ACC101 List of Questions

Latex formatted questions may not properly render

Q1 ----------------- is a permanent record of all transaction book

 Cash book

 Trial balance

 Ledger >>>>>>>>

 Journal

Q2 --------------- is the final destination of all transactions in the books of prime entries

 Cash book

 Trial balance

 Ledger >>>>>>>>

 Journal

Q3 The ----------- accounts are the accounts of assets

 Personal

 Real >>>>>>>>

 Nominal

 Personal/nominal

Q4 The real sense of placing the book keeping entry in each account is called ------------

 Trial balance

 Entries

 Posting >>>>>>>>

 Transactions

Q5 \_\_\_\_ system is an accounting system whereby every transaction that has to be recorded gives rise to two entries

 Two column

 Single entry

 Three column

 Double entry >>>>>>>>

Q6 \_\_\_\_ book is used instead of a cash ledger account in the general ledger

 Cash

 Petty cash >>>>>>>>

 Voucher

 Invoice

Q7 Firms operates their petty cash on an ----------- system

 Continuity

 Voucher

 Imprest >>>>>>>>

 Cheque

Q8 The ----------- book is written from receipt and petty cash vouchers

 Cash

 Petty cash >>>>>>>>

 Voucher

 Invoice

Q9 -------------- is a reduction given by the supplier of goods to a buyer if the latter pays for them within a period stipulated by the seller at the time of sale.

 Trade discount

 Receivables

 Cash discount >>>>>>>>

 Discount allowed

Q10 The ------------- cash book represent three accounts

 One column

 Two column

 Tripe column

 Three column >>>>>>>>

Q11 The debit in two column book is credited to a --------------- account in the general ledger.

 Journal

 Ledger >>>>>>>>

 Trial balance

 Cash book

Q12 A ---------------- cash book is used to record receipts and payments by cheque

 One sided

 Double column

 Single column

 Two column >>>>>>>>

Q13 A ---------- cash book is one in which cash and cheque transactionsare recorded

 One sided

 two column >>>>>>>>

 Single column

 Triple column

Q14 The cash and bank accounts are taken out of the ledger and combined into a single book the ----------

 Journal

 Ledger

 Trial balance

 Cash book >>>>>>>>

Q15 -------------- can also be used to record transactions that are not appropriate toany other book of prime entry

 Journal >>>>>>>>

 Ledger

 Trial balance

 Cash book

Q16 The --------------- is used to record a variety of things that consist of accounting adjustments.

 Journal >>>>>>>>

 Ledger

 Trial balance

 Cash book

Q17 The -------------- book is written up from the credit notes received from suppliers

 Sales day

 Purchases returns day >>>>>>>>

 Sales return day

 Return inward

Q18 \_\_\_\_ book is used to record the credit notes received from suppliers to goods returned where there has been overcharged on an invoice

 Sales day

 Purchases day

 Sales return day

 Purchases returns day >>>>>>>>

Q19 \_\_\_\_ book record the purchase on credit of those bought specially for resale

 Sales day

 Purchase day >>>>>>>>

 Sales return day

 Return inward

Q20 The ---------------book is written up from copies of the credit notes retained by the seller

 Sales day

 Purchase day

 Sales return day >>>>>>>>

 Return inward

Q21 ----------------- is a permanent record of all transaction book

 Cash book

 Trial balance

 Ledger >>>>>>>>

 Journal

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 Cash book

 Trial balance

 Ledger >>>>>>>>

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 Journal >>>>>>>>

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 Sales day

 Purchases returns day >>>>>>>>

 Sales return day

 Return inward

Q38 \_\_\_\_ book is used to record the credit notes received from suppliers to goods returned where there has been overcharged on an invoice

 Sales day

 Purchases day

 Sales return day

 Purchases returns day >>>>>>>>

Q39 \_\_\_\_ book record the purchase on credit of those bought specially for resale

 Sales day

 Purchase day >>>>>>>>

 Sales return day

 Return inward

Q40 The ---------------book is written up from copies of the credit notes retained by the seller

 Sales day

 Purchase day

 Sales return day >>>>>>>>

 Return inward

Q41 Which account book is written up from copies of the credit notes retained by the seller?

 Sales return day book >>>>>>>>

 Sales day book

 Purchased day book

 Purchased returns day book

Q42 Which book is used to record goods sold on credit on daily transaction?

 Sales return day book >>>>>>>>

 Sales day book

 Purchased day book

 Purchased returns day book

Q43 Each page of the ledger is split into ------------

 Two >>>>>>>>

 Three

 Four

 Five

Q44 ---------------------often involve trade discount

 Discontinued allowance

 Credit transactions >>>>>>>>

 Trade discount

 Return inward

Q45 -------------------------- is a discount given to a buyer of a commodity.

 Discontinued allowance

 Credit transaction

 Trade discount >>>>>>>>

 Return inwards

Q46 ---------------------- is a fundamental equation and is a valuable basis from which to begin understanding the whole process of accounting

 Regression model

 Accounting equation >>>>>>>>

 Transportation model

 Accounting basis

Q47 --------------- is used to record receipts and payment by cheque

 Two column cash book >>>>>>>>

 Three column cash book

 Single column cash book

 Thirty two column cash book

Q48 Which cash book shows cash received and paid recorded in one column on each side.

 Two column cash book

 Three column cash book

 Single column cash book >>>>>>>>

 Thirty two column cash book

Q49 The nature of narration of --------------- type of account usually starts with the word �??being�??

 Ledger

 Cash receipt

 Purchased returned day book

 Journal >>>>>>>>

Q50 Journal entries show --------------- amount to be transferred to the ledger

 Debit and credit >>>>>>>>

 Credit only

 Debit only

 Prime entry

Q51 Which of these is not an example of a non- current account?

 Land and building

 Plant and machinery

 Cash and cash equivalent >>>>>>>>

 Motor vehicles

Q52 -------------is used to record transactions that are not appropriate to any other book of prime entry

 ledger

 Journal >>>>>>>>

 Trial balance

 All of the above

Q53 Which book of account is used to record initial entry of transactions?

 ledger

 Journal >>>>>>>>

 Trial balance

 All of the above

Q54 ------------------- is credited to the purchase return ledger account in the general leger

 Total of the purchases return >>>>>>>>

 Purchase disallowed

 Return outward

 Total of the purchases

Q55 Which account day book is written up from credit notes received from suppliers?

 Sales return day book

 Sales day book

 Purchases day book

 Purchases returns day book >>>>>>>>

Q56 Which record book is used for credit notes received from suppliers relating to goods returned?

 Sales return day book

 Sales day book

 Purchased day book

 Purchased returns day book >>>>>>>>

Q57 --------------- is an amount entered in purchased day book

 Trade discount received >>>>>>>>

 Discount allowed

 Discount

 Trade payable

Q58 The ledger that serve as control on individual credit suppliers account in separated ledger is called ------------------ ledger

 Sales

 Purchase

 Cash

 Return inward >>>>>>>>

Q59 In a purchase day book the total of the balances on the ledger becomes the ---------- amount

 Trade payable >>>>>>>>

 Receivable

 Return inward

 Return outward

Q60 Which is the records in the books when it relates to cash receipts and payments

 Cheque

 Cash book

 Receipt >>>>>>>>

 Account book

Q61 ------------expenditure reduces profitability if allocated

 Capital

 Capital expenditure >>>>>>>>

 Revenue

 Revenue expenditure

Q62 ------------------ is carried forward because it will be over a number of periods to several periods revenue

 Capital

 Capital expenditure >>>>>>>>

 Revenue

 Revenue expenditure

Q63 A ------------ is a legal obligation to transfer assets to another entity that arises from some past transaction

 Tangible

 Asset

 Liability >>>>>>>>

 Equity

Q64 An accounting entity may be seen as a set of ----------- and -------------

 Passive and active

 Asset and liability >>>>>>>>

 Current and concurrent

 Concurrent and liability

Q65 The ----------------- convention states that something should be disclosed or not in the financial statements

 Prudence

 Accrual

 Cost

 Materiality >>>>>>>>

Q66 -------------- accounting convention permit accountant to follow a cautious approach

 Prudence >>>>>>>>

 Accrual

 Cost

 Materiality

Q67 The ------- of an asset that has a long but limited life is systematically reduced during its life by a process called ------------

 Accrual, appreciation

 Cost, accrual

 Cost, depreciation >>>>>>>>

 Depreciation, appreciation

Q68 The money values that are assigned to assets are derived from the --------- concept

 Matching concept

 Cost >>>>>>>>

 Materiality concept

 Accrual

Q69 \_\_\_\_ is an example of accrual concept

 Electricity used but not yet paid >>>>>>>>

 Cash received from bank

 Cash and cash equivalent

 All of the above

Q70 The ----------- accounting concept hold that profit is determined by including revenue and costs

 Accrual concept >>>>>>>>

 Double entry concept

 Materiality concept

 Going concern concept

Q71 Which expenditure reduces profitability?

 Return expense

 Capital expenditure

 Revenue expenditure >>>>>>>>

 Disallowed expense

Q72 Which expenditure shows the cost of purchasing non-current asset and cost of improvements to a non-current asset that lead to increased revenue?

 Capital >>>>>>>>

 Returns

 Operating cycle

 Revenue

Q73 The concept that hold that profit is made by including revenue and costs

 Accrual concept >>>>>>>>

 Matching concept

 Going concern

 Double entry concept

Q74 ------------- accounting concept make distinction between the receipt and payment of cash as legal obligation

 Double �??entry concept

 Accrual concept >>>>>>>>

 Matching concept

 Cash basis

Q75 Which account allow for goods sold for cash to be debited as cash comes in and credited as cash goes out?

 Real account

 Personal account

 Nominal account

 All of the above >>>>>>>>

Q76 Which is known as accounts of assets?

 Real account >>>>>>>>

 Personal account

 Nominal account

 All of the above

Q77 The essential rule of double entry system of accounting is known as ------------

 Prime entry rule

 Journal entry rule

 Trial balance rule

 Golden rule >>>>>>>>

Q78 -------------------- is used instead of a cash ledger account in the general ledger

 Impress book

 Petty cash book >>>>>>>>

 Prime entry

 All of the above

Q79 One of these is one of the why three column is not commonly in practice

 Cash received and paid is usually entered on the debit side of the account

 Cash received and paid are entered into day journal

 Cash received and paid is usually recorded in a separate petty cash book >>>>>>>>

 Cash received and paid is usually entered on the credit side of the account

Q80 -------------- is a reduction given by the supplier of goods to a buyer if the latter pays for them within a period by the seller at the time

 Discount received

 Trade payable

 Cash discount >>>>>>>>

 Discount allowed

Q81 Investigations involving misappropriation of funds, money laundering and tax evasion are known as -------------------

 Forensic Audit >>>>>>>>

 Value for money audit

 Statutory audit

 Compliance audit

Q82 An Audit which involves the use of auditing and investigative skills to situations that may involve legal implications is called --------

 Forensic Audit >>>>>>>>

 Value for money audit

 Statutory audit

 Compliance audit

Q83 --------- involves the examination of the truth and fairness of the financial statements of an entity by an auditor who is independent of the organization.

 Forensic Audit

 Value for money audit

 Statutory audit >>>>>>>>

 Compliance audit

Q84 External Audit is also known as ----------------

 Forensic Audit

 Value for money audit

 Statutory audit >>>>>>>>

 Compliance audit

Q85 Which of the following does not belong to the debit side of a receivables control account?

 Dishonoured cheques from customers

 Interest charged to customers

 Bill receivable dishonoured

 Returns inwards >>>>>>>>

Q86 --------- is opened in order to agree the Trial balance pending the time the error would be detected.

 Suspense Account >>>>>>>>

 Control Account

 Balancing Account

 Correction Account

Q87 -------- occurs when a digit or more is left or added to a number or the decimal point is placed incorrectly.

 Slide Error >>>>>>>>

 Transposition error

 Error of Commission

 Error of Principle

Q88 An error which is created by incorrect arrangement of the order of two (2) digits in a number is called ----------

 Slide Error

 Transposition error >>>>>>>>

 Error of Commission

 Error of Principle >>>>>>>>

Q89 -------- occurs where there is an entry in the wrong class of account.

 Error of Omission

 Errors of Original entry

 Error of Commission

 Errors of Principle >>>>>>>>

Q90 Errors which occur when an equal debit/credit figure recorded in the books is different from the actual amount in the source document are called ----------.

 Error of Omission

 Errors of Original entry >>>>>>>>

 Error of Commission

 Errors of Principle

Q91 An error which occurs where a wrong account in the same ledger is debited or credited is called ----------

 Error of Omission

 Errors of Original entry

 Error of Commission >>>>>>>>

 Errors of Principle

Q92 Errors which arise when a transaction is completely missing from the books are called --------

 Error of Omission >>>>>>>>

 Errors of Original entry

 Error of Commission

 Errors of Principle

Q93 ------- are rebates granted to a debtor for making cash payments within a shorter time period than the normal credit period.

 Cash discounts >>>>>>>>

 Credit discounts

 Debtors discounts

 Time discounts

Q94 ------- entry is when the two entries for a transaction appear on both sides of the cash book.

 columnar

 double

 contra >>>>>>>>

 cashbook

Q95 -------- is the main or principal book of account where accounts are maintained for income, assets and expenses.

 Subsidiary books

 The ledger >>>>>>>>

 The journal

 The cashbook

Q96 ----------- are books into which transactions are recorded on a daily basis from the source documents and from which postings are made periodically.

 Subsidiary books >>>>>>>>

 The ledger

 The journal

 The cashbook

Q97 -------- is when all possible future profits are ignored.

 Accrual

 Conservatism >>>>>>>>

 Realisation

 Dual

Q98 ------- is when profit is understated while all anticipated losses are recognized and taken into the books.

 Accrual

 Objectivity

 Prudence >>>>>>>>

 Dual

Q99 ------ concept accommodates all revenues and expenses to be received or charged in a given accounting period irrespective of what is actually received or paid.

 Accrual >>>>>>>>

 Conservatism

 Prudence

 Dual

Q100 ------- concept suggests that the business is separate from the owner

 The Entity >>>>>>>>

 The Accrual

 The Dual

 The Ownership