

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

Sr	Questions	Answers Choice
1	All those expenses which have become due but not paid are called	A. Accrued revenue B. Prapaid revenue C. Outstanding expenses D. Advance expenses
2	Interest due but not received is an	A. Outstanding expense B. Accrued income C. Prepaid expense D. Unearned income
3	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
4	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
5	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & c
6	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
7	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
8	The amount becomes due from the customers is called	A. Allowance B. Loan C. Debts D. Doubtful debts
9	Net loss is always	A. Equal to gross loss B. More than gross loss C. Less than gross loss D. None of these
10	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
11	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
12	Income tax paid is a	A. Business expense B. Revenue for business C. Liability of business D. Personal expense
13	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
14	Net profit is always	A. Equal to gross profit B. More than gross profit C. Less than gross profit D. None of these
15	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

16	Bad debts recovered from debtors should be credited to	A. Debtors a/c B. Bad debts a/c C. Bad debts recovered a/c D. Cash a/c
17	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
18	The debts, which are irrecoverable from the debtors, are called	A. Debts B. Doubtful debts C. Bad debts D. Good debts
19	A prepaid expense is	A. An asset B. A liability C. An expense D. An income
20	From business point of view, Interest on capital is considered as	A. An income B. An expense C. A profit D. A liability
