Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Pass book is prepared by	A. Debtor B. Creditor C. Banker D. Customer
2	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
3	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
4	Petty cash book is a branch of	A. Pass Book B. Cash Book C. Journal D. Ledger
5	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & c
6	If sales are Rs. 12000 Gross profit is 10% of sales and net profit is 5% of sales then the expenses will be	A. 1200 B. 600 C. 1800 D. 2400
7	Which account is a summary of direct expenses and direct revenues	A. Trading and profit or loss account B. Profit or loss account C. Balance sheet D. Trading account
8	If the gross profit is Rs. 5000 and the net profit is 35% of the gross profit then the expenses must be	A. 3250 B. 1250 C. 3750 D. 1750
9	Journal shows all necessary information regarding.	A. The document B. A transaction C. The accounting D. Meeting
10	A bill of exchange is a / an	A. Promise B. Unconditional Order C. Request D. Conditional Order
11	Accounting records of a business enterprise are required by	A. management of the business B. outsiders C. all of the above D. none of the above
12	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement i s 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
13	A copy of the customer's account in the bank's ledger is called:	A. Deposit statement B. Balance statement C. Bank statement D. Customer
14	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
15	From business point of view, Interest on capital is considered as	A. An income B. An expense C. A profit D. A liability

16	The favourable balance of bank statement is	A. Credit Balance B. Debit Balance C. Zero Balance D. Both b and c
17	Error due to wrong allocation as expenditure between capital and revenue is regarded as:	A. Error of omission B. Error of principle C. Compensating errors D. Error of Commission
18	Preliminary expenses paid in the formation of a company is a	A. Capital expenditure B. Deferred expenditure C. Revenue expenditure D. Capital loss
19	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
20	Accounting principles can be classified in	A. three types B. two types C. five types D. six types