

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Errors of omission affects	A. One account B. Two account C. Three account D. None of these
2	All revenue expenditure are taken to	A. Trading a/c B. Trading & profit or Loss a/c C. Profit or loss a/c D. Balance sheet
3	Net sales - cost of goods sold - operating expenses = ?	A. Net purchases B. Cost of goods sold available for sale C. Net operating income D. Gross Profit
4	Suspense means	A. certainty B. uncertainty C. surly D. none of these
5	The money can be deposited into bank by means of	A. Cash book B. Cheque book C. Pay-in-slip book D. Pass book
6	From the business point of view, interest on drawings is	A. An asset B. An expense C. A liability D. A revenue
7	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
8	Wages paid for installing a machine should be debited to	A. Wages a/c B. Cash a/c C. Machinery a/c D. none of these
9	Any difference in trail balance, is transferred to	A. Sales account B. Nominal account C. Purchases account D. Suspense account
10	Journal is prepared in	A. Columnar form B. Vertical form C. Horizontal form D. Row form
11	Journal shows all necessary information regarding.	A. The document B. A transaction C. The accounting D. Meeting
12	It is prepared to determine the net profit or net loss	A. Trading account B. Profit or loss account C. Cash book D. Balance sheet
13	Debts which are repayable in the course of less than one year bur more than one month are called	A. Quick liabilities B. Deferred liabilities C. Contingent liabilities D. Liquid liabilities
14	Modern system of bookkeeping is	A. single entry system B. double entry system C. modern system D. none of these
15	Real accounts are related to:	A. Assets B. Expenses, & losses and incomes C. ... D. ...

		C. Customers, creditors D. Incomes
16	If there is any error in Bank account it will affect	A. Trading and profit and loss account B. Profit and loss account C. Trading account D. Balance sheet
17	.The cash book is a	A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance
18	Capital contributed by the partners is a:	A. Revenue receipt B. Capital receipt C. Current receipt D. Deferred receipt
19	In double entry system of bookkeeping every business transaction affects:	A. Debit or credit side of the same account B. Two accounts C. The same side of the same account D. None of the above
20	Received a cheque from Bilal Rs. 1900 in ful settlement of his debt Rs. 2000 should be debited to	A. Cash account B. Discount allowed account C. Bank account D. Both a & b