

Accounting Test Easy Mode

| 0 | Overtions | Annual Chaire |
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| Sr | Questions | Answers Choice |
| 1 | Allowance for doubtful debts normally has a | A. Debit balance B. Credit balance C. Both debit & D. None of these |
| 2 | Cost of goods sold is equal to | A. sales - purchases B. purchases + closing stock - returns outwards C. Opening stock - closing stock + purchase + returns inwards D. Opening stock + purchases - returns outwards - closing stock |
| 3 | The debts, the recovery of which is uncertain are called | A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c |
| 4 | 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 |
| 5 | The profit which is earned during the ordinary course of business is regarded as: | A. Capital profit B. Revenue profit C. Revenue loss D. Long term profit |
| 6 | All the direct expenses are charged to: | A. Balance sheet B. Profit and loss account C. Trading account D. None of these |
| 7 | Sales are equal to | A. Cost of goods sold + Profit B. Gross profit - cost of goods sold C. Cost of goods sold - gross profit D. None of these |
| 8 | A schedule of balances of all accounts is called | A. Journal B. Ledger C. Balance Sheet D. Trial Balance |
| 9 | Bill receivable book represents | A. Ledger B. Journal C. Trail balance D. All of above |
| 10 | The excess of gross profit on sale over total operating expenses is called: | A. Cost of goods soldB. Gross profitC. Net profitD. None-operating income |
| 11 | Our cheque to Ali & Bros, returned dishonored should be credited to | A. Cheque account B. Cash account C. Bank account D. Ali & D. Spros account |
| 12 | Interest paid on loan is | A. Abnormal Loss B. Financial Expenses C. Management Expenses D. Maintenance Expenses |
| 13 | All those expenses which are incurred to convert raw-materials into finished goods are called: | A. Direct expenses B. Indirect expenses C. Administrative expenses D. Sales expenses |
| 14 | The book in which all cash transaction are primarily recorded is called | A. Pass book B. Cheque book C. Finance book D. Cash book |
| | | A. Credit Balance |

| 15 | The favourable balance of bank statement is | B. Debit Balance C. Zero Balance D. Both b and c |
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| 16 | Adjusted is used to prepare the income statement and balance sheet | A. Trail balance B. Ledger C. Balance sheet D. Bank statement |
| 17 | A revenue expenditure, the benefit of which is not confined to one accounting year is called | A. Non-current expenditure B. Revenue expenditure C. Future expenditure D. Deferred expenditure |
| 18 | An Entry which is recorded on the both sides of cash book is called | A. Simple Entry B. Compound Entry C. Combined Entry D. Contra Entry |
| 19 | Interest due but not received is an | A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income |
| 20 | A transaction has been journalized but posted wrongly in the ledger account, it is an: | A. Error of positing B. Error of principle C. Error of omission D. Error of commission |