

Accounting Test Easy Mode

| Sr | Questions | Answers Choice |
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| 1 | Transaction are recorded data wise, so journal is also called: | A. Entry book B. Transaction book C. Chronological book D. Voucher |
| 2 | Modern system of bookkeeping is | A. single entry system B. double entry system C. modern system D. none of these |
| 3 | Subsidiary books are called books of | A. Original entry B. Secondary entry C. Final entry D. Basic entry |
| 4 | Capitalized expenditure are shown in | A. Trading a/c B. Profit or loss a/c C. Income statement D. Balance sheet |
| 5 | The favorable balance of bank statement is | A. Credit balance B. Debit balance C. Zero balance D. All of these |
| 6 | The expenditures which reduce revenue (profit) of the business are: | A. Revenue expenditures B. Capital expenditure C. Fixed expenditures D. Future expenditures |
| 7 | Events which are related with money are called: | A. Monetary events B. Non - monetary events C. None-social events D. Political events |
| 8 | Salary outstanding account relevant to: | A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts |
| 9 | Which book is used to record all credit purchases? | A. Purchases book B. Purchases book return C. Cash book D. Debit note book |
| 10 | In double entry system of bookkeeping every business transaction affects: | A. Debit or credit side of the same account B. Two accounts C. The same side of the same account D. None of the above |
| 11 | Usually every _____ entry affect both income statement and balance sheet | A. Adjusting B. Work sheet C. Balance sheet D. Ledger |
| 12 | The cash book is a book of | A. Compound entry B. Original entry C. Final entry D. Simple entry |
| 13 | When bank column of a cash book shows a credit balance, it means: | A. Cash balance B. Bank balance C. Under draft D. Over draft |
| 14 | 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 |
| | | A. Error of commission |

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| 15 | If a transaction has been completely omitted from the Journal it will be considered | B. Error of principle C. Error of omission D. None of these |
| 16 | Assets having some market value | A. Fictitious Assets B. Real Assets C. Unreal Assets D. None of these |
| 17 | A man buys Rs. 40,000 worth goods and sells them for Rs. 50,000. His gross profit is: | A. Rs. 10,000 B. Rs. 20,000 C. Rs. 30,000 D. Rs. 40,000 |
| 18 | Error of principle involves an incorrect allocation of expenditure or receipt between. | A. Capital and revenue B. Capital and capitalized C. Revenue and deferred revenue D. Revenue and revenue |
| 19 | The first successful step of Double Entry System is | A. Leger B. Journal C. Final Account D. Trial Balance |
| 20 | _____ simplifies work to be done at the end of the period | A. Work sheet B. Ledger C. Trial balance D. Balance sheet |