

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If a transaction has been completely omitted from the Journal it will be considered	A. Error of commission B. Error of principle C. Error of omission D. None of these
2	Errors of omission affects	A. One account B. Two account C. Three account D. None of these
3	The expenditures which reduce revenue (profit) of the business are:	A. Revenue expenditures B. Capital expenditure C. Fixed expenditures D. Future expenditures
4	Sales returns book periodical total is posted to	A. Debit of returns inwards account B. Credit of returns inwards account C. Debit of returns outwards account D. Credit of returns outwards account
5	A document is sent to customer when he returns the goods is called	A. Promissory note B. Debit note C. Currency note D. Credit note
6	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
7	When bank column of a cash book shows a credit balance, it means:	A. Cash balance B. Bank balance C. Under draft D. Over draft
8	When a drawee honours his acceptance, he will credit	A. Capital Account B. Drawer Account C. Bill Payable Account D. Cash Account
9	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
10	A dealing between two persons is called a	A. business B. transaction C. purchases D. sales
11	Expenditure is a capital expenditure because	A. The amount involved is heavy B. It is the personal expenditure of the owner out of his capital C. It is intended to benefit the future period D. It is a recurring expenditure
12	Expired cost of fixed assets means	A. Appreciation B. Amortization C. Depreciation D. None of these
13	Bill receivable book represents	A. Ledger B. Journal C. Trail balance D. All of above
14	When a bill is discharged the acceptor debits:	A. Creditors account B. Cash account C. Bill payable account D. Bill receivable account
15	A double column cash book is used to record	A. Cash transactions only B. Cash and bank transaction C. Cash, bank and discount

		transaction D. None of these
16	Wrong allocation of capital and revenue items of expenses represents	A. error of casting B. error of principle C. compensation error D. error of commission
17	The cash book is a	A. Subsidiary Journal B. Ledger Account C. Subsidiary Journal and Ledger D. Trial Balance
18	The person to whom bill is transferred will become	A. Endorser B. Creditor C. Debtor D. Endorsee
19	Capitalized expenditures are shown in	A. trading A/c B. profit & loss A/c C. income statement D. balance sheet
20	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. Capital account