges debited in the Pass Book.
- (vii) Premium on life policy of Gokul paid by the bank on standing advice.
- (viii) A bill Rs. 3,000 (discounted with the bank for Rs. 2,850 in February).
- (ix) Bank debited Caer loan instalment of rs. 15,700 including interest.



[Watch Video Solution](#)

51. On 31st March, 2019 the Pass Book of Madan shows a debit balance of Rs. 41,000, Prepare Bank Reconciliation Statement from the following particulars:

- (i) A wrong debit of Rs. 15,600 were drawn onn 27th March, 2019 .Out of which cheque for Rs. 11,000 were encashed up to 31st March, 2019
- (ii) A wrong debit of Rs. 800 was has been given by the bank in the Pass Book.
- (iii) A cheque for Rs. 200 was credited in the Pass Book but was not recorded in the Cash Book.
- (iv) Cheques amounting to Rs. 21,000 were deposited for collection. But of

these cheques for Rs. 7,400 have been credited in the Pass Book on 5th April, 2019

(v) A cheque for Rs. 1,000 was returned dishonoured by the bank and was debited in the Pass Book. only

(vi) A Bill Receivable for Rs. 500 discounted with the bank on 28th February, 2019 was dishonoured on 30th March, 2019. The Bank debited the account along with notary charges of Rs. 500 .

(viii) Interest on overdraft to Rs. 100 were not entered in the Cash Book.

(viii) A cheque of Rs. 500 detbited in the Cash Book was omitted to be banked.



[Watch Video Solution](#)

52. Following are the entries recorded in the bank column of the Cash Book of Vikas for the month ended ended 31st March,2019

Dr. CASH BOOK (BANK COLUMN ONLY) Cr.					
Date	Particulars	₹	Date	Particulars	₹
2019			2019		
March 15	To Cash	36,000	March 1	By Balance <i>b/d</i>	40,000
March 21	To Roy	24,000	March 4	By John	2,000
March 22	To Kapoor	10,000	March 6	By Raj	500
March 31	To Balance <i>c/d</i>	7,640	March 15	By Kailash	240
			March 20	By Joshi	35,000
		<u>77,640</u>			<u>77,640</u>

Vikas received his Bank Statement and identified following mismatches:

- (i) Cheques deposited but not credited by the bank Rs. 10,000
- (ii) Interest on securities collected by the bank but not recorded in the Cash Book Rs. 1,080,
- (iii) Credit transfer not recorded in the Cash Book Rs. 200
- (iv) Dividend collected by the bank directly but not recorded in the Cash Book Rs. 1,0000.
- (v) Cheques issued but not presented for payment Rs. 37,400
- (vi) Interest debited by the bank but not recorded in the Cash Book Rs. 1,000
- (vii) Bank charges not in the Cash Book Rs 340

Prepare the Bank Reconciliation Statement .



[Watch Video Solution](#)

53. You are given the following particulars:

- (i) Debit balance in the bank column as per the Cash Book on 31st March, 2019 was Rs. 50,000
- (ii) Cheques and drafts deposited into the bank but not collected Rs. 5,000

(iii) Cheque of Rs. 10,000 was issue but not presenete dor payment.

(iv) Bank charges of Rs. 50 for expenses were not recorded in the Cash Book

(v) Intreste of Rs. 5,000 wrongly debitd by the bank and also recorded in the Cash Book was reversed by it on 31st March, 2019

Pass necessary entries in Cash Book and prepare Bank Reconciliation Statement on 31st March, 2019



[Watch Video Solution](#)

54. From the following particulars, ascertain the Bank balance as per bank Statement as on 31st March, 2019 (a) without adjusting the Cash Book balance and (b) after adjusting the Cash Book balance :

(i) Bank balance ae per Cash Book on 31st March, Rs. 80,000

(ii) Cheques issued but not encahsed up ot 31st March, 2019 amounted to Rs. 20,000

(iii) Cheques piad into the bank but not cleared up to 31st March, 2019 amounted to Rs. 30,000

(iv) Intrest on investments collected by the bank but not recorded in the

Cash Book Rs. 1,000.

(v) Cheques deposited in the bank but not recorded in the Cash Book Rs. 25,000

(vi) Bank Charges debited in the Bank Statement but not recorded in Cash Book Rs. 200

(vii) A bill for Rs. 20,000 was discounted with the Bank and recorded in the Cash Book as Rs. 20,000. The proceeds credited by Bank to the account was Rs. 18,500



[Watch Video Solution](#)

55. Jagdeep Singh' s Cash Book on 31st March, 2019 showed an overdraft balance of Rs. 12,100 in his Account No. 1 in the bank

On investigation it is found that:

(i) Cheque drawn amounting to Rs. 4,200 had not been presented to the bank for payment

(ii) Cheque for Rs. 3,600 entered in the Cash Book and paid into the bank had not been credited by the bank.

(iii) Receipts side of the Cah Book had been un dercast by Rs. 1,000

(iv) Bank charges of Rs. 50 entered in the Bank Statement had not been entered in the Cash Book.

(v) A cheque for Rs. 5,200 drawn in the Account No. 1 had been charged by the bank erroneously to Account No. 2

(vi) Dividend of Rs. 300 paid directly to the bank had not been entered in the Cash Book

(vii) A cheque for Rs. 700 received from a debtor paid into the bank, dishonoured and shown as such by the bank out no entry of dishonour had been made in the Cash Book

(viii) A cheque for Rs. 420 drawn by another customer of the bank bearing the same name had been charged to Jagdeep Singh's BANK Account by error,

You are required to:

(a) show the necessary adjustments to be made in the Cash Book, and

(b) Prepare a Bank Reconciliation Statement for Account No.1 as on 31st March, 2019



[Watch Video Solution](#)

56. Cash Book of Rajive showed an overdraft of Rs. 30,000 on 30th September, 2018 with his bank. On investigation it is found that :

- (i) Receipts side of Cash Book was undercast by Rs. 20,000
- (ii) A cheque of Rs. 12,000 received from his customer and deposited into his bank was dishonor was passed in the Cash Book.
- (iii) Bank had debited Rs. 1,2800 as intrest on overdraft up to 30th September, 2018 but no entyry was passed in the Cash Book
- (iv) Cheque issued amounting to Rs. 14,000 had not been presented for payment to the Bank up to 30th September, 2018
- (v) Cheques amounting to Rs. 10,000 entered on the Receipted for payment to the BAnk up to 30th September, 2018
- (vi) A cheques for Rs. 6,000 drawn by another customer of the BAnk of similar name had been debite to the account of Rajive in error.

You are required to:

- (1) Show the necessar adjustments to be made in the Cash Book by preparing Amended Cash Book, and balancing the same of 30th September , 2018
- (2) To prepare BAnk Reconciliation Statement as on 30th September, 2018





[Watch Video Solution](#)

Higher Order Thinking Skills Hots Questions

1. What is the significance of debit and credit balances of Cash Book?



[View Text Solution](#)

2. In the Cash Book of a firm, Bank Account showed a credit balance of Rs. 5,000. There were unpresented cheques amounting to Rs. 1,500. The Statement showed bank Statement ?



[View Text Solution](#)

3. The balance at bank in Z's Cash Book on 30th April, 2019 is Rs. 12,460 debit. However, cheque for Rs. 14,470 received from X and cheque of Rs. 1,740 paid to Z's partner in the Cash Book, but not in the Bank Statement.

Bank charges of Rs, 4,500 have not been entered in the Cash Book. What is the balance shown in the Bank Statement on 30th April, 2019?

 [View Text Solution](#)

4. Cash Book balance was Rs. 1,790 (Dr.) when compared with the Bank Statement, unpresented cheques were Rs. 1,040 and deposits but not credited were Rs. 820. What was the balance in the Bank Statement ?

 [View Text Solution](#)

5. The bank has given a wrong credit of Rs. 10,000 . The accountant of the firm recorded it in the books of account by crediting the amount to 'Miscellaneous Income'. Give your opinion with reason is he correct is doing go ?

 [View Text Solution](#)

6. Vikas's Cash Book showed an overdrawn Cash Book balance of Rs. 20,200 on 31st March, 2019. He received a bank statement showing an overdrawn balance of Rs. 20,310 on 31st March, 2019. The reason for the difference is that bank charged Rs. 310 and allowed interest Rs. 200 has not been recorded in the Cash Book. What entries should Vikas pass to update his Cash Book?



[View Text Solution](#)

Multiple Choice Questions Mcqs

1. Bank Reconciliation Statement is prepared so that the difference between the undermentioned balances can be reconciled :

- A. Difference in the balance in the bank and the cash balance.
- B. Difference in the balance in the Pass Book in the beginning and at the end
- C. Difference in the Pass Book and Cash Book balances.

D. None of the above

Answer: C



[View Text Solution](#)

2. Pass Book of the account holder is a copy of

A. the bank columns in the Cash Book of the account holder.

B. the relevant account in the books of a bank

C. the cash columns in the Cash Book of a customer

D. None of the above

Answer: B



[View Text Solution](#)

3. Bank Reconciliation Statement is prepared.

- A. to know payments made through cheques.
- B. to know he errors in the Pass Book
- C. to compare the Cash Book with Pass Book and ascertain the differences
- D. None of the above

Answer: C



[View Text Solution](#)

4. Bank Reconciliation Statement is

- A. a part of Double Entry System.
- B. not a part of Double Entry System.
- C. part of Bank Statement
- D. None of these

Answer: B



[View Text Solution](#)

5. Balance shown in the Balance Sheet is of

- A. Cash Book.
- B. Pass Book.
- C. Adjusted Cash Book
- D. None of these

Answer: C



[View Text Solution](#)

6. Debit balance in the Cash Book is equivalent to

- A. Overdraft as per Pass Book
- B. Credit balance as per Pass Book.
- C. Overdraft as per Cash Book

D. None of these

Answer: B



[View Text Solution](#)

7. Bank Reconciliation Statement is prepared by matching

- A. entries in Pass Book with entries in bank columns of Cash Book.
- B. entries in Pass Book with entries in bank columns Cash Book.
- C. entries in Pass Book with entries in bank columns and cash columns of Cash Book.
- D. None of the above

Answer: A



[View Text Solution](#)

8. Bank Reconciliation Statement is prepared by

- A. Creditors.
- B. Debtors.
- C. Bank
- D. Account holder

Answer: D



[View Text Solution](#)

9. Which of the following not require adjustment in the Cash Book balance ?

- A. Cheque issued but not presented for payment
- B. Cheque deposited but not cleared.
- C. Cheque wrongly credited by bank
- D. All of the above

Answer: C



[View Text Solution](#)

10. Bank Reconciliation Statement is prepared

- A. at the end of each week
- B. at the end of each month
- C. at the end of the accounting year.
- D. whenever a bank statement is received

Answer: D



[View Text Solution](#)

11. A business receives its bank statement showing the closing balance as Rs. 8,500 overdrawn. It is found that there were unpresented cheques

amounting to Rs. 2,000 and uncredited deposits amounted to Rs. 1,500.

Overdraft as per Cash Book is

A. Rs. 5,000

B. Rs. 8,000

C. Rs. 9,000

D. Rs. 12,000

Answer: C



[View Text Solution](#)

12. Mohan's bank reconciliation statement shows cheque deposited but not credited by bank of ₹ 3,800 and cheques issued but not presented by suppliers of ₹ 3,500. His bank balance as per Cash Book is ₹25,000.

Balance as per pass book statement is

A. ₹ 25,000

B. ₹ 24,700

C. ₹ 25,300

D. ₹ 32,300

Answer: B



[View Text Solution](#)

13. If balance in the bank statement shows ₹ 3,000 (Dr.) and there are deposits of ₹ 800 not yet credited and unpresented cheques totalling ₹ 500, the balance in the Cash Book should be

A. ₹ 3,300 (Cr.)

B. ₹ 2,700 (Cr.)

C. ₹ 4,300 (Cr.)

D. ₹1,700 (Dr.)

Answer: B



[View Text Solution](#)

14. Current account shows ₹ 1,000 as overdrawn . When bank statement is received, it was identified that one of debtors has deposited ₹ 400 into the account and bank charges of ₹ 20 had been debited to the account.

Bank statement balance is

A. ₹ 1,420 (Dr.)

B. ₹ 620 (Dr.)

C. ₹ 4,300 (Cr.)

D. ₹ 1,700 (Dr.)

Answer: B



[View Text Solution](#)

15. Cash book balances was ₹ 1,790 (Dr.) . When compared with the bank statement, it was identified that unpresented cheques were ₹ 1,040 and deposits not credited were ₹ 820. Balance of the bank statement will

A. ₹ 70 (Dr.)

B. ₹ 1,570 (Cr.)

C. ₹ 2,010 (Cr.)

D. ₹ 3,650 (Cr.)

Answer: C



[View Text Solution](#)

16. Following details are related to a firm's banking transactions at 31st March, 2019. Balance as per bank statement ₹ 22,650 , uncleared lodgements ₹ 3,110 , unpresented cheques ₹ 6,290. Bank credit recorded twice by bank in error as ₹ 650.

Which balance for cash at bank should appear in the Balance Sheet as at 31st March, 2019 ?

A. ₹ 18,820.

B. ₹ 20,120

C. ₹ 25,180

D. ₹ 26,480

Answer: A

 [View Text Solution](#)

Very Short Answer Type Questions

1. What is Bank Reconciliation Statement ?

 [View Text Solution](#)

2. Why is Bank Reconciliation Statement prepared ?

 [View Text Solution](#)

3. State any two reasons of difference between Cash Book and Bank Pass Book balances.

 [View Text Solution](#)

4. What does 'Debit' balance as per the Cash Book mean ?

 [View Text Solution](#)

5. What does 'Credit' balance as per the Cash Book mean ?

 [View Text Solution](#)

6. What does Debit balance as per the Bank Pass Book mean?

 [View Text Solution](#)

7. What does Credit balances as per the Bank Pass Book mean?



[View Text Solution](#)

8. When you proceed to reconcile the Bank Account starting with Debit Cash Book balance, how is the following dealt with and why?

(i) Cheques issued but not with any why?

(ii) Cheques deposited but not yet credited.

(iii) Bank charges charged by the bank not recorded in the Cash Book.

(iv) Interest allowed by the bank not recorded in the Cash Book.



[View Text Solution](#)

9. When you proceed to reconcile the Bank Account starting with Credit Cash Book balance how will you deal with the transactions given in Q.8?



[View Text Solution](#)

10. In Bank Reconciliation Statement a part of Double Entry System?



[View Text Solution](#)

11. Is it correct than Bank Reconciliation Statement is prepared once i.e., at the end of year ?



[View Text Solution](#)

12. How will direct payment by a customer affect the Pass Book balance ?



[View Text Solution](#)

13. State two transactions which may be recorded in Cash Book but not in Pass Book.



[View Text Solution](#)

14. State two transactions which may be recorded in Pass Book But not in Cash Book

 [View Text Solution](#)

15. State two errors committed in Cash Book which are considered while preparing Bank Reconciliation Statement

 [View Text Solution](#)

Short Answer Type Questions

1. What is Bank Reconciliation Statement ? Explain briefly any four points regarding need and importance of preparing a Bank Reconciliation Statement

 [View Text Solution](#)

2. What is a Bank Reconciliation Statement? Explain the purpose of preparing such a statement



[View Text Solution](#)

3. On 31st March, 2019 Bank Account in the books of Ramesh shows a credit balance of Rs. 36,000. On the same date, outstanding cheques amounted to Rs. 14,000 and outstanding deposits amounted to Rs. 20,000. A cheque for Rs. 5,000 received from a debtor, was subsequently dishonoured. The receipt had been correctly recorded but no entry has yet been made in the books for the dishonour. On the basis of the above information, determine the balance as per the Bank Statement.



[View Text Solution](#)

4. On 31st March, 2019, the balance as per the Bank Statement was Rs. 10,000 debit. On the same date, outstanding cheques amounted to Rs. 30,000 and outstanding deposits amounted to Rs. 50,000. Also there

was a dishonoured cheque from a customer of Rs. 5,000 recorded in the Bank Statement but not in the Cash Book. On the basis of the above information, determine the balance as per the Cash Book



[Watch Video Solution](#)

Practical Problems

1. Prepare Bank Reconciliation Statement from the following

	<i>Rs.</i>
(i) Debit balance as per the Cash Book	15,000
(ii) Cheques desposited but not cleared	1,000
(iii) Cheques issued but not presented.	1,500
(iv) Bank interest	200



[Watch Video Solution](#)

2. Ramessh has his account at Punjab National Bank, Delhi. According to his Cash Book, his bank balance ofn 31st March, 2019 was Rs. 72,950. He sent cheques for Rs. 90,075 to his bank for collection but cheques

amounted to Rs. 43,769 were not collected by that date. Out of the cheques issued by him in payment of his date, cheques for Rs. 29,344 were not presented for payment. Prepare Bank Reconciliation Statement

 [Watch Video Solution](#)

3. On 31st March, 2019 Cash Book of Mahesh showed debit bank balance of Rs. 75,000. When compared with the Bank Statement, following facts were discovered. On 30th March, two cheques of Rs. 5,000 and Rs. 7,000 were deposited in the bank but were not realised till date. On 28th March, three cheques of Rs. 6,000, Rs. 8,000 and Rs. 12,000 were issued but none of these were presented to the bank for payment. On 31st March, bank credited Rs. 1,250 as interest charges but this was not recorded in the Cash Book. Similarly, the bank had charged Rs. 150 as bank charges but this was not recorded in the Cash Book.

Bank paid insurance premium of Rs. 5,000 but it was recorded as Rs. 500 in Cash Book

Prepare Bank Reconciliation Statement on 31st March 2019

 [Watch Video Solution](#)

4. On 30th June, 2019 bank column of the Cash Book Showed balance of Rs. 12,000 but the Pass Book showed a different balance due to the following reasons:

(i) cheques paid into the bank Rs. 8,000 but out of these only cheques of Rs. 6,500 credited by bankers.

(ii) The receipts column of the Cash Book undercast by Rs. 200

(iii) On 29th June, a customer deposited Rs. 3,000 directly in the Bank Account but it was entered in the Pass Book only.

(iv) Cheques of Rs. 9,200 were issued of which Rs. 2,200 were presented for payment on 15th July,

(v) Pass Book shows a credit of Rs. 330 as interest and a debit of Rs. 60 bank charges.

Prepare Bank Reconciliation Statement as on 30th June, 2019



[Watch Video Solution](#)

5. Cash Book shows a balance of Rs. 12,500. On comparing the Cash Book with the Pass Book, following discrepancies were noted:

- (i) Cheques issued but not yet presented for payment.
- (ii) Cheques deposited in the bank but not collected.
- (iii) Bank paid insurance premium.
- (iv) Bank charges.
- (v) Directly deposited by customer.
- (vi) Cash discount allowed of Rs. 200 was recorded on the debit side of the



[Watch Video Solution](#)

6. From the following particulars, prepare Bank Reconciliation Statement as on 31st December, 2008

- (i) Debit balance as per Cash Book Rs. 10,000
- (ii) A cheque for Rs. 500 issued in favour of Karan has not been presented for payment.
- (iii) A bill for Rs. 700 retired by bank under a rebate of Rs. 20, the full amount of the bill was credited in the Cash Book.
- (iv) A cheque for the Rs. 295 deposited in the bank has been dishonoured.
- (v) A sum of Rs. 800 deposited in the bank has been credited as Rs. 80 in the

Pass Book

(vi) Payment side of the Cash Book has been undercast by Rs. 200

(vii) A bill receivable for Rs. 1,000 (discounted with the bank in November 2008) dishonoured on 31st December, 2018



[Watch Video Solution](#)

7. On examining the Bank Statement of Green Ltd., it is found that the balance shown on 31st March, 2019 differs from the bank balance of Rs. 23,650 shown by the Cash Book on that date, From a detailed comparison of the entries it is found that:

(i) Rs. 2,860 is entered in the Cash Book as paid into the bank on 31st March, 2019 but not credited by the bank until the following day.

(ii) Bank charges of Rs.70 on 31st March, 2019 are not entered in the Cash Book

(iii) A bill for Rs. 5,500 discounted with the bank is entered in the Cash Book without recording the discount charges of Rs. 270

(iv) Cheques totalling Rs. 16,720 were issued by the company and duly recorded in the Cash Book before 31st March, 2019 but had not been

presented at the Bank for payment until after that date

(v) On 25th March, 2019 a debtor paid Rs. 1,000 into the Company's Bank as settlement of his account but no entry was made in the Cash Book of the company in respect of this.

(vi) No entry has been made in the Cash Book to record the dishonour on 15th March, 2019 of cheque for Rs. 550 received from Ram, Babu

Prepare a Bank Reconciliation Statement as on 31st March, 2019



[Watch Video Solution](#)

8. Prepare a Bank Reconciliation Statement as on 31st March, from the following

(i) On 31st March, 2019 Cash Book of firm showed bank balance of Rs. 31,000 (Dr.)

(ii) Cheques had been issued for Rs. 30,000 out of which cheques of Rs. 24,000 were presented for payment

(iii) Cheques of Rs. 8,400 were deposited in the bank on 28th March, 2019 but had not been credited by the bank. Also a cheque of Rs. 3,000 entered in the Cash Book on 30th March, 2019 was banked on 3rd April.

- (iv) A cheque from Suresh for Rs. 2,400 was deposited by the bank on 26th March, 2019 was dishonoured, advice was received on 2nd April
- (v) Pass Book showed bank charges of Rs. 120 debited by the bank
- (vi) One of the Debtors deposited Rs. 3,000 in the bank account of the firm on 26th March, 2019 but the intimation in this respect was received from the bank on 2nd April



[Watch Video Solution](#)

9. Prepare Bank Reconciliation Statement from the following particulars on 31st July, 2018 :

- (i) Balance as per the Pass Book Rs. 50,000
- (ii) Three cheques for the Rs. 6,000 Rs. 3,937 and Rs. 1,525 issued in last week of July, 2018 were presented for payment to the bank in August, 2018
- (iii) Two cheques of Rs.500 Rs. 650 sent to the bank for collection were not entered in the Pass Book by 31st July, 2018
- (iv) The bank charged Rs. 460 for its commission and allowed interest of Rs. which were not mentioned in the Bank Column of the Cash Book.



[Watch Video Solution](#)

10. Draw Bank Reconciliation Statement showing adjustment between your Cash Book and Pass Book as on 31st March, 2011:

(i) On 31st March, 2011 your pass book showed a balance of Rs. 6,000 to your credit

(ii) Before that date, you had issued cheques amounting to Rs. 1,500 of which cheques of Rs. 900 have been presented for payment

(iii) A cheque of Rs. 800 Paid by out into the bank on 29th March, 2011 is not yet credited in pass book

(iv) There was credit of Rs. 85 for interest on Current Account in the pass book

On 31st March, 2011 a cheque for Rs. 510 received by you and was paid into bank but the same was omitted to be entered in cash book



Watch Video Solution

11. Prepare Bank Reconciliation Statement as on 30th September, 2016 from the following particulars :

- (i) Bank Balance as per Pass Book.
- (i) Cheque deposited into bank but no entry was passed in Cash Book.
- (iii) Cheque received and entered in Cash Book but not sent to bank.
- (iv) Insurance premium paid directly by the bank.
- (v) Bank charges entered twice in the Cash Book.
- (vi) Cheque received entered twice in Cash Book.
- (vii) Bill discounted dishonoured not recorded in the cash book.



[Watch Video Solution](#)

12. Bank Statement of a customer shows bank balance of Rs. 62,000 on 31st March, 2019. On comparing it with the Cash Book the following discrepancy were noted

- (i) Cheques were paid into the bank in March but were credited in April: P-Rs. 3,500, Q-Rs. 2,500, R-Rs. 2,000.
- (ii) Cheques issued in March were presented in April, X-Rs. 4,000, Q-Rs. 4,500
- (iii) Cheque for Rs. 1,000 received from customer entered in the Cash Book but was not banked.
- (iv) Pass Book shows a debit of Rs. 1,000 for bank charges and credit of Rs. 2,000 as interest

(v) Intreste on investment Rs. 2,500 collected by the bank appeared in the Pass Book.

Prepare Bank Reconciliation Statement showing the balance as per Cash Book on 31st March, 2019.



[Watch Video Solution](#)

13. Prepare Bank Reconciliation Statement as on 31st March 2019 from the following particulars:

- (i) Bank balance as per Pass Book.
- (ii) Cheque deposited into the Bank ,but no entry was passed in Cash
- (iii) Cheque received and entered in Cash Book but not sent to bank.
- (iv) Credit side of the Cash Book bank column cas short.
- (v) Insurance premium paid directly by the bank under the standing a
- (vi) Bank charges entered twice in the Cash Book.
- (vii) Cheque issued but not presented to the bank payment.
- (viii) Cheque received entered twice in the Cash Book.
- (ix) Bill disounted dishonoured not recorded in the Cash Book.
- (x) Bank wrongly allowed interest of Rs,500, which was reversed by it



[Watch Video Solution](#)

14. On 1st January, 2019 Naresh had an overdraft of Rs. 40,000 as shown by his Cash Book in the Book column. Cheques amounting to Rs. 10,000 had been deposited by him but were not collected to the bank by 1st January, 2019. He issued cheques of Rs. 7,000 which were not presented to the bank for payment up to that day. There was also a debit in his Pass Book of Rs. 600 for interest and Rs. 500 for bank charges

Prepare a Bank Reconciliation Statement



[Watch Video Solution](#)

15. Tiwari & Sons find that the bank balance shown by their Cash Book on 31st March, 2019 is Rs. 40,500 (credit) but the Pass Book shows a difference due to the following reasons:

- (i) A cheque for Rs. 5,000 drawn in favour of Manohar has not yet been presented for payment.
- (ii) A post-dated cheque for Rs. 900 has been debited in the bank column of the Cash Book but it could not have been presented in any case.
- (iii) Cheques totalling Rs. 10,200 deposited with the bank not yet been

collected and a cheque for Rs. 4,000 has been dishonoured.

(iv) A bill for Rs. 10,000 was retired by the Bank under a rebate of Rs. 150 but the full amount of the bill was credited in the bank column as per Pass Book.



[Watch Video Solution](#)

16. On 31st March, 2019, Cash Book of a merchant showed bank overdraft of Rs. 1,72,985. On comparing the Cash Book with Bank Statement, following discrepancies were noted.

(i) Cheques issued for Rs. 60,000 were not presented in the bank till 7th April 2019

(ii) Cheques amounting to Rs.75,000 were not presented in the bank but were not collected

(iii) A cheque of Rs. 15,000 received from Mahesh Chand and deposited in the bank was dishonoured but the non-payment advice was not received from the bank till 1st April, 2019.

(iv) Rs. 1,50,000 being the proceeds of a bill receivable collected appeared in the Pass Book but not in the Cash Book ,

(v) Bank charges Rs. 1,500 and interest overdraft Rs. 8,500 appeared in the Pass Book but not in the Cash Book

(vi) Overdraft balance as per Cash Book of Rs. 500 on 28th February, 2019 was wrongly carried forward as debit balance. The error was noted at the time of preparing the Bank Reconciliation Statement as on 31st March, 2019

Prepare Bank Reconciliation Statement



[Watch Video Solution](#)

17. A business receives its bank statement showing the closing balance as Rs. 8,500 overdrawn. It is found that there were unpresented cheques amounting to Rs. 2,000 and uncredited deposits amounting to Rs. 1,500.

Overdraft as per Cash Book is

(i) A cheque of Rs. 540 issued to Mohan has not been presented for payment

(ii) A post-dated cheque for Rs. 100 has been debited in the bank column of the Cash Book but under no circumstances was it possible to present it.

- (iii) Four cheques of Rs. 1,200 sent to the bank have not been collected so far. A cheque of Rs. 400 deposited in the bank been dishonoured
- (iv) As per instruction , the bank paid Rs. 50 as Fire Insurance premium but the entry has not been made in the Cash Book.
- (v) There was a debit in the Pass Book of Rs. 15 in respect and a credit of Rs. 25 for interest on Current Account but no record exists in the Cash Book.
- (vi) Cheque of Rs. 5,000 dated 15th April, 2019 issued to M&Co. Was dishonoured being post dated. It was also not recorded in the books of account yet.



[Watch Video Solution](#)

18. From the following particulars of a trader, prepare a Bank Reconciliation Statement as on 31st March, 2019

- (i) Bank overdraft as per Cash Book Rs. 52,100
- (ii) During the month, the total amount of cheques for Rs. 94,400 were deposited into the bank but of these, one cheque for Rs. 11,160 has been entered into the Pass Book on 5th April.

(iii) During the month, cheques for Rs. 89,580 were drawn in Favour of creditors. Of them, one creditor for Rs. 38,580 encashed his cheque on 7th April whereas another for Rs. 4,320 have not yet been encashed

(iv) As per instructions the bank on 28th March, paid out Rs. 10,500 to creditor but by mistake, the same has not been entered in the Cash Book

(v) According to agreement, on 25th March, a debtor deposited directly into the bank Rs. 9,000 but the same has not been recorded in the Cash Book

(vi) In the month of March, the bank without any intimation, debited his account for Rs. 120 as bank charges and credited the same for Rs. 180 as interest

(viii) Cash deposit of Rs. 5,780 in bank was recorded as Rs. 7,580. The error was rectified by the Bank before 31st March, 2019



[Watch Video Solution](#)

19. Prepare Bank Reconciliation Statement from the following particular as on 31st March 2019 when Pass Book shows a debit balance of Rs. 2,500

(i) Cheque issued for Rs. 5,000 but put to 31st March, 2019 only Rs. 3,000

could be cleared.

(ii) Cheques issued for Rs. 1,000 but omitted to be recorded in the Cash Book.

(iii) Cheques deposited for Rs. 5,500 but cheques for Rs. 500 were collected on 4th April, 2019

(iv) A discounted Bill of Exchange dishonoured Rs. 1,000

A cheque of Rs. 500 debited in Cash Book but omitted to be banked.

(vi) Interest allowed by bank Rs. 200 but no entry was passed in the Cash Book.



[Watch Video Solution](#)

20. From the following information prepare Bank Reconciliation Statement as on 31st March, 2019

	<i>Rs.</i>
(i) Bank overdraft as per Pass Book.	36,000
(ii) Cheques issued but not presented for payment.	19,1700
(iii) Cheques deposited with bank but not collected.	25,000
(iv) Cheques entered in Cash Book but not banked.	9,000
(v) Directly deposited to bank by a customer.	11,000



[Watch Video Solution](#)

21. On 31st March, 2019, Pass Book of Shri Bhama Shah debit balance of Rs. 10,000 From the following particulars, prepare Bank Reconciliation Statement :

(i) Cheques amounting to Rs. 8,000 drawn on 25th March of which cheques of Rs. 5,000 cashed in April, 2019

(ii) Cheques paid into bank for collection of Rs. 5,000 but cheques of Rs. 2,200 could only be collected in March, 2019

(iii) Bank charges Rs. 25 and dividend of Rs. 350 on investment collected by bank could not be shown in the Cash Book

(iv) Cheque of Rs. 600 debited in the Cash Book omitted to be banked

(v) Bill of Rs. 5,000 discounted with Bank but was not recorded in the Cash Book



Watch Video Solution

22. On 31st March, 2019 Bank, Pass Book, of Naresh & Co. showd an overdraft of Rs. 10,700 From the following particulars prepare, Bank

Reconciliation Statement

(i) Cheques issued before 31st March, 2019 but presented for payment after that date amounted to Rs 900

Cheques paid into the bank but not collected and credited until 31st March 2019 amounted to Rs. 2,200

(iii) Interest on overdraft amounting to Rs. 1,200 did not appear in the Cash Book.

(iv) Rs. 5,000 being interest on investments collected by the bank and credited in the Cash Book.

(v) Bank charges of Rs. 50 were not entered in the Cash Book

(vi) Rs. 800 in respect of dishonoured cheques were entered in the Pass Book but not in the Cash Book.



[Watch Video Solution](#)

23. On checking the Bank Pass Book it was found that it showed an overdraft Rs. 5,220 as on 31st March, 2019 while as per Ledger it was different. The following differences were noted :

(i) Cheques deposited but not yet credited by the bank Rs. 6,000

- Cheques dishonoured and debited by the bank but not given effect of it in the Ledger Rs. 800
- (iii) Bank charges debited by the Debit Memo not received from the bank Rs. 50
- (iv) Interest on overdraft excess credited in the Ledger Rs. 200
- (v) Wrongly credited by the bank to account, deposit of some other party Rs. 900
- (vi) Cheques issued but not presented for payment Rs. 400



[Watch Video Solution](#)

24. Prepare Bank Reconciliation Statement from the following particulars as on 31st March, 2019 When Pass Book shows a debit balance of Rs. 2,500:

- (i) Cheque issued for Rs. 5,000 but up to 31st March, 2019 only, Rs. 3000 could be cleared.
- (ii) Cheques deposited for Rs. 5,500 but cheques of Rs. 500 were collected on 10th April, 2019
- (iii) A discounted Bill of Exchange dishonoured Rs. 2,000

- (iv) A cheque of Rs. 300 debited in Cash Book but omitted to be banked
- (v) Interest allowed by bank Rs. 400 but no entry was passed in the Cash Book.



[Watch Video Solution](#)

25. Mohan's bank reconciliation statement shows cheque deposited but not credited by bank of ₹ 3,800 and cheques issued but not presented by suppliers of ₹ 3,500. His bank balance as per Cash Book is ₹25,000. Balance as per pass book statement is



[Watch Video Solution](#)

26. Prepare Bank Reconciliation Statement as on 31st March, 2019 from the following particulars:

- (i) R's overdraft as per Pass Book Rs. 12,000 as on 31st March,
- (ii) On 30th March, cheques had been issued of Rs 70,000 of which cheques amounting to Rs. 3,000 only had been encashed up to 31st March.

- (iii) Cheques amounting to Rs. 3,500 had been paid into the bank for collection but of these only Rs. 500 had been credited in the Pass Book.
- (iv) Bank has charged Rs. 500 as interest on overdraft and the intimation of which has been received on 2nd April 2019
- (v) Bank Pass Book shows credit for Rs. 1,000 representing Rs. 400 paid by debtor of R direct into the bank and Rs. 600 collected directly by the bank in respect of interest on R's investment. R had no knowledge of these items
- (vi) A cheque for Rs. 200 has been debited in the bank column of Cash Book by R but it was not sent to the bank at all



[Watch Video Solution](#)

27. Prepare Bank Reconciliation Statement from the following particulars and show balance as per Cash Book

- (i) Balance as per Pass Book on 31st March, 2019 overdrawn Rs. 10,000
- (ii) Cheques drawn in the last week of March, 2019 but not cleared till 3rd April, 2019 Rs. 20,000
- (iii) Interest on bank overdraft not entered in the Cash Book Rs. 1,500

(iv) Cheques of Rs. 20,000 deposited in the bank in March, 2019 but not collected and credited till 3rd April 2019

(v) Rs. 100 Insurance Premium paid by the bank under a standing order has not been entered in the Cash Book

(vi) A draft of Rs. 10,000 favouring Atul & Co. was issued by the bank charging commission of Rs. 200. However, in the Cash Book entry was passed by Rs. 10,000



[Watch Video Solution](#)

28. From the following information supplied by Sanjay prepare his Bank Reconciliation Statement as on 31st March, 2019

- (i) Bank overdraft as per Pass Book.
- (ii) Cheques issued but not presented for payment.
- (iii) Cheques deposited with the Bank but not collected.
- (iv) Cheques recorded in the Cash Book but not sent to the bank for collection.
- (v) Payment received from customers directly by the bank.
- (vi) Bank charges debited in the Pass Book.
- (vii) Premium of life policy of Sanjay paid by the bank on standing advice.
- (viii) A bill for Rs.3,000 (discounted with the bank in February) dishonoured.



[Watch Video Solution](#)

29. From the following information supplied by Mr. D.H., prepare his Bank Reconciliation Statement as on 31st March, 2019

- (i) Bank overdraft as per Pass Book.
- (ii) Cheques issued but not presented for payment.
- (iii) Cheques deposited but not collected.
- (iv) Cheques recorded in the Cash Book but not sent to the bank for collection.
- (v) Payment received from customers directly by the bank.
- (vi) Bank charges debited in the Pass Book.
- (vii) Premium of Life Insurance Policy of Mr. D.H. paid by the bank on 30th March, 2019.
- (viii) A bill for Rs. 6,000 dishonoured on 30th March, 2019 and bank paid it.



Watch Video Solution

30. From the following particulars, ascertain the bank balance as per Pass Book as on 31st March, 2019, (a) without correcting the Cash Book balance and (b) after correcting the Cash Book balance :

- (i) The bank balance as per Cash Book on 31st March, 2019 Rs. 40,000
- (ii) Cheques issued but not encashed up to 31st March, 2019 amounted to Rs. 10,000
- (iii) Cheques paid into the bank, but not cleared up to 31st March, 2019

amounted to Rs. 15,000

(iv) Interest on investments collected by the bank but not entered in the Cash Book Rs. 500

(v) Cheques deposited in the bank but not entered in the Cash Book Rs. 12,500

(vi) Bank charges debited in the Pass Book but not entered in the Cash Book Rs. 100



[Watch Video Solution](#)

31. From the following particulars, find out corrected bank balance as per Cash Book and there after prepare a Bank Reconciliation Statement as on 31st March, 2019 of sole proprietor:

- (i) Bank overdraft as per the Cash Book.
- (ii) Cheques deposited as per the bank statement but not entered in the Cash Book.
- (iii) Cheques recorded for collection but not sent to the bank.
- (iv) Credit side of bank column casted short.
- (v) Bank charges recorded twice in the Cash Book.
- (vi) Customer's cheque returned on technical grounds.
- (viii) Bill collected by bank directly.
- (ix) Cheque received entered twice in the Cash Book.



32. From the following extracts from the Cash Book and the Pas Book for the month of January, 2019 prepare Bank Reconciliation Statement :

Date	Particulars	L.F.	₹	Date	Particulars	L.F.	₹
2019				2019			
Jan. 1	To Balance <i>b/d</i>		4,510	Jan. 2	By S. Gidwani & Co.		1,230
Jan. 3	To Cash		300	Jan. 6	By Wages		3,000
Jan. 10	To G. Basu & Co.		1,000	Jan. 14	By Basu & Co.		1,000
Jan. 15	To Mohan & Co.		2,300		(Cheque dishonoured)		
Jan. 17	To Cash		600	Jan. 15	By V. Kumar & Co.		300
Jan. 20	To M. Mohan & Bros.		1,550	Jan. 18	By S. Sharda & Sons		470
Jan. 24	To T.P. Bhalla & Co.		740	Jan. 24	By Cash		400
Jan. 31	To S. Leader & Sons		2,130	Jan. 28	By R. Ramdas & Co.		780
				Jan. 31	By B. Bansal & Bros.		340
				Jan. 31	By Balance <i>c/d</i>		5,610
			13,130				13,130
2019							
Feb. 1	To Balance <i>b/d</i>		5,610				

PASS BOOK

Date	Particulars	Withdrawals ₹	Deposits ₹	Dr. or Cr.	Balance ₹
2019					
Jan. 1	By Balance			Cr.	4,510
Jan. 3	By Cash		300	Cr.	4,810
Jan. 6	To Selves—Cash	3,000		Cr.	1,810
Jan. 10	To S. Gidwani & Co.	1,230		Cr.	580
Jan. 16	By Mohan & Co.		2,300	Cr.	2,880
Jan. 17	By Cash		600	Cr.	3,480
Jan. 20	To S. Sharda & Sons	470		Cr.	3,010
Jan. 24	To Cash	400		Cr.	2,610
Jan. 31	To Bank Charges	10		Cr.	2,600
Jan. 31	To Life Insurance Premium as per instructions	250		Cr.	2,350
Jan. 31	By Interest on Government Securities		300	Cr.	2,650



33. Prepare Bank Reconciliation Statement from the following

	<i>Rs.</i>
(i) Debit balance as per the Cash Book	15,000
(ii) Cheques desposited but not cleared	1,000
(iii) Cheques issued but not presented.	1,500
(iv) Bank interest	200



Watch Video Solution

34. Ramessh has his account at Punjab National Bank, Delhi. According to his Cash Book, his bank balance ofn 31st March, 2019 was Rs. 72,950. He sent cheques for Rs. 90,075 to his bank for collection but cheques amounted to Rs. 43,769 were not collected by that date. Out of the cheques issued by him in payment of his date, cheques for Rs. 29,344 were not presented for payment. Prepare Bank Reconciliation Statement



Watch Video Solution

35. On 31st March, 2019 Cash Book of Mahesh showed debit bank balance of Rs. 75,000. When compared with the Bank Statement, following facts

were discovered. On 30th March, two cheques of Rs. 5,000 and Rs. 7,000 were deposited in the bank but were not realised till date. On 28th March, three cheques of Rs. 6,000, Rs. 8,000 and Rs. 12,000 were issued but none of these were presented to the bank for payment. On 31st March, bank credited Rs. 1,250 as interest charges but this was not recorded in the Cash Book. Similarly, the bank had charged Rs. 150 as bank charges but this was not recorded in the Cash Book.

Bank paid insurance premium of Rs. 5,000 but it was recorded as Rs. 500 in Cash Book

Prepare Bank Reconciliation Statement on 31st March 2019



[Watch Video Solution](#)

36. On 30th June, 2019 bank column of the Cash Book showed balance of Rs. 12,000 but the Pass Book showed a different balance due to the following reasons:

- (i) cheques paid into the bank Rs. 8,000 but out of these only cheques of Rs. 6,500 credited by bankers.
- (ii) The receipts column of the Cash Book undercast by Rs. 200

(iii) On 29th June, a customer deposited Rs. 3,000 directly in the Bank Account but it was entered in the Pass Book only.

(iv) Cheques of Rs. 9,200 were issued of which Rs. 2,200 were presented for payment on 15th July,

(v) Pass Book shows a credit of Rs. 330 as interest and a debit of Rs. 60 bank charges.

Prepare Bank Reconciliation Statement as on 30th June, 2019



[Watch Video Solution](#)

37. Cash Book shows a balance of Rs. 12,500. On comparing the Cash Book with the Pass Book, following discrepancies were noted:

- (i) Cheques issued but not yet presented for payment.
- (ii) Cheques deposited in the bank but not collected.
- (iii) Bank paid insurance premium.
- (iv) Bank charges.
- (v) Directly deposited by customer.
- (vi) Cash discount allowed of Rs. 200 was recorded on the debit side of the



[Watch Video Solution](#)

38. From the following particulars, prepare Bank Reconciliation Statement as on 31st December, 2008

(i) Debit balance as per Cash Book Rs. 10,000

(ii) A cheque for Rs. 500 issued in favour of Karan has not been presented for payment.

(iii) A bill for Rs. 700 retired by bank under a rebate of Rs. 20, the full amount of the bill was credited in the Cash Book.

(iv) A cheque for the Rs. 295 deposited in the bank has been dishonoured.

(v) A sum of Rs. 800 deposited in the bank has been credited as Rs. 80 in the Pass Book

(vi) Payment side of the Cash Book has been undercast by Rs. 200

(vii) A bill receivable for Rs. 1,000 (discounted with the bank in November 2008) dishonoured on 31st December, 2008



[Watch Video Solution](#)

Evaluation Questions Questions With Missing Values

1. In the following Bank Reconciliation Statement, determine the missing amounts:

BANK RECONCILIATION STATEMENT as on 31st March, 2019

Particulars	Plus Items	Minus Items
	₹	₹
Credit Balance as per Pass Book	30,000	
(i) Cheques of ₹ 10,000 issued but a cheque of ₹ 6,000 not yet presented for payment	...	...
(ii) Cheque of ₹ 25,000 deposited into bank but cheque of ₹ 13,000 not credited by bank	...	...
(iii) Interest credited by bank but not recorded in Cash Book		425
(iv) Cheque deposited into Bank but not entered in Cash Book		5,000
Debit Balance as per Cash Book	...	...
	43,000	43,000



Watch Video Solution

2. In the following Bank Reconciliation Statement, determine the missing amounts:

BANK RECONCILIATION STATEMENT as on 31st March, 2019

Particulars	Plus Items	Minus Items
	₹	₹
Balance as per Cash Book (Dr.)	15,000	
(i) Cheques of ₹ 30,000 deposited into bank but cheques of ₹ 17,500 only cleared	...	...
(ii) Cheques of ₹ 40,000 issued but cheques of ₹ 21,000 presented for payment	...	...
(iii) Receipt column of Cash Book overcast by ₹ 500	...	...
(iv) Interest on Investment collected by bankers	500	...
(v) Bank charges debited by bank	...	400
(vi) Direct deposit made by the customer ₹ 400	...	...
Balance as per Pass Book	...	...
	36,000	36,000



Watch Video Solution

3. In the following Bank Reconciliation Statement, determine the missing amounts:

BANK RECONCILIATION STATEMENT		
Particulars	Amount Details (₹)	Amount ₹
Balance as per Cash Book (Dr.)		
Cheque issued but not yet presented for payment amounting ₹ 15,600		12,000
Interest credited by Bank not recorded in Cash Book ₹ 200		
Cheque deposited but not yet cleared amounting ₹ 4,000		
....	(100)	
Balance as per Bank Statement (Cr.)		23,700

 [Watch Video Solution](#)

4. Complete the following Bank Reconciliation Statement

BANK RECONCILIATION STATEMENT as on ...		
Particulars	Plus Items (₹)	Minus Items (₹)
(a) Balance as per Pass Book (Cr.) ₹ 10,000
(b) Excess Credit of Cash Deposit amounting ₹ 63
(c) Cheque wrongly credited to another customer's account amounting ₹ 1,000
(d) Bank balance (Dr.) excess carried forward ₹ 2,500
(e) Dividend of ₹ 100 collected by Bank
(f) Undercasting of withdrawal Column of Pass Book by ₹ 200
(g) Payment of Cheque recorded twice amounting to ₹ 450 in Cash Book
(h) Balance as per Cash Book (Dr.)

[(a): ₹ 10,000; (b): ₹ 63; (c): ₹ 1,000; (d): ₹ 2,500; (e): ₹ 100; (f): ₹ 200; (g): ₹ 450; (h): ₹ 12,687.]

 [Watch Video Solution](#)

5. In the following Bank Reconciliation Statement, determine the missing amounts:

BANK RECONCILIATION STATEMENT as on 31st March, 2019

Particulars	Plus Items ₹	Minus Items ₹
Credit Balance as per Pass Book	30,000	
(i) Cheques of ₹ 10,000 issued but a cheque of ₹ 6,000 not yet presented for payment	...	...
(ii) Cheque of ₹ 25,000 deposited into bank but cheque of ₹ 13,000 not credited by bank	...	...
(iii) Interest credited by bank but not recorded in Cash Book		425
(iv) Cheque deposited into Bank but not entered in Cash Book		5,000
Debit Balance as per Cash Book		
	43,000	43,000

 [Watch Video Solution](#)

6. In the following Bank Reconciliation Statement, determine the missing amounts:

BANK RECONCILIATION STATEMENT as on 31st March, 2019

Particulars	Plus Items ₹	Minus Items ₹
Balance as per Cash Book (Dr.)	16,000	
(i) Cheques of ₹ 30,000 deposited into bank but cheques of ₹ 17,500 only cleared	...	...
(ii) Cheques of ₹ 40,000 issued but cheques of ₹ 21,000 presented for payment	...	...
(iii) Receipt column of Cash Book overcast by ₹ 500	...	...
(iv) Interest on Investment collected by bankers	600	
(v) Bank charges debited by bank		400
(vi) Direct deposit made by the customer ₹ 400	...	...
Balance as per Pass Book		
	36,000	36,000

 [Watch Video Solution](#)

7. In the following Bank Reconciliation Statement, determine the missing amounts:

Particulars

Particulars	Amount Details (₹)	Amount ₹
Balance as per Cash Book (Dr.)		
Cheque issued but not yet presented for payment amounting ₹ 15,600		12,000
Interest credited by Bank not recorded in Cash Book ₹ 200		
Cheque deposited but not yet cleared amounting ₹ 4,000		
...	(100)	
Balance as per Bank Statement (Cr.)		23,700

[Watch Video Solution](#)

8. Complete the following Bank Reconciliation Statement

BANK RECONCILIATION STATEMENT as on ...

Particulars	Plus Items (₹)	Minus Items (₹)
(a) Balance as per Pass Book (Cr.) ₹ 10,000
(b) Excess Credit of Cash Deposit amounting ₹ 63
(c) Cheque wrongly credited to another customer's account amounting ₹ 1,000
(d) Bank balance (Dr.) excess carried forward ₹ 2,500
(e) Dividend of ₹ 100 collected by Bank
(f) Undercasting of withdrawal Column of Pass Book by ₹ 200
(g) Payment of Cheque recorded twice amounting to ₹ 450 in Cash Book
(h) Balance as per Cash Book (Dr.)

[(a): ₹ 10,000; (b): ₹ 63; (c): ₹ 1,000; (d): ₹ 2,500; (e): ₹ 100; (f): ₹ 200; (g): ₹ 450; (h): ₹ 12,687.]

[Watch Video Solution](#)