

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	The statement which contains the explanation of different in cash book and bank statement is known as:	A. Bank statement B. Cash statement C. Balance statement D. Bank reconciliation statement
2	Provision for the doubtful debts is debited to	A. Debtors a/c B. Provision for bad debts a/c C. Profit or loss a/c D. Bad debts recovered a/c
3	Accounting principles can be classified in	A. three types B. two types C. five types D. six types
4	It is used to record cash, bank and discount transactions on debit and credit side	A. Single column cash book B. Petty cash book C. Double column cash book D. Treble column cash book
5	Retiring a bill under rebate means	A. Payment of Bill Before Due Date B. Payment of Bill After due date C. Discounting of a Bill D. Dishonouring of a Bill
6	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
7	Net sales equal to	A. Sales - Returns outwards B. Sales + Returns inwards C. Sales - Returns inwards D. Purchases - Returns inwards
8	A sale of Rs. 1000 to Farid, was credited to his account, it will affect	A. Sales account B. Farid account C. Cash account D. Both a & b
9	A basis of business languages	A. accounting B. bookkeeping C. transaction D. cost accounting
10	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
11	Left hand side of an account is called	A. Debit Side B. Credit Side C. Both a & D. None of these
12	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
13	.lf the error committed in the capital account, it will affect	A. Trading account B. Profit and loss account C. Trading and profit and loss account D. Balance sheet
14	When boan statement shown a debit total balance it means:	A. Overdraft as per cash boo B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Overdraft as per bank statement
	-	A. Non-operating expenses

15	I he expenses which are incurred for the generation of revenues from the sales of goods are called	B. Selling expenses C. Operation expenses D. Administrative expenses
16	The accounting system in which accounting entries are made on the basis of amount having become due for payment or receipt, is called	A. Cash system B. Accrual or mercantile system C. Outstanding system D. None of these
17	Accounts relating to persons of firms are called:	A. Real accounts B. Proprietary accounts C. Personal accounts D. Nominal accounts
18	Adjusted is used to prepare the income statement and balance sheet	A. Trail balance B. Ledger C. Balance sheet D. Bank statement
19	Events which are related with money are called:	A. Monetary events B. Non - monetary events C. None-social events D. Political events
20	When cash is received from debtor or customer, generally a receipt is issued to the debtor which is called	A. Payment voucher B. Receipt voucher C. Cash voucher D. None of these