

Financial Accounting BCS-4

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Financial Accounting

Bank Reconciliation Ch-30

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Bank Reconciliation

Find out discrepancies b/w bank balance appear in Cash Book and balance appear on the bank statement.

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- Cash Book (Bank A/c) Vs Bank Statement**

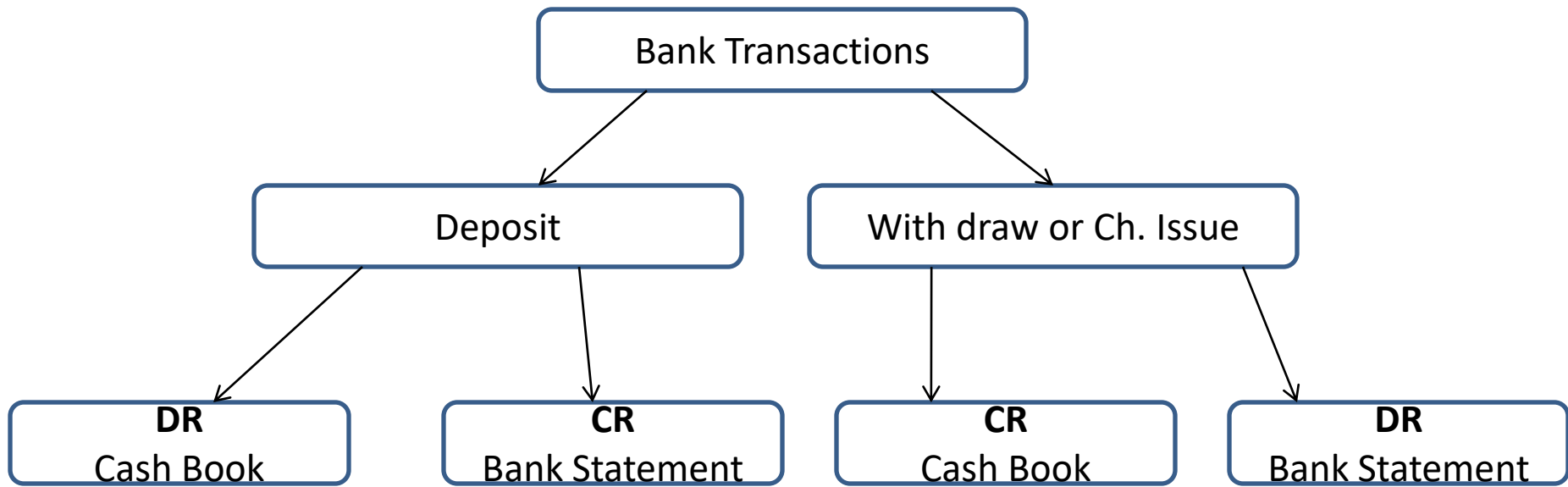
Bank A/c		
Deposit	With draw or Ch. Issue	
Dr	Cr	

Bank Statement					
Date	Description	Ref	With draw or Ch. Issue	Deposit	Balance
jan 1	Balance				\$ 5,000.00
jan 2	Deposit			\$10,000.00	\$15,000.00
jan 3	Ch. Issue		\$12,000.00		\$ 3,000.00
			Dr	Cr	

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- Bank Transactions



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Exhibit 30.2

Cash Book (after being completed to date)

20X9			£	20X9			£
Jan	1	Balance b/d	320	Jan	10	C Morgan	110
"	16	R Lomas	160	"	20	M McCarthy	90
"	24	V Verity	140	"	28	Cheshire CC rates	180
"	31	J Soames	470	"	30	M Peck	200
"	31	R Johnson	90	"	31	Balance c/d	600
			<u>1,180</u>				<u>1,180</u>
Feb	1	Balance b/d	600				

Bank Statement

20X9			<i>Withdrawals</i> £	<i>Deposits</i> £	<i>Balance</i> £
Jan	1	Balance b/d			320
"	12	10627	110		210
"	16	Deposit		160	370
"	23	10628	90		280
"	24	Deposit		140	420
"	28	Direct debit: Cheshire CC	180		240
"	31	Bank Giro credit: R Johnson		90	330

- **Bank Reconciliation Statement**

Bank Reconciliation Statement				
			Balance as per Cash Book	Balance as per Bank State
Bal			600	330
less	Unpresented Ch. M.Peck			-200
Add	Unclear Ch. J Soames			470
			600	600

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Discrepancies b/w Cash Book and Bank

Entries in the Cash Book Not found on the Bank Statement

Debit Entries

Unclear Cheque
Cheque deposit but not
credit on Bank Statement

Credit Entries

Outstanding Cheque
Cheque Issued but not
presented at the Bank

Entries on the Bank Statement not found in the Cash Book

Debit Entries

- 1) Bank Charges for:
 - a) Commission
 - b) Cheque Books
 - c) Interest on OD
- 2) Standing Order
- 3) Direct debits
- 4) Dishonored Cheques

Credit Entries

- 1) Credit Transfers
- 2) Dividends collection
- 3) Interest on deposit

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30.3 The following are extracts from the cash book and the bank statement of F Perry.

You are required to:

- (a) Write the cash book up to date, and state the new balance as on 31 December 20X9, and
(b) Draw up a bank reconciliation statement as on 31 December 20X9.

20X9		Dr	£	Cash Book		20X9	Cr	£
Dec	1	Balance b/d	3,419	Dec	8	B Young		462
"	7	F Lamb	101	"	15	F Gray		21
"	22	G Brock	44	"	28	T Errant		209
"	31	W Terry	319	"	31	Balance c/d		3,437
"	31	S Miller	246					
			<u>4,129</u>					<u>4,129</u>

			Bank Statement		
20X9			Dr	Cr	Balance
			£	£	£
Dec	1	Balance b/d			3,419
"	7	Cheque		101	3,520
"	11	B Young	462		3,058
"	20	F Gray	21		3,037
"	22	Cheque		44	3,081
"	31	Credit transfer: T Morris		93	3,174
"	31	Bank charges	47		3,127

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Bank Reconciliation Statement				
			Balance as per Cash Book	Balance as per Bank State
Balance			\$ 3,437.00	\$ 3,127.00
Less: Unpresented Ch. T.Errant				\$ (209.00)
Add: Unclear Ch. WT&SM 319+246				\$ 565.00
Add: Credit Trans			\$ 93.00	
Less: Bank Charges			\$ (47.00)	
			<u>\$ 3,483.00</u>	<u>\$ 3,483.00</u>

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30.3 The following are extracts from the cash book and the bank statement of F Perry.

You are required to:

- Write the cash book up to date, and state the new balance as on 31 December 20X9, and
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		<u>4,129</u>			<u>4,129</u>

Bank Statement					
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" 7	Cheque		101	3,520	
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Bank Reconciliation Statement			
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Thank you