

Principles of accounting Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	The debts, which are irrecoverable from the debtors, are called	A. Debts B. Doubtful debts C. Bad debts D. Good debts
2	Net loss is always	A. Equal to gross loss B. More than gross loss C. Less than gross loss D. None of these
3	Interest on drawings is	A. An asset B. A liability C. An expense D. A revenue
4	The accrued income or outstanding income will appear in the balance sheet as	A. An expense B. A liability C. An asset D. Both a & b
5	The debts, the recovery or realization of which is uncertain are known as	A. Bad bets B. Doubtful debts C. Provision for doubtful debts D. Loan
6	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
7	Wages paid of installing a machine should be debited to	A. Wages a/c B. cash a/c C. Machinery a/c D. None of these
8	The accounting system in which accounting entries are made on the basis of amount having become due for payment or receipt, is called	A. Cash system B. Accrual or mercantile system C. Outstanding system D. None of these
9	The amount becomes due from the customers is called	A. Allowance B. Loan C. Debts D. Doubtful debts
10	All those expenses which have become due but not paid are called	A. Accrued revenue B. Prapaid revenue C. Outstanding expenses D. Advance expenses
11	Interest due but not received is an	A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income
12	Provision for the doubtful debts is debited to	A. Debtors a/c B. Provision for bad debts a/c C. Profit or loss a/c D. Bad debts recovered a/c
13	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
14	The revenue that has not become due, but received in cash in current year is known as	A. Revenue received in advance B. Accrued revenue C. Unearned revenue D. Both a & c
15	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & c

16	Income tax paid is a	A. Business expense B. Revenue for business C. Liability of business D. Personal expense
17	An income which has earned but not received is called	A. Unearned income B. Accrued revenue C. Revenue received in advance D. None of these
18	A gradual decrease in the value of fixed assets is called	A. Reduction B. Revaluation C. Depreciation D. None of these
19	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
20	All those expenses which have not become due but paid in advance are called	A. Accrued expenses B. Outstanding expenses C. Prepaid expenses D. Payable expenses