

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
2	The excess of credit column over debit column in income statement is called	A. Net loss B. Net profit C. Cash balance D. Gross profit
3	Suspense means	A. certainty B. uncertainty C. surly D. none of these
4	The margin that is available to cover the other expenses for a period and to yield net income is known as	A. Net profit B. Gross profit C. Net sales D. Cost of goods sold
5	Any activity undertaken for the purpose of earning profit is called:	A. Performance B. Dealing C. Business D. Duties
6	simplifies work to be done at the end of the period	A. Work sheet B. Ledger C. Trail balance D. Balance sheet
7	Usually every entry affect both income statement and balance sheet	A. Adjusting B. Work sheet C. Balance sheet D. Ledger
8	Written below each entry is the	A. Transaction B. Voucher no C. Narration D. Date
9	Which of the following discloses the financial position of the business	A. Trading account B. Profit or loss account C. Profit or loss appropriation account D. Balance sheet
10	Raw material destroyed in fire represents	A. capital loss B. revenue loss C. normal loss D. both b, c
11	The amount invested by the owner in the business to produce revenue is known as	A. Income B. Asset C. Capital D. Liability
12	Worksheet provides complete information for preparing	A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement
13	Depreciation of fixed assets used in the business is an example of	A. capital expenditure B. Revenue expenditure C. Deferred expenditure D. None of these
14	Which book is used to record all credit purchases?	A. Purchases book B. Purchases book return C. Cash book D. Debit note book
15	Bad debts are	A. Deferred expenditure B. Revenue expenditure C. Capital expenditure

		D. None of these
16	An expenditure, which is non-recurring and irregular is called	A. Capital expenditureB. Revenue expenditureC. Short-term expenditureD. Current expenditure
17	Sales returns book periodical total is posted to	A. Debit of returns inwards account B. Credit of returns inwards account C. Debit of returns outwards account D. Credit of returns outwards account
18	An Entry which is recorded on the both sides of cash book is called	A. Simple Entry B. Compound Entry C. Combined Entry D. Contra Entry
19	Subsidiary books are called books of	A. Original entry B. Secondary entry C. Final entry D. Basic entry
20	Accommodation bills are drawn accepted and endorsed	A. Without any Consideration B. for some Consideration C. for Quarter Consideration D. none of the above