Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	The debts, the recovery of which is uncertain are called	A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c
2	Bookkeeping provides the	A. primary information B. secondary information C. final information D. insufficient information
3	Depreciation of fixed assets used in the business is an example of	A. capital expenditure B. Revenue expenditure C. Deferred expenditure D. None of these
4	The creditor of the business are called:	A. Assets B. Liabilities C. Capital D. Income
5	A document is sent to customer when he returns the goods is called	A. Promissory note B. Debit note C. Currency note D. Credit note
6	Assets having some market value	A. Fictitious Assets B. Real Assets C. Unreal Assets D. None of these
7	Bank account is a:	A. Personal account B. Real account C. Nominal account D. None of these
8	The Legal tenor of a bill is	A. Sixty Days B. One Month C. Eighty Days D. Ninety Days
9	Capitalized expenditure are shown in	A. Trading a/c B. Profit or loss a/c C. Income statement D. Balance sheet
10	The process of totaling the data at the end of the period is called	A. posting B. casting C. compensating D. recording
11	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & b D. Cash book
12	It is prepared to determine the net profit or net loss	A. Trading account B. Profit or loss account C. Cash book D. Balance sheet
13	Financial statement is prepared from the amount given in	A. Trail balance columns B. Adjustments columns C. Cash columns D. Adjusted trail balance columns
14	Cash paid to Naeem will affect	A. cash & capital B. cash & creditor C. cash and debtors D. cash & goods
15	An operating statement is similar to a	A. Balance sheet B. bank reconciliation statement C. Financial statement D. Profit or loss statement

16	Bad debts recovered from debtors should be credited to	A. Debtors a/c B. Bad debts a/c C. Bad debts recovered a/c D. Cash a/c
17	An expenditure, which is temporarily increase the profit making capacity of the business is called	A. Deferred expenditure B. Capital expenditure C. Revenue expenditure D. Non-recurring expenditure
18	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
19	When a bill is transferred by the drawer to his creditor, for settlement of his debts, it is called	A. Retirement of Bill B. Endorsement of a Bill C. Discounting of a Bill D. Settlement of a Bill
20	Cash of sales is equal to	A. Sales - purchases B. Purchases - return + closing stock C. Opening stock + Purchases (Net) - Closing stock D. Sales + Opening stock - (Purchases + Closing stock)