**Practice 3**

XYZ Company received a Bank Statement which showed a credit balance of RM 5,490 at 30 September Year 3, whereas the business Cash Book showed a debit balance of RM 5,615 on the same date.

On comparing the Cash Book with the Bank Statement, the following differences were found:

1. Bank charges amounting to RM 125 had been made by the bank.
2. An amount of RM 400 paid into the bank had not been credited.
3. The bank had made a standing order for the hire purchase instalment of RM 100 which had not been recorded by the business.
4. A cheque for RM 800 issued had not been presented for payment.
5. The bank had received a credit transfer of RM 150 for dividend due to the business.
6. A cheque for RM 50 issued to Foam Sdn Bhd was entered correctly in the business books but had been recorded on the Bank Statement as RM 500.

**You are required to:**

1. open the Cash Book, make the necessary entries and show an adjusted balance;
2. prepare Bank Reconciliation Statement as at 30 September Year 3.