INDIAN SCHOOL AL WADI AL KABIR

Class: XI	**Department: Commerce**
Worksheet No: 1	**Chapter: Bank Reconciliation Statement**

Multiple Choice Questions:

1.Bank Reconciliation Statement can be prepared:
A. Only at the end of the year
B. any time as per requirement
C. Only at the end of a month
D. Only at the end of the week

2.BRS is prepared by the :
A.Bank
B.Creditor
C.Debtor
D.Account holder.

3.The cash book balance is ₹5,000 and there was a uncredited cheque of ₹250. What will be the corrected balance.
A. ₹5,000
B. ₹5,250
C. ₹4,750
D. ₹5,500

4.What is Pass Book?
A. Cash book maintained by the business.
B. Debit card
C. Copy of bank statement in which client’s bank transactions are recorded by the bank
D. Copy of cash transactions of the client recorded by the bank

5.Bank reconciliation Statement is prepared to
A. to know the payment made through cheques
B. to know the errors in the Pass Book
C. to compare the Cash Book with Pass Book and ascertain the difference.
D. to know the cash withdrawn from bank.

6.Assestion: Debit Balance in the Pass book indicates bank overdraft
Reason: BRS is prepared to correct the balance of cash book as per bank statement.
A. Assertion is false; Reason is true
B. Assertion and Reason are true and Reason is the correct explanation of Assertion.
C. Assertion is true; Reason is false
D. Assertion and Reason are true but Reason is not the correct explanation of Assertion.

7.Debit Balance in the Cash Book is equivalent to:
A. Overdraft as per Pass Book
B. Credit Balance as per Pass Book
C. Overdraft as per Cash Book.
D. None of these

8. Interest credited by the bank will be recorded:
A. debit of Cash book
B. Credit of cash book
C. Debit of pass Book
D. Credit of Pass Book

9. A customer directly deposited Rs.12,000 in our bank account. This entry will be recorded by the bank in
A. debit of Cash book
B. Credit of cash book
C. Debit of pass Book
D. Credit of Pass Book

10. Bank Balance as per cash book was ₹ 1,800, when compared with pass book it was found that bank charge of ₹ 150 was not recorded in the cash book and interest credited in pass book was ₹ 800. What will be the bank balance as per Pass Book?
A. ₹850
B. ₹1,150
C. ₹2,450
D. ₹2,750

DESCRIPTIVE/NUMERICAL QUESTIONS:

11. Prepare BRS as on 31st July 2024
(i) Balance as per Cash Book is ₹12,000 as on 31st July 2024
(ii) A customer directly deposited ₹1,300 in firm's bank A/c.
(iii) Cheques issued for ₹8,000 in July, out of which a cheque for ₹3,800 was presented for payment on 3rd August.
(iv) Bank charged ₹150 and credited interest of ₹350.
(v) Cheques for ₹5,000 were deposited into the Bank in the month of July but only cheques for ₹1,000 were credited by the bank till 31st July 2024
(vi) Bank paid the Insurance Premium of ₹1,200 as per standing instructions.

12. Prepare a Bank Reconciliation Statement on 31 August. 2024 for the following:
(i) Bank Balance (Cr) as per cash book ₹7,000
(ii) Cheques deposited but not collected by bank ₹1450
(iii) Cheques issued but not presented for payment ₹2,600
(iv) Incidental charges paid by bank but not recorded in cash book ₹100
(v) Insurance premium paid by bank as per standing advice ₹200
(vi) On 31st Aug cash deposited in bank ₹465 but the cash book was debited ₹365.

13. The cash book and the pass book of a trader did not tally. He noted the following differences.Draw up a reconciliation statement if overdraft of cash book is ₹15,000:
(i.) On 31st March 2024 Jeevan had issued cheques amounting to ₹9,000 of which cheques amounting to ₹3,000 have been presented for payment.

(ii.) A cheque of ₹2,200 paid by him into bank of 26th March is not credited in the pass book.

(iii.) On 30th March a cheque for ₹1,570 received by him was paid into bank but the same was omitted to be entered in cash book.

iv. He had also received a cheque for ₹500 which although entered by him in the bank column of cash book, was omitted to be paid into the bank.

v. There was a credit of ₹150 for interest in the pass book and a debit of ₹25 for bank charges.

14.Prepare bank reconciliation statement of Mr. Gupta on April 31, 2024, as his bank statement showed a different balance when compared to cash book.

(i) The Payment of a cheque for ₹500 was recorded twice in the passbook.

(ii) Withdrawal column of the passbook under cast by ₹200

(iii) A Cheque of ₹300 has been debited in the bank column of the Cash Book but it was not sent to bank at all.

(iv) A Cheque of ₹750 debited in the passbook was recorded in CB as ₹570.

(v) Rs. 500 in respect of dishonoured cheque was not entered in the cash book.

Favourable balance as per bank statement is ₹2,000

15. On March 31, 2024, the cash book of Adani Bros. Showed an unfavourable balance of ₹6,900. From the following particulars prepare a Bank Reconciliation Statement and ascertain the balance as per passbook.

(i) Debited by bank for ₹600 on account of Interest on overdraft and Rs. 450on account of charges for collecting bills.

(ii) Cheques drawn but not encashed before March, 31 2024 for ₹4,000.

(iii) The bank has collected dividend on investment and credited ₹600.

(iv) A bill receivable for ₹700 previously discounted with the bank had been dishonoured and debited in the passbook.

(v) Cheques paid into bank but not collected and credited ₹370.

16. From the following particulars, prepare the bank reconciliation statement of Shri Krishan as on March 31, 2024.

(a) Bank Balance as per pass book is ₹10,000.

(b) Bank collected a cheque of ₹825 on behalf of Sreehari another customer, but wrongly credited it to Shri Krishan's account.

(c) Bank recorded a cash book deposit of ₹1,950 as ₹1,590.

(d) Withdrawal column of the passbook under cast by ₹100.

(e) The credit balance of ₹1,500 in the pass-book was recorded as debit balance the next day.

(f) The payment of a cheque of ₹350 was recorded twice in the pass book.

(g) The pass-book showed a credit for a cheque of ₹1,000 deposited by Shri Kishan.

17. The Cash Book of Mr. Sharma showed a balance of ₹3,560 as on 31st June. 2024 at the Bank where as Pass Book showed a balance of Rs. 2,430 Comparison of the Cash Book and Pass Book revealed the following.

(i) The Bank has debited Mr. Sharma with ₹460, the annual premium of his life policy according to his standing instructions and ₹20 as Bank charges.

(ii) Mr. Sharma paid into the Bank cheques totaling ₹3,100 on June. 26th 2024 of which those for ₹2,500 were collected in July. One cheque for ₹200 was returned dishonoured on 2nd July. 2024.

(iii) The Bank has credited Mr. Sharma by ₹1,600, the proceeds of a bill.

(iv) Cash collected on 30th Jun. 2024 totaling ₹850 was entered in the Cash Book in the Bank column on the same date but banked on 10.4.2020.
(v) Mr. Sharma issued cheques totaling ₹2,300 in the month of March out of which cheques for ₹1000 have been presented for payment till 31st Mar.

18. The bank statement showed a credit balance of ₹5,850 on 31st July 2024, which did not tally with the cash book. On investigation the following discrepancies were noted. Prepare a bank reconciliation statement as on July. 31, 2024 to rectify the errors.
(i)Bank charges of ₹4,200 entered in the bank statement have not been entered in cash book.
(ii)Cheques drawn amounting to ₹2,670 have not been presented to the bank for payment.
(iii)Cheques received totaling ₹6,565 have been entered in the cash book and deposited in the bank, but have not been credited by the bank until Aug, 2024
(iv)A cheque for ₹1645 has been entered as a receipt in the cash book instead of as payment.
(v)A cheque for ₹225 has been debited by the bank in error.
(vi)A cheque received for ₹1,270 has been returned by the bank and marked "NO funds available", no adjustment had been made in the cash book.
(vii) During July, an amount of ₹750 was credited by the bank and no entry is made in the cash book.
(viii) A cheque drawn for ₹574 has been incorrectly entered in the cash book as ₹594.

19. The pass book of Mr. Rohit Kumar showed an overdraft of ₹ 4,200, on scrutinizing with the Cash book the following discrepancies were noted , you are required to update the cash book balance and the prepare the bank reconciliation statement for September 2023.

(i) Interest on investment credited by the bank ₹ 900
(ii) Cheques of ₹ 2,800 were deposited during September of which the bank collected ₹ 1,100 in October 2023.
(iii) A payment of a cheque for ₹ 350 was recorded twice in the cash book.
(iv) Cheques drawn during September ₹ 3,000 out of which cheques of ₹ 1,800 each were only presented.
(v) There was a wrong debit in the pass book of ₹ 100.
(vi) A payment of ₹ 250 was recorded as receipt in the cash book.
(vii)A customer directly deposited ₹ 700 in Rohit's bank A/c.

20.Kumar Associates an audit firm, has two bank accounts. Account No. I and Account No. II. From the following details of Account No. I, Prepare BRS on December 31, 2023
(i) Overdraft as per Passbook ₹18,000
(ii) Cheques paid into bank prior to December 31, 2024, but not credited for ₹10,000.
(iii) Transfer of funds from account No. II to account no. I recorded by the bank on December 31, 2024 but entered in the cash book after that date for ₹ 6,000.
(iv) Cheques issued prior to December 31, 2024 but not presented ₹7,500.
(v) Bank charges debited by bank not entered in the cash book for ₹200.
(vi) Interest Debited by the bank not entered in the cash book ₹500
(vii) A debit balance of ₹360 in cash book was carried forward to the next page as ₹2400 credit balance.
(viii)Bank wrongly charged interest of ₹200.
(ix)An amount of ₹3,000 withdrawn from the bank for personal use was recorded in the cash column of cash book.
(xi)A customer with same name withdrew ₹1,000 from his account, bank debited our account by mistake.