

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	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
3	Profit & Loss a/c is prepared to ascertain	A. Gross Profit B. Net Profit C. Gross Loss D. Real Profit
4	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
5	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
6	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
7	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. <div>Capital account</div>
8	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
9	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
10	Net profit is always	A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these
11	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
12	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
13	The const concept applied only to the assets and not to:	A. Expenses B. Liabilities C. Incomes D. None of these
14	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
15	Interest paid on loan is	A. Abnormal Loss B. Financial Expenses C. Management Expenses D. Maintenance Expenses

16 Income tax paid is a
A. Business Expense
B. Business Revenue
C. Business Liability
D. Personal Expense

17 Financial accounting is mainly confined to preparation of:
A. Manufacturing statement
B. Financial statements
C. Production statement
D. Sale statement

18 The money with which business is started is known as:
A. Capital
B. Creditor
C. Income
D. Debtor

19 Bad debts recovered should be credited to
A. Balance Sheet
B. Trading a/c
C. Profit & Loss a/c
D. None of these

20 Assets having some market value
A. Fictitious Assets
B. Real Assets
C. Unreal Assets
D. None of these
