

## NAT I Commerce Accounting

Sr	Questions	Answers Choice
1	Noting charges are paid when bill is	A. Honoured B. Discounted C. Dishonoured D. None of these
2	Freight paid on machinery purchased is a	A. Revenue expenditure B. Capital expenditure C. Capital loss D. Revenue loss
3	Carriage paid on goods sold is a	<ul><li>A. Direct expense</li><li>B. Operating expense</li><li>C. General expense</li><li>D. Selling expense</li></ul>
4	Discount received is a	A. Asset B. Revenue C. Liability D. Expenses
5	Credit sales are recorded in	A. Cash book B. Purchase book C. Sales book D. Pass book
6	Bank reconciliation represents	A. Ledger B. Statement C. Journal D. Both ledger and statement
7	The science and art of correctly recording business dealing in a set of books is called	A. Book keeping B. Auditing C. Accounting D. Recording
8	Petty cash book is a branch of	A. Pass book B. Journal C. Cash book D. Ledger
9	The modern system of book keeping is based on:	A. Double account system B. Single entry system C. Single account system D. Double entry system
10	Cash and goods invested by the proprietor in business is called	A. Investment B. Capital C. Drawings D. None of these
11	The book meant for recording all cash transactions is called	A. Purchase book B. Cash book C. Sales book D. Pass book
12	Trial balance is prepared to detect	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principles
13	Expenses paid in advance are called	A. Prepaid expenses B. Deferred expenses C. Expired expenses D. Both prepaid & amp; expired expenses
14	The book in which small payments like refreshment tissues etc are recorded is called	A. Main cash book B. Cash account C. Petty cash book D. Both main cash book & D. Both book
15	If more than two accounts are involved in a iournal entry it is called	A. Double entry B. Contra entry

	e e e e e e e e e e e e e e e e e e e	C. Compound entry D. Single entry
16	The discount which is calculated on list price of goods is called	A. Trade discount B. Rebate C. Cash discount D. None of these
17	Important types of ledger are	A. General ledger B. Proprietor ledger C. Creditors ledger D. General ledger & Samp; creditor ledger bot
18	Bad debts are shown in the	A. Trading A/c B. None of these C. Profit & D. Both first
19	The entry which is recorded on the both sides of three column cash book is called	A. Single entry B. Compound entry C. Double entry D. Contra entry
20	Any activity undertaken for the purpose of earning profit is called	A. Dealing B. Business C. Performance D. Duties