

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	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
2	Ledger Records Transaction in a/an	A. Chronological Order B. Daily order C. Arithmetical Order D. Analytical Order
3	Nominal account are related to:	A. Assets and liabilities B. Expenses, losses and incomes C. Customers, creditors etc D. Capital account
4	The accounts of assets and properties	A. nominal accounts B. real accounts C. personal accounts D. valuation accounts
5	The owner of the business is known as:	A. Sale man B. Agent C. Proprietor D. Employee
6	Octori duty paid on machinery, is an example of	A. Revenue expenditure B. Recurring expenditure C. Capital expenditure D. Both a & b
7	When a drawee honours his acceptance, he will credit	A. Capital Account B. Drawer Account C. Bill Payable Account D. Cash Account
8	A sale of Rs. 1000 to Farid, was credited to his account, it will affect	A. Sales account B. Farid account C. Cash account D. Both a & b
9	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
10	A transaction has been journalized but posted wrongly in the ledger account, it is an:	A. Error of positing B. Error of principle C. Error of omission D. Error of commission
11	In journalizing the page numbers of the ledgers are written in:	A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal
12	Capital contributed by the partners is a:	A. Revenue receipt B. Capital receipt C. Current receipt D. Deferred receipt
13	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
14	A schedule of balances of all accounts is called	A. Journal B. Ledger C. Balance Sheet D. Trial Balance
15	Interest due but not received is an	A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income

16	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
17	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
18	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
19	The book which is used to record all goods returned to us by our customers is called	A. Returns outwards book B. Returns inwards book C. Sales book D. Cash book
20	An expenditure, which is incurred to increase to profit earning capacity of a business concern, is called	A. Deferred expenditure B. Current expenditure C. Capital expenditure D. Recurring expenditure