

*Topic: MCQ from Test Paper (All boards)***Chapter 1: Introduction to Accounting**

- 1) Which one give assistance to the government for collecting revenue?
- 2) Who are the external users of accounting?
- 3) Who are the internal users of accounting?
- 4) In which name does accounting appraise?
- 5) The success of self-employment project depends on what?
- 6) What is the meaning of debit?
- 7) What is the meaning of credit?
- 8) Accounting is called in the name of ____?
- 9) What is the foremost objective of accounting?
- 10) Which one is language of business?
- 11) Example of service providing organization---
- 12) What is the main objective of accounting?
- 13) Accounting information helps in which area?
- 14) Which one is related with the development of accounting?

Chapter 2: Transaction

- 1) Debit note is used for?
- 2) Who prepares invoice?
- 3) Who prepares Debit note?
- 4) Who prepared Credit note?
- 5) The prime base of accounting is----?
- 6) Origin from monetary events?
- 7) Which one is a documentary proof of goods purchase³ and sales?
- 8) What is the meaning of transaction?
- 9) What is the dictionary meaning of transaction?
- 10) Credit note is used for what?
- 11) Which one is record in account book?
- 12) Which one is an invisible transaction?
- 13) what is the meaning of owner's equity?
- 14) Transaction always brings change in what?
- 15) How many characteristics transaction have?
- 16) What is the origin of transaction?
- 17) What name is preferred to the buyer as invoice?
- 18) What name is preferred to the seller as invoice?

- 19) Who's signature is needed in an invoice?
- 20) Who's signature is needed in a cash memo?
- 21) What are the elements mentioned in the cash memo?
- 22) Which kind of necessity people felt in primitive age?
- 23) How many parties every transaction has?
- 24) How many elements owner's equity has?
- 25) How many types of debit voucher is?

Chapter 3: Double Entry System

- 1) Why double entry system is more popular for keeping accounts?
- 2) What type of account is not given in single entry system?
- 3) Which one is used a rough working for financial statement?
- 4) Write down the principles of double entry system?
- 5) What is called a continuous cycle of keeping accounts?
- 6) Who takes benefit is called?
- 7) Who ensures benefit is called?
- 8) Every transactions effect what?
- 9) In double entry system, every transaction is affected by what?
- 10) What is cost control?
- 11) What is personal account?
- 12) What is nominal account?
- 13) Profit is the portion of what?
- 14) Which types of transactions are recorded in purchase journal?
- 15) Which types of transactions are recorded in sales journal?
- 16) Which types of transactions are recorded in purchase return journal?
- 17) Which types of transactions are recorded in sales return journal?
- 18) Which types of transactions are recorded in cash receipt journal?
- 19) Which types of transactions are recorded in cash payment journal?
- 20) Which types of transactions are recorded in journal proper?
- 21) Which types of accounts should be adjusted in a particular period of time?
- 22) Why worksheet is prepared?
- 23) Which types of accounts need to be closed at the end of the year?
- 24) Posting the journal heads is called what?
- 25) Why financial statements are prepared?
- 26) Why trial balance is prepared?
- 27) What is the other name of post closing trial balance?
- 28) What types of accounts are used in opening journal at the beginning of an accounting period?
- 29) For which type of business single entry is suitable?
- 30) What is the formula of opening capital?

- 31) what is the formula of closing capital?
- 32) Ascertain profit/loss is a ---- of double entry system.

Chapter 4: Capital and Revenue Transactions

- 1) What type of transaction is the registration of a land?
- 2) What type of transaction is depreciation of an asset?
- 3) What type of transaction is freight?
- 4) What type of transaction is loan taken?
- 5) What type of transaction is interest on loan paid?
- 6) What type of transaction is selling of a fixed asset?
- 7) What type of transaction is salary paid?
- 8) What type of transaction is advertising campaign?
- 9) What type of transaction is rent paid?
- 10) What type of transaction is rent received?
- 11) What type of transaction is commission received?
- 12) What type of transaction is research cost for a new product?
- 13) What type of transaction is import?
- 14) What type of transaction is installation expense?
- 15) What type of transaction is the difference between selling price and present book value of machinery is called what?
- 16) What type of transaction is business transfer expense?
- 17) Big expenditure of repairing asset at a time is?
- 18) Which portion of revenue type receipts for next year is called?
- 19) Sale of refrigerator is?
- 20) Patent and trademarks are?
- 21) What types are revenue type transaction?
- 22) How many types are capital type of transaction?
- 23) What type of transaction is insurance premium?
- 24) What type of transaction is goodwill?
- 25) What type of transaction is tax and rate?

Chapter 5: Accounts

- 1) Debtor is what type of account?
- 2) What type of account creditor is?
- 3) What type of account is discount received?
- 4) What type of account is Advance apprenticeship premium?
- 5) What type of account is unsold goods?
- 6) What are the probable reasons for bad debt?
- 7) What type of account is depreciation?

- 8) What is involved with carriage inward?
- 9) What is involved in carriage outward?
- 10) How many columns are there in T table method?
- 11) How many columns are there in moving balance format?
- 12) What is account?
- 13) What are the types of table of accounts?
- 14) How many accounts are affected in each transaction?
- 15) If the idle money of business is invested for long time. then it is called?
- 16) When does account balance are calculated in moving balance?
- 17) What is the other name of nonpayment dishonored record?
- 18) Pen. pencils, paper, scale, files are included in what type of account?
- 19) Which changes the financial position of the business?
- 20) Discount allowed is related to?
- 21) Discount received is related to?
- 22) Which things are called supplies?
- 23) What type of account is capital?

Chapter 6: Journal

- 1) Journal is called what?
A: Primary books of account
- 2) Which are recorded in journal proper?
A: Rectification, Adjusting, Closing, Opening
- 3) Which one is recorded in purchase journal?
A: Purchase on credit
- 4) Which one is recorded in sales journal?
A: Sales on credit
- 5) No accounts will be opened under which account?
A: goods, material, cheque
- 6) What is return inward?
A: Sales return
- 7) What will be the journal for stolen goods from shop?
A: Account-Dr, Purchase-Cr
- 8) What will be the journal for money stolen from cash box?
A: Sundry loss- Dr, Cash-Cr
- 9) What will be the journal for goods destroyed by fire?
A: Sundry loss-Dr, Purchase-Cr
- 10) What will be the journal for depreciation?
A: Depreciation-Dr, Accumulated Depreciation-Cr
- 11) What will be the journal for unpaid/ outstanding/due salary?
A: Salary-Dr, Accrued Salary-Cr

- 12) What will be the journal if the owner pays salary personally?
A: Salary-Dr, Capital-Cr
- 13) What will be the journal if money withdrawn for bank for personal purpose?
A: Drawing-Dr, Cash-Cr
- 14) What will be the journal if money withdrawn for bank for business purpose?
A: Cash-Dr, Bank-Cr
- 15) Which type of discount neither buyer nor seller keeps?
A: Trade discount
- 16) Which type of discount both seller and buyers keeps in their record?
A: Cash discount
- 17) Who prepares an invoice?
A: seller
- 18) For which purpose debit note is given?
A: Purchase return
- 19) For which purpose credit note is given?
A: Sales return
- 20) Which entry is used for Asset, Liability & Owners equity account?
A: Opening journal
- 21) Which entry is used fir Income, Expense & Drawing account?
A: Closing journal
- 22) Which one is the documentary evidence of purchase return?
A: Debit note
- 23) Which one is the documentary evidence of sales return?
A: Credit note
- 24) How many types of journal proper are there?
A: 5
- 25) What is the name of the temporary account coming in closing journal?
A: Income Statement
- 26) Furniture purchase tk.10000, wrongly purchase account debited with tk.10,000. What will be the rectifying journal?
A: Furniture-Dr, Purchase-Cr
- 27) In 2011 rent paid tk.10,000; before preparing financial statements, it disclosed that prepaid rent tk.2,000 included in rent. Adjusting Journal will be in this regard-
A: Prepaid rent-Dr, Rent-Cr
- 28) What will be the journal for prepaid rent?
A: Prepaid rent-Dr, Cash-Cr
- 29) How transaction is written in the journal?
Chronologically
- 30) 2/10, Net 30- is called what?

A: Sales term or Credit term

31) Seller consider invoice as an---

A: outward invoice

32) Which one is compulsory to prepare for a business?

A: Journal

33) What is the date format of journal?

A: year, month, date

Chapter 7: Ledger

1) Ledger assembles which type of accounts?

A: Scattered purchase, sales, income, expenses

2) We can ascertain what by ledger?

A: Total purchase, total sales, total income, total expenses

3) Which accounts are maintained under ledger?

A: Transactions related to assets, liabilities, owner`s equity

4) When the balance of each account is calculated?

A: At the end of an accounting period

5) Trial balances are prepared with the help of which one?

A: Ledger

6) How many types of ledger are there?

A: 2

7) What are properly arranged in a sequence to accounts?

A: transactions

8) Through which one the arithmetical accuracy is confirmed?

A: Ledger

9) How many columns are there in T table ledger?

A: 8

10) How many columns are there in moving balance ledger?

A: 6 or 7

11) Through which one the financial result and condition of the business reflects?

A: Ledger

12) How ledger balance of each accounts are justified?

A: by comparing total debit & total credit

13) Which one is the king of all books of accounts?

A: Ledger

14) Ledger is which number of steps in the accounting cycle?

A: 4

15) In T table ledger, the difference between debit and credit is headed by which title?

A: C/D

- 16) What is the full form of C/D?
A: Carried down
- 17) What is the full form of B/D?
A: Brought down
- 18) What is the full form of C/F?
A: Carried forward
- 19) What is the full form of B/F?
A: Brought forward
- 20) Which one is calculated at the end of a certain time?
A: C/D
- 21) When C/D or B/D is not required to be written?
A: When the balance become Zero
- 22) What it is called when the balance become zero in a ledger?
A: Balanced account
- 23) Which accounts are called control account?
A: Debtor account, Creditor account
- 24) What type of ledger is prepared for Debtor and Creditor?
A: Control ledger
- 25) If individual account is opened for each debtor/creditor outside the general ledger, what does it call?
A: Subsidiary ledger

Chapter 8: Cashbook

- 15) What is essentially required in every sphere of business? A: Cash
- 16) Cash book is prepared based on what? A: Nature & size of the business
- 17) Which one plays a supporting role during transaction? A: Bank
- 18) Through which criterion we can categorize the transactions? A: Cash
- 19) Which one is called the primary book of accounts? A Cashbook
- 20) Which one is one of the major branches of journal? A: Cashbook
- 21) Which one is the operating power of a business? A: Cash
- 22) Which one can act as a permanent book? A Cashbook
- 23) How we can know the cash balance? A: Through Identifying the difference between Cash received and cash paid
- 24) How many classes of cashbook are there? A: 4
- 25) Now a day we use which journal instead of cashbook? A: Cash receipt Journal & Cash payment journal
- 26) Single column cashbook is similar to which one? A: T table ledger
- 27) Who prepares double column cashbook? A: Organization & Bank
- 28) In double column cashbook, Debit balance indicates what? A: Bank deposit

- 29) In double column cashbook, Credit balance indicates what? A: Bank overdraft
- 30) The transaction which influences the cash and bank is called what? A: Contra entry
- 31) What is the symbol of contra entry? A: C
- 32) In Treble Column Cashbook, which type of discount is calculated? A: Cash discount
- 33) Discount received- Is an income for a buyer
- 34) Discount allowed- Is an expense for a seller
- 35) How many columns are there in single column cashbook? A: 10
- 36) How many columns are there in double column cashbook? A: 12
- 37) How many columns are there in treble column cashbook? A: 14
- 38) A person who opens a bank account is called what? A: Depositor
- 39) Why Bank reconciliation statement is prepared? A: The statement that is prepared for identifying the differences between the balance of bank statement and bank column of cashbook.
- 40) What are the reasons of differences between the balance of Bank Statement and the bank column of cashbook? A:
- For collection of cheque through bank, if it is not collected in due time there will be a case of difference between the balances.
 - Cheque issued for clearing of debts, if not produced before the bank in due time there will be differences.
 - If bank on behalf of its client make any payment or receive any collection without informing the client, there will be differences.

Chapter 9: Trial Balance

- 41) How can we understand a trial balance is correct? A: If debit balance is equal to credit balance
- 42) the accounts which we put in the trial balance is extracted from where? A: Ledger
- 43) What is the prime objective of a trial balance? Verification of posting the entries in journal and ledger accurately
- 44) What is the Main objective of a trial balance? A: To test the arithmetic accuracy of the accounts
- 45) How transactions are recorded in a journal? A: Chronologically
- 46) Which accounts will not be included in the trial balance? A: Opening cash in hand, opening cash at bank, closing stock
- 47) What will we do if Expense/Received is not mentioned in the account? A: Consider it as expense (Example: rent, commission, discount, interest)
- 48) Which accounts are not included in the trial balance and shown in the foot note? A: Contingent liability, anticipated asset
- 49) In trial balance, Sales Ledger balance are considered as what? A: Sundry debtor
- 50) In trial balance, Purchase Ledger balance are considered as what? A: Sundry creditor
- 51) How many types of error can be detected in trial balance? A: 5
- 52) How many major types of error cannot be detected in the trial balance? A: 2

- 53) How many types of errors are there in clerical error? A: 4
- 54) While posting from journal to ledger, if mistakenly, debit has been given to the ledger but corresponding credit has not been given to the ledger account is which type of error? A: error of omission
- 55) Writing debit amount of the account on the credit side of the concerned ledger account or Writing credit amount of the account on the debit side of the concerned ledger account at the time of posting from journal to ledger is which type of error? A: error of commission
- 56) While posting from journal to ledger, if mistakenly, not debiting and crediting both the accounts of a transaction with the same amount is which type of error? A: Mistake in amounts of money
- 57) , writing more or less amount in the ledger mistakenly while posting from journal is which type of error? A: Mistake in amounts of money
- 58) Goods sold to Shimanto, but not at all recorded in sales book and ledger is which type of error? A: error of omission
- 59) Goods sold to Ratan of Tk. 5,000. If it is recorded as Tk. 50,000 then both Sales A/C and Ratan A/C will be higher valued by the amount of Tk. 45,000. is which type of error? A: error of commission
- 60) While carrying the ledger balances to the trial balance, wrongly written the debit balance in credit side is which type of error? A: Mistake in transferring ledger balances to trial balance
- 61) Suppose Tk. 20,000 has been received in cash from Kalam. Cash book is correctly debited with Tk. 20,000 but while posting to the ledger Salam account is credited in place of Kalam account. Is which type of error? A: Errors of miss posting
- 62) Shiab A/C is supposed to be debited with Tk. 5,000 but it has been debited with Tk. 500. In another occasion, Jamil A/C was credited with Tk. 500 by mistake, instead of Tk. 5,000. is which type of error? A: Compensating error
- 63) If one mistake is corrected by another mistake then it is called what? A: Compensating error
- 64) Which type of error errors are done because of the carelessness of the employees? A: Errors of miss posting
- 65) Errors which are done due to the lack of proper Accounting knowledge and/ or ultra vires of recognized accounting principles is called what? A: Errors of principle
- 66) Wages paid for installation of machinery is debited to wages account (Nominal Account) instead of machinery account (Real Account) is which type of error? A: Errors of principle
- 67) When Capital expenditure is recorded as Revenue expenditure and *vice versa* is example of what? A: Errors of principle
- 68) Which one is the 1st step of correcting a trial balance? A: Verifying the totals of the two columns
- 69) Disagreement of both the sides of trial balance is made equal through which account? A: suspense account
- 70) Salary paid TK. 2,000. Mistake in Journal as

Salary A/C----Dr Tk. 2,000 Cash A/C-
-----Cr Tk. 20,000

is which type of error? A: Mistake in amounts of money

Answer to the question on the basis of following paragraph- Mr. Rahul divided all transactions into Revenue and Capital class, but in June 2012 he purchased Circular amounting to TK. 40,000 for purpose of business use and he spent TK. 4,000 for establishment of Air conditioner but wrongly recorded into wages account.

- What type of error that Mr. Halim done in recording of transactions?
 - A. Error of omission
 - B. Writing error
 - C. Compensating error
 - D. Error of Principle
- Write rectification of errors journal of Mr. Rahul transactions-
 - A. Office Equipment Account debit: B. Office Equipment Account credit:
 - C. Wages debit, Cash credit: D. Establishment Exp. debit. Wage credit.
- When above TK. 4,000 recorded properly what will be the effect of financial statement-?
 - A. Current Asset
 - B. Fixed Asset
 - C. Current Liability
 - D. long term Liability

71) What is the objective of a trial balance?

- To facilitate in preparation of the Statement of Comprehensive Income and the Statement of Financial Position.
- To discover the mistakes and rectify the errors, if any, present in the activities of maintaining journal and ledger.
- To verify whether both the debit and credit aspects of the transactions as per double entry system have been recorded properly in the books of accounts.
- To bring together all the balances of accounts in one place in order to facilitate the preparation of final accounts and reduce the wastage of labour and time thereby.
- Trial balance can convey the information to the financial statement.

Chapter 10: Financial Statement

- 72) Which one is the formula of liquid ratio/Short term loan repayment?
- 73) Which one is the formula of current ratio/Long term loan repayment?
- 74) Which one is the formula of Net profit ratio?
- 75) Which one is the formula of Capital employed ratio?
- 76) Which one is the formula of Total capital employed?
- 77) Which one is the formula of Cost of goods sold?
- 78) Net Profit/Loss=?
- 79) Creditor shows which part of a financial statement?
- 80) Gross profit is=?
- 81) What is the result of 1st step of comprehensive income statement?
- 82) Which one is subtracted for calculating cost of goods sold?
- 83) What does depreciation mean?
- 84) What does bad debt mean?

- 85) Rough working for financial statement is used as –
- 86) Operating expense includes which type of expense?
- 87) Non operating expense includes which type of expense?
- 88) Direct expense includes which type of expense?
- 89) Owners equity mean =?
- 90) What is the basic equation of accounting used in financial position?
- 91) Every organization needs to know what?
- 92) Which are the fixed assets?
- 93) Which are current assets?
- 94) Which are long term liabilities?
- 95) What are current liabilities?
- 96) What is provision for Bad & doubtful debt?
- 97) What is the main theme of business entity concept?
- 98) What is the main theme of Going concern concept?
- 99) What is the main theme of Periodicity concept?
- 100) What is the main theme of Accrual concept?
- 101) What is the main theme of Conservatism concept?
- 102) What is the main theme of cost price principle?
- 103) What is the main theme of consistency principle?
- 104) What is the main theme of materiality convention?
- 105) Recording of transaction is done through using the which criteria of an accountant?
- 106) How bad debt is calculated in an income statement?

STEM BASED QUESTION:

1. Capital Tk. 200,000; Net profit Tk. 60,000; General reserve Tk. 12,000; Income tax Tk. 32,000; Withdrawn goods Tk.5,000, Net sales Tk. 100,000
 - What is the amount of owner's equity?
 - What is the amount of total drawings in that year?
 - What is the net profit ratio?
 - What is the capital employed ratio?
2. In the trial balance Roza furniture's advertisement expense is Tk. 50,000 for 5 years
 - What is the amount of current year expenditure?
 - What is the amount of next year's prepaid expense?
3. Farazi purchased a machine costing Tk. 80,000. But at the end of the year the value of the machine decreased by Tk.8,000. In this case,
 - What is the % of depreciation of that machine?
 - What is the current value of that asset?