

**MCQ: 3  
BRS**

1. A bank reconciliation statement is statement prepared to reconcile

- (a) Trial Balance
- (b) Profit as per books of account with the profit as per income-tax return
- (c) Cash balance as per cash book with bank balance as per pass book
- (d) Bank balance as per cash book with bank balance as per bank pass book

2. A bank reconciliation is prepared by the

- (a) Bank
- (b) Creditors
- (c) Business
- (d) Supplier

3. While adjusting the cash balance which one of the following is not taken into account

- (a) Payment directly received by bank as per instructions.
- (b) Payment directly made by the bank as per standing instruction.
- (c) Mistakes in cash book.
- (d) Mistakes in pass book.

4. Which one of these prepare bank reconciliation statement

- (a) Business enterprises
- (b) Statutory Auditor
- (c) Customers
- (d) Reserve Bank of India

5. Debit balance as per pass book means

- (a) Bank Overdraft
- (b) Debit balance in pass book
- (c) Cash balance with bank
- (d) None of these

6. Which one of these is true about a bank reconciliation statement?

- (a) It is a part of memorandum statement
- (b) It is a part of cash book
- (c) It is a part of ledger
- (d) It is a part of bank document

7. Which one of these will require adjustment of cash book balance?

- (a) Overcasting bank column of cash book
- (b) Cheque issued but not presented for payment
- (c) Cheque deposited but not cleared
- (d) Errors in pass book

8. An amount of Rs.2,500 is debited twice in the bank column of cash book. When credit balance as per pass book is the starting point which one of these adjustment would be done at the time of reconciliation.

- (a) Add Rs.2,500 to balance as per pass book
- (b) Deduct Rs.2,500 to balance as per pass book
- (c) Add Rs.5,000 to balance as per pass book
- (d) Deduct Rs.5,000 to balance as per pass book

9. Which one of these is not a cause of difference in balance as per pass book & as per cash book?

- (a) Errors in cash book
- (b) Errors in pass book
- (c) Cheques deposited & cleared
- (d) Cheques issued but not presented for payment

**10.** Mr. X issued cheques worth Rs.15,000 in March 2005 out of which cheque worth Rs.10,000 only were presented for payment by 31st March 2005. While reconciling bank & cash book balance as on 31st March 2005, how much would be added to balance as per cash book to arrive at balance as per pass book.

- (a) Rs.15,000
- (b) Rs.10,000
- (c) Rs.5,000
- (d) Rs.7,500

**11.** Mr. Y presented three cheques Rs.3,000, Rs.4,500 & Rs.3,600 with the bank on 28th March,2005 out of these cheques, cheques amounting to Rs.4,500 & Rs.3,000 were shown in the pass book in the month of April 2005. While reconciling the balance on 31.3.2005 which of these cheques would be taken in reconciliation.

- (a) Rs.3,600
- (b) Rs.3,000
- (c) Rs.4,500 & Rs.3,000
- (d) Rs.3,600 & Rs.3,000

**12.** Which of these bank balance are shown in Trial Balance

- (a) Balance as per cash book
- (b) As per bank pass book
- (c) As certified by st. Auditor
- (d) As per bank statement

**13.** Mr. X had two accounts one current account & another saving bank A/c in a nationalized bank he drew a cheque of Rs.5,000 on saving bank but credited to Current A/c in his cash book. Similarly a cheque of Rs.2,000 deposited in current A/c was debited to Saving Bank A/c what would be effect of these errors in Bank pass book/ Bank statement of these two A/c.

- (a) Current A/c balance would be less by Rs.2,000 & Saving A/c balance more by Rs.5,000.

(b) Current A/c balance would be more by Rs.2,000 & Saving A/c balance less by Rs.5,000.

(c) Current A/c balance would be less by Rs.5,000 & Saving A/c balance more by Rs 2,000.

(d) Current A/c balance would be more by Rs.5,000 & Saving A/c less by Rs.2,000.

**14.** The cash book shows a balance of Rs.11,000 which was different from the pass book balance. The difference is found to be due to a credit entry in pass book amounting to Rs.2,000 for direct payment by a customer & a debit of Rs.250 for bank charges on collection of outstation cheques & other services. What would be the balance as per bank pass book?

- (a) Rs.12,750
- (b) Rs.12,250
- (c) Rs.13,750
- (d) Rs.13,500

**15.** The bank pass book shows Rs.3,600 but the cash book shows a different balance while analyzing the cause of difference it was noticed that total of debit side of cash book was carried forwarded to next page as in the cash book. What would be the balance as per cash book?

- (a) Rs.2,100
- (b) Rs.3,100
- (c) Rs.2,000
- (d) Rs.2,200

**16.** Which of these statements is true about a bank pass book.

- (a) Pass book contains a copy of bank column of the customer cash book
- (b) Pass book is a copy of customers account in bank book
- (c) Pass book contains a copy of cash column of customer of cash book
- (d) Pass book contains a copy of customers current account in cash book

17. Unfavorable balance as per bank pass book means which of these

- (a) Bank Overdraft
- (b) Debit balance in pass book
- (c) Debit balance in cash book
- (d) (a & b)

18. Bank reconciliation statement is prepared to

- (a) Reconcile cash at bank balance as per cash book with bank balance as per bank pass book
- (b) Reconcile petty cash in hand with cash balance as per cash book
- (c) Reconcile total of debit side of cash book
- (d) All the three

19. Bank reconciliation is prepared by

- (a) Sole Proprietor concern
- (b) Partnership firm
- (c) Corporate bodies
- (d) All the three

20. Entry in credit side of bank pass book implies

- (a) Cash withdrawn
- (b) Cash/ Cheque deposited in Bank
- (c) Business expenses
- (d) Personal expenses

21. Entry in debit side of Bank pass book implies

- (a) Cash withdrawn
- (b) Cash/ Cheque deposited in Bank
- (c) Business receipts
- (d) Personal receipts

22. Credit balance in bank pass book means

- (a) Bank overdraft
- (b) Bank Balance
- (c) Balance as per cash book
- (d) Total of bank A/c

23. Debit balance in bank pass book means

- (a) Bank Overdraft
- (b) Bank Balance
- (c) Balance as per cash book
- (d) Total of Bank A/c

24. Which of these types of errors are not detected during bank reconciliation

- a) Cash embezzlement by the Cashier
- (b) Cheque deposited but not credited by bank
- (c) Casting mistakes in bank column of cash book
- (d) Interest or commission charged by the bank but not accounted for in cash book.

25. Mr. T issued cheques worth Rs.25,000 in March 2005 out of which cheques worth Rs.10,000 only were presented for payment by 31st March 2005. Balance as per pass book was Rs.45,000. What would be balance as per cash book

- (a) 30,000
- (b) 20,000
- (c) 25,000
- (d) 15,000.

Select the right option to fill in the blanks:

26. Overdraft means the \_\_\_\_\_ balance in the Pass Book.

- (a) Debit
- (b) Credit
- (c) Excess
- (d) Nil

27. Credit Balance of the bank column of cash book means \_\_\_\_\_.

- (a) Bank Balance
- (b) Cash on hand
- (c) Nothing in particular
- (d) Bank Overdraft.

**28.** Bank Reconciliation is a \_\_\_\_\_ & not on\_\_\_\_\_.

- (a) account, statement
- (b) statement, account
- (c) ledger, journal
- (d) letter, account

**29.** The bank balance in the Cash Book \_\_\_\_\_ by cheque drawn & \_\_\_\_\_ by cheque deposited.

- (a) increases, decreased
- (b) does not change, increases
- (c) decreases, increases
- (d) Decreases, does not change.

**30.** If transactions of different months in the cash book & pass book are given, the\_\_\_\_\_transaction will appear in the Bank Reconciliation Statement.

- a) uncommon
- b) No
- c) Common
- d) All

Indicate whether the following statements are true or false:

**31.** Bank Reconciliation statement is prepared by the bank

- (a) True
- (b) False

**32.** Bank Reconciliation statement shows the profit during the year

- (a) True
- (b) False

**33.** Bank Reconciliation statement is written in the Bank column of the Cash Book

- (a) True
- (b) False

**34.** The amount written on the credit side of the cash book (Bank Column) increases the bank balance

- (a) True
- (b) False

**35.** The amount written on the debit side of the Pass Book increases Bank Overdraft

- (a) True
- (b) False

**36.** Bank Reconciliation Statement shows the common transactions found in both the Cash Book & the Pass Book during the same month.

- (a) True
- (b) False

**37.** Bank Reconciliation Statement is

- (a) A part of the Cash Book
- (b) A ledger account
- (c) A statement showing the causes of difference between the cash book & pass book balances.
- (d) Neither of the three

**38.** Bank Reconciliation Statement is prepared by

- (a) Bank
- (b) customers of a bank
- (c) creditors of a business
- (d) neither of the three

**39.** 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) neither of the three

**40.** Credit balance in the Cash Book means:

- (a) overdraft as per Pass Book
- (b) favorable balance as per Pass Book
- (c) Favorable balance as per Cash Book
- (d) neither of the three

**41.** A bank reconciliation statement is prepared to find out the causes of the difference between

- (a)** the balance as shown by the cash column of the cash book with the balance shown by its bank column
- (b)** the balance as shown by the cash column of the cash book with the balance shown by the pass book
- (c)** the balance shown by the bank column of the cash book with the balance shown by the pass book.

**42.** A bank pass book is a copy of

- (a) the cash of a customers cash book
- (b) the bank column of customers cash book (c) the customers account in the bank's ledger.

**43.** A bank reconciliation statement reconciles the

- (a) ledger with the journal
- (b) petty cash book with the bank account
- (c) day books with the bank statement
- (d) bank statement with the cash book

**44.** A bank reconciliation statement is prepared to reconcile the difference in

- (a) cash balance & bank balance
- (b) cash balance & pass book balance
- (c) bank balance as per bank column of cash book

**45.** Cheques issued but not yet presented for payment.

- (a) add
- (b) deduct

**46.** Overdraft means the \_\_\_\_\_ balance in the Pass Book.

- (a) Debit
- (b) Credit
- (c) Excess
- (d) Nil

**47.** Credit Balance of the bank column of cash book means \_\_\_\_\_.

- (a) Bank Balance
- (b) Cash on hand
- (c) Nothing in particular
- (d) Bank Overdraft.

Indicate whether the following statements are true or false:

**48.** Which of these statements is true about a bank pass book?

- (a) Pass book is a copy of customer's account in bank books
- (b) Pass book contain a copy of Customers current account in cash book
- (c) Pass book contains a copy of cash column of customer of cash book
- (d) Pass book contains a copy of bank column of the customer's cash book

**49.** Entry in debit side of Bank pass book implies

- (a) Cheque payments
- (b) Cheque deposited dishonoured
- (c) Cash withdrawn
- (d) All of these

**50.** A wrong entry on debit side of cash book would lead to

- (a) Cash book showing more balance
- (b) Cash book showing less balance
- (c) Cash withdrawal
- (d) Purchases

- 51.** Cheque sent for collection but not yet collected
- Recorded in Cash book
  - Recorded in Pass book
  - Recorded as debit note
  - Not recorded
- 52.** Bank Reconciliation Statement is prepared to ascertain the causes of the difference between
- The balance as per the bank column of the cash book & the balance as per pass book
  - The balance as per the cash column of cash book & the balance as per the pass book
  - The balance as per cash column & bank column of the cash book
  - Neither of the two
- 53.** Favourable balance as per cash book means
- Debit balance in the bank column of the cash book
  - Debit balance in the pass book
  - Debit balance of cash column of the cash book
  - Neither of the two
- 54.** Which one of these is not a cause of difference in balance as per pass book & as per cash book?
- Errors in cash book
  - Errors in pass book
  - Cheques deposited & cleared
  - Cash embezzlement by cashier
- 55.** Which one of these is true about a bank reconciliation statement?
- It is a part of ledger
  - It is a part cash book
  - It is a part of bank document
  - It is a part of memorandum statement
- 56.** Which one of these will require adjustment of cash book balance?
- Overcasting bank column of cash book
  - Cheque issued but not presented for payment
  - Cheque deposited but not cleared
  - Errors in pass book
- 57.** Which one of these is not a cause of difference in balance as per pass book & as per cash book?
- Errors in cash book
  - Errors in pass book
  - Cheques deposited but not cleared
  - Cheques issued but not presented for payment
- 58.** When the balance as per Pass book is the starting point, unpresented cheques are
- Added
  - Deducted
  - Added twice
  - None
- 59.** When the balance as per Pass Book is the starting point, direct payment by bank are
- Added
  - Deducted
  - Added twice
  - None
- 60.** When balance as per Cash Book is the starting point, interest charged by bank is
- Added
  - Deducted
  - Added twice
  - None
- 61.** Which of the following items is not a reason for difference between bank balance as per cash book & pass book?
- Omission of a contra entry in cash book
  - Cheques deposited but not yet cleared
  - Omission of an entry in cash column of cash book
  - Cheques issued but not yet presented for payment

**62.** When money is withdrawn from the bank, the bank \_\_\_\_\_ the concern's account in its books

- (a) Debit
- (b) Credit
- (c) Depends on situation either debit or credit
- (d) Ignore

**63.** Taking the cash book balance as the starting point, the amount of cheque deposited but not cleared will be \_\_\_\_\_ the cash balance

- (a) Added to
- (b) Deducted from
- (c) Adjust
- (d) Ignore

**64.** Taking the favourable balance as per pass book as the starting point the amount in respect of charges made by the bank will be \_\_\_\_\_ the pass book balance

- (a) Added to
- (b) Deducted from
- (c) Adjust
- (d) Ignore

**65.** Bank charges recorded twice in the cash book will be added to the overdraft as per \_\_\_\_\_ in the preparation of the Bank Reconciliation Statement

- (a) Cash Book
- (b) Pass Book
- (c) Bank of O/D statement
- (d) None

**66.** Bank Reconciliation is a \_\_\_\_\_ & not a \_\_\_\_\_.

- (a) Ledger, Journal
- (b) Account, Statement
- (c) Statement, Account
- (d) Letter, Account

**67.** If transactions of different months in the cash book & pass book are given, the \_\_\_\_\_ transactions will appear in the Bank Reconciliation Statement

- (A) Common
- (b) Uncommon
- (C) All
- (d) None

**68.** Bank charges made by the bank will be deducted, when the overdraft as per the cash book is made the starting point for making the Bank Reconciliation Statement.

- (a) True
- (b) Partly True
- (c) False
- (d) None

**69.** The error of undercasting of cash book is not relevant at the time of preparing the Bank Reconciliation Statement

- (a) True
- (b) Partly True
- (d) False**
- (e) None**

**70.** A bank reconciliation statement tells you the balance at the bank on a particular date.

- (a) True
- (b) Partly True**
- (c) False**
- (d) None**

**71.** A debit balance in the bank account in the books of Mr. X should be equal to the credit balance of Mr. X account in the books of bank.

- (a) True**
- (b) Partly True**
- (c) False**
- (d) None**

**72.** The credit balance of bank statement is always equal to the debit balance of the bank column of the cash book

- (a) True
- (b) Partly True
- (c) False
- (d) None

**73.** Bank pass book is a replica of customers bank A/c in the bank book

- (a) True
- (b) Partly True
- (c) False
- (d) None

**74.** If we start with cash book balance we end up with pass book balance & vice-versa

- (a) True
- (b) Partly True
- (c) False
- (d) None

**75.** A bank reconciliation statement is a rent account

- (a) True
- (b) Partly True
- (c) False
- (d) None

**76.** Bank Reconciliation Statement shows the common transactions found in both the Cash Book & the Pass Book during the same month

- (a) True
- (b) Partly True
- (c) False
- (d) Non

**77.** When balance as per Cash Book is the starting point, unrepresented cheques are subtracted

- (a) True
- (b) Partly True

- (c) False
- (d) None

**78.** Bank passbook shows the balance of Rs. 10,430. Out of cheque issues of Rs. 30,450, only cheques of Rs. 23,700 have been presented in the bank. The cash book will show balance of

- (a) Rs. 17,180
- (b) Rs. 18,130
- (c) Rs. 19,180
- (d) Rs. 20,340

**79.** Mr.X issued cheques worth Rs. 15,000 in March 2007 out of which cheque worth Rs. 10,000 only were presented for payment by 31st March, 2007. While reconciliation bank & cash book balance as on 31st March, 2007. What amount should be added to balance as per cash book to arrive at balance as per pass book?

- (a) Rs. 5,000
- (b) Rs. 7,500
- (c) Rs. 10,000
- (d) Rs. 15,000

**80.** Rs.5, 000 is debited twice in the bank column of cash book. When credit balance as per pass book is the starting point which one of these adjustment would be done at the time of reconciliation.

- (a) Add Rs. 25,000 to balance as per pass book
- (b) Deduct Rs. 25,000 to balance as per pass book
- (c) Add Rs. 10,000 to balance as per pass book
- (d) Deducted Rs. 10,000 to balance as per pass book.



- 81.** Bank has credited interest Rs. 1,200 & debited Rs. 150 for commission in the pass book. In the BRS starting with pass book balance
- (a) Rs. 1,200 will be added to & Rs. 150 will be deducted from pass book
  - (b) Rs. 1,200 will be deducted from & Rs. 150 will be added to pass book balance
  - (c) Rs. 1,350 will be added to pass book balance
  - (d) Rs. 1,250 will be deducted from pass book balance

- 82.** A debtor has directly deposited Rs. 850 in the bank account. In the BRS starting with pass book overdraft
- (a) Rs. 850 will be added to pass book overdraft
  - (b) Rs. 850 will be deducted from pass book overdraft
  - (c) Rs. 1,700 will be added to pass book overdraft
  - (d) This amount will be ignored.

- 83.** The credit balance of Rs. 2,000 in the bank column of the cash book was carried forward as its debit balance. When overdraft as per pass book is the starting point
- (a) Rs. 2,000 will be deducted
  - (b) Rs. 2,000 will be added
  - (c) Rs. 4,000 will be deducted
  - (d) Rs. 4,000 will be added.

- 84.** Mr.X Presented three cheques Rs. 3,000 Rs. 4,000 & Rs. 3,500 with the bank on 26th March, 2007 out of these cheques, cheques amounting to Rs. 4,500 & Rs. 3,000 were shown in the pass book in the month of April 2007. While reconciling the balance on 31-3-2007 which of these cheques would be taken in reconciliation.
- (a) Rs.3, 000
  - (b) Rs. 3,500
  - (c) Rs. 4,000 & Rs. 3,000
  - (d) Rs. 3.500 & Rs. 3,000

- 85.** 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. 1,500
  - (b) Rs. 2,500
  - (c) Rs. 1,500 (overdrawn)
  - (d) Rs. 2,500 (overdrawn)

- 86.** An amount of Rs. 6,000 is debited twice in the bank column of cash book of ABC Ltd. Starting with the credit balance as per pass book is the starting point which one of these adjustment would be done at the time of reconciliation
- (a) Add Rs. 6,000 to balance as per pass book
  - (b) Deduct Rs. 3,000 to balance as per pass book
  - (c) Add Rs. 3,000 to balance as per pass book
  - (d) Deduct Rs. 6,000 to balance as per pass book

- 87.** The Cash Book shows a debit balance of Rs. 2,370 but Bank Statement gives a difference figure. The difference found is a Cheque for Rs. 700, paid to Creditors is not entered in the Bank Pass Book & Bank Charges of Rs. 67 being entered in the cash book as Rs. 76. The balance shown in the Bank Pass Book is
- (a) Rs. 2,669
  - (b) Rs. 1,679
  - (c) Rs. 2,061
  - (d) Rs. 3,079

- 88.** Mr. X issued cheques worth Rs. 20,000 in March 2007 out of which cheques worth Rs. 5,000 only were presented for payment by 31st March, 2007. Balance as per pass book was Rs. 25,000. What would be balance as per cash book?
- (a) Rs. 5,000
  - (b) Rs. 10,000
  - (c) Rs. 15,000
  - (d) Rs. 20,000

**89.** A bank reconciling statement is a statement prepared to reconcile

- (a) Trial balance
- (b) Profit as per books of accounts with the profit as per income tax returns
- (c) Cash balance as per cash book with bank balance as per bank Cash book
- (d) Bank balance as per cash book with bank balance as per bank pass book

**90.** A bank reconciliation is prepared by

- (a) Bank
- (b) Creditors
- (c) Business
- (d) Supplier

**91.** While adjusting the cash balance which one of the following is not taken into account

- (a) Payment directly received by the bank as per instruction
- (b) Payment directly made by the bank as per instruction
- (c) Mistake in cash book
- (d) Mistake in pass book

**92.** Which of these prepare bank reconciliation statement?

- (a) Business enterprise
- (b) Statutory auditor
- (c) Customer
- (d) Reserve Bank of India

**93.** Debit balance as per pass book means

- (a) Bank overdraft
- (b) Debit balance in pass book
- (c) Cash balance with bank
- (d) None

**94.** Which one of these is true about a bank reconciliation statement

- (a) It is a part of memorandum statement
- (b) It is part of cash book
- (c) It is a part of ledger
- (d) It is a part of bank document

**95.** Which of these will require adjust? Meant of cash book balance?

- (a) Overcasting bank columns of cash book
- (b) Cheque issued but not presented for payment
- (c) Cheque deposited but not cleared
- (d) Error in pass book

**96.** An amount of Rs 2,500 is debited Twice in the bank column of cash book when credit balance as per pass book is the starting point which one of these adjustments would be done at the time of reconciliation

- (a) Add Rs. 2,500 to balance as per pass book
- (b) Deduct Rs. 2,500 to balance as per pass book
- (c) Add Rs. 5,000 to balance as per cash pass book
- (d) Deduct Rs. 5,000 to balance as per pass book

**97.** Which one of these is not a cause? Of difference in balance as per cash book and as per cash book?

- (a) Errors in cash book
- (b) Errors in pass book
- (c) Cheque deposited and cleared
- (d) Cheque issued but not presented for payment

**98.** Mr. X issued worth Rs 15,000 in March 2005 out of which cheque worth Rs 10,000 only were presented for payment BY 31ST march 2005 while reconciling bank and cash book balance as on 31st march 2005 how much would be added to balance as per cash book to arrive at balance as per pass book

- (a) Rs. 15,000
- (b) Rs. 10,000
- (c) Rs 5,000
- (d) Rs. 7,500

**99.** Mr. Y presented three cheque of Rs 3,000 Rs 4,500 and Rs 3,600 with the bank on 28th march 2005 out of these cheque amounting to Rs 4,500 and Rs 3,000 were shows in the pass book in the month of April 2005 the reconciling the balance as on 31-3-2005

- (a) Rs. 2,100
- (b) Rs 3,100
- (c) Rs. 2,000
- (d) Rs 2,200

**100.** Unfavorable balance as per bank Pass book means which of these

- (a) Bank overdrafts
- (b) Debit balance n pass book
- (c) Debit balance in cash book
- (d) Both

**101.** Bank reconciliation statement is prepared to

- (a) Reconcile cash as bank balance as per cash book with bank balance as per bank pass book
- (b) Reconcile petty cash in hand with balance as per bank pass book
- (c) Reconcile total of debit side of cash per bank pass book
- (d) All

**102.** Bank reconciliation is prepared by

- (a) Sole Trading concern
- (b) Partnership firm
- (c) Corporate expenses
- (d) All

**103.** Entry on credit side of bank pass Book implies

- (a) Cash withdrawn
- (b) Cash deposited in bank
- (c) Business expenses
- (d) Personal expenses

**104.** Entry in debit side of bank pass

Book implies

- (a) Cash withdrawn
- (b) Cash deposited in bank
- (c) Business receipts
- (d) Personal receipts

**105.** Credit balance in bank pass Book means

- (a) Bank overdraft
- (b) Bank balance
- (c) Balance as per cash book
- (d) Total of bank A/c

**106.** Debit balance in bank pass book means

- (a) Bank overdraft
- (b) Bank balance
- (c) Balance as per cash book
- (d) Total of bank A/c

**107.** Which of these types of errors are not detected during bank reconciliation?

- (a) Cash embezzlement by the cashier
- (b) Cheque deposited but not credited by bank
- (c) Casting mistake n bank columns of cash book
- (d) Interest or commission charged by the bank but not account for in cash book

**108.** Mr. T issued cheque worth Rs 25,000 in March 2005 out of which cheque worth Rs 10,000 only were presented for payment by 31st march 2005 balance as per pass book was Rs. 45,000 what would be balance as per cash book

- (a) 30,000
- (b) 20,000
- (c) 25,000
- (d) 15,000

**109.** Which of these statements is false?

- (a) Bank reconciliation statement is a part of cash book
- (b) Bank reconciliation statement is a part of memorandum
- (c) Bank reconciliation statement is a part of balance sheet
- (d) Bank reconciliation statement is prepared to reconcile cash at bank with balance as per bank pass book

**110.** Which of these documents is not required for bank reconciliation?

- (a) Bank columns of cash book
- (b) Bank pass book
- (c) Bank statement
- (d) Charter of accounts

**111.** If we take balance as per cash Book which of the following will be added to get balance as per pass book

- (a) Interest given by bank
- (b) Interest charged by bank
- (c) Cheque deposited but not cleared
- (d) Payment made by the bank as per standing instruction

**112.** If we take balance as per pass Book which of the following will be deducted to get balance as per cash book

- (a) Interest given by bank
- (b) Interest charged by bank
- (c) Cheque deposited but not cleared
- (d) Payment made by the bank as per standing instruction

**113.** Which of these errors are not parts of bank reconciliation process?

- (a) wrong totaling of bank columns cash book
- (b) wrong totaling of cash columns cash book
- (c) Posting wrong amount of bank columns cash book
- (d) Omission to carry forward balance in bank columns of cash book

**114.** Which of these errors or omission is a part of bank reconciliation

- (a) Wrong totaling of bank columns of cash book
- (b) Showing discount of bank columns of cash book
- (c) Both
- (d) None

**115.** Which of the reason are for bank pass book showing higher balance than cash book?

- (a) Cheque issued but not paid
- (b) Cheque deposited but not cleared
- (c) Direct payment made by bank
- (d) Interest charged by bank

**116.** Which of the reason are for bank pass book showing less balance than cash book?

- (a) Cheque issued but not paid
- (b) Cheque deposited but not cleared
- (c) Direct payment made by bank
- (d) Interest charged by bank

**117.** Which of these will not effect Bank and cash balance?

- (a) Cash received from x credited to y
- (b) Cheque issued to B debited to c's A/c
- (c) Cheque received and entered in cash columns of cash book but still not deposited with the bank
- (d) All

- 118.** A bank reconciliation is
- A formal financial statement that lists all of a firm's bank account balances
  - A merger of two banks that previously were competitors
  - A statement sent monthly by a bank to a depositor that lists all deposits, cheques paid & other credits & charges to the depositors account for the month
  - A schedule that accounts for differences between a firm's cash balance as shown on bank statement & the balance shown in its personal ledger cash account
- 119.** A bank reconciliation statement is :
- A part of Pass Book
  - A statement prepared by the bank
  - Cash book relating to cash column
  - A statement prepared by a customer
- 120.** A pass book is copy of
- A customer's account in the bank's books
  - Cash book relating to bank column
  - Cash book relating to cash column
  - Firm's receipts & payments
- 121.** A bank reconciliation statement is prepared with the balance of
- Cash Book
  - Pass Book
  - Either Cash Book or Pass Book
  - Neither Cash Book or Pass Book
- 122.** On a bank reconciliation which of the following would be added to the balance as per bank statement
- Outstanding unpaid cheques
  - Deposits in transit
  - Cheques not collected
  - Both (b) & (c)
- 123.** Which of the following items appearing on a bank reconciliation would require an adjusting entry?
- Outstanding cheques
  - Deposits in transit
  - Interest on balance
  - Adjusted cash balance
- 124.** The balance of cash book shows
- Net income
  - Cash in hand
  - Net expenditure
  - Cash received
- 125.** Bank reconciliation statement is
- A part of the cash book
  - A ledger account
  - A statement showing the causes for difference between the balances of cash book & pass book
  - A part of financial statement
- 126.** Bank Reconciliation Statement is prepared to ascertain the causes of the difference between
- The balance as per the bank column of the cash book & the balance as per pass book
  - The balance as per the cash column of the cash book & the balance as per pass book
  - Cash & bank column in the Cash Book
  - Neither of the two
- 127.** A Bank Reconciliation Statement is prepared by
- Creditors
  - Debtors
  - Business
  - Any of these

- 128.** Favourable balance as per cash book means
- Debit balance in the bank column of the cash book
  - Debit balance in the pass book
  - Credit balance in the bank column in the cash book
  - Neither of the two

- 129.** The difference in the balances the cash book & the pass book can be because of
- Error in recording the entries either in the cash book or pass book
  - Same entry recorded in either of the book earlier & in the other book later
  - Debit balance of cash book is the credit balance of pass book
  - Both (b) & (c)
  - Both (a) & (b)

- 130.** Direct payment to third party by the bank on behalf of the account holder is entered in
- The cash book when the amount is paid by the bank
  - The cash book when the entry is posted in the pass book
  - The pass book when the amount is paid by the bank
  - The pass book when the entry is passed in the pass book
  - Both (a) & (d)
  - Both (b) & (c)

- 131.** Payment done by the account holder through issuing a cheque is entered in
- The pass book at the time of issuing the cheque
  - The cash book at the time presenting the cheque to the bank for payment
  - The pass book at the time presenting the cheque to the bank for payment

- The cash book at the time of issuing the cheque
- Both (c) & (d)
- Both (a) & (d)

- 132.** Following are the salient features of bank reconciliation statement:

- Any undue delay in the clearance of cheque will be shown up by the reconciliation
- Reconciliation statement will help in finding the person doing any fraud
- Reconciliation is done by the bankers
- It helps in finding out the actual position of the bank balance
- Both (a),(b) & (d)
- Both (a),(c) & (d)

- 133.** A Bank Reconciliation Statement is prepared to know the causes for the difference between

- The balance as per cash column of Cash Book & the Pass Book
- The balance as per bank column of Cash Book & the Pass Book
- The balance as per bank column of Cash Book & the balance as per cash column of Cash Book
- None of the above

- 134.** When the balance as per Pass Book is the starting point, cheques sent for collection but not collected are :

- Added in the bank reconciliation statement
- Deducted in the bank reconciliation statement
- Not required to be adjusted in the bank reconciliation statement
- None of the above

- 135.** Unfavorable bank balance means
- Credit balance in the cash book
  - Credit balance in the pass book
  - Debit balance in the cash book
  - Favourable balance in the cash book
- 136.** Which of the following will not be considered while preparing an amended cash book?
- Cheques issued but not presented for payment
  - Cheques deposited but not credited by bank
  - Any wrong entry in the pass book
  - All of the above
- 137.** While preparing bank reconciliation statement from Debit balance of cash book, cheques paid into bank but not yet cleared are
- Added
  - Deducted
- 138.** In arriving at adjusted cash balance which of the following is not taken into account?
- Amount deposited by our customer direct into our bank account
  - Errors in the Cash Book
  - Errors in the Pass Book
  - All of these
- 139.** When drawing up a Bank Reconciliation Statement, if you start with a debit balance as per the bank statement, cheques issued but not presented for payment should be :
- Added
  - Deducted
  - Not required to be adjusted
  - None of these
- 140.** A debit balance in the depositors Cash Book will be shown as :
- A debit balance on the Bank Statement
  - A credit balance on the Bank Statement
  - An overdrawn balance on the Bank Statement
  - None of the above
- 141.** When the balance as per Pass Book is the starting point, direct payments by bank are :
- Added in the bank reconciliation statement
  - Subtracted in the bank reconciliation statement
  - Not required to be adjusted in the bank reconciliation statement
  - None of the above
- 142.** When balance as per Cash Book is the starting point, uncollected cheques are :
- Added in the bank reconciliation statement
  - Subtracted in the bank reconciliation statement
  - Not required to be adjusted in the bank reconciliation statement
  - None of the above
- 143.** When the balance as per Cash Book is the starting point, direct deposits by customers are :
- Added
  - Subtracted
  - Not required to be adjusted
  - Neither of the two
- 144.** When balance as per Pass Book is the starting point, interest allowed by Bank is :
- Added
  - Subtracted
  - Not required to be adjusted
  - None of these

**145.** A Bank Reconciliation Statement is prepared with the help of:

- a) Bank statement & bank column of the Cash Book
- b) Bank Statement & cash column of the Cash Book
- c) Bank column & cash column of the Cash Book
- d) None of the above

**146.** Overdraft as per Cash Book means

- a) Credit balance in the cash column of the cash book
- b) Credit balance in the bank column of cash book
- c) Neither of the two
- d) Both (a) & (b)

**147.** When overdraft as per pass book is the starting point, bank charges of Rs.100 recorded twice in cash book will be

- a) Added by Rs.100
- b) Added by Rs.200
- c) Deducted by Rs.100
- d) Deducted by Rs.200

**148.** When favourable balance as per cash book is the starting point, wrong debit given by the bank to the firms account will be

- a) Added
- b) Deducted
- c) Non effect

**149.** The credit balance of Rs.1000 in the bank column of the cash book was carried forward as its debit balance. When overdraft as per pass book is the starting point,

- a) Rs.1000 will be deducted
- b) Rs.1000 will be added
- c) Rs.2000 will be deducted
- d) Rs.2000 will be added

**150.** When the overdraft as per cash book is the starting point, a cheque for Rs.500 deposited into bank but not recorded in cash book will be

- a) Added by Rs.500
- b) Deducted by Rs.500
- c) Added by Rs.1000
- d) Deducted by Rs.2000

**151.** Debit balance as per cash book is Rs.2000. cheques deposited but not cleared amounts to Rs.100 & Cheques issued but not presented of Rs.150. the bank allowed interest amounting to Rs.50 & collected dividend Rs.50. balance as per pass book should be

- a) 2100
- b) 1950
- c) 2350
- d) 2150

**152.** The cash book showed on overdraft of Rs.2000 as cash at bank, but the pass book made up to the same date showed that cheques for Rs.150 & Rs.125 respectively had not been presented for payment, & the cheque for Rs.400 paid into account had not been cleared. The balance as per the pass book will be

- a) 1600
- b) 2675
- c) 2125
- d) 1875

**153.** The balance shown by bank column of cash book was Rs.48000 on 31.3.98. a cheque issued worth Rs.24000 on 16th Jan was not cleared till 31st Jan. cheque worth Rs.10000 received on 20th Jan & deposited on 21st Jan was cleared on 27.1.98. the balances as per pass book as on 31st Jan (assuming opening balance of pass book & cash book are equal) is

- a) Rs.14000
- b) Rs.24000
- c) Rs.72000
- d) Rs.82000



**Past Examination Questions**

2006 - November

**154.** Debit balance as per cash

Book	Rs.2000
Cheques deposited but not Cleared	Rs.100
Cheques issued but not Presented	Rs.150
Bank allowed interest	Rs.50
Bank collected dividend	Rs.50

Balance as per Pass Book will be

- (a) Rs.2100
- (b) Rs. 1950
- (c) Rs.2350
- (d) Rs.2150

**155.** Unfavourable bank balance means:

- (a) Credit balance in Cash Book
- (b) Credit balance in Pass Book
- (c) Debit balance in Cash Book
- (d) Favourable balance in Cash Book

2007- February

**156.** A Bank Reconciliation Statement is prepared to know the causes for the difference between

- (a) The balance as per cash column of Cash Book & the Pass Book
- (b) The balance as per bank column of Cash Book & the Pass Book
- (c) The balance as per bank column of Cash Book & balance as per cash column of Cash Book
- (d) None

**157.** The Cash book showed an overdraft of Rs.1500 but the pass book made up to same date should that cheques of Rs.100, Rs.50 & Rs.125 had not been presented for payment & a cheque of Rs.400 had not been cleared. The balance as per the Cash Book will be:

- (a) Rs.1100
- (b) Rs.1625
- (c) Rs.2175
- (d) Rs.1375

2007-May

**158.** When money is withdrawn from bank, the bank:

- (a) Credits Customers A/c
- (b) Debits Customer's A/c
- (c) Credits & Debits Customer's A/c
- (d) None of these

**159.** The credit balance of Rs.2000 in the bank column of the cash book was carried forward as its debit balance. When overdraft as per pass book is starting point:

- (a) Rs.2000 will be deducted
- (b) Rs.2000 will be added
- (c) Rs.4000 will be deducted
- (d) Rs.4000 will be added

2007-August

**160.** Which of these types of errors are not detected during Bank Reconciliation.

- (a) Cash embezzlement by cashier
- (b) Cheques deposited but not credited by bank
- (c) Casting mistakes in bank column of cash book
- (d) Interest or commission charged by the bank not accounted in cash book

**161.** Balance as per Cash Book is Rs.5000.  
Cheques issued but not presented for payment Rs.2000 & Cheques sent for collection but not collected Rs.1500. the Bank had wrongly debited the account of firm by Rs.20. Balance as per pass book will be:

(a) Rs.5580  
(b) Rs.5480  
(c) Rs.4520  
(d) Rs.5520

2007-November

**162.** Balance shown by

Cash Book	Rs.10000
Cheques issued but not Presented for payment	Rs.4000
Cheques deposited but not yet Collected	Rs.3000

Balance as per Pass Book will be:

(a) Rs.9000  
(b) Rs.10000  
(c) Rs.11000  
(d) None

**163.** Favourable balance as per Cash Book means

(a) Debit balance in the bank column of the cash book  
(b) Debit balance in the pass book  
(c) Credit balance in the bank column of the cash book  
(d) None of these

**164.** In arriving at adjusted cash balance which of the following is not taken into account:

(a) Amount deposited by our customer directly in our account  
(b) Errors in the Cash Book  
(c) Errors in the Pass Book  
(d) All of these

2008-February

**165.** If we balance as per Pass book which of the following will be deducted to get balance as per cash book:

(a) Interest give by bank  
(b) Interest charged by Bank  
(c) Cheque deposited but not cleared  
(d) Payment made by bank under standing instructions

**166.** Bank balance shown in trial balance

(a) Balance as per pass book  
(b) Balance as per cash book  
(c) Balance as per purchase book  
(d) Both (a) & (b)

**167.** When favourable balance as per cash book is the starting point, wrong debit by the bank to the firm will be:

(a) Added  
(b) Subtracted  
(c) Both  
(d) None

2008-June

**168.** Credit balance as per

Cash Book	Rs.10000
Bank Charged Interest	Rs.150
Cheques issued but not Presented for payment	Rs.2500

Balance as per Pass Book will be:

(a) Rs.7650  
(b) Rs.12350  
(c) Rs.12650  
(d) None of these

**169.** When overdraft as per Cash Book is the starting point, a cheque of Rs.500 deposited into bank but not recorded in cash book will be:

- (a) Added by Rs.500
- (b) Deducted by Rs.500
- (c) Added by Rs.1000
- (d) Deducted by Rs.1000

**170.** Overdraft as per Cash Book means:

- (a) Credit balance in the cash book
- (b) Credit balances in the bank column of the cash book
- (c) Decrease in Liability
- (d) None

2008-December

**171.** If balance as per Pass Book is the starting point, then uncollected cheques are:

- (a) Added in BRS
- (b) Subtracted in BRS
- (c) Ignored while preparing BRS
- (d) None of these

2009-June

**172.** Bank Reconciliation Statement is :

- (a) A part of Pass Book
- (b) A statement prepared by bank
- (c) A cash book related to cash column
- (d) A statement prepared by customers

**173.** Balance as per pass book Rs.20000 Rs.4000 were directly deposited by a customer into the ban.

Then the balance as per cash book is:

- (a) Rs.24000
- (b) Rs.18000
- (c) Rs.16000
- (d) Rs.22000

2009-December

**174.** The balance as per cash book is Rs.10000 Cheques for Rs.2000 were issued but not presented for payment. What would be the balance as per Pass Book?

- (a) Rs.10000
- (b) Rs.2000
- (c) Rs.12000
- (d) none of the above

**175.** The balance as per Cash Book (overdraft) is Rs.1500. cheques for Rs.400 were deposited but were not collected. The cheques issued but not presented were Rs.100, Rs.125, Rs.50. Balance as per Pass Book is:

- (a) Rs.1100
- (b) Rs.1625
- (c) Rs.2175
- (d) Rs.1375

**176.** If the balance as per Pass Book is the starting point, so the treatment of under casting of receipt side of Cash Book will be:

- (a) Added
- (b) Deducted
- (c) No treatment
- (d) None of these

**177.** The payment side of Cash Book is undercast by Rs.250. If the starting point of BRS is the Overdraft Balance as per Pass Book, then what would be the treatment to reach to Overdraft Balance of Cash Book?

- (a) Add 250
- (b) Less 250
- (c) Add 500
- (d) Less 500

2010-June

**178.** Bank Overdraft as per cash book is Rs.10500. interest debited by bank Rs.3500 for which advice was not received by account holder. Cheques deposited but not credited by bank Rs.7500. cheques issued but not yet presented Rs.9500. what is the Overdraft amount as per Pass Book?

- (a) Rs.12000
- (b) Rs.16000
- (c) Rs.5000
- (d) Rs.9000

2010-December

**179.** On 31.3.09 the balance of cash book is Rs.7074 (credit) & Balance as per Bank statement is Rs.3159 (debit). On scrutiny it was found that the difference was due to cheques issued but yet not presented for payment. The Bank Balance as on 31.3.09 to be shown in Balance Sheet as:

- (a) As Bank Overdraft Rs.3159
- (b) As Cash at Bank Rs.7074
- (c) As Bank Overdraft Rs.7074
- (d) As Cash at Bank Rs.3159

**180.** Favourable balance as per Cash Book Rs.5000. Debit side of Cash Book under cast by Rs.2000. Cheque deposited into bank Rs.3000 dishonoured but no entry for dishonour is made in cash book. Balance as per Pass Book is :

- (a) Rs.4000
- (b) Rs.10000
- (c) Rs.6000
- (d) None of the above

**181.** A trader issued cheques worth Rs.7800 out of which cheques worth Rs.6500 only presented into bank then on reconciling the Cash Book with the Pass Book, the amount to be added will be:

- (a) Rs.1300
- (b) Rs.7800
- (c) Rs.6500
- (d) Rs.14300

2012-June

**182.** Debit balance as per cash book of ABC Enterprises as on 31st March, 2012 was Rs.1500. cheques deposited but not cleared amount to Rs.100. cheques issued but not presented amounts to Rs.150. The bank allowed interest amounting to Rs.50 & collected dividend Rs.50 on behalf of ABC Enterprises. Balance as per Pass Book as on 31st March,2012 should be:

- (a) Rs.1600
- (b) Rs.1450
- (C) Rs.1850
- (d) Rs.1650

**183.** When over draft as per cash book is the starting point, a cheque of Rs.5500 was deposited in bank & duly credited by bank, but not recorded in cash book, \_\_\_\_\_ in bank reconciliation statement

- (a) Rs.5500 will be added
- (b) Rs.5500 will be deducted
- (c) Rs.11000 will be added
- (d) Rs.11000 will be deducted

2012-December

**184.** On 31st March, 2011, the bank statement of M/s Smile Traders showed a credit balance of Rs.10585. However during the year the following entries were not found in the cash book of the firm.

- (1) The bank had debited Rs.35 per month as bank charges
- (2) Quarterly interest was credited to the account amounts respectively Rs.25, 42, 39 & 57

**185.** The balance of bank account as per the Cash Book of the firm as on 31st March, 2011 was :

- (a) Rs.10547
- (b) Rs.10713
- (c) Rs.10328
- (d) Rs.10842

**186.** Bank overdraft as per Cash Book on 31st May 2011 was Rs.8720. Cheques deposited on 28th May but not credited until 31st May amounted to Rs.690. these were credited on 4th June, 2011. Bank overdraft as per Pass Book is \_\_\_\_\_

- (a) Rs.8054
- (b) Rs.8030
- (c) Rs.9410
- (d) Rs.9366

**187.** Bank column of a cash book of a trader shows a credit balance of Rs.7900, & the bank statement shows a debit balance of Rs.10300 on a particular date after payments made by the bank as per the standing orders. In the statement of affairs, the bank balance will be shown on:

- (a) Assets side Rs.7900
- (b) Liabilities side Rs.10300
- (c) Liabilities side Rs.2400
- (d) Assets side Rs.10300

**188.** The bank charged Rs.1000 as bank charges to a client & communicates the same to him. The accountant records it in the bank account in books. Later on the bank realizes that the charges were wrongly charged & reverses the same, but forgot to communicate the same to the client. If the accountant is starting with the bank balance as per bank account in books, what will be the treatment in Bank Reconciliation Statement to arrive at balance as per Bank Statement:

- (a) Reduce Rs.1000
- (b) Add Rs.1000
- (c) Add Rs.2000
- (d) No treatment

**189.** An amount of Rs.5000 debited twice in pass book, to prepare Bank Reconciliation Statement, when overdraft as per the cash book in the starting point:

- (a) Rs.5000 will be deducted
- (b) Rs.5000 will be added
- (c) Rs.10000 will be deducted
- (d) Rs.10000 will be added

2013-June

**190.** The overdraft as per cash book of Mr.X is Rs.20500. One of the customer of Mr. X residing in Mumbai directly remitted Rs.50000 into Mr.X's Account, about which Mr. X was not aware. One of the cheques deposited into bank for Rs.25000 was returned unpaid & the advice in this regard is yet to be received by Mr. X. the balance as per pass book was:

- (a) Rs.4500 credit
- (b) Rs.4500 overdraft
- (c) Rs.45500 credit
- (d) None of the above

**191.** While preparing bank reconciliation statement with favourable balance as per cash book which of the following will not be added?

- (a) Cheques deposited but not cleared
- (b) Cheques issued but not presented to bank
- (c) Cheques directly deposited in bank by a customer
- (d) Overcasting of cr. side of the bank account in cash book.

**192.** ABC co. has issued a cheque of its suppliers for an amount of Rs.10000, but the accountant of the company by error has recorded the payment as Rs.1000. this error can be primarily identified on preparing \_\_\_\_\_.

- (a) Profit & Loss Account
- (b) Trial Balance
- (c) Bank Book
- (d) Bank Reconciliation Statement