

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	A bill of exchange is accepted by:	A. Drawer B. Payee C. Drawee D. Bank
2	Any physical that has money value is	A. Transaction B. Asset C. Intangible asset D. Goodwill
3	Carriage paid on goods purchased is a	A. Direct expense B. Opening expense C. Indirect expense D. General expense
4	Expenses paid in advance are called	A. Prepaid expenses B. Deferred expenses C. Expired expenses D. Both prepaid & expired expenses
5	Debit balance of cash book is also called	A. Unfavourable balance B. Favourable balance C. Negative balance D. Both un favourable and favourable balance
6	Stationary is classified into	A. Factory supplies B. Sales supplies C. Office supplies D. Trade supplies
7	Payment for freight on raw material purchased is called	A. Capital payment B. Deferred revenue payment C. Revenue payment D. None of these
8	The errors which cancel themselves out are called	A. Errors of omission B. Compensating errors C. Errors of commission D. None of these
9	Operating expenses represent	A. G.P- Operative Exp B. Selling + General Exp C. Selling administrative Exp.D) D. All of these
10	Prepaid expenses are	A. Expense B. Liability C. Asset D. None of these
11	Nominal accounts are related to:	A. Assets B. Creditors C. Liabilities D. Expenses + Income
12	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
13	Errors which affect income statement belong to	A. Real A/c B. Personal A/c C. Nominal A/c D. None of these
14	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
15	Cheque received but not deposited recorded in cash book is	A. Cash column B. Discount column C. Bank column

		D. None of these
16	Modern system of book keeping is	A. Single entry system B. Double entry system C. Modern system D. None of these
17	Trial balance is prepared to detect	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principles
18	Business debts are also called is	A. Capital B. Liabilities C. Drawing D. Assets
19	A bill of exchange is drawn by a	A. Debtor B. Holder C. Creditor D. None of these
20	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