

Principles of accounting Icom Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & Loss a/c D. None of these
2	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
3	The creditor of the business are called:	A. Assets B. Liabilities C. Capital D. Income
4	Wages paid for installing a machine should be debited to	A. Wages a/c B. Cash a/c C. Machinery a/c D. none of these
5	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
6	Any mistake in ledger can be easily detected with the help of:	A. Journal B. Balance sheet C. Trial balance D. Financial statement
7	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
8	The balance of the 'Caha Column' in cash book is always:	A. Debit balance B. Credit balance C. Both debit and credit balance D. None of the above
9	The debts, the recovery of which is uncertain are called	A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c
10	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement is the starting points:	A. Rs. 200 will be deducted B. Rs. 200 will be added C. Rs. 400 will be added D. Rs. 400 will be deducted
11	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
12	Net profit is always	A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these
13	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. Capital account
14	Financial accounting is mainly confined to preparation of:	A. Manufacturing statement B. Financial statements C. Production statement D. Sale statement
15	The account of depreciation of building of Rs. 30,000 at 5% p.a. will be	A. Rs. 20,00 B. Rs. 15,00 C. Rs. 25,00 D. Rs. 5,00

16 A bill from the point of view of a creditor is called a:

A. Bill payable
B. Bill receivable
C. Bill acceptable
D. Bill rejectable

17 The money with which business is started is known as:

A. Capital
B. Creditor
C. Income
D. Debtor

18 Assets come into existence upon the happening of a certain event, are called:

A. Fixed assets
B. Fictitious assets
C. Floating assets
D. Contingent assets

19 The bad debts which are showed in the trial balance are called

A. new bad debts
B. old bad debts
C. further bad debts
D. additional bad debts

20 Income received in advance during the year is

A. Prepaid Expenses
B. Accrued Income
C. Advance Expenses
D. Advance Income
