

ILLUSTRATION 1

Messer's Tall & Short, Faiz Bazar, New Delhi-110002

in account with Punjab National Bank, Daryaganj, New Delhi-110002

PASS-BOOK

Date		Particulars	Withdrawals ₹	Deposits ₹	Dr. or Cr.	Balance ₹
2022						
Jan.	2	By Cash		4,00,000	Cr.	4,00,000
"	4	To Furniture Dealers Ltd.	60,000		Cr.	3,40,000
"	4	To Das & Co.	1,25,000		Cr.	2,15,000
"	10	By J. Johnson & Co.'s cheque		35,000	Cr.	2,50,000
"	12	To Roy & James	1,00,000		Cr.	1,50,000

BANK RECONCILIATION STATEMENT

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"	15	By B. Babu & Co's cheque		76,000	Cr.	2,26,000
"	16	By Cash		30,000	Cr.	2,56,000
"	20	To Cash	50,000		Cr.	2,06,000
"	26	By J. Rai & Bros cheque		43,000	Cr.	2,49,000
"	31	To Premium paid as per standing instructions	25,000		Cr.	2,24,000
	31	To Bank Charges	1,000		Cr.	2,23,000
	31	By Interest collected on Government Securities		20,000	Cr.	2,43,000

"	15	<i>By B. Babu & Co's cheque</i>		76,000	Cr.	2,26,000
"	16	<i>By Cash</i>		30,000	Cr.	2,56,000
"	20	<i>To Cash</i>	50,000		Cr.	2,06,000
"	26	<i>By J. Rai & Bros cheque</i>		43,000	Cr.	2,49,000
"	31	<i>To Premium paid as per standing instructions</i>	25,000		Cr.	2,24,000
	31	<i>To Bank Charges</i>	1,000		Cr.	2,23,000
	31	<i>By Interest collected on Government Securities</i>		20,000	Cr.	2,43,000

CASH-BOOK (Bank column only)

Date	Particulars	Amount ₹	Date	Particulars	Amount ₹
2022			2022		
Jan. 1	<i>To Cash</i>	4,00,000	Jan. 2	<i>By Furniture</i>	
Jan. 2	<i>To J. Johnson & Co.</i>	35,000		<i>Dealers Ltd.</i>	60,000
Jan. 8	<i>To B. Babu & Co.</i>	76,000	Jan. 2	<i>By Roy & James</i>	1,00,000
Jan. 10	<i>To Cash</i>	30,000	Jan. 2	<i>By Das & Co.</i>	1,25,000
Jan. 16	<i>To J. Rai & Bros.</i>	43,000	Jan. 4	<i>By K. Nagpal & Co.</i>	73,000
Jan. 20	<i>To M. Mohan & Co.</i>	1,05,000	Jan. 17	<i>By Cash</i>	50,000
Jan. 22	<i>To N. Nandy & Sons</i>	34,000	Jan. 20	<i>By B. Babu & Co.</i>	78,000
			Jan. 31	<i>By Balance c/d</i>	2,37,000
		7,23,000			7,23,000
Feb. 1	<i>To Balance b/d</i>	2,37,000			

It will be seen that whereas the pass book shows a credit balance of ₹ 2,43,000, the cash-book shows a debit balance of ₹ 2,37,000. We shall compare the two to establish the reasons for the difference. The reconciliation of the two statements can be done in two ways:-

1. *Arrive at pass book balance from cash book.*
2. *Arrive at cash book balance from pass book.*

ILLUSTRATION 2

From the following particulars, prepare a Bank Reconciliation Statement for Jindal offset Ltd.

- (1) *Balance as per cash book is ₹2,40,000*
- (2) *Cheques issued but not presented in the bank amounts to ₹1,36,000.*
- (3) *Cheques deposited in bank but not yet cleared amounts to ₹90,000.*
- (4) *Bank charges amounts to ₹300.*
- (5) *Interest credited by bank amounts to ₹1,250.*
- (6) *The balance as per pass book is ₹2,86,950.*

ILLUSTRATION 3

On 31st March 2022, the Bank Pass Book of Namrata showed a balance of ₹ 1,50,000 to her credit while balance as per cash book was ₹ 1,12,050. On scrutiny of the two books, she ascertained the following causes of difference:

- i) *She has issued cheques amounting to ₹ 80,000 out of which only ₹ 32,000 were presented for payment.*
- ii) *She received a cheque of ₹ 5,000 which she recorded in her cash book but forgot to deposit in the bank.*
- iii) *A cheque of ₹ 22,000 deposited by her has not been cleared yet.*
- iv) *Mr. Gupta deposited an amount of ₹ 15,700 in her bank which has not been recorded by her in Cash Book yet.*
- v) *Bank has credited an interest of ₹ 1,500 while charging ₹ 250 as bank charges.*

Prepare a bank reconciliation statement.

ILLUSTRATION 4

From the following particulars ascertain the balance that would appear in the Bank Pass Book of A on 31st December, 2022.

- (1) *The bank overdraft as per Cash Book on 31st December, 2022 ₹ 6,340.*
- (2) *Interest on overdraft for 6 months ending 31st December, 2022 ₹ 160 is entered in Pass Book.*
- (3) *Bank charges of ₹ 400 are debited in the Pass Book only.*
- (4) *Cheques issued but not cashed prior to 31st December, 2022, amounted to ₹ 11,68,000.*
- (5) *Cheques paid into bank but not cleared before 31st December, 2022 were for ₹ 22,17,000.*
- (6) *Interest on investments collected by the bank and credited in the Pass Book ₹ 12,00,000.*

ILLUSTRATION 5

On 30th September, 2022, the bank account of X, according to the bank column of the Cash-Book, was overdrawn to the extent of ₹4,062. On the same date the bank statement showed a credit balance of ₹20,758 in favour of X. An examination of the Cash Book and Bank Statement reveals the following:

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ACCOUNTING

1. A cheque for ₹13,14,000 deposited on 29th September, 2022 was credited by the bank only on 3rd October, 2022.
2. A payment by cheque for ₹16,000 has been entered twice in the Cash Book.
3. On 29th September, 2022, the bank credited an amount of ₹1,17,400 received from a customer of X, but the advice was not received by X until 1st October, 2022.
4. Bank charges amounting to ₹580 had not been entered in the Cash Book.
5. On 6th September, 2022, the bank credited ₹20,000 to X in error.
6. A bill of exchange for ₹1,40,000 was discounted by X with his bank. This bill was dishonoured on 28th September, 2022 but no entry had been made in the books of X.
7. Cheques issued upto 30th September, 2022 but not presented for payment upto that date totalled ₹13,26,000.

You are required :

- (a) to show the appropriate rectifications required in the Cash Book of X, to arrive at the correct balance on 30th September, 2022 and
- (b) to prepare a bank reconciliation statement as on that date.

ILLUSTRATION 6

On 30th December, 2022 the bank column of A. Philip's cash book showed a debit balance of ₹ 4,610. On examination of the cash book and bank statement you find that:

1. Cheques amounting to ₹ 6,30,000 which were issued to trade payables and entered in the cash book before 30th December, 2022 were not presented for payment until that date.
2. Cheques amounting to ₹ 2,50,000 had been recorded in the cash book as having been paid into the bank on 30th December, 2022, but were entered in the bank statement on 1st January, 2023.
3. A cheque received for ₹ 73,000 had been dishonoured prior to 30th December, 2022, but no record of this fact appeared in the cash book.
4. A dividend of ₹ 3,80,000, paid direct to the bank had not been recorded in the cash book.
5. Bank interest and charges amounting to ₹ 4,200 had been charged in the bank statement but not entered in the cash book.
6. No entry had been made in the cash book for a trade subscription of ₹ 10,000 paid vide banker's order in November, 2022.
7. A cheque for ₹ 27,000 drawn by B. Philip had been charged to A. Philip's bank account by mistake in December, 2022.

You are required:

- (a) to make appropriate adjustments in the cash book bringing down the correct balance, and
- (b) to prepare a statement reconciling the adjusted balance in the cash book with the balance shown in the bank statement.

ILLUSTRATION 7

From the following information, prepare a Bank reconciliation statement as at 31st December, 2022 for Messrs New Steel Limited :

₹

(1)	<i>Bank overdraft as per Cash Book on 31st December, 2022</i>	22,45,900
(2)	<i>Interest debited by Bank on 26th December, 2022 but no advice received</i>	2,78,700
(3)	<i>Cheque issued before 31st December, 2022 but not yet presented to Bank</i>	6,60,000
(4)	<i>Transport subsidy received from the State Government directly by the Bank but not advised to the company</i>	14,25,000
(5)	<i>Draft deposited in the Bank, but not credited till 31st December, 2022</i>	13,50,000
(6)	<i>Bills for collection credited by the Bank till 31st December, 2022 but no advice received by the company</i>	8,36,000
(7)	<i>Amount wrongly debited to company account by the Bank, for which no details are available</i>	7,40,000

ILLUSTRATION 8

The Cash Book of Mr. Gadbadwala shows ₹ 8,36,400 as the balance at Bank as on 31st December, 2022, but you find that it does not agree with the balance as per the Bank Pass Book. On scrutiny, you find the following discrepancies:



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ACCOUNTING

- (1) On 15th December, 2022 the payment side of the Cash Book was undercast by ₹ 10,000.
- (2) A cheque for ₹ 1,31,000 issued on 25th December, 2022 was not taken in the bank column.
- (3) One deposit of ₹ 1,50,000 was recorded in the Cash Book as if there is no bank column therein.
- (4) On 18th December, 2022 the debit balance of ₹ 15,260 as on the previous day, was brought forward as credit balance in the Cash book.
- (5) Of the total cheques amounting to ₹ 11,514 drawn in the last week of December, 2022, cheques aggregating ₹ 7,815 were encashed in December.
- (6) Dividends of ₹ 25,000 collected by the Bank and subscription of ₹ 1,000 paid by it were not recorded in the Cash Book.
- (7) One out-going Cheque of ₹ 3,50,000 was recorded twice in the Cash Book. Prepare a Reconciliation Statement.

Prepare bank reconciliation statement:

- (i) If the books are not closed on 31st December, 2022
- (ii) If the books are closed on 31st December, 2022

ILLUSTRATION 9

The following are the Cash Book (bank column) and Pass Book of Jain for the months of March, 2022 and April, 2022:

Cash Book (Bank Column only)

Date	Particulars	Amount Dr. ₹	Date	Particulars	Amount Cr. ₹
01/3/2022	To Balance b/d	60,000	03/3/2022	By Cash A/c	2,00,000
06/3/2022	To Sales A/c	3,00,000	07/3/2022	By Modi	60,000
10/3/2022	To Ram	65,000	12/3/2022	By Patil	30,000
18/3/2022	To Singhal	2,70,000	18/3/2022	By Suresh	40,000

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ACCOUNTING

25/3/2022	To Goyal	33,000	24/3/2022	By Ramesh	1,50,000
31/3/2022	To Patel	65,000	31/3/2022	By Balance c/d	3,13,000
		7,93,000			7,93,000

Pass Book

Date	Particulars	Amount Dr. ₹	Amount Cr. ₹	Dr. or Cr.	Balance ₹
1/4/2022	By Balance b/d		3,65,000	Cr.	3,65,000
3/4/2022	By Goyal		33,000	Cr.	3,98,000
5/4/2022	By Patel		65,000	Cr.	4,63,000
7/4/2022	To Naresh	2,80,000		Cr.	1,83,000
12/4/2022	To Ramesh	1,50,000		Cr.	33,000
15/4/2022	To Bank Charges	200		Cr.	32,800
20/4/2022	By Usha		17,000	Cr.	49,800
25/4/2022	By Kalpana		38,000	Cr.	87,800
30/4/2022	To Sunil	6,200		Cr.	81,600

Reconcile the balance of cash book on 31/3/2022.

ILLUSTRATION 10

When Nikki & Co. received a Bank Statement showing a favourable balance of ₹ 10,39,200 for the period ended on 30th June, 2022, this did not agree with the balance in the cash book.

An examination of the Cash Book and Bank Statement disclosed the following :

1. A deposit of ₹ 3,09,200 paid on 29th June, 2022 had not been credited by the Bank until 1st July, 2022.
2. On 30th March, 2022 the company had entered into hire purchase agreement to pay by bank order a sum of ₹ 3,00,000 on the 10th of each month, commencing from April, 2022. No entries had been made in Cash Book.
3. A customer of the firm, who received a cash discount of 4% on his account of ₹ 4,00,000 paid the firm a cheque on 12th June. The cashier erroneously entered the gross amount in the bank column of the Cash Book.
4. Bank charges amounting to ₹ 3,000 had not been entered in Cash-Book.
5. On 28th June, a customer of the company directly deposited the amount in the bank ₹ 4,00,000, but no entry had been made in the Cash Book.
6. ₹ 11,200 paid into the bank had been entered twice in the Cash Book.
7. A debit of ₹ 11,00,000 appeared in the Bank Statement for an unpaid cheque, which had been returned marked 'out of date'. The cheque had been re-dated by the customer and paid into Bank again on 5th July, 2022.

Prepare Bank Reconciliation Statement on 30 June, 2022.

ILLUSTRATION 11

Mr. Manoj is employed by Century Rayon and Carpets Pvt Ltd. as their cashier. The main responsibility of Mr. Manoj is to maintain the company's cash book and prepare a bank reconciliation statement at the end of each month. The cash book (only bank column) is set out below together with a copy of the bank statement for the month of February 2022.

You are required to :

- a) Reconcile the cash book with the bank statement.
- b) Make necessary entries to update the cash book.
- c) Start with the balance as per cash book, list any unpresented cheques and sub-total on the reconciliation statement.

Century Rayon and Carpets Pvt Ltd

Cash Book (Bank Column only)

Date	Particulars	Amount Dr. ₹	Date	Particulars	Amount Cr. ₹
01/02/2022	To Balance b/d	1,42,500	03/02/2022	By Bhagwandas	1,980
01/02/2022	To Blue and Co	1,570	07/02/2022	By Maruti Ltd (400460)	1,500
04/02/2022	To GM Ltd	2,430	12/02/2022	By Jackson Ltd (400461)	54,000
08/02/2022	To Robinson Ltd	910	18/02/2022	By PC computers (400462)	1,420
13/02/2022	To Donald	750	24/02/2022	By Shiv garage (400463)	49,000
20/02/2022	To Avenue Super mart	4,200	28/02/2022	By Petty cash (400465)	1,500
28/02/2022	To Sleep Well Ltd	940		By Shweta & Co (400464)	2,100
				By AV Partners (400466)	5,200
				By Balance c/d	36,600
		1,53,300			1,53,300

Customer: Century Rayon and Carpets Pvt Ltd
Account No – xxxxx0439

Account Statement for the month of February 2022

Date	Particulars	Amount	Amount	Dr. or	Balance
		Dr.	Cr.	Cr.	₹
1/02/2022	Balance b/d				1,42,500
3/02/2022	Cheques		1,570	Cr.	1,44,070
5/02/2022	Maruti Ltd	1,500		Dr.	1,42,570
7/02/2022	Bhagwandas	1,980		Dr.	1,40,590
12/02/2022	GM Ltd		2,430	Cr.	1,43,020
15/02/2022	Robinson Ltd		910	Cr.	1,43,930
20/02/2022	Premium of New India Insurance Ltd	3,800		Dr.	1,40,130
14/02/2022	Donald		750	Cr.	1,40,880
14/02/2022	400463	49,000		Dr.	91,880
23/02/2022	cheques		4,200	Cr.	96,080
26/02/2022	Savita	1,030		Dr.	95,050
26/02/2022	400465	1,500		Dr.	93,550
27/02/2022	Shreya		2,200	Cr.	95,750
28/02/2022	Bank charges	2,538		Dr.	93,212

Practical Questions

1. *From the following particulars prepare a bank reconciliation statement as on 31st December 2022:*
 - (i) *On 31st December, 2022 the cash-book of a firm showed a bank balance of ₹ 60,000 (debit balance).*
 - (ii) *Cheques had been issued for ₹ 15,00,000, out of which cheques worth ₹ 4,00,000 only were presented for payment.*

BANK RECONCILIATION STATEMENT

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- (iii) *Cheques worth ₹ 11,40,000 were deposited in the bank on 28th December, 2022 but had not been credited by the bank. In addition to this, one cheque for ₹ 5,00,000 was entered in the cash book on 30th December, 2022 but was banked on 3rd January, 2023.*
- (iv) *A cheque from Susan for ₹ 4,00,000 was deposited in the bank on 26th December 2022 but was dishonoured and the advice was received on 2nd January, 2023.*
- (v) *Pass-book showed bank charges of ₹ 2000 debited by the bank.*
- (vi) *One of the debtors deposited a sum of ₹ 5,00,000 in the bank account of the firm on 20th December, 2022 but the intimation in this respect was received from the bank on 2nd January, 2023.*
- (vii) *Bank pass-book showed a debit balance of ₹ 3,82,000 on 31st December, 2022.*

2. According to the cash-book of Gopi, there was a balance of ₹ 44,50,000 in his bank on 30th June, 2022. On investigation you find that:

- (i) Cheques amounting to ₹ 6,00,000 issued to creditors have not been presented for payment till the date.
- (ii) Cheques paid into bank amounting to ₹ 11,05,000 out of which cheques amounting to ₹ 5,50,000 only collected by the bank up to 30th June 2022.
- (iii) A dividend of ₹ 40,000 and rent amounting to ₹ 6,00,000 received by the bank and entered in the pass-book but not recorded in the cash book.
- (iv) Insurance premium (up to 31st December, 2022) paid by the bank ₹ 27,000 not entered in the cash book.
- (v) The payment side of the cash book had been under casted by ₹ 5,000.
- (vi) Bank charges ₹ 1,500 shown in the pass book had not been entered in the cash book.
- (vii) A bill payable of ₹ 2,00,000 had been paid by the bank but was not entered in the cash book and bill receivable for ₹ 60,000 had been discounted with the bank at a cost of ₹ 1,000 which had also not been recorded in cash book.

Required:

- (a) to make the appropriate adjustments in the cash book, and
- (b) to prepare a statement reconciling it with the bank pass book.

3. Prepare a bank reconciliation statement as on 30th September, 2022 from the following particulars:

Particulars	₹
Bank balance as per pass-book	10,00,000
Cheque deposited in the bank, but no entry was passed in the Cash-Book	5,00,000
Cheque received, but not sent to bank	11,20,000
Credit side of the bank column cast short	2,000
Insurance premium paid directly by the bank under the standing advice	60,000
Bank charges entered twice in the cash book	2,000
Cheque issued, but not presented to the bank for payment	5,00,000
Cheque received entered twice in the cash book	10,000
Bills discounted dishonoured not recorded in the cash book.	5,00,000

4. Prepare a bank reconciliation statement from the following particulars on 31st March, 2022:

Particulars	₹
Debit balance as per bank column of the cash book	37,20,000
Cheque issued to creditors but not yet presented to the bank for payment	7,20,000
Dividend received by the bank but not yet entered in the cash book	5,00,000
Interest allowed by the bank	12,500
Cheques deposited into bank for collection but not collected by bank up to this date.	15,40,000
Bank charges	2,000
A cheque deposited into bank was dishonoured, but no intimation received	3,20,000
Bank paid house tax on our behalf, but no information received from bank in this connection.	3,50,000

5. Prepare a bank reconciliation statement from the following particulars on 31st March, 2022 and show the balance as per cash book:

- i) Overdraft as per passbook on March 31, 2022, is ₹ 3,00,000.
- ii) Interest on bank overdraft not entered in the cash book Rs. 36,500

- iii) Insurance premium of Rs. 17,950 was due and paid by the bank but same has not been accounted in the books.*
- iv) Cheques drawn in the last week of March,2022, but not cleared till date for ₹ 13,000 and Rs. 23,500.*
- v) Cheques deposited into bank on February,2022, but yet to be credited on dated March 31, 2022 Rs. 56,000.*
- vi) Amount of Rs. 20,500 is wrongly debited by the bank.*
- vii) Interest on Investment Rs. 83,800 collected and credited by bank but the same has not been entered in the Cash Book.*

6. The Cash-book of M/s ABC shows ₹ 27,570 as the balance at Bank as on 31st March, 2022. But this does not agree with balance as per the Bank Statement. On scrutiny following discrepancies were found:

- (i) Subsidy ₹ 10,250 received from the government directly by the bank, but not advised to the company.
- (ii) On 15th March, 2022 the payments side of the Cash-book was under cast by ₹ 350.
- (iii) On 20th March, 2022 the debit balance of ₹ 2,156 as on the previous day, was brought forward as credit balance in Cash-book.
- (iv) A customer of the M/s ABC, who received a cash discount of 5% on his account of ₹ 2,000, paid to M/s ABC a cheque on 24th March, 2022. The cashier erroneously entered the gross amount in the Cash-Book.
- (v) On 10th March, 2022 a bill for ₹ 5,700 was discounted from the bank, entered in Cash-book, but proceeds credited in Bank Statement amounted to ₹ 5,500 only.
- (vi) A cheque issued amounting to ₹ 1,725 returned marked 'out of date'. No entry made in Cash-book.
- (vii) Insurance premium ₹ 756 paid directly by bank under a standing order. No entry made in cash-book.
- (viii) A bill receivable for ₹ 1,530 discounted for ₹ 1,500 with the bank had been dishonoured on 30th March, 2022, but advice was received on 1st April, 2022.
- (ix) Bank recorded a Cash deposit of ₹ 1,550 as ₹ 1,505.

Prepare Bank Reconciliation Statement on 31st March, 2022

SEP25 MTP 2

5. (a) On 31st March 2025, the Bank Pass Book of Mansi showed a balance of ₹ 7,50,000 to her credit while balance as per cash book was ₹ 5,60,250. On scrutiny of the two books, she ascertained the following causes of difference:

- (i) She has issued cheques amounting to ₹ 4,00,000 out of which only ₹ 1,60,000 were presented for payment.
- (ii) She received a cheque of ₹ 25,000 which she recorded in her cash book but forgot to deposit in the bank.
- (iii) A cheque of ₹ 1,10,000 deposited by her has not been cleared yet.
- (iv) Mr. Bhalla deposited an amount of ₹ 78,500 in her bank which has not been recorded by her in Cash Book yet.
- (v) Bank has credited an interest of ₹ 7,500 while charging ₹ 1,250 as bank charges.

Prepare a bank reconciliation statement.

(5 Marks)



(b) On 30th June, 2025, Cash Book of Mr. Gaurav (Bank Column of Account No. 1) shows a Bank Overdraft of ₹ 1,97,400. On going through the Bank Pass book for reconciling the Balance, she found the following:

- (a) Out of cheques drawn on 26th June, those for ₹ 14,800 were cashed by the bankers on 2nd July.
- (b) A crossed cheque for ₹ 3000 given to Abdul, was returned by him on 1st July, 2025 and a bearer cheque was issued to him on the same date.
- (c) Cash and cheques amounting to ₹ 13,600 were deposited in the Bank on 29th June, but cheques worth ₹ 5,200 were cleared by the Bank on



1st July., and one cheque for ₹ 1,000 was returned by them as dishonoured on the latter date.

- (d) According to Gaurav's standing instructions, the bankers have on 30th June, paid ₹ 1,280 as interest to his creditors, paid quarterly premium on his policy amounting to ₹ 640 and have paid a second call of ₹ 2,400 on shares held by his and lodged with the bankers for safe custody. They have also received ₹ 600 as dividend on his shares and recovered an Insurance Claim of ₹ 3,200, as their charges and commission charged on the above being ₹ 400. On receipt of information of the above transaction, he has passed necessary entries in his Cash Book on 1st July.
- (e) Bankers seem to have given a wrong credit for ₹ 2,000 paid in by him in No. 2 account and wrong debit in respect of a cheque for ₹ 1,200 drawn against her No. 2 account.

MAY25 MTP 2

(b) From the following information, ascertain the Cash Book balance of Mr. Patil as on 31st March ,2025:

- (i) Debit balance as per Bank Pass Book ₹ 5,250.
- (ii) A cheque amounting to ₹ 3,750 deposited on 15th March, but the same was returned by the Bank on 24th March for which no entry was passed in the Cash Book.
- (iii) During March 2025, two bills amounting to ₹ 3,750 and ₹ 750 were collected by the Bank but no entry was made in the Cash Book.
- (iv) A bill for ₹ 7,500 due from Mr. Sahil previously discounted for ₹ 7,200 was dishonored. The Bank debited the account, but no entry was passed in the Cash Book.

(v) A Cheque for ₹ 2,250 was debited twice in the cash book. (5 Marks)

MAY25 MTP 1

(b) On 30th September, 2024, the bank account of Sameer, according to the bank column of the Cash- Book, was overdrawn to the extent of ₹ 32,496. On the same date the bank statement showed a credit balance of ₹ 5,39,024 in favour of Sameer.

An examination of the Cash Book and Bank Statement reveals the following:

1. A cheque for ₹ 1,05,120 deposited on 29th September, 2024 was credited by the bank only on 3rd October, 2024
2. A payment by cheque for ₹ 1,280 has been entered twice in the Cash Book.
3. On 29th September, 2024, the bank credited an amount of ₹ 93,920 received from a customer of Sameer, but the advice was not received by Sameer until 1st October, 2024.
4. Bank charges amounting to ₹ 4,640 had not been entered in the Cash Book.
5. On 6th September, 2024, the bank credited ₹ 1,60,0000 to Sameer in error.
6. A bill of exchange for ₹ 11,20,000 was discounted by Sameer with his bank. This bill was dishonoured on 28th September, 2024 but no entry had been made in the books of Sameer.

7. Cheques issued upto 30th September, 2024 but not presented for payment upto that date totalled ₹ 1,06,080.

You are required to prepare a bank reconciliation statement as on that date.

(10 Marks)

JAN25 MTP 2

(b) Prepare a Bank Reconciliation statement for Ramesh Traders as on 31st March,2024.

The cash book of Ramesh Traders shows a debit balance of ₹ 8,24,400 at bank as on 31st March,2024, but you find that it does not agree with the balance as per Pass Book. After checking you find the following:

1. On 12th March, 2024 the payment side of the Cash Book was under cast by ₹ 24,000/-
2. A cheque of ₹ 1,70,000 issued on 20th March, 2024 was not taken in the bank column.
3. On 22nd March, 2024 the debit balance of ₹ 37,000 as on the previous day, was brought forwards as credit balance.
4. Out of the total cheques amounting to ₹ 84,000 issued in, the last week of March, 2024, cheques aggregating ₹ 57,000 were encashed in March, 2024.
5. Dividends of ₹ 70,000 collected by the Bank and Fire insurance premium of ₹ 40,000 paid by it were not recorded in the cash book.
6. One cheque issued to a creditor of ₹ 2,58,000 was recorded twice in the Cash book.
7. A debtor Mr. Sahid has deposited the Cheque for ₹ 64,000 into the bank directly in the month of March, 2024 without intimating to Ramesh Traders and the same cheque was dishonored by the bank due to insufficient funds in the month of March itself.
8. A cheque from customer for ₹ 10,000 was deposited in bank on 28th March,2024 but was dishonored and advice received from bank on 3rd April, 2024.
9. Bank paid credit card bill of ₹ 5,000 which is not recorded in cash book.
10. Bank wrongly credited cheque of ₹ 50,000 of other customer in our account.
11. Bank credited cheque of ₹ 4,000 in savings account of proprietor of Ramesh Traders instead of crediting cheque in current account of Ramesh Traders.
12. ₹ 1,000 discount received wrongly entered in bank column in cash book.

13. Bank debited charges ₹ 400 on 25th March for which no intimation received till 31st March **(10 Marks)**

JAN25 MTP 1

(b) From the following particulars, prepare a Bank Reconciliation Statement on 31st March 2024.

Particulars	Amount (₹)
Bank balance as per Pass Book	75,00,000
Bills discounted dishonored not recorded in Cash Book	37,50,000
Cheque received entered twice in Cash Book	75,000
Bank charges entered twice in Cash Book	15,000
Insurance premium paid directly by Bank understanding instruction	4,50,000
Cheque issued but not presented to Bank for payment	37,50,000
Cheque received, but not sent to Bank	84,00,000
Cheque deposited in Bank, but no entry passed in the Cash Book	37,50,000
Credit side of the Bank column cast short	15,000

SEP24 MTP 2

(b) On 30th June, 2024, Cash Book of Ms. Suman (Bank Column of Account No. 1) shows a Bank Overdraft of ₹ 1,97,400. On going through the Bank Pass book for reconciling the Balance, she found the following:

- (a) Out of cheques drawn on 26th June, those for ₹ 14,800 were cashed by the bankers on 2nd July.
- (b) A crossed cheque for ₹ 3000 given to Abdul was returned by him and a bearer cheque was issued to him in lieu on 1st July.
- (c) Cash and cheques amounting to ₹ 13,600 were deposited in the Bank on 29th June, but cheques worth ₹ 5,200 were cleared by the Bank on 1st July., and one cheque for ₹ 1,000 was returned by them as dishonoured on the latter date.
- (d) According to Suman's standing instructions, the bankers have on 30th June, paid ₹ 1,280 as interest to her creditors, paid quarterly premium on her policy amounting to ₹ 640 and have paid a second call of ₹ 2,400 on shares held by her and lodged with the bankers for safe custody. They have also received ₹ 600 as dividend on her shares and recovered an Insurance Claim of ₹ 3,200, as their charges and commission charged on the above being ₹ 400. On receipt of information of the above transaction, she has passed necessary entries in her Cash Book on 1st July.
- (e) Bankers seem to have given a wrong credit for ₹ 2,000 paid in by her in No. 2 account and wrong debit in respect of a cheque for ₹ 1,200 drawn against her No. 2 account.

Prepare a Bank Reconciliation Statement as on 30th June, 2024.

(10 Marks)

SEP24 MTP 1

5. (a) On 31st March 2024, the Bank Pass Book of Swati showed a balance of ₹ 1,50,000 to her credit while balance as per cash book was ₹ 1,12,050. On scrutiny of the two books, she ascertained the following causes of difference:

- (i) She has issued cheques amounting to ₹ 80,000 out of which only ₹ 32,000 were presented for payment.
- (ii) She received a cheque of ₹ 5,000 which she recorded in her cash book but forgot to deposit in the bank.
- (iii) A cheque of ₹ 22,000 deposited by her has not been cleared yet.
- (iv) Mr. Gupta deposited an amount of ₹ 15,700 in her bank which has not been recorded by her in Cash Book yet.
- (v) Bank has credited an interest of ₹ 1,500 while charging ₹ 250 as bank charges.

Prepare a bank reconciliation statement.

JUN24 MTP 3

(c) Prepare Bank Reconciliation Statement and Adjusted Cash Book from the following particulars as on 31st December, 2023:

Particulars	₹
Bank Balance as per Cash Book (Debit)	1,98,000
Bank Charges debited by the bank not recorded in Cash Book	34,000
Received from debtors vide RTGS on 31st December, 2023 not recorded in Cash Book	1,00,000
Cheque issued but not presented for payment	45,000
Cheque deposited but not cleared	25,000
Cheque received and deposited but dishonoured. Entry for dishonour not made in the Cash Book	5,000
Instruction for payment given to the bank on 31st December, 2023 but the same effected by the Bank on 01 st January, 2024	4,000

(5 Marks)

JUN24 MTP 2

(b) On 30th September, 2023, the bank account of Akhil, according to the bank column of the Cash- Book, was overdrawn to the extent of ₹ 16,248. On the same date the bank statement showed a credit balance of ₹ 83,032 in favour of Akhil. An examination of the Cash Book and Bank Statement reveals the following:

1. A cheque for ₹ 52,56,000 deposited on 29th September, 2023 was credited by the bank only on 3rd October, 2023
2. A payment by cheque for ₹ 64,000 has been entered twice in the Cash Book.
3. On 29th September, 2023, the bank credited an amount of ₹ 4,69,600 received from a customer of Akhil, but the advice was not received by Akhil until 1st October, 2023.
4. Bank charges amounting to ₹ 2,320 had not been entered in the Cash Book.
5. On 6th September, 2023, the bank credited ₹ 80,000 to Akhil in error.
6. A bill of exchange for ₹ 5,60,000 was discounted by Akhil with his bank. This bill was dishonoured on 28th September, 2023 but no entry had been made in the books of Akhil.
7. Cheques issued upto 30th September, 2023 but not presented for payment upto that date totalled ₹ 53,04,000.

You are required :

- (a) to show the appropriate rectifications required in the Cash Book of Akhil, to arrive at the correct balance on 30th September, 2023 and
- (b) to prepare a bank reconciliation statement as on that date.

(10 Marks)

JUN24 MTP 1

(b) The Bank Pass Book of Account No.7749 of Ms. Tina showed an overdraft of ₹ 1,34,300 on 31st March 2024. On going through the Pass Book, the accountant found the following:

- (i) A Cheque of ₹4,320 credited in the pass book on 28th March 2024 being dishonoured is debited again in the pass book on 1st April 2024. There was no entry in the cash book about the dishonour of the cheque until 15th April 2024.
- (ii) Bankers had credited her account with ₹ 11,200 for interest collected by them on her behalf, but the same has not been entered in her cash book.
- (iii) Out of ₹ 82,000 paid in by Ms. Tina in cash and by cheques on 31st March 2024 cheques amounting to ₹ 30,000 were collected on 7th April, 2024.
- (iv) Out of Cheques amounting to ₹ 31,200 drawn by her on 27th March, 2024 a cheque for ₹ 10,000 was encashed on 3rd April, 2024.
- (v) Bankers seems to have given here wrong credit for ₹ 2,000 paid in by her in Account No. 8765 and a wrong debit in respect of a cheque for ₹ 1,200 against her account No.8765.
- (vi) A cheque for ₹ 4,000 entered in Cash Book but omitted to be banked on 31st March, 2024.

(vii) A Bill Receivable for ₹ 20,800 previously dishonoured (Discount ₹ 800) with the Bank had been dishounoured but advice was received on 1st April, 2024.

(viii) A Bill for ₹ 40,000 was retired /paid by the bank under a rebate of ₹ 700 but the full amount of the bill was credited in the bank column of the Cash Book.

(ix) A Cheque for ₹ 9,600 deposited into bank but omitted to be recorded in Cash Book and was collected by the bank on 31st March, 2024.

Prepare Bank Reconciliation Statement as on 31st March, 2024.

(10 Marks)