

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	The errors which cancel themselves out are called	A. Errors of omission B. Compensating errors C. Errors of commission D. None of these
2	Bad debt arises from	A. Sale on account B. Account receivable C. Cash sales D. Account payable
3	Cash and goods invested by the proprietor in business is called	A. Investment B. Capital C. Drawings D. None of these
4	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
5	Which of the following books is called book of original entry:	A. Cash book B. Journal C. Ledger D. Sales book
6	Transaction which is omitted from record is known as	A. Errors of omission B. Errors of principle C. Errors of commission D. Compensating errors
7	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
8	The book meant for recording all cash transactions is called	A. Purchase book B. Cash book C. Sales book D. Pass book
9	Furniture and machinery represent	A. Fixed assets B. Fictitious assets C. Current assets D. Intangible assets
10	The amount of cash or goods with drawn by the proprietor for personal use is called:	A. Expenses B. Revenue C. Capital D. Drawings
11	Which of the following account is increased by debit entries	A. Capital A/c B. Building A/c C. Sales A/c D. Purchase return A/c
12	Cash sales are recorded in	A. Sales book B. Purchase book C. Cash book D. Pass book
13	Accounting is called of business:	A. Heart B. Ear C. Tongue D. Eye
14	Assets which come into existence upon the happening of a certain event are called	A. Fictitious assets B. Floating assets C. Contingent assets D. Dependent assets
15	Debit balance of cash book is also called	A. Unfavourable balance B. Favourable balance C. Negative balance D. None of these

		D. Both un favourable and favourable balance
16	Operating expenses represent	A. G.P- Operative Exp B. Selling + General Exp C. Selling administrative Exp.D) D. All of these
17	Bad debts are shown in the	A. Trading A/c B. None of these C. Profit & Loss A/c D. Both first
18	Trail balance shows	A. Complete accuracy B. Arithmetical accuracy C. Whole accuracy D. Full accuracy
19	Preliminary Exp.Incurred for formation of Joint Stock Company represent.	A. Capital loss B. Capital Exp. C. Revenue loss D. Deferred Revenue Exp
20	Balance sheet is a statement of	A. Assets B. Both first C. Liabilities D. None of these