

A good accounting information should not be..  
Subjective

The processes involved in bookkeeping are as follows:  
the interpretation of accounts

The profits generated in the financial statements provide the basis for  
determining the .. of a company.  
taxable profits

The components of financial statements are  
the statement of financial accounting

The starting point in the study of accounting is ....  
financial accounting

....records generated revenue and disbursed expenditure in such a way as  
to extract with ease relevant financial information  
Government accounting

The main statutory document for the regulation of business in Nigeria is  
the Companies and Allied Matters Act 1990 (as amended in 2004).

An accounting process that starts with bookkeeping and ends with the  
preparation and interpretation of financial statements is  
Financial accounting

.....provides information to management of a business to help them take  
better decision  
Management accounting

Bookkeeping is the .... phase of accounting  
recording

The primary purpose of an invoice is -----  
To inform the buyer how much is owed for goods supplied

When in the opinion of management certain debts may not be fully  
recovered, such debts will be described as-----  
Doubtful debts

A company\'s taxable profits differ from its accounting profits  
because\_\_\_\_\_  
Certain expenses and income are allowable for accounting purpose but  
disallowed for tax purpose

Contribution per unit is derived as :  
Unit selling price - Unit cost

Which of the following is not component of the statement of financial  
position  
Discount Expenses

Which concept of accounting provides that only significant items should  
be disclosed in financial statements?  
Materiality concept

An inventory valuation method based on a predetermined rate set by an  
entity\'s management is known as -----  
Standard cost method

The following are causes of Returns Inwards except-----  
None of the above

A statement containing the list of assets and liabilities with owner\'s capital at the end of a particular period is known as-----  
Statement of financial position

The credit balances in the trial balance represent the following except--  
----  
Assets

An entity values its closing inventory on the basis of lower of cost and net realisable. If cost of inventory is N600,000 and net realizable value of inventory is N615,000, what is closing inventory?  
N600,000

Which of the following errors affect the trial balance?  
Costing error

When a correct figure is recorded in the correct side of a wrong persons account the bookkeeping error involved is -----  
Error of Commission

The foundation of the internal financial system of an organization is----  
-----  
Cost accounting

\_\_\_\_\_ is derived after all expenses and cost of sales have been deducted from the net income including sales of goods and other income  
Net profit

International Accounting standards (IAS) and international financial Reporting Standards (IFRS) are issued by:  
International Accounting Standards Board (IASB)

The accounting system that uses electronic device in the posting and preparation of accounting records is known as:  
A and B

Which of the transactions will appear in the accounting system of the reporting entity?  
Cash payment for shop rent

The accounting treatment of Bad Debts is to  
Debit bad debt account and credit debtors account

The method adopted by an entity for valuing its inventory depends on\_\_\_\_\_  
It\'s accounting policy

Under the simple Average method of inventory valuation, average cost is determined as-----  
Total unit price : Number of batches

The initial investment of the business owner in the company is referred to as -----  
A and B above

The value derived by adding the purchases to opening stock then deducting the closing stock (in absence of any other information) is known as  
Cost of goods sold

Which of the following will appear on the credit side of the purchases ledger control account?  
Credit purchases

After the initial development of accounting following Lucia Pacioli's publication in 1494 other changes witnessed in accounting were informed by:  
All of the above

In the financial statements of an organisation accruals are treated as---  
-----  
Current liabilities

A business entity that applies the same methods, policies and estimation techniques in preparing its financial statements from year to year is observing which accounting concept?  
Consistency concept

The sales returns day book records-----  
Goods sold on credit that are returned by customers

The qualitative characteristic of accounting information that discourages changes in the basis for preparation of accounting information from period to period is  
Comparability

An entity values its closing inventory on the basis of lower of cost and net realisable. If cost of inventory is N600,000 and net realizable value of inventory is N615,000, what is closing inventory?  
N600,000

Which of the following errors affect the trial balance?  
Costing error

The type of accounting that deals with gathering of cost information, cost attachment, budgeting and standard cost.  
Cost accounting

Accounting equation that shows the net worth of a business is...  
Capital EQUAL Asset MINUS Liabilities

Payment of liability will result in ..  
Decrease in both assets and liabilities

An item, process or activity for which a separate measurement of cost...  
Cost object

Which type of error is committed when machinery bought for use in the business is mistakenly debited to purchase account.....  
Error of principle

Aderoju and Sons made a net loss of N 19,267,000 after an accumulated expenses of N52,329,000. What was the gross profit amount?  
33,062,000

The opening and closing balance of trade payables for year 2018 was #6,756,000 and #7,840,000 respectively, if the total payment to creditors from bank equal #24,310,000 what is the credit purchase  
25,394,000

Which of the following is both a ledger and a subsidiary book.  
Cash book

Compute sales turnover if the gross profit is #33,062,000 and cost sales is #56,539,000  
???89,601,000  
???56539000

The owner entity in a business is called  
Capital

1. Compute sales turnover if the gross profit is N33,062,000 and cost of sales is N56,539,000.

--->> 22477000

32062000

89601000

56539000

2. An item, process or activity for which a separate measurement of cost is required is calledâ€¦...

Cost centre

--->> Cost object

Cost unit

Costing

3. Accounting equation that shows the net worth of a business isâ€¦â€¦

Capital PLUS Liabilities EQUAL Asset

--->> Capital EQUAL Asset MINUS Liabilities

Assets MINUS Capital EQUAL Liabilities

Capital MINUS liabilities EQUAL Asset

4. The owner's equity in a business is called

Drawings

--->> Capital

Liability

Asset

5. Aderoju and Sons made a net loss of N 19,267,000 after an accumulated expenses of N52,329,000. What was the gross profit amount?

--->> 33062000

52329000

71586000

19267000

6. Which type of error is committed when machinery bought for use in the business is mistakenly debited to the purchases account.

Error of original entry

--->> Error of principle

Error of omission

Error of commission

7. Payment of liability will result in .....

Increase in both assets and liabilities

Increase in assets and decrease in liabilities

Decrease in assets and increase in liabilities

--->> Decrease in both assets and liabilities

8. Which of the following is both a ledger and a subsidiary book?

Receivable accounts

Sales day book

Journal

--->> Cash book

9. The type of accounting that deals with the gathering of cost information, cost attachment, budgeting and standard costing isâ€¦...

Cost management

Strategic management

--->> Cost accounting

Financial accounting

10. The opening and closing balances of Trade Payables for year 2018 was N6,756,000 and N7,840,000 respectively. If the total payment to creditors from bank equals N24,310,000 What is the amount of credit purchases?

6756000

24310000

--->> 25394000

7840000

1. One of these is not basic type of inventories.

raw materials

work-inprogress

finished goods

--->> prime entry

2. All of these are common methods of valuing inventory, except... , ,  
and standard

Last In First Out (LIFO)

First In First Out (FIFO)

Average (simple and weighted)

--->> Arithmetic method

3. Which of the following expenditure is a capital expenditure?

rates charge for the year

rent for the building

--->> a new fence surrounding the yard

stationery

4. An item which is expected to generate future economic benefits is  
calledâ€¦

--->> An asset

Provision

ownership interest

liability

5. â€¦...is primarily used to record the purchase and sale of non-current  
assets on credit.

Purchases Journal

Sales Journal

Sales returns Journal

--->> Journal Proper

6. A discount given by one trader to another is calledâ€|â€|

Cash discount

--->> Trade discount

10% cash discount

prime entry

7. Which of the following expenditure is not a revenue expenditure?

--->> a new delivery van

telephone bills for the year

wages

electricity bills

8. The main book of account in which all transactions are recorded is called â€|â€|

Prime books

--->> the ledger

The Journal

the nominal ledger

9. A legal obligation to transfer assets or provide services to another entity that arises from some past transactions is....

Provisions

Prepayments

--->> A liability

An asset

10. The purpose of ... is to inform the buyer how much is owed for the goods supplied.

receipt

debit note

--->> The Invoice

Credit note

1. The need for accounting Information does not include one of the following

It provides information useful for making economic decisions

It is used to judge the ability of management to utilize the entity's resources effectively

It provides information to government for determining the tax payable on the profit

--->> The source of information must be verifiable

2. A manual system of accounting is cheaper to install in terms of cost.

Revenue

coding

--->> cost

Source documents

3. One of these is not a quality of good accounting information

Reliability

Comparability

--->> Promptness

Timeliness

4. The practice of dividing the life of an entity into discrete periods for the purpose of preparing financial statements is called the periodicity concept.

Historical Cost Concept/

--->> Periodicity Concept

Matching Concept

The accruals concept

5. The going concern assumption is the assumption that an entity will continue in operational existence for the foreseeable future.

--->> Going Concern Concept

Matching Concept

Accruals Concept

Entity Concept

6. The separate entity concept emphasizes the properties of being separate and discrete.

--->> Entity concept

Time period concept

separate determination concept

the cost concept



7. The use of electronic device in the posting and preparation of accounting records is called

Computer input accounting system

Manual accounting system

--->> Mechanical Accounting System

Software System

8. The grouping of accounts in reports and financial statements is called

Chart of Account

--->> Account Types

Account code

typical chart of account

9. The concept that assumes that the preparer should look at the economic substance of a transaction is

Consistency Concept

Prudence Concept

--->> Substance Over Form Concept

Separate Determination Concept

10. The manual accounting system refers to the keeping of accounting record by

Typewritten

--->> Handwritten

Video recording

Printing