

## Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	The Legal tenor of a bill is	A. Sixty Days B. One Month C. Eighty Days D. Ninety Days
2	The revenue profit should be transferred to:	A. Balance sheet B. Trading account C. Profit and loss account D. None of these
3	Errors is casting of subsidiary books are called as	A. Error of omission B. Compensating error C. Error of posting D. Clerical errors
4	Excise duty is a	A. Direct revenue B. Indirect revenue C. Direct expense D. Indirect expense
5	All those expenses which have not become due but paid in advance are called	A. Accrued expenses     B. Outstanding expenses     C. Prepaid expenses     D. Payable expenses
6	Any expenditure incurred to increase the earning capacity of a business	A. capital expenditure B. capital loss C. revenue loss D. revenue expenditure
7	Assets which have no physical existence are called	A. Tangible assets     B. Fictitious assets     C. Liquid assets     D. Intangible assets
8	An income which has earned but not received is called	A. Unearned income     B. Accrued revenue     C. Revenue received in advance     D. None of these
9	A sheet which minimizes the chances of errors to the maximum possible extent is called	A. Balance sheet B. Work sheet C. Paper sheet D. Income statement
10	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
11	All the time of endorsement of a bill the drawer credits:	A. The drawee account B. The endorser's personal account C. Bill receivable account D. Endorser's account
12	The bad debts which are showed in the trial balance are called	A. new bad debts B. old bad debts C. further bad debts D. additional bad debts
13	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
14	Any activity undertaken for the purpose of earning profit is called:	A. Performance B. Dealing C. Business D. Duties
15	The const concept applied only to the assets and not to:	A. Expenses B. Liabilities C. Incomes D. None of these

16	Subsidiary books are called the book of:	A. Original entry B. Secondary entry C. Temporary entry D. Basic entry
17	Expenses paid by a business decrease	A. cash B. capital C. cash & capital D. none of these
18	The recording of transaction chronologically in the book of accounts is called:	A. Summarizing B. Classifying C. Recording D. None of above
19	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
20	Bill receivable book represents	A. Ledger B. Journal C. Trail balance D. All of above