

## Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	Credit sales are recorded in	A. Cash book B. Purchase book C. Sales book D. Pass book
2	Cash purchases are recorded in large organizations in	A. Purchase day book B. General journal C. Purchase journal D. Cash book
3	Operating expenses represent	A. G.P- Operative Exp B. Selling + General Exp C. Selling administrative Exp.D) D. All of these
4	Expenses paid in advance are called	A. Prepaid expenses B. Deferred expenses C. Expired expenses D. Both prepaid & expired expenses
5	The entry which is recorded on the both sides of three column cash book is called	A. Single entry B. Compound entry C. Double entry D. Contra entry
6	Preliminary Exp.Incurred for formation of Joint Stock Company represent.	A. Capital loss B. Capital Exp. C. Revenue loss D. Deferred Revenue Exp
7	The person to whom goods are sold on credit is called	A. Seller B. Creditor C. Debtor D. Buyer
8	Bad debts are shown in the	A. Trading A/c B. None of these C. Profit & Loss A/c D. Both first
9	The amount of cash or goods with drawn by the proprietor for personal use is called:	A. Expenses B. Revenue C. Capital D. Drawings
10	Carriage paid on purchase of furniture is a	A. Revenue expenditure B. Capital expenditure C. Revenue Loss D. Capital loss
11	Prepaid expenses are	A. Expense B. Liability C. Asset D. None of these
12	The purchase of machinery on account would:	A. Increase one asset and decrease another asset B. Increase an asset and decrease liability C. Increase an asset and increase capital D. Increase an asset and increase a liability
13	Accounting is the language of	A. Govt B. Trade C. Business D. Commerce
14	If more than two accounts are involved in a journal entry it is called	A. Double entry B. Contra entry C. Compound entry D. Single entry

15	Trail balance shows	A. Complete accuracy B. <b>Arithmetical accuracy</b> C. Whole accuracy D. Full accuracy
16	The expenses incurred in purchasing land property represent	A. <b>Capital expenditures</b> B. Revenue loss C. Revenue expenditures D. Deferred revenue expenditures
17	Which of these accounts is increased by credit entries:	A. Machinery A/c B. Rent A/c C. <b>Sales A/c</b> D. Purchase A/c
18	Journal is prepared in	A. <b>Columnar form</b> B. Vertical form C. Horizontal form D. Raw form
19	The errors which cancel themselves out are called	A. Errors of omission B. <b>Compensating errors</b> C. Errors of commission D. None of these
20	The discount which is calculated on list price of goods is called	A. <b>Trade discount</b> B. Rebate C. Cash discount D. None of these