

NAT I Commerce Accounting

Sr	Questions	Answers Choice
1	Stationary is classified into	A. Factory supplies B. Sales supplies C. Office supplies D. Trade supplies
2	Any physical that has money value is	A. Transaction B. Asset C. Intangible asset D. Goodwill
3	Bad debt arises from	A. Sale on account B. Account receivable C. Cash sales D. Account payable
4	Pass book is prepared in the book of	A. Bank B. Guarantor C. Customer D. None of these
5	The purchase of machinery on account would:	A. Increase one asset and decrease another asset B. Increase an asset and decrease liability C. Increase an asset and increase capital D. Increase an asset and increase a liability
6	Any activity undertaken for the purpose of earning profit is called	A. Dealing B. Business C. Performance D. Duties
7	Expenses paid in advance are called	A. Prepaid expenses B. Deferred expenses C. Expired expenses D. Both prepaid & expired expenses
8	If more than two accounts are involved in one transaction the journal entry is called	A. Simple entry B. Skeleton entry C. Compound entry D. Double entry
9	Carriage paid on goods sold is a	A. Direct expense B. Operating expense C. General expense D. Selling expense
10	A bill of exchange is accepted by	A. Debtor B. Holder C. Creditor D. Seller