

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	Credit Balance of pass book must be equal to debit balance of	A. Cash Book B. Bank Ledger C. Clients other Account D. None of these
2	A sale of Rs. 1000 to Farid, was credited to his account, it will affect	A. Sales account B. Farid account C. Cash account D. Both a & b
3	If a liability is recorded as income, it will be considered as	A. Error of commission B. Error of omission C. Error of Principle D. None of these
4	The debts, the recovery of which is uncertain are called	A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c
5	Assets which have no physical existence are called	A. Tangible assets B. Fictitious assets C. Liquid assets D. Intangible assets
6	Net profit is always	A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these
7	Sales are equal to	A. Cost of goods sold + Profit B. Gross profit - cost of goods sold C. Cost of goods sold - gross profit D. None of these
8	Adjusting entries affect	A. Balance sheet B. Income statement C. Work sheet D. All of them
9	Bank Reconciliation represents	A. A Journal B. A Ledger C. A Statement D. both a and c
10	A statement which is used to reconcile the bank balance as per cash book with the balance as per pass book is called	A. Bank statement B. Income statement C. Bank reconciliation statement D. Financial statements
11	If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an	A. Error of commission B. Error of principle C. Compensating error D. Error of principle
12	Wages paid for the erection of machine debited to wages account is an example of	A. Error of omission B. Error of commission C. Error of principle D. None of these
13	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
14	Interest on drawings is	A. An asset B. A liability C. An expense D. A revenue
15	Bad debts are	A. deferred expenditure B. revenue expenditure C. capital expenditure D. none of these

16	Cost of goods sold is equal to	<p>A. sales - purchases</p> <p>B. purchases + closing stock - returns outwards</p> <p>C. Opening stock - closing stock + purchase + returns inwards</p> <p>D. Opening stock + purchases - returns outwards - closing stock</p>
17	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بستور ہیں اس قانون کو کہتے ہیں	<p>A. قانون تقلیل افادہ مختتم</p> <p>B. قانون مساوی افادہ مختتم</p> <p>C. قانون طلب</p> <p>D. قانون تقلیل حاصل</p>
18	Our cheque to Babar & Bros, returned dishonoured should be credited to	<p>A. Cheque Account</p> <p>B. Cash Account</p> <p>C. Bank Account</p> <p>D. Babar & Bros A/c</p>
19	A revenue expenditure, the benefit of which is not confined to one accounting year is called	<p>A. Non-current expenditure</p> <p>B. Revenue expenditure</p> <p>C. Future expenditure</p> <p>D. Deferred expenditure</p>
20	Net Sales represent	<p>A. Sales - return outwards</p> <p>B. Sales - return inwards</p> <p>C. Sales - return to supplier</p> <p>D. both b and c</p>