

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	Furniture and machinery represent	A. Fixed assets B. Fictitious assets C. Current assets D. Intangible assets
2	Compound entry affected at least	A. Two account B. One account C. Three account D. Four account
3	Bill receivable and debtor are	A. Long term assets B. Fictitious assets C. Fixed assets D. Current assets
4	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
5	Balance sheet is a statement of	A. Assets B. Both first C. Liabilities D. None of these
6	Freight paid on machinery purchased is a	A. Revenue expenditure B. Capital expenditure C. Capital loss D. Revenue loss
7	Bank reconciliation represents	A. Ledger B. Statement C. Journal D. Both ledger and statement
8	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
9	Cash purchases are recorded in large organizations in	A. Purchase day book B. General journal C. Purchase journal D. Cash book
10	Trail balance shows	A. Complete accuracy B. Arithmetical accuracy C. Whole accuracy D. Full accuracy
11	Important types of ledger are	A. General ledger B. Proprietor ledger C. Creditors ledger D. General ledger & creditor ledger bot
12	For payment of bill of exchange grace days are	A. 2 days B. 3 days C. 5 days D. 4 days
13	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
14	Which of these accounts is increased by credit entries:	A. Machinery A/c B. Rent A/c C. Sales A/c D. Purchase A/c
15	Sales return is also called	A. Return inward B. Return to seller C. Return outward

D. Return inward and return to seller both

16 Pass book is prepared in the book of

- A. Bank
- B. Guarantor
- C. Customer
- D. None of these

17 Modern system of book keeping is

- A. Single entry system
- B. Double entry system
- C. Modern system
- D. None of these

18 Trial balance is prepared to detect

- A. Errors of omission
- B. Compensating errors
- C. Errors of commission
- D. Errors of principles

19 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

20 Net loss is transferred in balance sheet to

- A. Capital
 - B. Losses
 - C. Assets
 - D. Deferred losses
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