

## Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Adjusted is used to prepare the income statement and balance sheet	A. Trail balance B. Ledger C. Balance sheet D. Bank statement
2	Received a cheque from Bilal Rs. 1900 in ful settlement of his debt Rs. 2000 should be debited to	A. Cash account B. Discount allowed account C. Bank account D. Both a & D. Bot
3	The inflow of assets in return for services performed or products delivered during a period is	A. Asset B. Revenue C. Non current asset D. None of these
4	Net profit is equal to	A. Gross profit - expenses B. Sales - Cost of goods sold C. Sales - expenses D. Capital - expenses
5	The concept of conservation will have the effect of:	A. Understatement of assets B. Under statement of liabilities C. Overstatement of assets D. None of the above
6	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
7	A bill from the point of view of a creditor is called a:	A. Bill payable B. Bill receivable C. Bil acceptable D. Bill rejectable
8	Error due to wrong allocation as expenditure between capital and revenue is regarded as:	<ul><li>A. Error of omission</li><li>B. Error of principle </li><li>C. Compensating errors</li><li>D. Error of Commission</li></ul>
9	When an acceptor refuses to pay the amount of bill to the holder on its maturity date it is called	A. Honoured Bill B. Retired Bill C. Dishonoured Bill D. Endorsed Bill
10	It is used to record only cash receipts and payments	A. Single column cash book B. Double column cash book C. Treble column cash book D. Sales book
11	Which one of the following is a direct expense?	A. Custom duty B. Carriage C. Wages D. All of above
12	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account
13	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
14	For every debit, there is a credit	A. going concern concept     B. dual aspect concept     C. matching concept     D. cost concept
15	Unfavourable balance means	A. Credit Balance in the Pass Book B. Credit Balance in the Cash Book C. Debit Balance in Bank Statement D. Both b and c

16	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
17	Which account is a summary of direct expenses and direct revenues	A. Trading and profit or loss account     B. Profit or loss account     C. Balance sheet     D. Trading account
18	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
19	Sales returns book periodical total is posted to	A. Debit of returns inwards account     B. Credit of returns inwards account     C. Debit of returns outwards account     D. Credit of returns outwards account
20	If amount for Rs. 554 recovered from Ali, previously written off as bad debts we should	A. Debited to bad debts recovered account     B. Credited to Ali account     C. Debited to bad debts account     D. Credited to bad debts recovered account