

Accounting Test Easy Mode

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Sr	Questions	Answers Choice
1	Capitalized expenditures are shown in	A. trading A/c B. profit & Samp; loss A/c C. income statement D. balance sheet
2	From business point of view, Interest on capital is considered as	A. An income B. An expense C. A profit D. A liability
3	The Principle book of accounts is	A. Journal B. Ledger C. Trial Balance D. Balance Sheet
4	Cost of goods sold is equal to	A. sales - purchases B. purchases + closing stock - returns outwards C. Opening stock - closing stock + purchase + returns inwards D. Opening stock + purchases - returns outwards - closing stock
5	The accounts of assets and properties	A. nominal accountsB. real accountsC. personal accountsD. valuation accounts
6	The balance of the 'Caha Column' in cash book is always:	A. Debit balance B. Credit balance C. Both debit and credit balance D. None of the above
7	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
8	The gross amount of goods sold or services performed during an accounting period is known as	A. PurchaseB. SaleC. Gross profitD. Net profit
9	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
10	Distinction between capital and revenue items is important for the preparation	 A. Balance sheet B. Trading and profit or loss a/c C. Bank reconciliation statement D. Both a & D. Bot
11	The time after which the bill is to be paid	A. Grace Days B. Tenor C. Due Date D. Extra Days
12	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account
13	The person to whom a bill is addressed is the:	A. Debtor B. Creditor C. Holder D. Agent
14	Accounts relating to persons of firms are called:	A. Real accounts B. Proprietary accounts C. Personal accounts D. Nominal accounts
		A. purchases A/c

15	Goods sold to Ali for Rs. 50,000 recorded in purchases day book will affect	B. sales account C. purchases, sales & D. purchases, sales account D. purchases &
16	Error of carry forward will affect	A. Personal accounts B. Nominal accounts C. Impersonal accounts D. None of these
17	Our cheque to Ali & Bros, returned dishonored should be credited to	A. Cheque account B. Cash account C. Bank account D. Ali & D. Ali & Ali
18	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بدستور ہیں اس قانون کو کہتے ہیں	قانون تقلیل افاده مختتم A. قانون مساوی افاده مختتم B. قانون مادب قانون طلب C. قانون طلب D. قانون تقلیل حاصل
19	Error of principle arises when	A. Any transaction is incorrectly recorded, either wholly or partially B. Any transaction is left wholly or partially C. Any transaction is affects one account D. Any transaction is recorded in fundamentally incorrect manner
20	If the balance of suspense account is credit then it will be shown in balance sheet on	A. Asset side B. Asset and liability side C. Asset and capital side D. Capital and liability side