

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	In adjusting the cash balance one of the following is not taken into account:	A. Mistakes in the cash book B. Mistake in the bank statement C. Interest and dividends credited in the bank statement D. None of the above
3	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
4	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
5	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
6	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
7	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
8	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. <div>Capital account</div>
9	Net Profit is transferred to	A. Trading Account B. Balance Sheet C. Capital a/c D. Trial Balance
10	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
11	Gross profit is derived from	A. Trading a/c B. Profit & Loss a/c C. Trial Balance D. Balance Sheet
12	Profit & Loss a/c is prepared to ascertain	A. Gross Profit B. Net Profit C. Gross Loss D. Real Profit
13	The person to whom a bill is addressed is the:	A. Debtor B. Creditor C. Holder D. Agent
14	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
15	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
16	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
17	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
18	The const concept applied only to the assets and not to:	A. Expenses B. Liabilities C. Incomes D. None of these
19	Interest paid on loan is	A. Abnormal Loss B. Financial Expenses C. Management Expenses D. Maintenance Expenses
20	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