

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	Cash and goods invested by the proprietor in business is called	A. Investment B. Capital C. Drawings D. None of these
2	Debit balance of cash book is also called	A. Unfavourable balance B. Favourable balance C. Negative balance D. Both un favourable and favourable balance
3	A bill of exchange is drawn by a	A. Debtor B. Holder C. Creditor D. None of these
4	Bad debts are shown in the	A. Trading A/c B. None of these C. Profit & Loss A/c D. Both first
5	Bank reconciliation represents	A. Ledger B. Statement C. Journal D. Both ledger and statement
6	Operating expenses represent	A. G.P- Operative Exp B. Selling + General Exp C. Selling administrative Exp.D) D. All of these
7	Cheque received but not deposited recorded in cash book is	A. Cash column B. Discount column C. Bank column D. None of these
8	Prepaid expenses are	A. Expense B. Liability C. Asset D. None of these
9	Freight paid on machinery purchased is a	A. Revenue expenditure B. Capital expenditure C. Capital loss D. Revenue loss
10	Bank reconciliation is prepared by	A. Bank B. Creditors C. Auditor D. Accountant
11	Petty cash book is a branch of	A. Pass book B. Journal C. Cash book D. Ledger
12	A bill of exchange is accepted by:	A. Drawer B. Payee C. Drawee D. Bank
13	Bad debt arises from	A. Sale on account B. Account receivable C. Cash sales D. Account payable
14	The book meant for recording all cash transactions is called	A. Purchase book B. Cash book C. Sales book D. Pass book
15	Which of the following account is increased by debit entries	A. Capital A/c B. Building A/c C. Sales A/c D. ...

		D. Purchase return A/c
16	The discount which is calculated on list price of goods is called	A. Trade discount B. Rebate C. Cash discount D. None of these
17	Goods returned to supplier should be credited to:	A. Supplier A/c B. Purchase return A/c C. Sales return A/c D. Purchases A/c
18	Business debts are known as	A. Liabilities B. Expenses C. Assets D. Owner's
19	Accounting is the language of	A. Govt B. Trade C. Business D. Commerce
20	Unearned income is shown as	A. Assets B. Expenses C. Liabilities D. Income