

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	The gross amount of goods sold or services performed during an accounting period is known as	A. Purchase B. Sale C. Gross profit D. Net profit
2	Raw material destroyed in fire represents	A. capital loss B. revenue loss C. normal loss D. both b, c
3	If the error committed in the capital account, it will affect	A. trading account B. profit & D. brofit & D. brofit & D. balance sheet
4	All expenses connected with the office and its conduct are called	A. Selling expenses B. Marketing expenses C. Service expenses D. Administrative expenses
5	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
6	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
7	It is used to record only cash receipts and payments	A. Single column cash book B. Double column cash book C. Treble column cash book D. Sales book
8	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
9	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book D. Purchases and sales book
10	A Journal is generally kept on:	A. A columnar basis B. A row basis C. A single line basis D. Vertical basis
11	Bad debts are	A. Deferred expenditure B. Revenue expenditure C. Capital expenditure D. None of these
12	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
13	Suspense means	A. certainty B. uncertainty C. surly D. none of these
14	Cash of sales is equal to	A. Sales - purchases B. Purchases - return + closing stock C. Opening stock + Purchases (Net) Closing stock D. Sales + Opening stock - (Purchases + Closing stock)
		A. Revenue expenditure

15	Octori duty paid on machinery, is an example of	B. Recurring expenditure C. Capital expenditure D. Both a & D. Bot
16	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
17	From the business point of view, interest on drawings is	A. An asset B. An expense C. A liability D. A revenue
18	Pass book is prepared by	A. Debtor B. Creditor C. Banker D. Customer
19	Error of principle involves an incorrect allocation of expenditure or receipt between.	A. Capital and revenue B. Capital and capitalized C. Revenue and deferred revenue D. Revenue and revenue
20	In adjusting the cash balance one of the following is not taken into account:	A. Mistakes in the cash book B. Mistake in the bank statement C. Interest and dividends credited in the bank statement D. None of the abvove