

## Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	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
2	For every debit, there is a credit	A. going concern concept B. dual aspect concept C. matching concept D. cost concept
3	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
4	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
5	Real accounts are related to:	A. Assets B. Expenses, &nbsp;losses and incomes C. Customers, &nbsp;creditors D. Incomes
6	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
7	Disagreement in balances may arise owing to mistake or mistakes in the:	A. Cash book only B. Bank statement C. Cash book or bank statement D. Bank column of the cash book only
8	A bill from the point of view of a creditor is called a:	A. Bill payable B. Bill receivable C. Bil acceptable D. Bill rejectable
9	Error of posting effects:	A. One account&nbsp; B. Two accounts C. Three accounts D. Four accounts
10	Goods purchased from Robin have been posted to Rahim account, it is an:	A. Error of omission B. Error of casting C. Error of posting D. Error of commission
11	Depreciation is	A. A Liability B. A loss C. An expense D. Both b & c
12	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
13	Wrong allocation of capital and revenue items of expenses represents	A. error of casting B. error of principle C. compensation error D. error of commission
14	When ban column of a cash book shows a debit balance it means:	A. Overdraft as per bank B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Favourable balance as per pass book

15	In three column cash book, discount column is	A. Totaled B. Balanced C. Carry Forward D. Both a and b
16	All the bills given to the creditors are recorded in	A. Creditor's book B. Bills payable book C. Bills receivable book D. Bank book
17	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & Loss a/c D. None of these
18	An expenditure, incurred to improve the position of the business is known as	A. Deferred expenditure B. Revenue expenditure C. Capital expenditure D. Recurring expenditure
19	The profit which is earned during the ordinary course of business is regarded as:	A. Capital profit B. Revenue profit C. Revenue loss D. Long term profit
20	An error completely omitted to be entered in the journal	A. partial error B. error of posting C. error of casting D. complete error