

THE INSTITUTE OF FINANCE MANAGEMENT



FACULTY OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

BACHELOR OF ACCOUNTING WITH INFORMATION TECHNOLOGY

YEAR ONE

ACADEMIC YEAR: 2024/2025

AFU 07114: PRINCIPLES OF ACCOUNTING

INDIVIDUAL ASSIGNMENT

STUDENT NAMES: THERESIA JACOB LUBUVA

REG NO: IMC/BAIT/2413620

Dr

CORRECTED CASH BOOK (BANK COLUMN) A/C

Cr

DATE(2023)	PARTICULAR	FOLIO	AMOUNT	DATE	PARTICULAR	FOLIO	AMOUNT
1 DEC	Balance b/d		19,973,000	10 dec	Standing order		137,000
06 dec	Deposit		2,065,000	05 dec	Bank charges		47,000
24 dec	Deposit		528,000	05 dec	Cheque No. 81316782		737,000
23 dec	Direct transfer		176,000	02 dec	Cheque 81316780		426,000
1 dec	Error in cash book.		410,000				
1 DEC	Adjustment for cash book. Balance b/d		987,000				
				31 dec	Balance c/d		22,495,000
			24,139,000				24,139,000

KITU KIZIMA COMPANY**BANK RECONCILIATION AS AT 31st DECEMBER 2023.**

Balance as per cash Book	22,495,000
Add: Unpresented Cheque.	
Chantal	97,000
Rent	260,000
Error	900
	<u>22,861,000.</u>
Less: Uncredited Cheques.	
Astra Lavetta Ltd.	962,000

Watembo Ltd	1,103,000
Cash to Bank	529,000
Omari	529,000

19,738,000

Balance Per Bank Statement.

19,738,000.

List two reasons for reconciliation as at 31 December 2023.

- 1) To ensure accuracy of the company's financial records.
By reconciling the cash book with the bank statement, we can identify and correct any discrepancies or errors in the company's financial records.
- 2) To detect and prevent fraud.
By comparing the cash book with the bank statement, we can identify any unauthorized transactions or discrepancies that may indicate fraudulent activity.

Comment briefly upon any aspects of your reconciliation which might require further investigation.

- 1) The outstanding checks or deposits in the transits.
If there are outstanding checks or deposits in transits that have not been cleared by the bank, it indicates delays in the bank's processing or potential errors in the recording these transactions.
- 2) Bank errors or company's errors.
If there errors in the banks statement or cash book, it may indicate mistakes in recording transactions or processing checks.
- 3) Signiant errors between the cash book and bank statement.
If there are large differences between the balances in the cash book and the bank statement, it may indicate errors or unauthorized transactions that require further investigation.