

## Chart of Difference between the Ledger and Trial Balance

Basis of Difference	Ledger	Trial Balance
<b>Meaning</b>	These are those books of accounts, in which the accountant has to show all the transactions separately related to all types of accounts, which are already recorded in journal Daybook.	Trial Balance showing the equality of both column i.e. Debit and Credit.
<b>Object</b>	It is prepared to get the balances of each account.	It is prepared to authenticate the arithmetical accuracy of recording and posting of all business transaction.
<b>Accounts Included</b>	It includes all type of accounts. i.e. Real, Personal and Nominal accounts But shown Sperate by preparing sperate Ledger for each type of account.	It includes all type of accounts. i.e. Real, Personal and Nominal accounts and shows together in single statement.
<b>Dependency</b>	The Ledger is dependent on Journal Daybook.	The trial balance is dependent on the ledger account and subsidiary books not on the balance sheet.
<b>Necessity</b>	The Ledgers are prepared to know the balance of each account which are further posted into trial account.	The trial balance is summary of all ledger account balance. It is not necessary to prepare by any act or law. We have prepared it to simplify our process of preparing Financial Statements.
<b>Classification of Accounts</b>	In trial Balance, all accounts are classified into five major categories i.e. Assets, Capital, Liabilities, Expenses and Income.	In trial Balance, all accounts are classified into two categories the accounts with the debit balance and the accounts with the Credit balance.
<b>Time of Preparation</b>	These are prepared on daily basis.	It is prepared before preparation of Financial Statements.
<b>Number of Sides</b>	It has two sides i.e. Debit and Credit	It is a statemnet, so it is has two column i.e. Debit balance and Credit Balance
<b>Financial Statements</b>	The Ledger is the base of Trial balance, So indirectly it is important for Financial Statements.	The trial balance is the base of financial statements.