

# QB365 Question Bank Software Study Materials

## Trial Balance 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) Trial balance is a\_\_\_\_  
**(a) Statement** (b) Account (c) Ledger (d) Journal
- 2) After the preparation of ledger, the next step is the preparation of  
(a) Trading account **(b) Trial balance** (c) Journal (d) Profit and loss account
- 3) The trial balance contains the balances of\_\_\_\_  
(a) Only personal accounts (b) Only real accounts (c) Only nominal accounts **(d) All accounts**
- 4) Which of the following is/are the objective(s) of preparing trial balance?  
(a) Serving as the summary of all the ledger accounts (b) Helping in the preparation of final accounts  
(c) Examining arithmetical accuracy of accounts **(d) a, b and c**
- 5) While preparing the trial balance, the accountant finds that the total of the credit column is short by Rs.200. This difference will be  
(a) Debited to suspense account **(b) Credited to suspense account** (c) Adjusted to any of the debit balance  
(d) Adjusted to any of the credit balance
- 6) A list which contains balances of accounts to know whether the debit and credit balances are matched is \_\_\_\_\_  
(a) Journal (b) Day book **(c) Trial balance** (d) Balance sheet
- 7) Which of the following method(s) can be used for preparing trial balance?  
(a) Balance method (b) Total method (c) Total and Balance method **(d) a, b and c**
- 8) The account which has a debit balance and is shown in the debit column of the trial balance is\_\_\_\_\_  
(a) Sundry creditors account (b) Bills payable account **(c) Drawings account** (d) Capital account
- 9) The difference of totals of both debit and credit side of trial balance is transferred to \_\_\_\_\_  
(a) Trading account (b) Difference account **(c) Suspense account** (d) Miscellaneous account
- 10) Trial balance is prepared \_\_\_\_\_  
(a) At the end of the year **(b) On a particular date** (c) For a year (d) None of the above
- 11) \_\_\_\_\_ is a statement containing the debit and credit balances of all ledger accounts on a particular date.  
**(a) Trial Balance** (b) Balance Sheet (c) Trading account (d) Profit and loss account
- 12) The first step is recording the business transactions in \_\_\_\_\_.  
**(a) Subsidiary Books/Journal** (b) Ledger (c) Balance Sheet (d) Trial balance
- 13) \_\_\_\_\_helps to check the arithmetical accuracy of entries made in the accounting records.  
(a) Balance Sheet **(b) Trial Balance** (c) Bookkeeping (d) Double Entry
- 14) \_\_\_\_\_ is prepared on a specific data.

- (a) **Trial Balance** (b) Journal (c) Ledger (d) All of the above
- 15) \_\_\_\_\_ method is not commonly used as it cannot help in the preparation of financial statements.
- (a) **Total Method** (b) Balance Method (c) Total and Balance Method (d) None of these
- 16) The \_\_\_\_\_ method is widely used, as it helps in the preparation of financial statements.
- (a) Total (b) **Balance** (c) Both 'a' and 'b' (d) None of these
- 17) Suspense account in the trial balance is entered in the \_\_\_\_\_.
- (a) Trading Account (b) Profit and Loss Alc (c) **Balance Sheet** (d) None of these
- 18) Suspense account having credit balance will be shown on the \_\_\_\_\_.
- (a) Credit side of the Profit and Loss Alc (b) Debit side of the Profit and Loss Alc  
(c) **Liabilities side of the Balance Sheet** (d) Assets side of the Balance Sheet
- 19) Trial balance is prepared to find out the \_\_\_\_\_.
- (a) profit or loss (b) financial position (c) **arithmetical accuracy of the accounts**
- 20) Amount spend on servicing office typewriter should be debited to \_\_\_\_\_.
- (a) miscellaneous expenses account (b) typewriter account (c) **repairs account**
- 21) Wages paid to workers for the installation of a new machinery should be debited to \_\_\_\_\_ account.
- (a) wages (b) **machinery** (c) factory expenses
- 22) Salary paid to manager must be debited to .....account.
- (a) manager's (b) office expenses (c) **salary**
- 23) Goods taken by the proprietor for domestic use should be credited to \_\_\_\_\_ account
- (a) proprietor's drawings (b) sales (c) **purchases**
- 24) Cash received from Mani whose account was previously written of as a bad debts should be credited to \_\_\_\_\_ account.
- (a) Mani's (b) Miscellaneous income (c) **Bad debts recovered**
- 25) Trial Balance shows arithmetical accuracy of ledger accounts, but it is not a \_\_\_\_\_ proof of accuracy.
- (a) **conclusive** (b) Exclusive (c) Submissive (d) Inclusive
- 26) The statement showing balance of all the ledger accounts is known as
- (a) **Trial balance** (b) Balance sheet (c) Bank reconciliation statement (d) Profit and loss account
- 27) Which of the following trial Balance is contradictory to each other?
- (a) inventory and Drawings (b) Sales and Purchases returns (c) Carriage inwards and outward  
(d) **Trade receivable and Liability**
- 28) Closing stock in the Trial Balance implies that
- (a) It is already adjusted in the opening stock (b) It is adjusted in sales account  
(c) **It is adjusted in the purchases account** (d) None of these
- 29) The preparation of trial balance is for \_\_\_\_\_.
- (a) Locating errors of commission (b) Locating errors of principle (c) Locating clerical errors (d) **All of the above**
- 30) \_\_\_\_\_ is the most popular method of preparing trial balance.
- (a) **Balance Method** (b) Net Asset Method (c) Average Trial Balance method (d) None of the above

- 31) When adjusted purchase is shown on the debit column of the trial balance then \_\_\_\_\_.
- (a) Both opening and closing stock do not appear in the trial balance  
**(b) Closing stock is shown in the trial balance and not the opening stock**  
(c) Opening stock is shown in the trial balance and not the closing stock  
(d) Both opening and closing stock appear in the trial balance
- 32) A suspense account facilitates the preparation of financial statements even when the \_\_\_\_\_ has not tallied.
- (a) Cash Book (b) Ledger **(c) Trial Balance** (d) Journal
- 33) Trial Balance is a statement which shows \_\_\_\_\_ of all accounts
- (a) Debit or Credit Balances** (b) Balance and Totals (c) Positive and Negative Balances  
(d) Opening and Closing balances
- 34) Trial balance of a trader shows the following balances: Opening Inventory Rs.9600, Purchases less returns Rs.11850; Salaries Rs.3200; Wages Rs.750; Commission on purchases Rs.200 Carriage outwards Rs.300; Sales Rs.24900; Closing Inventory Rs.3500; Carriage on purchases Rs.1000; Gross profit will be \_\_\_\_\_.
- (a) Rs. 5,000** (b) Rs. 6,500 (c) Rs. 3,250 (d) Rs. 3,200
- 35) Suspense account having debit balance will be shown on the
- (a) Credit side of the profit and loss A/c (b) Liabilities side of the balance sheet **(c) Assets side of the balance sheet**  
(d) Debit side of the profit and loss A/c
- 36) While Preparing the trial balance, the accountant finds that the total of the debit column is short by Rs. 1,000. This difference will be
- (a) Debited to suspense account** (b) created to suspense account (c) Adjusted to any of the debit balance  
(d) Adjusted to any of the credit balance
- 37) The preparation of trial balance is the \_\_\_\_\_ step in the accounting process.
- (a) First (b) Second **(c) third** (d) fourth
- 38) When double entry system is followed, the totals of the debit and the Credit columns of the trial balance must be
- (a) Equal** (b) unequal (c) Excess (d) Short
- 39) The account which has a credit balance and is shown in the debit column of the trial balance is
- (a) Sundry debtors account (b) Bills receivable account (c) Purchases account **(d) Capital account**
- 40) Which one the following represents correct sequence of accounting cycle
- (a) Journal > Trial balance > Ledger > Transaction **(b) Transaction > Journal > Ledger > Trial balance**  
(c) Purchases > Journal > Ledger > Trial balance (d) None of the above
- 41) Which one of the following is the most popular method of preparing a trial balance.
- (a) Total method **(b) Balance method** (c) Trial and error method (d) Line method
- 42) State the order in which accounting system is followed
- (i) Final account  
(ii) Ledger  
(iii) Trial balance  
(iv) Journal
- Choose the correct order using the codes given below:
- (a) (i) (ii) (iii) (iv) (b) (iv) (iii) (ii) (i) **(c) (iv) (ii) (iii) (i)** (d) (iii) (iv) (i) (ii)
- 43) Which of the following is true about a trial balance?

**(a) It lists down the balance of accounts** (b) It lists down the balances of a balance sheet

(c) It is a kind of financial statement (d) It is not a part of accounting cycle

44) Debit balance = credit balance in a trial balance indicates that \_\_\_\_\_

(a) No error in recording transactions (b) No error in posting entries to ledger accounts (c) Account balances are correct

**(d) Capital + Liabilities = Assets**

45) Which of the following account with normal balance is shown at the credit side of a trial balance?

(a) Cash account (b) Bank account (c) Equipment account **(d) Accrued expenses account**

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(c) Account balances are correct (d) Capital+Liabilities = Assets

48) Which of the following account with normal balance is shown at the credit side of a trial balance?

(a) Cash account (b) Bank account (c) Equipment account **(d) Accrued expenses account**

49) The preparation of trial balance is the step\_\_\_\_\_ in the accounting process.

**(a) First** (b) Second (c) Third (d) Final

50) Discrepancies in the book keeping work are detected with the help of

**(a) Trial balance** (b) Ledger (c) Journal (d) Balance sheet