

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Bank for collection is a	A. Permanent Account B. Fixed Account C. Current Account D. Temporary Account
2	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
3	The outflow of funds to meet the running expenses of a business	A. Revenue loss B. Revenue expenditure C. capital expenditure D. capital loss
4	A bill of exchange is drawn by:	A. A debtor B. A creditor C. A holder D. Endorsee
5	The debts, the recovery of which is uncertain are called	A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c
6	At the time of drawing a bill the drawer credits:	A. Debtors account B. Creditors account C. bill receivable account D. Suppliers account
7	Which book is used to record all cash receipts and cash payments?	A. Sale book B. Purchase book C. Cash book D. Petty cash book
8	Which book is used to record all credit purchases?	A. Purchases book B. Purchases book return C. Cash book D. Debit note book
9	Net sales are equal to sales minus	A. Returns inwards B. Returns outwards C. Cost of goods sold D. carriage on sales
10	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
11	Accounts relating to persons of firms are called:	A. Real accounts B. Proprietary accounts C. Personal accounts D. Nominal accounts
12	Book used to record petty expenses and receipts	A. Single Column Cash Book B. Petty Cash Book C. Double Column Cash Book D. Treble Column Cash Book
13	Loss of good by fire should be credited to:	A. Purchase account B. Sales account C. Loss by goods by fire account D. Capital account
14	Octori duty paid on machinery, is an example of	A. Revenue expenditure B. Recurring expenditure C. Capital expenditure D. Both a & b
15	Which account will be created in the presence of suspense account, if sales book is undercast by Rs. 500	A. suspense A/c B. sales A/c C. cash A/c D. none of above

16	_____ simplifies work to be done at the end of the period	A. Work sheet B. Ledger C. Trail balance D. Balance sheet
17	The const concept applied only to the assets and not to:	A. Expenses B. Liabilities C. Incomes D. None of these
18	The favorable balance of cash book bank column is	A. Credit balance B. Debit balance C. Both debit and credit balance D. None of these
19	Petty cash book is a branch of	A. Pass Book B. Cash Book C. Journal D. Ledger
20	When a bill is transferred by the drawer to his creditor, for settlement of his debts, it is called	A. Retirement of Bill B. Endorsement of a Bill C. Discounting of a Bill D. Settlement of a Bill