

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	Bad debt arises from	A. Sale on account B. Account receivable C. Cash sales D. Account payable
2	Carriage paid on goods purchased is a	A. Direct expense B. Opening expense C. Indirect expense D. General expense
3	Which of these is a fixed asset:	A. Cash B. Plant C. Stock D. Prepaid expenses
4	If more than two accounts are involved in one transaction the journal entry is called	A. Simple entry B. Skeleton entry C. Compound entry D. Double entry
5	Furniture and machinery represent	A. Fixed assets B. Fictitious assets C. Current assets D. Intangible assets
6	The expenses incurred in purchasing land property represent	A. Capital expenditures B. Revenue loss C. Revenue expenditures D. Deferred revenue expenditures
7	The book meant for recording all cash transactions is called	A. Purchase book B. Cash book C. Sales book D. Pass book
8	Goods returned by a customer should be debited to	A. Sales A/c B. Customer A/c C. Purchase A/c D. Sales return A/c
9	Payment for freight on raw material purchased is called	A. Capital payment B. Deferred revenue payment C. Revenue payment D. None of these
10	The cheque which is returned by the bank unpaid is called	A. Cross cheque B. Dishonour cheque C. Bearer cheque D. Order cheque
11	Errors which affect income statement belong to	A. Real A/c B. Personal A/c C. Nominal A/c D. None of these
12	The book in which small payments like refreshment tissues etc are recorded is called	A. Main cash book B. Cash account C. Petty cash book D. Both main cash book & petty cash book
13	Trail balance shows	A. Complete accuracy B. Arithmetical accuracy C. Whole accuracy D. Full accuracy
14	The person to whom goods are sold on credit is called	A. Seller B. Creditor C. Debtor D. Buyer
15	A bill of exchange is accepted by:	A. Drawer B. Payee C. Drawee D. Endorser

		D. Bank
16	Any physical that has money value is	A. Transaction B. Asset C. Intangible asset D. Goodwill
17	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
18	The amount of salaries paid to javed should be credited to	A. Javed A/c B. Cash A/c C. Salaries A/c D. None of these
19	Journal is prepared in	A. Columnar form B. Vertical form C. Horizontal form D. Raw form
20	Accounting is called of business:	A. Heart B. Ear C. Tongue D. Eye