**Question 3**

Faiz's Bank Statement and Cash Book (Bank Column) were shown as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Bank Statement** | | | | |
| Date | Particulars | Debit | Credit | Balance | |
|  |  | RM | RM | RM | |
| Jul 1 | Balance brought down |  |  | 16,790 Cr | |
| 2 | Deposit |  | 1,100 | 17,890 | |
| 3 | Cheque no. 1308 | 390 |  | 17,500 | |
| 5 | Cheque no. 1311 | 600 |  | 16,900 | |
| 7 | Deposit |  | 2,000 | 18,900 | |
| 12 | Cheque no. 1312 | 460 |  | 18,440 | |
| 13 | Deposit |  | 1,200 | 19,640 | |
| 15 | Cheque no. 1313 | 1,000 |  | 18,640 | |
|  | Direct debit - Hui Xing Bhd | 2,000 |  | 16,640 | |
| 20 | Unpaid Cheque | 1,200 |  | 15,440 | |
| 22 | Deposit |  | 1,100 | 16,540 | |
| 25 | Cheque no. 1314 | 220 |  | 16,320 | |
| 30 | Credit Transfer - Jia Jia Trading |  | 4,000 | 20,320 | |
|  | Cheque book | 20 |  | 20,300 | |
|  | Direct debit - MIM Insurance | 4,800 |  | 15,500 | |
|  | Interest on fixed deposit |  | 80 | 15,580 | |
|  | Banker order - Car instalments | 1,000 |  | 14,580 | |
|  | Faris Trading - Banker Errors | 3,000 |  | 11,580 Cr | |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Cash Book (Bank column only)** | | | | | | |
| 2022 |  | RM | 2022 |  | Cheque No. | RM |
| Jul 1 | Balance b/d | 17,500 | Jul 3 | Shi Wei | 1311 | 600 |
| 7 | Cash | 2,000 | 11 | Zhi Yong | 1312 | 640 |
| 12 | Le Ning | 1,200. | 15 | Mr. Ang | 1313 | 1,000 |
| 20 | Joe | 1,110 | 20 | Petty Cash | 1314 | 220 |
| 24 | Hui Ching | 2,200 | 24 | Fittings | 1315 | 3,000 |
| 27 | Yu Cheng | 1,400 | 29 | Da Cheng | 1316 | 2,000 |
| 30 | Mei Xin | 2,400 | 31 | Wages | 1317 | 4,000 |
|  | Balance c/d | 16,350 |
| 27,810 | 27,810 |
| Aug 1 | Balance | 16,350 |  |

**Note:** (1) The transaction on 20 July was incorrectly entered in the Cash Book.

(2) The bank had wrongly charged a payment of RM3,000 from the Faiz's account.

**REQUIRED**

1. Bring the Cash Book up to date and carry down the adjusted balance;
2. Prepare the Bank Reconciliation Statement as at 31 July 2022 using the adjusted Cash Book Balance:

(Remark: You should state clearly whether each balance is a debit or credit.)

1. State 2 reasons for difference between Bank Statement and Cash Book bank balance.