

Principles of accounting Icom Part 1 English Medium Online Test

C-	Ougations	Anguaga Chaire
Sr	Questions	Answers Choice
1	Depreciation of fixed assets used in the business is an example of	A. capital expenditure B. Revenue expenditure C. Deferred expenditure D. None of these
2	Expenses paid by a business decrease	A. cash B. capital C. cash & mp; capital D. none of these
3	In journalizing the page numbers of the ledgers are written in:	A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal
4	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
5	paid to Nadeem cash Rs. 5000 and a cheque for Rs. 4800 in full settlement of his dued Rs. 10000 should be credited to	A. Cash account B. Bank account C. Discount received account D. All of these
6	In form journal, the first column represents:	A. Ledger Folio B. Data C. Amount D. Debit
7	Debts which are repayable in the course of less than one year bur more than one month are called	A. Quick liabilities B. Deferred liabilities C. Contingent liabilities D. Liquid liabilities
8	The effect of drawing on accounting equation is	A. decrease in assets and decrease in liabilities B. increase in both assets & Diabilities C. decrease in assets and increase in capital D. none of these
9	Excise duty is a	A. Direct revenue B. Indirect revenue C. Direct expense D. Indirect expense
10	Which cash is paid or received in an exchange the transaction is called:	A. Sale transaction B. Cash transaction C. Credit transaction D. None of the above
11	Allowance for doubtful debts normally has a	A. Debit balance B. Credit balance C. Both debit & price credit balance D. None of these
12	When cash is paid to creditors it will decrease	A. cash B. capital C. debtor D. cash & D. cash & C. debtor
13	The concept of conservation will have the effect of:	A. Understatement of assets B. Under statement of liabilities C. Overstatement of assets D. None of the above

15	Wages paid of installing a machine should be debited to	B. cash a/c C. Machinery a/c D. None of these
16	Cost incurred to generate revenue is called	A. Revenue B. Cost C. Expense D. Liability
17	A sheet which minimizes the chances of errors to the maximum possible extent is called	A. Balance sheet B. Work sheet C. Paper sheet D. Income statement
18	Suspense means	A. certainty B. uncertainty C. surly D. none of these
19	Stock is trade is a	A. Current asset B. Non-current asset C. Quick asset D. Intangible asset
20	Distinction between capital and revenue items is important for the preparation	A. Balance sheet B. Trading and profit or loss a/c C. Bank reconciliation statement D. Both a & D