

# Bank Reconciliation Statements

**AAT Level I**  
FAC - Financial Accounting

# BANK RECONCILIATION STATEMENT



## Resource Person

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Prepared by Shihan Haniff

Revised Cash Control Account					
Date	Description	Amount	Date	Description	Amount
	BBF	XXX		Standing orders	XX
	Direct deposits	XX		Bank charges	XX
	Issued cheque returns	XX		Cheque book charges	XX
				Cheque deposits dishonoured	XX
				Cheques issued but not reco	XX
				BCD	XXX
		XXX			XXX
	BBF	XXX			

Bank Reconciliation Statement		
<b>Balance as per revised cash control account</b>		XXX
<b>Add</b>		
Unpresented cheques	XX	
Bank erroneously credited our account	XX	XX
		XXX
<b>Less</b>		
Unrealized cheques	XX	
Bank erroneously debited our account	XX	XX
<b>Balance as per Bank Statement</b>		XXX

## FORMAT

2008 Dec  
AAT I (Q4)

04. The following details are relevant to **Vijitha Hardware Company** for the month ended 31<sup>st</sup> October 2008.

- (1) On 31<sup>st</sup> October 2008 the bank statement had a credit balance of Rs.250,000/-, but the cash book balance was different from the bank statement balance.
- (2) The Accountant of **Vijitha Hardware** company reported the following information:
  - Cheques deposited in October 2008 but unrealized by 31<sup>st</sup> October amounted to Rs.165,000/-.
  - A cheque amounting to Rs.5,000/- appearing as an unrepresented cheque in the bank reconciliation as at 30.09.2008 has still not been presented to the bank.
  - Payments on standing orders during the month amounted to Rs.125,000/-. However, in the cash book, only Rs.25,000/- had been recorded.
  - Bank had mistakenly credited another company's cheque amounting to Rs.22,000/- to **Vijitha Hardware** company's account.
  - Direct bank remittances by debtors of **Vijitha Hardware** company amounted to Rs.150,000/- in respect of which there were no entries in the cash book.

**You are required to ascertain the adjusted cash book balance and prepare, a bank reconciliation statement of **Vijitha Hardware** company as at 31<sup>st</sup> October 2008.**  
(10 marks)

Prepared by Shihan Haniff

2020 Jan  
AAT I Q2

Bank balance as per the cash control account of **Diana (Pvt) Ltd.** as at 31<sup>st</sup> December 2019 showed a debit balance of Rs.625,250/-. But balance appeared in the bank statement was Rs.169,750/-. The following reasons were revealed subsequently for the difference:

- (1) A cheque issued to a creditor of Rs.72,500/- had not been presented to the bank for payment.
- (2) A customer has deposited an amount of Rs.110,200/- directly to the bank and it was not recorded in the cash control account.
- (3) A standing order given to the bank for the monthly loan installment of Rs.550,000/- had not been recorded in the cash control account.
- (4) Unrealized cheque deposits as at 31<sup>st</sup> December 2019 were Rs.85,000/-.
- (5) Bank charges for the month of Rs.3,200/- had not been recorded in the cash control account.

**You are required to:**

**Prepare** the following for the month of December 2019:

- (a) Adjusted Cash Control Account (Cash Book). (03 marks)
- (b) Bank Reconciliation Statement. (02 marks)

Prepared by Shihan Haniff

2012 Jul  
AAT I Q5

The bank statement balance of **Wathsala Coffee Restaurant** did not agree with the overdrawn balance of Rs.23,000/- as per bank column of the cash book as at 30<sup>th</sup> April 2012. At the same day bank statement has shown a favourable balance of Rs.17,000/-.

The following reasons were discovered later:

Items not appearing in the cash book, but appearing in the bank statement:

- (1) Fixed deposit interest credited by the bank - Rs.14,000/-.
- (2) Bank charges - Rs.2,000/-.
- (3) Standing order payment for insurance - Rs.20,000/-.
- (4) Direct deposit by a debtor of **Wathsala Coffee Restaurant** - Rs.43,000/-.
- (5) An issued cheque of Rs.4,000/-, has been omitted from the bank column of the cash book.

Items not appearing in the bank statement, but appearing in the cash book:

- (1) Customers cheque deposits - Rs.6,400/-.
- (2) Cheques issued but not presented for payments - Rs.15,400/-.

**You are required to prepare,**

- (a) Adjusted Cash Book.
- (b) Bank Reconciliation Statement as at 30<sup>th</sup> April 2012. (07½ marks)

Prepared by Shihan Haniff

2016 Jul  
AAT II Q2

The bank statement balance of **Vindy High Tea Ltd.**, did not agree with the debit balance of Rs.107,000/- as per bank column of the cash book as at 31<sup>st</sup> March 2016. At the same date bank statement has shown a favourable balance of Rs.227,000/-.

The following reasons were revealed subsequently for the difference:

- (1) The following issued cheques had not been presented for payment to the bank as at 31<sup>st</sup> March 2016:

Cheque No.	Date Issued	Amount Rs.
750298	25.03.2016	5,500
750307	28.03.2016	70,000
750136	30.03.2016	83,000

- (2) The following cheque deposit was not realized during the month of March 2016:

Cheque No.	Date Deposited	Amount Rs.
345675	30.03.2016	25,000

- (3) The bank had erroneously debited an amount of Rs.11,000/- to **Vindy High Tea Ltd.'s** bank account on 30<sup>th</sup> March 2016.
- (4) Bank charges of Rs.2,500/- for the month of March 2016 which was charged by bank has not been recorded in the Cash Book.

**You are required to,**

**Prepare the following for Vindy High Tea Ltd.:**

- (a) Adjusted Cash Book as at 31<sup>st</sup> March 2016.
- (b) Bank Reconciliation Statement as at 31<sup>st</sup> March 2016. (05 marks)

Prepared by Shihan Haniff

2017 Jan  
AAT II Q4

The bank statement of **Charm Cakes Ltd.** as at 31<sup>st</sup> December 2016 showed an overdraft balance of Rs.53,029/-, while the cash book of the company showed a debit balance of Rs.15,274/-.

The following reasons were identified for the difference:

- (1) The following cheques deposited have not been realized by 31<sup>st</sup> December 2016:

Cheque No.	Date of Deposit	Amount (Rs.)
321154	28.12.2016	156,200
265471	31.12.2016	24,675

- (2) The following cheques issued by the company have not been presented for payments by 31<sup>st</sup> December 2016:

Cheque No.	Date of Issued	Amount (Rs.)
628734	25.12.2016	3,274
628742	28.12.2016	115,248

- (3) The book-keeper has erroneously entered the value of the issued cheque number 628730 as Rs.69,745/- in the cash book, whereas the correct value of the cheque was Rs.67,945/-.
- (4) The bank has charged cheque book charges of Rs.2,500/- on 31<sup>st</sup> December 2016, which was not recorded in the cash book.
- (5) The bank has erroneously credited an amount of Rs.5,250/- to the bank account of **Charm Cakes Ltd.** on 31<sup>st</sup> December 2016.

You are required to:

Prepare the following for **Charm Cakes Ltd.**:

- (a) Adjusted cash book as at 31<sup>st</sup> December 2016. (02 marks)
- (b) Bank Reconciliation Statement as at 31<sup>st</sup> December 2016. (03 marks)

Prepared by Shihan Haniff

2017 Jul  
AAT II Q3

The Bank Reconciliation Statement as at 28<sup>th</sup> February 2017 of **Siva (Pvt) Ltd.** was as follows:

	Rs.	Rs.
Balance as per Cash Book as at 28 <sup>th</sup> February 2017		(12,300)
Add: Cheques issued but not presented for payments:		
No. 251371	12,000	
No. 251372	13,200	25,200
Less: Cheques deposited but not realized		
No. 265971		(50,000)
Balance as per bank statement (overdraft) as at 28 <sup>th</sup> February 2017		<b>(37,100)</b>

The following information is also provided for the month of March 2017:

- (1) As per the bank statement for March 2017, the bank has deducted cheque book charges of Rs.3,000/- which was not recorded in the cash book.
- (2) The following cheques which were issued during the month of March 2017 were not presented for payments by 31<sup>st</sup> March 2017:

Cheque No.	Date of Cheque	Amount (Rs.)
251433	27.03.2017	4,500
251439	31.03.2017	12,890

- (3) The following cheque deposited during the month of March 2017 has not been realized by 31<sup>st</sup> March 2017:

Cheque No.	Date of Cheque	Amount (Rs.)
452316	30.03.2017	12,200

- (4) The unrealized deposit of Rs.50,000/- which was included in the bank reconciliation as at 28<sup>th</sup> February 2017 has been realized during the month of March 2017.
- (5) The following cheque which was issued during the month of February 2017 remained unrepresented as at 31<sup>st</sup> March 2017:

Cheque No.	Date of Cheque	Amount (Rs.)
251372	17.02.2017	13,200

- (6) Favorable balance of the bank column as per the cash book of **Siva (Pvt) Ltd.** as at 31<sup>st</sup> March 2017 was Rs.107,000/-.

You are required to:

Prepare the following:

- (a) The adjusted Cash Book as at 31<sup>st</sup> March 2017. (01 mark)
- (b) The Bank Reconciliation Statement as at 31<sup>st</sup> March 2017. (04 marks)

Prepared by Shihan Haniff

The following information is extracted from the books of **Recon Traders**:

(1) Bank Reconciliation Statement as at 30<sup>th</sup> April 2018

	(Rs.)	(Rs.)
Balance as per Cash Control Account (cash book) as at 30 <sup>th</sup> April 2018		15,200
<b>Add: Cheques issued but not presented for payments:</b>		
265975	12,300	
265985	15,350	27,650
<b>Less: Unrealized deposits:</b>		
Cheque deposit 257461		(65,000)
<b>Balance as per Bank Statement as at 30<sup>th</sup> April 2018</b>		<b>(22,150)</b>

(2) On 31<sup>st</sup> May 2018, the bank has deducted cheque book charges of Rs.3,500/- and this was not recorded in the cash book.

(3) The following issued cheques were not presented to the bank by 31<sup>st</sup> May 2018:

Cheque No.	Date of Issue	Amount, Rs.
265975	15.04.2018	12,300
266105	15.05.2018	3,200
266115	31.05.2018	60,000

(4) All the unrealized deposits as at 30<sup>th</sup> April 2018 have been realized during the month of May 2018.

(5) On 29<sup>th</sup> May 2018, the bank has erroneously debited an amount of Rs.13,200/- to **Recon Trader's** bank account.

(6) The following cheque which has been deposited to the bank account by the company on 27<sup>th</sup> May 2018 has not been realized by 31<sup>st</sup> May 2018:

Cheque No.	Amount, Rs.
452122	25,000

(7) The debit balance (favourable balance) of cash control account (cash book) as at 31<sup>st</sup> May 2018 was Rs.49,000/-.

**You are required to:**

**Prepare the following:**

- (a) The Adjusted Cash Control Account (cash book) as at 31<sup>st</sup> May 2018. (02 marks)
- (b) The Bank Reconciliation Statement as at 31<sup>st</sup> May 2018. (03 marks)

(Total 05 marks)



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