

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

Sr	Questions	Answers Choice
1	The person to whom a bill is addressed is the:	A. Debtor B. Creditor C. Holder D. Agent
2	Income received in advance during the year is	A. Prepaid Expenses B. Accrued Income C. Advance Expenses D. Advance Income
3	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
4	Net Profit is transferred to	A. Trading Account B. Balance Sheet C. Capital a/c D. Trial Balance
5	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
6	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
7	Any mistake in ledger can be easily detected with the help of:	A. Journal B. Balance sheet C. Trial balance D. Financial statement
8	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & Loss a/c D. None of these
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	Profit & Loss a/c is prepared to ascertain	A. Gross Profit B. Net Profit C. Gross Loss D. Real Profit
11	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
12	Financial accounting is mainly confined to preparation of:	A. Manufacturing statement B. Financial statements C. Production statement D. Sale statement
13	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
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	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

16	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
17	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
18	Gross profit is derived from	A. Trading a/c B. Profit & Loss a/c C. Trial Balance D. Balance Sheet
19	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
20	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
