

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Net sales - cost of goods sold - operating expenses = ?	A. Net purchases B. Cost of goods sold available for sale C. Net operating income D. Gross Profit
2	The debts, the recovery or realization of which is uncertain are known as	A. Bad bets B. Doubtful debts C. Provision for doubtful debts D. Loan
3	A bill which is both drawn and payable within the geographical boundaries of a country	A. Foreign Bill B. Local Bill C. Municipal Bill D. Inland Bill
4	The balance of the 'Caha Column' in cash book is always:	A. Debit balance B. Credit balance C. Both debit and credit balance D. None of the above
5	The periodical total of purchases returns book is posted to	A. Debit of returns outwards account B. Credit of returns inwards account C. Debit of returns inwards accounts D. Credit of returns outwards account
6	The amount becomes due from the customers is called	A. Allowance B. Loan C. Debts D. Doubtful debts
7	Error due to wrong allocation as expenditure between capital and revenue is regarded as:	A. Error of omission B. Error of principle C. Compensating errors D. Error of Commission
8	Error which affects profit and loss account relates to	A. Nominal account B. Property account C. Personal account D. None of these
9	Usually every entry affect both income statement and balance sheet	A. Adjusting B. Work sheet C. Balance sheet D. Ledger
10	All revenue expenditure are taken to	A. Trading a/c B. Trading & D. Profit or Loss a/c C. Profit or loss a/c D. Balance sheet
11	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
12	Bookkeeping provides the	A. primary information B. secondary information C. final information D. insufficient information
13	The time after which the bill is to be paid	A. Grace Days B. Tenor C. Due Date D. Extra Days
14	Wages paid for the construction of building is an example of	A. Revenue expenditure B. Capital expenditure C. Recurring expenditure D. Short-term expenditure
15	Net loss is always	A. Equal to gross loss B. More than gross loss C. Less than gross loss

16 In three column cash book, discount column is	A. Totaled B. Balanced C. Carry Forward D. Both a and b
17 Modern system of bookkeeping is	A. single entry system B. double entry system C. modern system D. none of these
18 All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & D. Cash book
When an acceptor refuses to pay the amount of bill to the holder on its maturity dat called	A. Honoured Bill B. Retired Bill C. Dishonoured Bill D. Endorsed Bill
20 Record of business transaction in the journal is called	A. Detail B. Summary C. Narration D. Entry