

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	Carriage paid on goods purchased is a	A. Direct expense B. Opening expense C. Indirect expense D. General expense
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	Furniture and machinery represent	A. Fixed assets B. Fictitious assets C. Current assets D. Intangible assets
4	Sales return is also called	A. Return inward B. Return to seller C. Return outward D. Return inward and return to seller both
5	Accounting is called of business:	A. Heart B. Ear C. Tongue D. Eye
6	A bill of exchange is accepted by	A. Debtor B. Holder C. Creditor D. Seller
7	Balance sheet is a statement of	A. Assets B. Both first C. Liabilities D. None of these
8	In accounting equation assets are equal to	A. Capital B. Liabilities C. Capital + Liabilities D. Capital + Liabilities
9	Bad debt arises from	A. Sale on account B. Account receivable C. Cash sales D. Account payable
10	Net loss is transferred in balance sheet to	A. Capital B. Losses C. Assets D. Deferred losses
11	Cash and goods invested by the proprietor in business is called	A. Investment B. Capital C. Drawings D. None of these
12	The amount of cash or goods with drawn by the proprietor for personal use is called:	A. Expenses B. Revenue C. Capital D. Drawings
13	Which of theses assets is an intangible asset	A. Building B. Cash C. Furniture D. Good will
14	The cheque which is returned by the bank unpaid is called	A. Cross cheque B. Dishonour cheque C. Bearer cheque D. Order cheque
15	Bad debts are shown in the	A. Trading A/c B. None of these C. Profit & Loss A/c

		D. Both first
16	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
17	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
18	The science and art of correctly recording business dealing in a set of books is called	A. Book keeping B. Auditing C. Accounting D. Recording
19	Favourable bank balances means	A. Credit balance of cash book B. Debit balance of cash book C. Debit balance of pass book D. None of these
20	Which of these is a fixed asset:	A. Cash B. Plant C. Stock D. Prepaid expenses