

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	A statement which i prepared to ascertain the net income or net loss for a specific accounting period is called	A. Position statement B. Statement of condition C. Financial statement D. Bank reconciliation statement
2	A table lost by fire should be debited to	A. Table a/c B. Furniture a/c C. Loss by Fire a/c D. Purchases a/c
3	Cost incurred to generate revenue is called	A. Revenue B. Cost C. Expense D. Liability
4	All revenue expenditure are taken to	A. Trading a/c B. Trading & profit or Loss a/c C. Profit or loss a/c D. Balance sheet
5	Bank Reconciliation represents	A. A Journal B. A Ledger C. A Statement D. both a and c
6	_____ is prepared to avoid errors in the permanent records of accounting	A. Work sheet B. Ledger C. Bank statement D. Balance sheet
7	Interest due but not received is an	A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income
8	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
9	In case of a debt becoming bad, the amount should be credited to	A. Debtor's a/c B. Bad Debts a/c C. Sales a/c D. cash a/c
10	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
11	The _____ is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trail balance
12	A balance sheet is a	A. Statement of income and expenditure B. Statement of debtors and creditors C. Financial statement of a business on a particular date D. Statement of profit earned by a busniess
13	Premium on issue of shares of a company represents	A. capital loss B. capital profit C. capital payment D. none of these
14	Unfavorable balances mean	A. Credit balance in the pass book B. Credit balance in the cash book C. Debit balance in bank statement D. Both b & c
		A. Representative personal account

15	Salary outstanding account relevant to:	B. Artificial person's account C. Natural persons account D. Nominal accounts
16	Which of the following normally has a credit balance	A. Machinery a/c B. Purchases a/c C. Stock a/c D. Sales a/c
17	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
18	Assets come into existence upon the happening of a certain event, are called:	A. Fixed assets B. Fictitious assets C. Floating assets D. Contingent assets
19	Wages paid of installing a machine should be debited to	A. Wages a/c B. cash a/c C. Machinery a/c D. None of these
20	A bill from the point of view of a debtor is called	A. Bill Acceptable B. Bill Receivable C. Bill Payable D. None of these