

Accounting Test Easy Mode

Sr	Questions	Answers Choice
1	A schedule of balances of all accounts is called	A. Journal B. Ledger C. Balance Sheet D. Trial Balance
2	In three column cash book, discount column is	A. Totaled B. Balanced C. Carry Forward D. Both a and b
3	Cash account is a	A. Personal account B. Nominal account C. Real account D. Both personal and real account
4	An expenditure incurred in increasing the efficiency of a fixed asset is called:	A. Revenue expenditure B. Capital expenditure C. Current expenditure D. None of these
5	When a Bill is dishonoured, the holder of the bill goes to an official called	A. Inspector B. Notary Public C. Drawer D. Manager
6	All the bills given to the creditors are recorded in	A. Creditor's book B. Bills payable book C. Bills receivable book D. Bank book
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	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
9	Which column is prepared in single column cash book?	A. Bank Column B. Cash Column C. Discount Column D. All of the Above
10	An expenditure, which increases the utility or productive capacity of an asset is treated as	A. Revenue expenditure B. Capital expenditure C. Deferred expenditure D. None of these
11	Which one of the following is a direct expense?	A. Packing expense B. Advertisement expense C. Manufacturing expense D. Traveling expense
12	An error completely omitted to be entered in the journal	A. partial error B. error of posting C. error of casting D. complete error
13	Raw material destroyed in fire represents	A. capital loss B. revenue loss C. normal loss D. both b, c
14	The person to whom bill is transferred will become	A. Endorser B. Creditor C. Debtor D. Endorsee
15	Bank for collection is a	A. Permanent Account B. Fixed Account C. Current Account

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- 16 Any activity undertaken for the purpose of earning profit is called:
- A. Performance
 - B. Dealing
 - C. Business
 - D. Duties
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- 17 The accrued income or outstanding income will appear in the balance sheet as
- A. An expense
 - B. A liability
 - C. An asset
 - D. Both a & b
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- 18 Record of business transaction in the journal is called
- A. Detail
 - B. Summary
 - C. Narration
 - D. Entry
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- 19 Ahmad's account is an example of
- A. real account
 - B. personal A/c
 - C. nominal account
 - D. none of these
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- 20 Suspense means
- A. certainty
 - B. uncertainty
 - C. surly
 - D. none of these
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