

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Cash paid to Naeem will affect	A. cash & capital B. cash & creditor C. cash and debtors D. cash & goods
2	Net profit is always	A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these
3	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & b D. Cash book
4	A gradual decrease in the value of fixed assets is called	A. Reduction B. Revaluation C. Deprecation D. None of these
5	All revenue expenditure are taken to	A. Trading a/c B. Trading & profit or Loss a/c C. Profit or loss a/c D. Balance sheet
6	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
7	If the total of the credit side of an account exceeds that of debit side of the same account, it is called	A. Credit Balance B. Debit Balance C. Balancing D. Zero Balance
8	Purchased goods on credit and for cash will affect	A. cash & goods B. cash & creditors C. cash creditors & owner's equity D. cash goods and creditors
9	The revenue that has not become due, but received in cash in current year is known as	A. Revenue received in advance B. Accrued revenue C. Unearned revenue D. Both a & c
10	Stock is trade is a	A. Current asset B. Non-current asset C. Quick asset D. Intangible asset
11	The time after which the bill is to be paid	A. Grace Days B. Tenor C. Due Date D. Extra Days
12	Errors which affect one account can be	A. errors of principle B. errors of posting C. errors of omission D. none of these
13	The body of worksheet contains	A. Two pairs of money column B. Three pairs of money column C. Four pairs of money column D. Five pairs of money column
14	The _____ is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trial balance
15	Error of carry forward will affect	A. Personal accounts B. Nominal accounts C. Impersonal accounts D. All of the above

		D. None of these
16	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
17	A revenue expenditure, the benefit of which is not confined to one accounting year is called	A. Non-current expenditure B. Revenue expenditure C. Future expenditure D. Deferred expenditure
18	The book which is used to record all goods returned by us to our supplier is called	A. Returns inwards book B. Purchases book C. Return outwards book D. Sales book
19	If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an	A. Error of commission B. Error of principle C. Compensating error D. Error of principle
20	The periodical total of purchases book is posted to the	A. Debit of purchases account B. Credit of purchases account C. Credit of cash account D. Debit of sales account