# Accounting Test Easy Mode

| Sr | Questions | Answers Choice |
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| 1 | If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an | A. Error of commission<br>B. Error of principle<br>C. Compensating error<br>D. Error of principle |
| 2 | Goodwill, patent, copyright and trade mark are | A. Wasting assets<br>B. Intangible assets<br>C. Fictitious assets<br>D. Liquid assets |
| 3 | The revenue profit should be transferred to: | A. Balance sheet<br>B. Trading account<br>C. Profit and loss account<br>D. None of these |
| 4 | According to accounting equation, capital is equal to | A. assets + liabilities<br>B. expenses-incomes<br>C. liabilities - assets<br>D. assets - liabilities |
| 5 | Net Profit is transferred to | A. Trading Account<br>B. Balance Sheet<br>C. Capital a/c<br>D. Trial Balance |
| 6 | 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 | A. قانون تقلیل افادہ مختتم<br>B. قانون مساوی افادہ مختتم<br>C. قانون طلب<br>D. قانون تقلیل حاصل |
| 7 | Real accounts are related to: | A. Assets<br>B. Expenses,  losses and incomes<br>C. Customers,  creditors<br>D. Incomes |
| 8 | If any income omitted to be recorded it will | A. Overstate the profit<br>B. Understate the profit<br>C. Both a & b<br>D. having no effect on profit |
| 9 | A trial balance can be constructed by | A. Three Methods<br>B. Two Methods<br>C. Four Methods<br>D. Five Methods |
| 10 | The balance of the trading account is the transferred to: | A. Profit and loss account<br>B. Balance sheet<br>C. Work sheet<br>D. Position statement |
| 11 | Which account will be created in the presence of suspense account, if sales book is undercast by Rs. 500 | A. suspense A/c<br>B. sales A/c<br>C. cash A/c<br>D. none of above |
| 12 | In journalizing the page numbers of the ledgers are written in: | A. The first column of journal<br>B. The second column of journal<br>C. The third column of journal<br>D. The fourth column of journal |
| 13 | When saleable goods are bought in a business are called: | A. Sales <br>B. Purchase<br>C. Assets<br>D. Goods |
| 14 | The book in which all cash transaction are primarily recorded is called | A. Pass book<br>B. Cheque book<br>C. Finance book<br>D. Cash book |
| 15 | Premium on issue of shares of a company represents | A. capital loss<br>B. capital profit<br>C. capital payment |

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| | | D. none of these |
| 16 | A bill of exchange is a method of payment on | A. Cash Basis<br>B. Credit Basis<br>C. Reserve Basis<br>D. Accommodation Basis |
| 17 | The favorable balance of bank statement is | A. Credit balance<br>B. Debit balance<br>C. Zero balance<br>D. All of these |
| 18 | A bill from the point of view of a debtor is called | A. Bill Acceptable<br>B. Bill Receivable<br>C. Bill Payable<br>D. None of these |
| 19 | The process of recording business transaction in the journal is called | A. Posting<br>B. Journalizing<br>C. Classifying<br>D. Entry |
| 20 | An Entry which is recorded on the both sides of cash book is called | A. Simple Entry<br>B. Compound Entry<br>C. Combined Entry<br>D. Contra Entry |