

ACCOUNTING

Multiple Choice Questions & Answers

1. All the transactions measurable in the terms of money are recorded in accounts is according to
 - A. business entity concept
 - B. going concern concept
 - C. money measurement concept
 - D. accounting period concept**ANSWER: C**
2. Dividing the expenditure into capital and revenue is according to
 - A. business entity concept
 - B. going concern concept
 - C. money measurement concept
 - D. accounting period concept**ANSWER: D**
3. While putting the value or price of an entity in financial records the lowest price is recorded not the current price or current market value. This is known as
 - A. Business Entity Concept
 - B. Conservatism
 - C. Cost Concept
 - D. Money Measurement Concept**ANSWER: B**
4. Co-operative societies is an example of
 - A. personal account
 - B. real account
 - C. nominal account
 - D. representative personal account**ANSWER: A**
5. Outstanding salary account is a
 - A. natural personal account
 - B. artificial personal account
 - C. representative personal account
 - D. real account**ANSWER: C**
6. Interest earned is a
 - A. personal account
 - B. real account
 - C. nominal account
 - D. representative personal account**ANSWER: C**
7. Commission paid is a
 - A. personal account
 - B. real account
 - C. nominal account
 - D. representative personal account**ANSWER: C**
8. Trading account is a
 - A. personal account
 - B. real account
 - C. nominal account
 - D. representative personal account**ANSWER: C**
9. Profit and loss account is a

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- A. personal account
- B. real account
- C. nominal account
- D. representative personal account

ANSWER: C

10. All revenue incomes are credited to

- A. manufacturing account
- B. trading account
- C. profit and loss account
- D. balance sheet

ANSWER: C

11. In profit and loss account, if credit is more than the debit, the difference is

- A. net profit
- B. net loss
- C. gross profit
- D. gross loss

ANSWER: A