

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

Sr	Questions	Answers Choice
1	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
2	Profit & Loss a/c is prepared to ascertain	A. Gross Profit B. Net Profit C. Gross Loss D. Real Profit
3	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
4	Net Profit is transferred to	A. Trading Account B. Balance Sheet C. Capital a/c D. Trial Balance
5	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
6	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
7	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement i s 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
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	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
10	Interest paid on loan is	A. Abnormal Loss B. Financial Expenses C. Management Expenses D. Maintenance Expenses
11	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
12	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
13	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
14	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D.

16	The const concept applied only to the assets and not to:	A. Expenses B. Liabilities C. Incomes D. None of these
17	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
18	The concession given by the supplier to the buyer on purchases of good is known as:	A. Sales discount B. Trade discount C. Purchase discount D. Discount received
19	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & D. None of these
20	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales