

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Assets which have no physical existence are called	A. Tangible assets B. Fictitious assets C. Liquid assets D. Intangible assets
2	Error of principle involves an incorrect allocation of expenditure or receipt between.	A. Capital and revenue B. Capital and capitalized C. Revenue and deferred revenue D. Revenue and revenue
3	Worksheet contains _____ pairs of money columns	A. Five B. Four C. Three D. Two
4	paid to Nadeem cash Rs. 5000 and a cheque for Rs. 4800 in full settlement of his dues Rs. 10000 should be credited to	A. Cash account B. Bank account C. Discount received account D. All of these
5	The periodical total of purchases book is posted to the	A. Debit of purchases account B. Credit of purchases account C. Credit of cash account D. Debit of sales account
6	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
7	Expenditure is revenue expenditure because	A. It is intended to benefit the current period B. The amount involved is small C. It is deducted from the gross sale proceeds D. None of these
8	_____ is prepared to avoid errors in the permanent records of accounting	A. Work sheet B. Ledger C. Bank statement D. Balance sheet
9	Worksheet provides complete information for preparing	A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement
10	All those expenses which have not become due but paid in advance are called	A. Accrued expenses B. Outstanding expenses C. Prepaid expenses D. Payable expenses
11	Goods purchased from Robin have been posted to Rahim account, it is an:	A. Error of omission B. Error of casting C. Error of posting D. Error of commission
12	Subsidiary books are called books of	A. Original entry B. Secondary entry C. Final entry D. Basic entry
13	The book use to record all credit purchases is called:	A. Purchases book B. Purchase & return book C. Cash book D. Creditor book
14	Ledger Records Transaction in a/an	A. Chronological Order B. Daily order C. Arithmetical Order D. Analytical Order
15	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods

D. Five Methods

16	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement is the starting points:	A. Rs. 200 will be deducted B. Rs. 200 will be added C. Rs. 400 will be added D. Rs. 400 will be deducted
17	A bill from the point of view of a debtor is called	A. Bill Acceptable B. Bill Receivable C. Bill Payable D. None of these
18	_____ simplifies work to be done at the end of the period	A. Work sheet B. Ledger C. Trail balance D. Balance sheet
19	Goodwill, patent, copyright and trade mark are	A. Wasting assets B. Intangible assets C. Fictitious assets D. Liquid assets
20	Disagreement in balances may arise owing to mistake or mistakes in the:	A. Cash book only B. Bank statement C. Cash book or bank statement D. Bank column of the cash book only