

Accounting Test Easy Mode

Sr	Questions	Answers Choice
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1	Income statement is prepared to ascertain the net result of the business concern under	A. British accounting system B. American accounting system C. Cash system of accounting D. None of these
2	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
3	Wages paid of installing a machine should be debited to	A. Wages a/c B. cash a/c C. Machinery a/c D. None of these
4	The system of accounting in which accounting entries are made only when cash received or paid is known as	A. Cash system B. Accrual system C. Mercantile system D. Single system
5	All revenue expenditure are taken to	A. Trading a/c B. Trading & Description of Loss a/c C. Profit or loss a/c D. Balance sheet
6	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & D.
7	A Journal is generally kept on:	A. A columnar basis B. A row basis C. A single line basis D. Vertical basis
8	Ledger Records Transaction in a/an	A. Chronological Order B. Daily order C. Arithmetical Order D. Analytical Order
9	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
10	Octori duty paid on machinery, is an example of	A. Revenue expenditure B. Recurring expenditure C. Capital expenditure D. Both a & D. Both
11	A double column cash book is used to record	A. Cash transactions only B. Cash and bank transaction C. Cash, bank and discount transaction D. None of these
12	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
13	Contain all residual account	A. Debtors Ledger B. Creditors Ledger C. General Ledger D. Cash Ledger
14	Which one of the following in used to simplify work, to be done at the end of period	A. Balance sheet B. Income sheet C. Bank statement D. Work sheet
15	The act result of the business activities is shown by:	A. Profit and loss account B. Profit and loss appropriation account

		C. Trading account D. Balance sheet
16	Book used to record petty expenses and receipts	A. Single Column Cash Book B. Petty Cash Book C. Double Column Cash Book D. Treble Column Cash Book
17	How many categories of accounts are	A. two B. three C. four D. five
18	The is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trail balance
19	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
20	Which one of the following is not considered the permanent part of the accounting record?	A. Journal B. Trail balance C. Ledger D. Work sheet