

Accounting Test Hard Mode

Sr	Questions	Answers Choice
1	The book meant for recording all cash transactions is called	A. Purchase book B. Cash book C. Sales book D. Pass book
2	Expenses paid in advance are called	A. Prepaid expenses B. Deferred expenses C. Expired expenses D. Both prepaid & expired expenses
3	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
4	To any business bad debts is	A. An asset B. An Income C. A loss D. A liability
5	Unearned income is shown as	A. Assets B. Expenses C. Liabilities D. Income
6	Freight paid on machinery purchased is a	A. Revenue expenditure B. Capital expenditure C. Capital loss D. Revenue loss
7	Accounting is called of business:	A. Heart B. Ear C. Tongue D. Eye
8	Debit balance of cash book is also called	A. Unfavourable balance B. Favourable balance C. Negative balance D. Both un favourable and favourable balance
9	The expenses incurred in purchasing land property represent	A. Capital expenditures B. Revenue loss C. Revenue expenditures D. Deferred revenue expenditures
10	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
11	Trial balance is prepared to detect	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principles
12	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
13	Carriage paid on goods sold is a	A. Direct expense B. Operating expense C. General expense D. Selling expense
14	Carriage paid on goods purchased is a	A. Direct expense B. Opening expense C. Indirect expense D. General expense
15	Balance sheet is a statement of	A. Assets B. Both first C. Liabilities

		D. None of these
16	Prepaid expenses are	A. Expense B. Liability C. Asset D. None of these
17	Operating expenses represent	A. G.P- Operative Exp B. Selling + General Exp C. Selling administrative Exp.D) D. All of these
18	Credit sales are recorded in	A. Cash book B. Purchase book C. Sales book D. Pass book
19	Modern system of book keeping is	A. Single entry system B. Double entry system C. Modern system D. None of these
20	A bill of exchange is accepted by	A. Debtor B. Holder C. Creditor D. Seller