

## Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	An entry which is recorded on the both sides of cash book is called	A. Simple entry B. Compound entry C. Combined entry D. <b>Contra entry</b>
2	The book which is used to record all goods returned to us by our customers is called	A. Returns outwards book B. <b>Returns inwards book</b> C. Sales book D. Cash book
3	Goods returned by customers are	A. purchases B. purchases returns C. <b>sales returns</b> D. sales
4	Accounting records of a business enterprise are required by	A. management of the business B. outsiders C. <b>all of the above</b> D. none of the above
5	Income tax paid is a	A. Business expense B. Revenue for business C. Liability of business D. <b>Personal expense</b>
6	Error due to wrong allocation as expenditure between capital and revenue is regarded as:	A. Error of omission B. <b>Error of principle</b> C. Compensating errors D. Error of Commission
7	Goodwill, patent, copyright and trade mark are	A. Wasting assets B. <b>Intangible assets</b> C. Fictitious assets D. Liquid assets
8	Interest due but not received is an	A. Outstanding expense B. <b>Accrued income</b> C. Prepaid expense D. Unearned income
9	The system of recording transaction based on dual concept is called	A. Double account system B. <b>Double entry system</b> C. Single entry system D. Management system
10	The cash book is a book of	A. Compound entry B. <b>Original entry</b> C. Final entry D. Simple entry
11	Interest on drawings is	A. An asset B. A liability C. An expense D. <b>A revenue</b>
12	The balance of the 'Caha Column' in cash book is always:	A. <b>Debit balance</b> B. Credit balance C. Both debit and credit balance D. None of the above
13	Which one of the following is not considered the permanent part of the accounting record?	A. Journal B. Trail balance C. Ledger D. <b>Work sheet</b>
14	Trade expenses of Rs. 180 posted in the ledger as Rs. 810, it will be considered as	A. Error of principle B. Error of omission C. Error of casting D. <b>Error of transposition</b>
15	_____ must be prepaid for testing ledger accounts, adjusting entries and financial statement	A. <b>Work sheet</b> B. Balance sheet C. Bank statement D. Trail balance

16	Which one of the following is appeared in the balance sheet	A. Revenue expenditure B. Capital expenditure C. Deferred expenditure D. Both b & c
17	The money with which business is started is known as:	A. Capital B. Creditor C. Income D. Debtor
18	When two or more than two error occurred on the opposite side of the account and cancelled the affect of each are called	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principle
19	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. Capital 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