

## Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Error which affects profit and loss account relates to	<p>A. Nominal account            B. Property account            C. Personal account            D. None of these</p>
2	Both cash purchases as well as credit purchases are recorded in	<p>A. Cash book            B. Purchase book            C. Purchases account            D. None of these</p>
3	The document evidencing cash receipts and payments and forming the basis for making entries in the cash book is called:	<p>A. Receipt voucher            B. Payment voucher            C. Cash voucher            D. Cash memo</p>
4	Book-keeping is mainly concerned with:	<p>A. Recording of business transactions            B. Recording classifying and summarizing the recorded data            C. Interpreting the recorded data            D. None of the above</p>
5	All the acceptances received from the debtors are recorded in	<p>A. Cash book            B. Bills payable book            C. Debtor's book            D. Bills receivable book</p>
6	Bad debts recovered should be credited to	<p>A. Balance Sheet            B. Trading a/c            C. Profit &amp; Loss a/c            D. None of these</p>
7	A bill from the point of view of a creditor is called a:	<p>A. Bill payable            B. Bill receivable            C. Bil acceptable            D. Bill rejectable</p>
8	_____ simplifies work to be done at the end of the period	<p>A. Work sheet            B. Ledger            C. Trail balance            D. Balance sheet</p>
9	Errors, which do not affect on profit calculation, will have an effect only on	<p>A. Trail balance            B. Balance sheet            C. Profit or loss account            D. Trading account</p>
10	Expenditure is revenue expenditure because	<p>A. It is intended to benefit the current period            B. The amount involved is small            C. It is deducted from the gross sale proceeds            D. None of these</p>
11	A Journal is generally kept on:	<p>A. A columnar basis            B. A row basis            C. A single line basis            D. Vertical basis</p>
12	If amount for Rs. 554 recovered from Ali, previously written off as bad debts we should	<p>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</p>
13	Depreciation of fixed assets used in the business is an example of	<p>A. capital expenditure            B. Revenue expenditure            C. Deferred expenditure            D. None of these</p>
14	Wages paid for the erection of machine debited to wages account is an example of	<p>A. Error of omission            B. Error of commission            C. Error of principle            D. Error of transposition</p>

		D. None of these
15	Goods purchased from Robin have been posted to Rahim account, it is an:	A. Error of omission B. Error of casting C. Error of posting D. Error of commission
16	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
17	An expenditure which is incurred again and again is a:	A. Capital expenditure B. Future expenditure C. Deferred expenditure D. Revenue expenditure
18	Pass book is prepared by	A. Debtor B. Creditor C. Banker D. Customer
19	Some expenses are incurred at the time of the sale of an asset. The Amount will be debited to:	A. Assets account B. Expenses account C. Cash account D. Purchases account
20	Which column is prepared in single column cash book?	A. Bank Column B. Cash Column C. Discount Column D. All of the Above