

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Bank account is a:	A. Personal account B. Real account C. Nominal account D. None of these
2	Error which affects profit and loss account relates to	A. Nominal account B. Property account C. Personal account D. None of these
3	The effect of drawing on accounting equation is	A. decrease in assets and decrease in liabilities B. increase in both assets & liabilities C. decrease in assets and increase in capital D. none of these
4	A document evidencing cash receipts and payments and forming the basis for making entries in the cash book is called	A. Receipt voucher B. Cash voucher C. payment voucher D. Cash memo
5	All expenses connected with the office and its conduct are called	A. Selling expenses B. Marketing expenses C. Service expenses D. Administrative expenses
6	When the goods are returned to the suppliers, an intimation is sent to them is called	A. Currency note B. Invoice C. Debit note D. Credit note
7	A receipt is revenue receipt because	A. the amount is small B. it relates to routine activity of business C. it is received in the accounting year D. both b, c
8	The inflow of assets in return for services performed or products delivered during a period is	A. Asset B. Revenue C. Non current asset D. None of these
9	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
10	Both cash purchases as well as credit purchases are recorded in	A. Cash book B. Purchase book C. Purchases account D. None of these
11	A book which is used to record small expenses is called	A. Expenses book B. Cash book C. Petty cash book D. Purchases book
12	.The cash book is a	A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance
13	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
14	If any expense omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & b D. No effect on profit

15	A dealing between two persons is called a	A. business B. transaction C. purchases D. sales
16	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
17	Wages paid for installing a machine should be debited to	A. Wages a/c B. Cash a/c C. Machinery a/c D. none of these
18	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
19	Bank for collection is a	A. Permanent Account B. Fixed Account C. Current Account D. Temporary Account
20	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بنستور ہیں اس قانون کو کہتے ہیں	A. قانون تقلیل افادہ مختتم B. قانون مساوی افادہ مختتم C. قانون طلب D. قانون تقلیل حاصل