23 Lecture - MGT101

Important Mcqs

- 1. What is the purpose of a bank reconciliation statement?
 - A. To reconcile the bank balance with the book balance.
 - B. To reconcile the bank balance with the cash balance.
 - C. To reconcile the book balance with the cash balance.
 - D. To reconcile the bank balance with the credit balance.

Answer: A

- 2. What is an outstanding deposit in a bank reconciliation statement?
 - A. A deposit made in the bank but not yet credited by the bank.
 - B. A deposit made in the bank but not yet debited by the bank.
 - C. A deposit made in the book but not yet credited by the bank.
 - D. A deposit made in the book but not yet debited by the bank.

Answer: A

- 3. What is an outstanding check in a bank reconciliation statement?
 - A. A check issued by the bank but not yet cleared.
 - B. A check issued by the book but not yet cleared by the bank.
 - C. A check issued by the bank but not yet debited by the bank.
 - D. A check issued by the book but not yet credited by the bank.

Answer: B

- 4. When preparing a bank reconciliation statement, which balance is used as the starting point?
 - A. Bank balance.
 - B. Book balance.
 - C. Cash balance.
 - D. Credit balance.

Answer: B

- 5. Which of the following items would be added to the book balance in a bank reconciliation statement?
 - A. Bank service charges.
 - B. Deposits in transit.
 - C. Outstanding checks.
 - D. NSF checks.

Answer: B

6. Which of the following items would be deducted from the bank balance in a bank reconciliation statement?

- A. Bank service charges.
- B. Deposits in transit.
- C. Outstanding checks.
- D. NSF checks.

Answer: A

7. Which of the following items would be deducted from the book balance in a bank reconciliation statement?

- A. Bank service charges.
- B. Deposits in transit.
- C. Outstanding checks.
- D. NSF checks.

Answer: C

8. What is an NSF check?

- A. A check issued by the bank but not yet cleared.
- B. A check issued by the book but not yet cleared by the bank.
- C. A check that has been dishonored by the bank due to insufficient funds.
- D. A check that has been dishonored by the book due to insufficient funds.

Answer: C

9. What is the purpose of a bank statement?

- A. To record all transactions made by the bank.
- B. To record all transactions made by the book.
- C. To reconcile the bank balance with the book balance.
- D. To reconcile the bank balance with the cash balance.

Answer: A

10. Which of the following errors would cause the book balance to be greater than the bank balance in a bank reconciliation statement?

- A. Failure to record a deposit in the book.
- B. Failure to record a check in the book.
- C. Recording a deposit in the book but not yet credited by the bank.
- D. Recording a check in the book but not yet cleared by the bank.

Answer: A