

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	A double column cash book is used to record	A. Cash transactions only B. Cash and bank transaction C. Cash, bank and discount transaction D. None of these
2	When a bill is discharged the acceptor debits:	A. Creditors account B. Cash account C. Bill payable account D. Bill receivable account
3	In journalizing the page numbers of the ledgers are written in:	A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal
4	The expenditures which reduce revenue (profit) of the business are:	A. Revenue expenditures B. Capital expenditure C. Fixed expenditures D. Future expenditures
5	An expenditure, which is completely exhausted with in the current accounting period is known as	A. Deferred expenditure B. Revenue expenditure C. Future expenditure D. Non-recurring expenditure
6	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement is the starting points:	A. Rs. 200 will be deducted B. Rs. 200 will be added C. Rs. 400 will be added D. Rs. 400 will be deducted
7	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
8	A document given by the seller to the buyer for credit sale of goods or assets is called	A. Cash memo B. Invoice C. Voucher D. None of these
9	An expenditure incurred to the increases the profit earning of the concern is a:	A. Revenue expenditure B. Current expenditure C. Capital receipt D. Capital expenditure
10	How many columns are drawn on one side of three column cash book ?	A. Five Columns B. Six Columns C. Seven Columns D. Eight Columns
11	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
12	Worksheet provides complete information for preparing	A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement
13	Income statement is prepared to ascertain the net result of the business concern under	A. British accounting system B. American accounting system C. Cash system of accounting D. None of these
14	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
		A. three types

15	Accounting principles can be classified in	B. two types C. five types D. six types
16	Raw material destroyed in fire represents	A. capital loss B. revenue loss C. normal loss D. both b, c
17	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
18	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
19	Bill receivable account is a:	A. Nominal account B. Personal account C. Real account D. Expenses account
20	Petty cash book is a branch of	A. Pass Book B. Cash Book C. Journal D. Ledger