

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Narration is always written:	A. Above each entry B. Below each entry C. Between of each entry D. None of these
2	In accounting all business transactions are recorded which have:	A. Dual aspect B. Single aspect C. None of the above D. Economic aspect
3	Receipts which are non-recurring by nature:	A. Capital receipts B. Revenue receipts C. Short term receipts D. Capital profit
4	Stock is trade is a	A. Current asset B. Non-current asset C. Quick asset D. Intangible asset
5	One way of avoiding errors in the permanent accounting records is to use a form which is called	A. Bank statement B. Trail balance C. Balance sheet D. Work sheet
6	In the preparation of worksheet the amounts in the trail balance are taken directly form the	A. Ledger B. Trail balance C. Balance sheet D. None of these
7	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
8	Error due to wrong allocation as expenditure between capital and revenue is regarded as:	A. Error of omissionB. Error of principle C. Compensating errorsD. Error of Commission
9	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
10	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
11	The revenue that has not become due, but received in cash in current year is known as	A. Revenue received in advance B. Accrued revenue C. Unearned revenue D. Both a & D. Both
12	Which column is prepared in single column cash book?	A. Bank Column B. Cash Column C. Discount Column D. All of the Above
13	If any income omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & D. having no effect on profit
14	If sales return for Rs. 3,000 were incorrectly included in sales book, gross profit will be	A. overstated by Rs. 3,000 B. understated by Rs. 6,000 C. understated by Rs. 3,000 D. overstated by Rs. 6,000
15	When a bill is discharged the acceptor debits:	A. Creditors account B. Cash account C. Bill payable account D. Bill receivable account

16	An expenditure which is incurred again and again is a:	A. Capital expenditure B. Future expenditure C. Deferred expenditure D. Revenue expenditure
7	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بدستور ہیں اس قانون کو کہتے ہیں	قاتون تقليل افاده مختتم A. قاتون مساوى افاده مختتم B. قاتون طلب C. قاتون طلب D. قاتون تقليل حاصل
18	Interest due but not received is an	A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income
19	Net profit is equal to	A. Gross profit - expenses B. Sales - Cost of goods sold C. Sales - expenses D. Capital - expenses
20	The cash book is a book of	A. Compound entry B. Original entry C. Final entry D. Simple entry