

## Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	A credit sale was wrongly passed through purchases book, the rectification of the entry will:	A. Increase the net profit by, double amount     B. Decrease the net profit     C. Decrease the net profit by double amount     D. Have no effect on the net profit
2	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
3	A Journal is generally kept on:	A. A columnar basis B. A row basis C. A single line basis D. Vertical basis
4	Gross profit is derived from	A. Trading a/c B. Profit & D. Loss a/c C. Trial Balance D. Balance Sheet
5	A bill of exchange is a / an	A. Promise B. Unconditional Order C. Request D. Conditional Order
6	If sales are Rs. 12000 Gross profit is 10% of sales and net profit is 5% of sales then the expenses will be	A. 1200 B. 600 C. 1800 D. 2400
7	Which of the following discloses the financial position of the business:	A. Trading account     B. Profit and loss account     C. Profit and loss appropriation account     D. Balance sheet
8	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
9	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
10	The Amount of salary paid to Sohail should be debited to	A. Sohail's a/c B. Cash Account C. Salaries a/c D. Both a & D.
11	The body of worksheet contains	A. Two pairs of money column B. Three pairs of money column C. Four pairs of money column D. Five pairs of money column
12	Financial statement is prepared from the amount given in	A. Trail balance columns     B. Adjustments columns     C. Cash columns     D. Adjusted trail balance columns
13	Worksheet provides complete information for preparing	A. Income statement     B. Position statement     C. Financial statement     D. Bank reconciliation statement
14	The book which is used to record all goods returned to us by our customers is called	A. Returns outwards book B. Returns inwards book C. Sales book D. Cash book
		A. Expenses

15	Bad debts are business	B. Liabilities C. Assets D. Revenue
16	A transaction is recorded on the same days as its takes place, so journal is also called:	A. A day book B. A history book C. An  entry book D. Ledger book
17	A dealing between two persons is called a	A. business B. transaction C. purchases D. sales
18	The price of goods sold or services rendered to the customers is called	A. Sale B. Profit C. Expense D. Revenue
19	All those expenses which have not become due but paid in advance are called	A. Accrued expenses     B. Outstanding expenses     C. Prepaid expenses     D. Payable expenses
20	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account