

The correction of the errors committed will necessitate the use of.....
suspense account (Trial balance)

The two government recognized accounting professional bodies in Nigeria are:
Association of National Accountants of Nigeria and Institute of Chartered Accountants of Nigeria

The cash provided for the petty cashier for starting is called?
Imprest

A very good example of capital expenditure is..
Building

The accounts that take records of income and expenditure of the business is called?
Norminal account

The preparing of profit and loss account is to determine;
Net profit

One of the following is not an advantage of control account.
It lacks accurecy

All but one is not an item of profit and loss account;
Carriage inward

1. The financial statement that displays the revenues and expenses of a company for a period of time is called ____
Income statement

2. One of the following is not a user of accounting information.
creditor

5. A ____ is used to record a business event as they occur throughout the year
cash book

6. A contra asset account has what type of balance?
Credit

7. The correction of the errors committed will necessitate the use of.....
Trial balnce

8. NOUN bought furniture on credit from FG. Which of the following journal entries will be made for this transaction in NOUN books?
Dr. Purchases Cr. NOUN

9. One of the following is not a benefit of trial balance.

it serves the state of company\'s liquidity

10. The account format that displays debits, credits, balances, and headings is called ____
T- Account

One of these is not an advantage of control account.
It lacks accuracy

All but one is not a method of depreciation.
backward method

The type of reserve that is distributed to the shareholders and other capital providers in form of debenture interest, retained profit is called?
Capital reserve

One of these errors can affect the balancing of trial balance.
Commission

One of these is not a reason why cheque may be dishonoured;
Signed cheque

Profit or loss of an organisation during a particular period is ascertained from ____
Financial Statement of the business

When cash is withdrawn from the bank for office use, how is the transaction effected?
Dr cash and Cr bank

Which of these is not a function of information system of an organisation:
Relevance

Accountants use Generally Accepted Accounting Principles (GAAP) to make the financial information communicated
I. relevant
II. reliable
III. comparable
IV. profitable
I, II and III

Which of the following users assesses the attractiveness of investing in a business?
Financial analysts

Which of the following principles assumes that a business will continue for a long time?
Going concern

Which of the following describes the practical framework of bookkeeping?
Classifying, recording and summarizing

One of the accounting principles is
Double entry system

The process of accounting is needed to:
I. take a holiday
II. assist in decision making
III. invest in start up of a business
IV. keep track money spent
II, III and IV

Which of the following jobs function check accounting in ledgers and financial statements?

Audit

Which of the following highlights the correct order of the stages in the accounting cycle?

Journalizing, posting to the ledger, trial balance and final accounts

The father of book keeping is

Lucas Pacioli

The maintenance and recording of the books of accounts in a systematic manner similar to procedures in a laboratory make accounting

A science

One of the accounting principles is

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Which of the following jobs function check accounting in ledgers and financial statements?

_____ is the amount of money taken from business purse for personal use.

Drawings

The financial statement prepared through financial accounting is to ascertain the _____

profit or loss of an organisation during a particular period

The recording of business transactions in a systematic manner is called

_____ book keeping

The purpose of trial balance is to _____

Test arithmetic accuracy of business transactions

The following are users of accounting information except; _____

Central bank of Nigeria

The two column cash book is one of the subsidiary books of account used to record cash and _____

Bank

_____ helps organisation in controlling and minimising their costs.

Cost accounting

The documents that are exchanged between buyers and sellers which are binding on both parties are called _____

Source documents in accounting

Accounting concepts that deals with continuity of the business is called

Going Concern Concept

_____ is a branch of accounting that uses different quantitative analysis tools to project for the future of an organisation
Management accounting

An inducement given to debtors for paying their debt on time is called?
Cash discount

The process of accounting is needed to: I. take a holiday II. assist in decision making III. invest in start up of a business IV. keeping track money spent
II, III and IV

One of the following is not a current asset items.
All the following except one is not a current asset items.
Creditor

The following are users of accounting information except; _____
Central bank of Nigeria (fraudsters)

All of the following are users of accounting information except;
Fraudsters

One of the following is not a subsidiary book.
Ledger proper

Which is an intangible asset?
Goodwill

Accountants use Generally Accepted Accounting Principles (GAAP) to make the financial information communicated I. relevant II. reliable III. comparable IV profitable
I, II and III

The recording of business transactions in a systematic manner is called _____
book keeping

Which statement is not true about reasons for using international accounting standards?
Narrows the areas of difference between companies

_____ is the amount of money taken from business purse for personal use.
Answer: Drawings

The financial statement prepared through financial accounting is to ascertain the _____
Answer: profit or loss of an organisation during a particular period

The recording of business transactions in a systematic manner is called _____
Answer: book keeping

The purpose of trial balance is to _____
Answer: Test arithmetic accuracy of business transactions

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Answer: Bank

_____ helps organisation in controlling and minimising their costs.

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The maintenance and recording of the books of accounts in a systematic manner similar to procedures in a laboratory make accounting

A science

There are two professional accounting bodies in Nigeria
TRUE\'

_____ are principles upon which preparation of accounting records are based
Accounting concepts

_____ are written financial information exchange between two or more parties as a result of engaging in business transaction
Source documents

One of the following is not a a source document
Trial balance

The principal book of accounts where the double entry principle is completed is called _____
all of the above

sees an organisation as a legal entity, separate and distinct from its owners
The entity concept

Institute of Chartered Accountants of Nigeria is the only recognized accounting body in Nigeria
False

_____ occur as a result of posting the correct amount or figure to the wrong account, without deviating from double entry principle
Errors of commission

One of the following is not a function of accounting information system
Making sure business makes enough profits

The two categories of users of accounting information are _____
receiver and giver

_____ is a branch of accounting that uses different quantitative analysis tools to project for the future of an organisation
Management accounting

Auditing _____
is an independent examination of the books of accounts, records and financial statement of an organisation by an independent person called an auditor

Drawings is _____
is the amount of money taken from business purse for personal use

Financial statements will not make any meaning to many people without _____
Accountants

The essence of internal control mechanism is to _____
all of the above

One of the following is not a function of an accountant
Ensuring business makes profits

Profit or loss of an organisation during a particular period is ascertained from _____

Financial Statement of the business

The external auditing service provided by accountants is to _____ ensure that complete and reliable financial statements

One of the accountant functions is to safeguard the assets of an organisation through _____ all of the above

There are two professional accounting bodies in Nigeria
TRUE\'

1. The father of book keeping is
Lucas Pacioli

3. The documents that are exchanged between buyers and sellers which are binding on both parties are called _____
Source document

4. The functions of accounting as it relates to the information system of an organisation includes the following except:
Relevance

5. _____ helps organisation in controlling and minimising their costs..
Cost accounting

7. _____ is a branch of accounting that uses different quantitative analysis tools to project for the future of an organisation
Management accounting

8. There are _____ professional accounting bodies in Nigeria
2

9. Who is responsible to report on the true and fair view of an organisational financial statement?
An auditor

10. Which of the following users assesses the attractiveness of investing in a business?
Financial analysts

1. Which accounting concept satisfy the valuation criteria?
Going concern, Realisation, Cost

The money spent to acquire property of permanent nature for individuals and organisation is called what?

2. _____ is money spent to acquire or purchase property of permanent nature for individuals and organisations.
Capital expenditure

3. Which statement is not true about reasons for using international accounting standards?
Narrows the areas of difference between companies

4. Which is an intangible asset?
Goodwill

5. There are _____ professional accounting bodies in Nigeria
2

6. The _____ state that profit should not be anticipated when recognising profit to be recorded in financial statement, but the profit should be based on actual profit earned or realised for the particular period
Convention of prudence

7. Computerised accounting system has the following demerits except _____
The risk or loss of data is reduced to the barest minimum

8. The documents that are exchanged between buyers and sellers which are binding on both parties are called _____
Journal

9. Ufedo is a customer of Jason. The balance on Ufedo's account in Ejura's books is N200 debit. Ufedo sends Ejura a cheque for N50. What is the balance on Ufedo's account after this transaction?
Sell to other buyers

10. The external auditing service provided by accountants is to ensure complete and reliable _____
Financial statement

1. All the following except one is not a current asset items.
Creditor

2. The accounting concept in which the organisation is viewed as a legal entity separate from its owners is called?
Entity concept

3. From the following, who is responsible to report on the true and fair view of an organisational financial statement?
An auditor

4. Which of the following is not a nature of accounting?
Accounting as an art

5. One of the following is not a subsidiary book.
Ledger proper

6. Which of the following is not a branch of accounting?
Investment

7. The following are users of accounting information except;
fraudsters

8. How many professional accounting bodies in Nigeria?
2

9. An inducement given to debtors for paying their debt on time is called?
Cash discount

10. The functions of accounting as it relates to the information system of an organisation includes the following except:
Relevance

1. One of the following is not a method of preparing trial balance—Ans: Average Method

2. The cash provided for the petty cashier is called? Ans: petty cash

3. The correction of the errors committed will necessitate the use of —
Ans: trial balance

4. The money spent to acquire or purchase property of permanent nature for individuals and organisation is called what? Ans: Capital Expenditure

5. An example of revenue expenditure is: extension

6. When cash is withdrawn from the bank to the office, how is the transaction effected?
Ans: Debit cash and credit bank.

7. The accounts that contains the number of customers who buys goods on credit and owe the company is called? Ans: Sales ledger

All but one of the following is not the benefit of trial balance.
One of the following is not the benefit of trial balance....
Ans: it punishes fraudsters

9. The accounts that take records of income and expenditure of the business is called?
Ans: Normal account

10. One of the following is not a cause of errors in accounting. Ans: cross counting and recording

1). The process of collecting, recording, presenting, analyzing and interpreting financial information for the users of financial statements is referred to as ____

(A) This concept provides the basis for the formation of the accounting equation

(B) Accounting

(C) Auditing

(D) None of the above

Ans: This concept provides the basis for the formation of the accounting equation

2). Amount taken from business account for the chairman's daughter birthday is called _

(A) consumption

(B) Withdrawal

(C) Drawings

(D) Losses

Ans: Drawings

3). The branches of accounting include the following, except ____
Business finance

4). Transactions that are recorded in the journal include the following except; ____

- (A) Transfers from one account to another
- (B) Recording of opening and closing entries
- (C) Recording of special transactions like revaluation of assets, creation of goodwill
- (D) All of the above

Ans: All of the above

5). The aim of employee is to be sure of continuous existence of the organisation which will guarantee their ____.

- (A) Employment
- (B) Existence
- (C) Employability
- (D) Preparing financial statement

Ans: Employment

6). Statements prepared to know profit or loss and financial position of the business are called ____

- (A) Trial balance
- (B) Financial statement
- (C) Bank Reconciliation Statement
- (D) All of the above

Ans: Financial statement

7). ____ is used to record goods previously bought for resale but later returned to the supplier due to one reason or the other.

- (A) Carriage inward
- (B) Return inward journal
- (C) Purchases journal
- (D) Sales journal

Ans: Return inward journal

8). The double entry principle states that for every debit entry for a transaction, there must be ____

Ans: A corresponding credit entry for the another ledger transaction, and for every credit entry for a transaction

9). The double entry system signifies a way of recording all accounting transactions ____

- (A) Once
- (B) Twice
- (C) Severally
- (D) Multiple entries

Ans: Twice

10). Which of the following is not a nature of accounting?

- (A) Accounting as a profession
- (B) Accounting as a language
- (C) Accounting as an art

(D)Accounting as a science
Ans: Accounting as an art

1. Which of the following items are used to prepare a balance sheet?
I. The name of the firm
II. The name of the financial statement
III. The date it is being prepared
IV. The style use for the preparation of the statement

I and II

I and IV

--->> I, II and III

I, III and IV

2. The Trading, Profit and Loss account is also called

Balance Sheet

Cash Flow Statement

--->> Income Statement

Trial Balance

3. The beginning of accounting was

--->> stewardship

Record keeping

Book keeping

all of the above

4. NOUN bought furniture on credit from FG. Which of the following journal entries will be made for this transaction in NOUN books?

Dr. Furniture Cr. Cash

Dr. Furniture Cr. NOUN

--->> Dr. Purchases Cr. NOUN

Dr. NOUN Cr. Purchases

5. Given that an item is subject to a 20% trade discount, its price is N1 000. What is the sale price?

N200

--->> N800

N1000

N1200

6. Which of the following are assets?
I. Cash and cash at bank
II. Land and fixtures
III. Loans and creditors
IV. Mortgage loans and debtors

--->> I and II

I and III

I and IV

II and III

7. The purchase of a motor car on credit from an Automotive Company for use in a firm should be recorded as

Dr. Maintenance of vehicle expenses Cr. Automotive Company

Dr. Purchases Cr. Automotive Company

--->> Dr. Motor vehicle Cr. Automotive Company

Dr. Motor vehicle Cr. Cash

Given the following from T. Singh Assets and Liabilities
Machinery N20 000. What is T. Singh capital?

Cash in hand N2,000
Land and buildings N200,000
Bank loan N50,000
Creditors N5,000
Debtors N10,000

Given the following from T. Singh's Assets and Liabilities
Machinery N20 000. What is T. Singh's capital?
Cash in hand N2,000
Land and buildings N200,000
Bank loan N50,000
Creditors N5,000
Debtors N10,000

N55 000

--->> N177 000

N232 000

N287 000

9. Which of the following concepts use the rules "every transaction affects two or more ledger accounts"?

Going concern

--->> Double entry system

Money measurement

Periodicity

10. The elements of the accounting equation are
I. Assets
II. Liabilities
III. Trial Balance
IV. Capital

I, II and III

--->> I, II and IV

I, III and IV

II, III and IV

1. All the following except one is not a current asset items.

Cash

Bank

--->> Creditor

Debtor

2. The accounting concept in which the organisation is viewed as a legal entity separate from its owners is called?

Cost concept

Going concern concept

--->> Entity concept

Matching concept

3. From the following, who is responsible to report on the true and fair view of an organisational financial statement?

Financial accountants

Government agencies

--->> An auditor

Public users

4. Which of the following is not a nature of accounting?

Accounting as a profession

Accounting as a language

--->> Accounting as an art

Accounting as a science

5. One of the following is not a subsidiary book.

Sales day book

Return inward

Journal proper

--->> Ledger proper

6. Which of the following is not a branch of accounting?

Auditing

--->> Investment

Financial accounting

Managerial accounting

7. The following are users of accounting information except;

Shareholders

Suppliers

--->> fraudsters

Investors

8. How many professional accounting bodies in Nigeria?

3

--->> 2

4

5

9. An inducement given to debtors for paying their debt on time is called?

Quantity discount

Discount

Trade discount

--->> Cash discount

10. The functions of accounting as it relates to the information system of an organisation includes the following except:

--->> Relevance

Measurement

Decision making

Forecasting

1. User of financial information that is interested in accounting information to determine the company income tax to be paid, compliance with government rules and regulations governing the operation of the business is

Shareholders

--->> Government

Employees

Banks

2. Accountants prepare some analysis such as ' '. from the financial statements

--->> all of the above

cash ratio

liquidity ratio

returns on investment

3. Accounting services carried out at the local, state and federal government ministries and parastatals is

Management accounting

Cost accounting

Private sector accounting

--->> Public sector accounting

4. Essential features of a business organisation include; i. The need to make profit. Ii. There is an element of risk. Iii. Aim of continuity. Iv. There is no exchange between the parties

i, ii and iv

i, iii and iv

--->> i, ii and iii

All of the above

5. Given that at the beginning of the month, a petty cashier was given N1 000 out of which she spent N800. How much will she be reimbursed?

N200

--->> N800

N1000

N1800

6. Credit notes issued for goods returned to a supplier will be entered firstly in the

General journal

Returns inwards journal

--->> Returns outwards journal

Petty cash journal

7. Which of the following books of original entry should be used to record credit sales?

--->> Sales journal

Sales returns journal

Purchases journal

Purchases returns journal

8. Which of the following entries will be entered in the General journal?

Sold goods on credit

Goods purchased and paid by cash

--->> Investment made by the owner

Purchase goods on credit

9. One of the following is not a function of an accountant

Preparation of Financial Statements

Maintenance of Books of Accounts

Interpretation of Financial Statements

--->> None of the above

10. A debit note is a document made out when goods are

returned

overcharged

sold

--->> undercharged