

QB365 Question Bank Software Study Materials

Bank Reconciliation Statement 50 Important 1 Marks Questions With Answers (Book Back and Creative)

11th Standard

Accountancy

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) A bank reconciliation statement is prepared by _____.
(a) Bank **(b) Business** (c) Debtor to the business (d) Creditor to the Business
- 2) A bank reconciliation statement is prepared with the help of _____.
(a) Bank statement (b) Cash book **(c) Bank statement and bank column of the cash book** (d) Petty cash book
- 3) Debit balance in the bank column of the cash book means _____.
(a) Credit balance as per bank statement (b) Debit balance as per bank statement (c) Overdraft as per cash book
(d) None of the above
- 4) A bank statement is a copy of _____.
(a) Cash column of the cash book (b) Bank column of the cash book **(c) A customer's account in the bank's book**
(d) Cheques issued by the business
- 5) A bank reconciliation statement is prepared to know the causes for the difference between:
(a) The balance as per the cash column of the cash book and bank column of the cash book.
(b) The balance as per the cash column of the cash book and bank statement
(c) The balance as per the bank column of the cash book and the bank statement.
(d) The balance as per petty cash book and the cash book
- 6) When money is withdrawn from bank, the bank _____.
(a) Credits customer's account **(b) Debits customer's account** (c) Debits and credits customer's account
(d) None of these
- 7) Which of the following is not the salient feature of bank reconciliation statement?
(a) Any undue delay in the clearance of cheques will be shown up by the reconciliation
(b) Reconciliation statement will discourage the accountant of the bank from embezzlement
(c) It helps in finding the actual position of the bank balance
(d) Reconciliation statement is prepared only at the end of the accounting period
- 8) Balance as per cash book is Rs. 2,000. Bank charge of Rs. 50 debited by the bank is not yet shown in the cash book. What is the bank statement balance now?
(a) Rs. 1,950 credit balance (b) Rs. 1,950 debit balance (c) Rs. 2,050 debit balance (d) Rs. 2,050 credit balance
- 9) Balance as per bank statement is Rs. 1,000. Cheque deposited, but not yet credited by the bank is Rs. 2,000. What is the balance as per bank column of the cash book?
(a) Rs. 3,000 overdraft **(b) Rs. 3,000 favourable** (c) Rs. 1,000 overdraft (d) Rs. 1,000 favourable

- 10) Which one of the following is not a timing difference?
- (a) Cheque deposited but not yet credited (b) Cheque issued but not yet presented for payment
(c) Among directly paid into the bank **(d) Wrong debit in the cash book**
- 11) _____ can also be made through bank
- (a) Payments** (b) Receipts (c) Both (d) None of these
- 12) _____ is simply a copy of the customer's account in the books of a bank.
- (a) Cash book **(b) Bank Statement** (c) Bank Account (d) None of these
- 13) In recent times, the copy of the records can be obtained by the customer electronically, which is called _____
- (a) E-Commerce (b) ATM **(c) E-Statement** (d) Electronic Commerce
- 14) _____ is not possible to have unfavourable cash balance in the cash book.
- (a) Bank statement **(b) Bank overdraft** (c) Cash overdraft (d) Cash book
- 15) _____ can be prepared either from the balance as per cash book or bank statement.
- (a) Bank reconciliation statement** (b) Financial Statement (c) Fund flow analysis (d) None of these
- 16) Debit balance in the Cash book means _____
- (a) Overdraft as per Pass book **(b) Credit balance as per Pass book** (c) Overdraft as per Cash book (d) None of these
- 17) When balance as per Cash book is the starting point, to ascertain balance as per Pass book interest allowed by bank is _____
- (a) subtracted **(b) added** (c) not adjusted (d) adjusted
- 18) When balance as per Cashbook is the starting point to ascertain balance as per Pass book interest charged by bank is _____
- (a) added **(b) subtracted** (c) not adjusted (d) none of these
- 19) A bank pass book is a copy of _____
- (a) the cash column of a customer's cash book (b) the bank column of a customer's cash book
(c) the customer's account in the bank's ledger (d) none of these
- 20) The bank statement shows an overdrawn balance of Rs. 2,000. A cheque for Rs. 500 drawn in favour of a creditor has not yet been presented for payment. When the creditor presents the cheque for payment, the bank balance will be _____
- (a) Rs. 1500 **(b) Rs. 2500(overdrawn)** (c) Rs. 500 (d) Rs. 3500
- 21) A time gap between the depositing of the _____ and the collection by the bank.
- (a) cash **(b) cheques** (c) petty Cash (d) none of these
- 22) Interest will be charged for the amount overdrawn is _____
- (a) Overdraft** (b) Profit (c) Loss (d) Income
- 23) Bank overdraft is available only to the _____ holders.
- (a) Fixed Account (b) Joint Account **(c) Current Account** (d) Ledger Account
- 24) Which of the following account is most suitable for business concerns?
- (a) Savings account (b) Fixed deposit account **(c) Current account** (d) None of these
- 25) If over draft as per cash book had been given and you are asked to prepare the balance as per passbook, in the case of cheques issued but not presented for payment

- (a) Add with cash book balance **(b) Deduct from cash book balance** (c) Omit this transaction (d) None of these
- 26) A bank reconciliation statement is prepared to know the causes for the difference between:
- (a) The balance as per the cash column of the cash book and bank column of the cash book
 (b) The balance as per the cash column of the cash book and bank statement
(c) The balance as per the bank column of the cash book and the bank statement
 (d) The balance as per petty cash book and the cash book
- 27) Bank reconciliation statement is prepared by the_____.
- (a) bank (b) creditor of a business **(c) customer of a bank**
- 28) When balance as per pass book is the starting point, interest allowed by bank is_____.
- (a) subtracted** (b) added (c) neither of the two
- 29) When balance as per cash book is the starting point, interest charged by bank is_____
- (a) added **(b) subtracted** (c) neither of the two
- 30) When the balance as per cash book is the starting point; direct deposits by the customers are_____
- (a) added** (b) subtracted (c) neither of the two
- 31) When the balance as per pass book is the starting point, direct payment by the banks are _____.
- (a) added** (b) subtracted (c) neither of the two
- 32) A bank pass book is a copy of_____
- (a) the cash column of a customer's cash book (b) the bank column of a customer's cash book
(c) the customer's account in the bank's ledger
- 33) Bank reconciliation statement is_____.
- (a) Part of bank statement** (b) Part of the cash book (c) a separate statement (d) A sub-division of journal
- 34) Uncollected cheques are also known as _____
- (a) outstanding cheques (b) Uncleared cheques (c) Outstation cheques **(d) Both a & c**
- 35) When cheque is not paid by the bank it is called as_____
- (a) Honoured (b) Endorsed **(c) Dishonoured** (d) None of these
- 36) The cheque which is deposited into bank but not cleared at the end of a particular year is called_____
- (a) Uncredited cheque **(b) Unpresented cheque** (c) Omitted cheque (d) Dishonoured cheque
- 37) In cash book bank charges recorded in the_____.
- (a) Credit side** (b) Debit side (c) Both a & b (d) None of these above
- 38) If any amount is directly deposited into the bank then_____.
- (a) Cash book will show less balance & bank book will show more**
 (b) Cash book will show more balance & bank book will show less (c) Cash book will show double balance
 (d) Bank book will show double
- 39) Which of the following error results in unadjusted cash book balanced?
- (a) Outstanding cheques (b) Unpresented Cheques (c) deposit in Transit **(d) Omission of Bank Charges**
- 40) Credit balance in the bank column of the cash book means

- (a) Credit balance as per bank statement **(b) Debit balance as per bank statement** (c) overdraft as per cash book
 (d) None of these above
- 41) When balance as per Cash Book is the starting point, to ascertain balance as per bank statement interest allowed by bank is
 (a) Subtracted **(b) added** (c) not adjusted (d) None of the above
- 42) When balance as per Cash Book is the starting point statement interest charged by Bank is _____
 (a) Added **(b) Subtracted** (c) not adjusted (d) None of the above
- 43) When the balance as per Cash Book is the starting point to ascertain balance as per bank statement, direct deposits by customers are _____
(a) Added (b) Subtracted (c) not adjusted (d) None of these above
- 44) When the balance as per Cash Book is the starting point to ascertain balance as per bank statement, direct payments by bank are _____
 (a) Added **(b) subtracted** (c) not adjusted (d) None of the above
- 45) _____ is not possible to have unfavourable cash balance in the cash book.
 (a) Bank statement **(b) Bank overdraft** (c) Cash overdraft (d) Cash book
- 46) For a business organisation dealing in cash through bank is always _____
 (a) obligatory (b) Non-obligatory **(c) Safe** (d) Risky
- 47) When any bank transaction is undertaken _____ records are kept us the transactions.
 (a) Many (b) No (c) Five **(d) Two**
- 48) E-statement is _____
(a) The copy of records obtained by customers from the bank electronically
 (b) The notice issued to the defaulters of bank loans
 (c) The statement issued by banks to the tax authorities regarding financial status (d) None of the above
- 49) Which one of the lollowing does not relate to the need for bank reconciliation statement?
(a) To identify the reasons for the difference between the bank balance as per the cash book and bank balance as per bank statement
 (b) To identify the delay in the clearance of cheque (c) To ascertain the financial soundness of business
 (d) To discourage the accountants of the business as well as bank from missing funds
- 50) Cheques issued by customers are credited in th bank column of the cash book
 (a) On the very next day of its issue **(b) On the day of issue of the cheque** (c) A week after the issue of the cheque
 (d) On the last day of the month of issue of the cheque