

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	The credit purchases were wrongly recorded in sales book, the rectification of entry	<p>A. Increase the net profit by double amount</p> <p>B. Decrease the net profit by double amount</p> <p>C. Decrease the net profit</p> <p>D. Increase the net profit</p>
2	Net profit plus expenses is equal to	<p>A. purchases</p> <p>B. Cost of goods sold</p> <p>C. Capital</p> <p>D. Gross profit</p>
3	When a drawee honours his acceptance, he will credit	<p>A. Capital Account</p> <p>B. Drawer Account</p> <p>C. Bill Payable Account</p> <p>D. Cash Account</p>
4	Wages paid for installing a machine should be debited to	<p>A. Wages a/c</p> <p>B. Cash a/c</p> <p>C. Machinery a/c</p> <p>D. none of these</p>
5	Patent is an example of	<p>A. Assets</p> <p>B. Liabilities</p> <p>C. Income</p> <p>D. Expense</p>
6	If the gross profit is Rs. 5000 and the net profit is 35% of the gross profit then the expenses must be	<p>A. 3250</p> <p>B. 1250</p> <p>C. 3750</p> <p>D. 1750</p>
7	Salary outstanding account relevant to:	<p>A. Representative personal account</p> <p>B. Artificial person's account</p> <p>C. Natural persons account</p> <p>D. Nominal accounts</p>
8	The revenue that has not become due, but received in cash in current year is known as	<p>A. Revenue received in advance</p> <p>B. Accrued revenue</p> <p>C. Unearned revenue</p> <p>D. Both a & c</p>
9	A sale of Rs. 1000 to Farid, was credited to his account, it will affect	<p>A. Sales account</p> <p>B. Farid account</p> <p>C. Cash account</p> <p>D. Both a & b</p>
10	It is prepaid to determine the gross profit or gross loss	<p>A. Trading account</p> <p>B. Profit or loss account</p> <p>C. Balance sheet</p> <p>D. None of these</p>
11	In three column cash book, discount column is	<p>A. Totaled</p> <p>B. Balanced</p> <p>C. Carry Forward</p> <p>D. Both a and b</p>
12	Goods returned by customers are	<p>A. purchases</p> <p>B. purchases returns</p> <p>C. sales returns</p> <p>D. sales</p>
13	Net sales - cost of goods sold - operating expenses = ?	<p>A. Net purchases</p> <p>B. Cost of goods sold available for sale</p> <p>C. Net operating income</p> <p>D. Gross Profit</p>
14	Nominal account are related to:	<p>A. Assets and liabilities</p> <p>B. Expenses, losses and incomes</p> <p>C. Customers, creditors etc</p> <p>D. Capital account</p>
		A. Debit balance

15	The balance of the 'Caha Column' in cash book is always:	B. Credit balance C. Both debit and credit balance D. None of the above
16	Cheques issued to a creditor but not presented for payment are called	A. Un Credited Cheques B. Uncollected Cheques C. Un Presented Cheques D. Dishonoured Cheques
17	Any mistake in ledger can be easily detected with the help of:	A. Journal B. Balance sheet C. Trial balance D. Financial statement
18	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
19	The rules of the debiting the receiving and crediting the giver is applicable to:	A. Persona account B. Real account C. Nominal account D. Expense account
20	Profit or loss appropriation account is not prepared in the case of	A. Partnership B. Joint stock company C. Sole tradership D. Partnership at will