

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Errors which affect one account can be	A. errors of principle B. errors of posting C. errors of omission D. none of these
2	Journal is prepared in	A. Columnar form B. Vertical form C. Horizontal form D. Row form
3	Subsidiary books are called the book of:	A. Original entry B. Secondary entry C. Temporary entry D. Basic entry
4	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
5	An expenditure, incurred to improve the position of the business is known as	A. Deferred expenditure B. Revenue expenditure C. Capital expenditure D. Recurring expenditure
6	The time after which the bill is to be paid	A. Grace Days B. Tenor C. Due Date D. Extra Days
7	When bank column of a cash book shows a credit balance, it means:	A. Cash balance B. Bank balance C. Under draft D. Over draft
8	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
9	The accounts of assets and properties	A. nominal accounts B. real accounts C. personal accounts D. valuation accounts
10	Financial statement is prepared from the amount given in	A. Trail balance columns B. Adjustments columns C. Cash columns D. Adjusted trail balance columns
11	Error which affects profit and loss account relates to	A. Nominal account B. Property account C. Personal account D. None of these
12	Sales are equal to	A. Cost of goods sold + Profit B. Gross profit - cost of goods sold C. Cost of goods sold - gross profit D. None of these
13	The capital profit should be transferred to:	A. Profit and loss account B. Trading account C. Balance Sheet D. Both Trading and profit and loss account and balance sheet
14	The amount becomes due from the customers is called	A. Allowance B. Loan C. Debts D. Doubtful debts
15	Loss of good by fire should be credited to:	A. Purchase account B. Sales account C. Loss by goods by fire account

		D. Capital account
16	Any difference in trial balance is transferred to	A. sales account B. nominal account C. purchases account D. suspense account
17	When the goods are returned to the suppliers, an intimation is sent to them is called	A. Currency note B. Invoice C. Debit note D. Credit note
18	Which one of the following is appeared in the balance sheet ?	A. revenue expenditure B. capital expenditure C. deferred revenue D. both b,c
19	Usually every _____ entry affect both income statement and balance sheet	A. Adjusting B. Work sheet C. Balance sheet D. Ledger
20	In the preparation of the worksheet the amounts on the trail balance columns are taken directly from	A. Journal B. Ledger C. Trail balance D. Transaction