

QB365 Question Bank Software Study Materials

Ledger 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) Main objective of preparing ledger account is to
(a) Ascertain the financial position (b) Ascertain the profit or loss (c) Ascertain the profit or loss and the financial position
(d) Know the balance of each ledger account
- 2) The process of transferring the debit and credit items from journal to ledger accounts is called
(a) Casting **(b) Posting** (c) Journalising (d) Balancing
- 3) J. F. means _____
(a) Ledger page number **(b) Journal page number** (c) Voucher number (d) Order number
- 4) The process of finding the net amount from the totals of debit and credit columns in a ledger is known as
(a) Casting (b) Posting (c) Journalising **(d) Balancing**
- 5) If the total of the debit side of an account exceeds the total of its credit side, it means
(a) Credit Balance **(b) Debit Balance** (c) Nil Balance (d) Debit and Credit Balance
- 6) The amount brought into the business by the proprietor should be credited to
(a) Cash account (b) Drawings account **(c) Capital account** (d) Suspense account
- 7) _____ is known as principal book of accounts because It is very useful for a business enterprise.
(a) Journal **(b) Ledger** (c) Balance Sheet (d) Trial Balance
- 8) The financial statements can be prepared from the _____ balances.
(a) ledger (b) journal (c) trial (d) none of these
- 9) The ledger account is prepared in _____ format.
(a) U **(b) T** (c) V (d) Vertical
- 10) The process of transferring the debit and credit items from the journal to the ledger accounts is called _____
(a) Journalising (b) Marshalling **(c) Posting** (d) None of these
- 11) When a journal entry has more than one debit or more than one credit or both, it is called a _____
(a) Opening Entry (b) Journal Entry (c) Contra Entry **(d) Compound Entry**
- 12) Ledger is a book of _____
(a) original entry **(b) final entry** (c) all cash transactions (d) none of these
- 13) Personal and real accounts are _____
(a) closed **(b) balanced** (c) closed and transferred (d) opened
- 14) Posting on the Credit side of an account is written as _____
(a) To **(b) By** (c) Being (d) Narration

- 15) The column of ledger which links the entry with Journal is _____
 (a) L.F. Column (b) **J.F. Column** (c) Particulars Column (d) Amount Column
- 16) Nominal Account having credit balance represents _____
 (a) **income/gain** (b) expenses/losses (c) assets (d) liabilities
- 17) Real accounts always show _____
 (a) **debit balances** (b) credit balances (c) both 'a' and 'b' (d) none of these
- 18) Accounts having credit balance is closed by writing _____
 (a) To balance b/d (b) By balance c/d (c) **To balance c/d** (d) By balance bid
- 19) The balances of Personal and Real Accounts are shown in the _____
 (a) trading account (b) profit and loss account (c) **balance sheet** (d) trial balance
- 20) Normally, in a majority of business concern, the ledger is a _____
 (a) Sheet (b) **Bound note book** (c) loose-leaf Ledger (d) journals
- 21) In big concerns, the ledger is _____
 (a) bound note book (b) sheet (c) **loose-leaf ledger** (d) journals
- 22) Entry in which more than one transactions are recorded is called _____
 (a) **compound entry** (b) single entry (c) double entry (d) journal entry
- 23) In a ledger account, when the debit total and credit total are equal it is called _____
 (a) debit balance (b) credit balance (c) both 'a' and 'b' (d) **nil balance**
- 24) Cash received from Madhan is to be posted to his account on _____
 (a) **credit Side** (b) debit side (c) both side (d) no side
- 25) Transferring entries from Journal to Ledger Accounts is called _____
 (a) Casting (b) **Posting** (c) Journalising (d) Balancing
- 26) The accounts are balanced _____
 (a) at the end of the accounting period (b) after a certain period (c) in the begining of the accounting period
 (d) **both (a) & (b)**
- 27) If Total of credit > Total of debit = _____
 (a) Debit balance (b) **Credit balance** (c) Nil balance (d) both (a) & (b)
- 28) If Total of debit is equal to Total of Credit _____
 (a) Debit balance (b) Credit balance (c) **Nil balance** (d) None
- 29) Balances in the Nominal accounts are _____
 (a) Carried forward to next accounting year (b) **Carried forward to Trading and Profit and Loss A/c**
 (c) Carried forward to Balance Sheet (d) None of the above
- 30) Which of the following account is not carried forward to the next accounting year
 (a) Personal account (b) Real account (c) **Nominal account** (d) None of the above
- 31) Cash account is a _____
 (a) Personal account (b) **Real account** (c) Nominal account (d) None of the above

- 32) This account is frequently balanced to ascertain cash on hand _____
 (a) trial balance (b) asset account **(c) cash account** (d) bank account
- 33) The book that contains all accounts as entered in the journal namely Personal, Real or Nominal is called _____
 (a) Journal Paper **(b) Ledger** (c) Cash Book (d) None
- 34) _____ accounts show the values of assets.
(a) Real (b) Personal (c) Nominal (d) Journal
- 35) Net position of an account cannot be ascertained from _____.
(a) Journal (b) Ledger (c) Trial balance (d) Balance sheet
- 36) The term balance brought down is used in the name of _____.
(a) balance b/d (b) balanced c/d (c) debit balance (d) credit balance
- 37) Total of debit > Total of credit = _____.
 (a) Debit balance **(b) Credit balance** (c) Nil balance (d) Trial balance
- 38) Account having credit balance is closed by writing _____.
 (a) To Balance b/d (b) By Balance c/d **(c) To Balance c/d**
- 39) Transferring the journal entries to the ledger is called _____.
 (a) journalising (b) balancing **(c) posting**
- 40) The closing balance is the next year's _____.
 (a) debit balance (b) credit balance (c) nil balance **(d) opening balance**
- 41) Which one of the following is known as the king of all books of accounts?
 (a) Recording (b) Posting **(c) Journalizing** (d) classifying
- 42) A decrease in the provision for doubtful debts would result in _____.
 (a) Increase in liability (b) Decrease in liability (c) Decrease in the net profit **(d) Increase in the net profit**
- 43) The discount which is calculated on the list price of the goods is called _____.
 (a) Cash discount (b) Rebate **(c) Trade discount** (d) Discount
- 44) Merchandise stolen by someone should be debited to _____.
 (a) Sales account (b) Purchases account **(c) Loss by theft account** (d) None of the above
- 45) The owner of the business takes Rs.100 cash and goods costing Rs.200 for his family. The proper journal entry for this transaction is called _____.
(a) drawing > debit; Cash > Credit; Purchases > Credit (b) Drawing > debit; Cash > Credit; merchandise > credit
 (c) Drawing > debit; Cash > credit; Sales > credit (d) cash > debit; Purchases > debit; drawings > credit
- 46) Left side of the ledger account is known as
 (a) Credit (b) Casting (c) Voucher **(d) Debit**
- 47) Statement: Goods bought by giving cheque Find out which of the following answer is correct.
(a) Purchases A/c Dr (b) Bank A/c Dr (c) Goods A/c Dr (d) Cash A/c Dr
To Bank A/c To Purchases A/c To Bank A/c To Purchases A/c
- 48) A ledger is known as _____ of accounts

(a) Principal book (b) Secondary book (c) Final book (d) Rough preparation

49) Which one of the following statements is true?

- (a) A ledger contains only personal accounts (b) A ledger contains only real accounts
(c) A ledger is a record of nominal accounts only

(d) A ledger contains all sets of accounts namely personal, real, and nominal accounts

50) From which account the net position of an account can be ascertained?

- (a) Journal (b) trial balance (c) ledger **(d) trading account**