

BCM SCHOOL ,BASANT AVENUE,LUDHIANA

Bank Reconciliation Statement

ASSIGNMENT

15M

1. What does favourable balance in passbook indicate?
2. What is meant by debit balance in pass book?
3. What does unfavourable balance in pass book indicate?
4. Briefly explain the statement 'wrongly debited by the bank' with the help of an example.
5. Bank Statement of a customer shows a bank balance of Rs.62,000 on 31 March 2018.

On comparing it with the cash book, the following discrepancies 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 a customer entered in the cash book but was not banked
 - iv. Passbook shows a debt of Rs.1,000 for bank charges and credit of Rs.2,000 as interest
 - v. Interest on investment Rs.2,500 collected by the bank appeared in the passbook.
Prepare Bank Reconciliation Statement the balance as per cash book on 31 March 2018.
6. Prepare Bank Reconciliation statement on 31st March 2018 from the following particulars:
- i. R's overdraft as per the Pass Book Rs.12,000 as on 31st March
 - ii. On 30th March, Cheques had been issued for Rs.70,000 of which cheques worth 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 this 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 2018.
 - 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 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 bank column of Cash Book by R, but it was not sent to Bank at all.