

Dealing between persons is called.

- A. Transaction
- B. Journal
- C. Ledger
- D. Trial Balance

ANSWER: A

For preparing balance sheets stock in trade are shown as part of.

- A. Assets
- B. Liabilities
- C. Equities
- D. None of these

ANSWER: A

Unpaid and unrecorded incomes are called.

- A. Unearned incomes
- B. Additional incomes
- C. Accrued incomes
- D. None of these

ANSWER: C

Goods taken away by the owner should be credited to.

- A. Goods
- B. Purchases
- C. Owner name
- D. Drawing

ANSWER: B

Under the straight line method, depreciation charged on.

- A. Remaining value
- B. Original value
- C. Total value
- D. Reducing value

ANSWER: B

Goods given as charity by business should be credited to.

- A. Charity account
- B. Purchases account
- C. Cash account
- D. Expenses account

ANSWER: B

King of all the books of accounts is called.

- A. Journal
- B. Ledger
- C. Trial balance
- D. Balance sheet

ANSWER: B

Income statement is always prepared.

- A. For the year ended
- B. As on a specified date
- C. End of fiscal year
- D. None of these

ANSWER: A

The relation of the indirect expenses is with.

- A. Sales

- B. Purchases
- C. Assets
- D. Capital

ANSWER: A

Interest on bank loan are called.

- A. Direct expenses
- B. Miscellaneous expenses
- C. Operating expenses
- D. Other expenses

ANSWER: D

An art of recording, classifying and summarizing of transactions is called.

- A. Book keeping
- B. Accounting
- C. Auditing
- D. Recording

ANSWER: B

Return inward is also known as.

- A. Purchase return
- B. Sales return
- C. Return received
- D. None of these

ANSWER: B

Modern system of book keeping is called.

- A. American system
- B. British system

- C. Single entry system
- D. Double entry system

ANSWER: D

The main purpose of business is.

- A. Sales
- B. Purchases
- C. Exchange
- D. Earning profit

ANSWER: D

Assets having no physical existence are called.

- A. Intangible assets
- B. Tangible assets
- C. Current assets
- D. Liquid assets

ANSWER: A

The unsold goods are.

- A. Equity
- B. Purchases
- C. Inventory
- D. Sales

ANSWER: C

A business entity has assets of Rs.50,000 and liabilities of Rs.20,000 owner's equity is.

- A. 20,000
- B. 25,000
- C. 30,000

D. 15,000

ANSWER: C

Nominal account are related to.

A. Income and expenses

B. Assets and liabilities

C. Debts and receipts

D. Customers and creditors

ANSWER: A

Building account is an example of.

A. Real account

B. Nominal account

C. Personal account

D. Major account

ANSWER: A

Creditors account is an example of.

A. Real account

B. Nominal account

C. Personal account

D. Major account

ANSWER: C

A folio means.

A. Chapter

B. Register

C. Paragraph

D. Page

ANSWER: D

In a journal, there are.

- A. Two columns
- B. Three columns
- C. Four columns
- D. Five columns

ANSWER: D

An entry in which only one account is debited or credited is called.

- A. Simple entry
- B. Journal entry
- C. Compound entry
- D. Combined entry

ANSWER: A

Excess of credit balance over debit balance is called.

- A. Debit balance
- B. Credit balance
- C. Excess balance
- D. Nil balance

ANSWER: B

Pass book is also known as.

- A. Cash book
- B. Bank statement
- C. Day book
- D. None of these

ANSWER: B

Assets – liabilities is equal to.

- A. Income
- B. Expense
- C. Capital
- D. Assets

ANSWER: C

Unfavourable balance of cash book means.

- A. Debit balance
- B. Credit balance
- C. Zero balance
- D. Bank balance

ANSWER: B

Those cheques which are issued and cashed are called.

- A. Presented cheques
- B. Uncashed cheques
- C. Unpresented cheques
- D. Uncredited cheques

ANSWER: A

The relation of the direct expenses is with.

- A. Sales
- B. Purchases
- C. Assets
- D. Capital

ANSWER: B

Transportation in are called.

- A. Direct expenses
- B. Indirect expenses
- C. Operating expenses
- D. Other expenses

ANSWER: A