

## Accounting Test Easy Mode

Cr.	Quantings	Anguara Chaine
Sr	Questions	Answers Choice
1	An expenditure which is incurred again and again is a:	A. Capital expenditure     B. Future expenditure     C. Deferred expenditure     D. Revenue expenditure
2	If the total of the credit side of an account exceeds that of debit side of the same account, it is called	A. Credit Balance B. Debit Balance C. Balancing D. Zero Balance
3	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
4	A Journal is generally kept on:	A. A columnar basis B. A row basis C. A single line basis D. Vertical basis
5	Errors which affect one account can be	A. errors of principle B. errors of posting C. errors of omission D. none of these
6	Usually every entry affect both income statement and balance sheet	A. Adjusting B. Work sheet C. Balance sheet D. Ledger
7	Pass book is prepared by	A. Debtor B. Creditor C. Banker D. Customer
8	The expenses which are incurred for the generation of revenues from the sales of goods are called	A. Non-operating expenses     B. Selling expenses     C. Operation expenses     D. Administrative expenses
9	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
10	Both cash purchases as well as credit purchases are recorded in	A. Cash book B. Purchase book C. Purchases account 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	Journal shows all necessary information regarding.	A. The document B. A transaction C. The accounting D. Meeting
13	A Ledger is a book in which	A. Only Personal & Dened Accounts are Opened B. Only Real Accounts are Opened C. Only Nominal Accounts are Opened D. All Real, Nominal and Personal Accounts are Opened
14	The balance of petty cash book is a/an	A. Asset B. Liability C. Expense D. Income
		A. Permanent Account

15	Bank for collection is a	B. Fixed Account C. Current Account D. Temporary Account
16	Trade expenses of Rs. 180 posted in the ledger as Rs. 810, it will be considered as	A. Error of principle B. Error of omission C. Error of casting D. Error of transposition
17	The effect of drawing on accounting equation is	A. decrease in assets and decrease in liabilities B. increase in both assets & Diabilities C. decrease in assets and increase in capital D. none of these
18	Cost of goods sold is equal to	A. sales - purchases B. purchases + closing stock - returns outwards C. Opening stock - closing stock + purchase + returns inwards D. Opening stock + purchases - returns outwards - closing stock
19	The margin that is available to cover the other expenses for a period and to yield net income is known as	A. Net profit B. Gross profit C. Net sales D. Cost of goods sold
20	When money is paid to a creditor or supplier a receipt is obtained from him which is called	A. Cash voucher B. Cash payment C. Receipt voucher D. Payment voucher