

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

Sr	Questions	Answers Choice
SI	Questions	
1	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & D. Both b & D. Both b
2	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
3	The system of accounting in which accounting entries are made only when cash received or paid is known as	A. Cash system B. Accrual system C. Mercantile system D. Single system
4	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
5	A gradual decrease in the value of fixed assets is called	A. Reduction B. Revaluation C. Deprecation D. None of these
6	From business point of view, Interest on capital is considered as	A. An income B. An expense C. A profit D. A liability
7	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 & amp; b
8	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
9	All those expenses which have become due but not paid are called	A. Accrued revenue B. Prapaid revenue C. Outstanding expenses D. Advance expenses
10	Interest due but not received is an	A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income
11	Net profit is always	A. Equal to gross profit B. More than gross profit C. Less than gross profit D. None of these
12	Net loss is always	A. Equal to gross loss B. More than gross loss C. Less than gross loss D. None of these
13	The debts, which are irrecoverable from the debtors, are called	A. Debts B. Doubtful debts C. Bad debts D. Good debts
14	A prepaid expense is	A. An asset B. A liability C. An expense D. An income
15	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 & D. Both

16	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
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	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
19	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
20	The amount becomes due from the customers is called	A. Allowance B. Loan C. Debts D. Doubtful debts