



INDIAN SCHOOL AL WADI AL KABIR

Class: XI	Department: Commerce
Worksheet:1	Topic: Bank Reconciliation Statement

Multiple Choice Questions:

1. Pass book of the account holder is a copy of
- A. the bank column of the cash book of the account holder.
 - B. the cash column of the cash book of the account holder.
 - C. the identity card of the account holder.
 - D. the relevant account in the books of a bank.

Ans: D. the relevant account in the books of a bank.

2. Bank reconciliation Statement is prepared to
- A. to know the payment made through cheques
 - B. to know the errors in the Pass Book
 - C. to compare the Cash Book with Pass Book and ascertain the difference.
 - D. to know the cash withdrawn from bank.

Ans: C. to compare the Cash Book with Pass Book and ascertain the difference.

3. Debit Balance in the Pass book indicates:
- A. Bank Balance
 - B. Overdraft.

Ans: B. Overdraft.

4. 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

Ans: B. Credit Balance as per Pass Book

5. Bank Reconciliation Statement is prepared

- A. at the end of accounting year
- B. at the end of a month
- C. every fortnight
- D. whenever bank statement is received and the balance is different from bank column.

Ans: whenever bank statement is received and the balance is different from bank column.

6. A customer directly deposited Rs.12,000 in our bank account. This entry will be recorded by the bank in

- A. debit of Cash book
- B. Credit of cash book
- C. Debit of pass Book
- D. Credit of Pass Book

Ans: D. Credit of Pass Book

7. The passbook shows a balance of Rs.3,000 (Dr) and there are cheques deposited of Rs.800 not yet credited and cheques issued but not presented Rs.500, then the balance in the Cash book will be

- A. Balance as per CB Rs.3,300
- B. Overdraft as per CB Rs.2,700
- C. Bank Balance as per CB Rs.4,300
- D. Overdraft as per CB Rs.1,700

Ans: B. Overdraft as per CB Rs.2,700

8. Cash Book bank balance was Rs.1,790 (Dr) when compared with bank statement, bank charge of Rs.140 was not recorded in Cash book and the bank did not credit a cheque of Rs.820. What will be the bank balance as per Pass Book?

- A. Rs.830
- B. Rs.1,110
- C. Rs.2,750
- D. Rs.2470

Ans: A. Rs.830

9. Mohan's bank balance as per cash Book was Rs.2,500. A bank charge of Rs.650 was recorded twice in cash book and a cheque deposit of Rs.1,000 was recorded as Rs.1,200. What will be the balance as per Bank Statement?

- A. Pass Book balance Rs.4,150
 - B. Pass Book Overdraft Rs.2,950
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- C. Pass Book Balance Rs.2,950
- D. Pass book overdraft Rs.4,000.

Ans: C. Pass Book Balance Rs.2,950

10. The bank statement shows overdrawn balance of Rs.8,000. There were unrepresented cheques of Rs.3,000 and insurance premium paid by bank on standing advice Rs.2,000. What will be the cash book balance after reconciliation?

- A. Rs.13,000(Cr)
- B. Rs.7000(Dr)
- C. Rs.3,000 (Dr)
- D. Rs.9,000 (Cr)

Ans: D. Rs.9,000 (Cr)

Long Sums:

1. Prepare a Bank Reconciliation Statement on 31 Dec. 2021 for the following:

- (i) Overdraft as per pass book 7,600
- (ii) Cheques deposited but not collected by bank 8,560
- (iii) Incidental charges paid by bank but not recorded in cash book 80
- (iv) Cheques issued but not presented for payment 3,400
- (v) Insurance premium paid by bank not recorded in cash book 4,200

2. Prepare a Bank Reconciliation Statement for the following:

Vinod Kumar finds that bank balance shown by this cash book on 31st December 2020 is Rs. 10,500 (credit) but the pass book shows a difference due to the following reasons:

- (i) Cheque no.51 for Rs. 540 favouring A B & Co. has not been presented.
- (ii) A cheque for Rs. 300 has been issued but has not been encashed.
- (iii) Four cheques totalling Rs. 1,200 sent to bank have not been collected.
- (iv) Life insurance premium amounting to Rs. 50 paid by the bank under a standing order has not been entered in cash book.

3. Prepare a Bank Reconciliation Statement on 31 March 2020 for the following when debit balance of pass book is Rs.10,000:

(i) Cheque amounting to Rs.8,000 drawn on 25th of March of which cheques of Rs.5,000 cashed in April 2020.

(ii) Cheques paid into Bank for collection to Rs.5,000 but cheques of Rs.2,200 could only be collected in March 2020.

(ii) Bank charges Rs.25 and dividend of Rs.350 on investment collected by bank.

(iv) A cheque of Rs.600 debited in cash book omitted to be banked.

4. Prepare a Bank Reconciliation Statement as on 30.09.2020 from the following particulars:

- (i) Bank Balance as per cash book Rs.10,000
- (ii) Cheque deposited into bank but no entry was passed in the cash book Rs.500.
- (iii) Cheque received and entered in cash book but not sent to bank Rs.1,200.
- (iv) Insurance premium paid directly by the bank Rs.800.
- (v) Bank charges entered twice in the cash book Rs.20.
- (vi) Cheque received entered twice in cash book Rs.1,000.
- (vii) Bill discounted dishonoured not recorded in the cash book Rs.5,000.

5. Draw up a reconciliation statement if favourable balance of pass book on 31/03/2020 is Rs. 15,000:

- i. On 31st March 2020 Ramesh had issued cheques amounting to Rs. 8,000 of which cheques amounting to Rs. 3,200 have been presented for payment.
- ii. A cheque of Rs.2,200 paid by him into bank of 26th March is not credited in the pass book.
- iii. He had also received a cheque for Rs. 500 which although entered by him in the bank column of cash book, was omitted to be paid into the bank.
- iv. On 30th March a cheque for Rs.1,570 received by him was paid into bank but the same was omitted to be entered in cash book.
- v. There was a credit of Rs. 150 for interest in the pass book and a debit of Rs. 25 for bank charges.

6. Prepare BRS as on 31st July 2021

- (i) Balance as per Cash Book is Rs. 25,000 as on 31st July 2021.
- (ii) Cheques for Rs. 15,000 were deposited into the Bank in the month of July but only cheques for Rs.11,000 were credited by the bank till 31st July 2021.
- (iii) Cheques issued for Rs. 13,000 in July, out of which a cheque for Rs. 3,800 was presented for payment on 3rd August.
- (iv) Bank charged Rs. 50 as Bank charges and credited interest of Rs. 370.
- (v) A customer directly deposited Rs. 1,550 in firm's bank A/c.
- (vi) Bank paid the Insurance Premium of Rs. 1,200 as per standing instructions.

7. Prepare bank reconciliation statement.

- (i) Overdraft shown as per cash book on December 31, 2020 Rs. 10,000.
 - (ii) Bank charges for the above period also debited in the passbook Rs. 100.
 - (iii) Interest on overdraft for six months ending December 31, 2020 Rs. 380 debited in the passbook.
 - (iv) Cheques issued but not cashed prior to December 31 amounted to Rs. 2,150.
 - (v) Interest on Investment collected by the bank Rs. 600.
 - (vi) Cheques paid into bank but not cleared before December, 31 were Rs.1,100.
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8. On December 31, 2020, the cash book of Mittal Bros. Showed an overdraft of Rs. 6,920. From the following particulars prepare a Bank Reconciliation Statement and ascertain the balance as per passbook.

(1) Debited by bank for Rs. 200 on account of Interest on overdraft and Rs. 50 on account of charges for collecting bills.

(2) Cheques drawn but not encashed before December, 31 2020 for Rs. 4,000.

(3) The bank has collected interest and has credited Rs. 600 in passbook.

(4) A bill receivable for Rs. 700 previously discounted with the bank had been dishonoured and debited in the passbook.

(5) Cheques paid into bank but not collected and credited before December 31, 2020 amounted Rs. 6,000.

9. Prepare bank reconciliation statement of Shri Bhandari as on December 31, 2020 if Overdraft as per passbook is Rs. 20,000.

(i) The Payment of a cheque for Rs. 550 was recorded twice in the passbook.

(ii) Withdrawal column of the passbook under cast by Rs. 200

(iii) A Cheque of Rs. 200 has been debited in the bank column of the Cash Book but it was not sent to bank at all.

(iv) A Cheque of Rs. 300 debited to Bank column of the passbook was not sent to the bank.

(v) Rs. 500 in respect of dishonoured cheque was entered in the passbook but not in the cash book.

10. Overdraft shown by the passbook of Mr. Murli is Rs. 20,000. Prepare bank reconciliation statement on dated December 31, 2020.

(i) Bank charges debited as per passbook Rs. 500.

(ii) Cheques recorded in the cash book but not sent for collection Rs. 2,500.

(iii) Received a payment directly from customer Rs. 4,600.

(iv) Cheque issued but not presented for payment Rs. 6,980.

(v) Interest credited by the bank Rs. 100.

(vi) LIC paid by bank Rs. 2,500.

(vii) Cheques deposited with the bank but not collected Rs. 3,500.

11. Prepare Bank Reconciliation Statement.

a. Bank balance as per pass book is 15000.

b. Cheques amounting to 4000 were drawn, but only 1500 were presented for payment.

c. Bank charges of 100 were recorded twice in cash book.

d. Withdrawals side of bank statement was overcasted by 2000.

e. A cheque of 1000 was erroneously charged to our account by bank.

f. Interest allowed by bank 1000.

- g. Cheques issued 4500 but omitted to be entered in the cash book.
- h. Cheques of 9000 were sent to bank for collection of which 2000 are not yet collected.

12. From the following particulars, prepare a Bank Reconciliation Statement as on 31st December, 2021:

1. Debit balance as per Cash book 10,000
2. A cheque for 500 issued in favour of Karan has not been presented for payment
3. A bill for 700 retired by bank under a rebate of Rs. 80, the full amount of the bill was credited in the Cash Book.
4. A cheque for 295 deposited in the bank has been dishonoured
5. A sum of 800 deposited in the bank has been credited as 80 in the Pass Book
6. Payment side of the Cash Book has been undercast by 200
7. A bill receivable for 1,000 (discounted with the bank in November 2008) dishonoured on 31st December. 2021.

13. Prepare Bank Reconciliation Statement as on 31st December 2021 of a sole proprietor:

a) Bank overdraft as per cash book	12,000
b) Cheque deposited as per bank statement but not entered in cash book	450
c) Cheques recorded for collection but not sent to bank	1,500
d) Credit side of bank column cast short	150
e) Premium on Propreitor's LIP paid on standing advice	750
f) Bank charges recorded twice in cash book	15
g) Customer's cheque returned as per bank statement only	600
h) Cheques deposited but dishonored on technical grounds	450
i) Bills collected by bank directly	3,000
j) Cheque for Rs. 7,500 deposited but collection as per bank statement	7,497
k) Cheque received entered twice in cash book	750

14. The following is the summary of a cash book for December, 2020.

Cash Book (Bank Column)

	<i>RS</i>		<i>Rs</i>
Receipts	13221	Balance b/d	6849
Balance c/d	4986	Payments	11,358
	18207		18207

All receipts are banked and payments are made by cheques. On investigation the following are observed:

1. Bank charges of Rs. 1,200 entered in the bank statement have not been entered in cash book.
2. Cheques drawn amounting to Rs. 2,400 have not been presented to the bank for payment.
3. Cheques received totaling Rs. 6,800 have been entered in the cash book and deposited in the bank, but have not been credited by the bank until Jan, 2021.
4. A cheque for Rs. 1,000 has been entered as a receipt in the cash book instead of as payment.
5. A cheque for Rs. 2250 has been debited by the bank in error.
6. A cheque received for Rs. 7200 has been returned by the bank and marked "NO funds available", no adjustment had been made in the cash book.
7. All dividends receivable are credited directly to the bank account. During December, an amount of Rs. 5500 was credited by the bank and no entry is made in the cash book.
8. A cheque drawn for Rs. 54 has been incorrectly entered in the cash book as Rs.594.

Prepare a bank reconciliation statement as on Dec. 31, 2020.

15. From the following particulars, prepare the bank reconciliation statement of Shri Krishan as on March 31, 2020.

(a) Balance as per pass book is Rs. 10,000.

(b) Bank collected a cheque of Rs. 500 on behalf of Shri kannan another customer but wrongly credited it to Shri Krishan's account.

(c) Bank recorded a cash book deposit of Rs. 1,900 as Rs. 1,909

(d) Withdrawal column of the passbook under cast by Rs. 100.

(e) The credit balance of Rs. 1,500 in the pass-book was recorded as debit balance the next day.

(f) The payment of a cheque of Rs. 350 was recorded twice in the pass book.

(g) The pass-book showed a credit for a cheque of Rs. 1,000 deposited by Shri Kishan.
