**2022 Pin Hwa High School Paper 2 Question 3**

The Cash Book of Lin Company at 31 May 2022 showed a balance of RM 500 overdrawn. The Bank Statement for the month of May 2022 showed the following discrepancies:

1. A cheque of RM 1,500 from a customer had been deposited in the bank but not yet credited by the bank.
2. Cheques amounted to RM 2,350had been drawn by the company but had not been presented to the bank.
3. The bank had wrongly charged a payment of RM 200 made by Lim Company to Lin Company's account.
4. Credit transfer from customer RM 800 had been included in the Bank Statement but not yet entered in the Cash Book.
5. A cheque of RM 380 issued for the payment of wages had not been recorded in the Bank Statement.
6. A credit transfer for personal tax refund of RM 120 had been collected by the bank.
7. The bank returned a cheque of RM 430 marked "refer to drawer' which had not been recorded in the Cash Book.
8. Interest on fixed deposit RM 130 and bank charges RM 40 were entered in the Bank Statement but not yet entered in the Cash Book.
9. The bank had paid insurance premium RM 750 according to a standing order.

**You are required to:**

1. complete the Cash Book and carry forward the adjusted balance;
2. prepare Bank Reconciliation Statement as at 31 May 2022 to reconcile the Cash Book balance with the Bank Statement balance. State clearly whether each balance is a debit or a credit.