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

Sr	Questions	Answers Choice
1	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
2	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
3	Net Profit is transferred to	A. Trading Account B. Balance Sheet C. Capital a/c D. Trial Balance
4	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
5	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
6	Any mistake in ledger can be easily detected with the help of:	A. Journal B. Balance sheet C. Trial balance D. Financial statement
7	Interest paid on loan is	A. Abnormal Loss B. Financial Expenses C. Management Expenses D. Maintenance Expenses
8	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
9	A bill from the point of view of a creditor is called a:	A. Bill payable B. Bill receivable C. Bil acceptable D. Bill rejectable
10	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. Capital account
11	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
12	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & Loss a/c D. None of these
13	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
14	Gross profit is derived from	A. Trading a/c B. Profit & Loss a/c C. Trial Balance D. Balance Sheet
15	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors

		D. Outstanding expense
16	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
17	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
18	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
19	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
20	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets