

## Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A bill from the point of view of a debtor is called	A. Bill Acceptable B. Bill Receivable C. Bill Payable D. None of these
2	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
3	According to accounting equation, capital is equal to	A. assets + liabilities B. expenses-incomes C. liabilities - assets D. assets - liabilities
4	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
5	It is used to record cash, bank and discount transactions on debit and credit side	A. Single column cash book B. Petty cash book C. Double column cash book D. Treble column cash book
6	Double entry means	A. entry in two sets of books B. entry at two dates C. entry for two aspects of a transaction D. recording twice in journal
7	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
8	How many parties are involved in case of Discounting of a bill ?	A. Two B. Three C. Four D. None of these
9	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
10	Allowance for doubtful debts normally has a	A. Debit balance B. Credit balance C. Both debit & credit balance D. None of these
11	Any expenditure incurred to increase the earning capacity of a business	A. capital expenditure B. capital loss C. revenue loss D. revenue expenditure
12	The Legal tenor of a bill is	A. Sixty Days B. One Month C. Eighty Days D. Ninety Days
13	The favorable balance of cash book bank column is	A. Credit balance B. Debit balance C. Both debit and credit balance D. None of these
14	The money with which business is started is known as:	A. Capital B. Creditor C. Income D. Debtor

15	Patent is an example of	B. Liabilities C. Income D. Expense
16	The expenses which are incurred for the generation of revenues from the sales of goods are called	A. Non-operating expenses B. Selling expenses C. Operation expenses D. Administrative expenses
17	A bill of exchange contains:	A. An unconditional order B. A promise C. A request D. A conditional order
18	Errors in casting of subsidiary books are called as	A. Error of omission B. Compensating error C. Error of posting D. Clerical errors
19	Gross profit equals to	A. Net profit minus expenses B. Sales minus closing stock C. Purchases minus closing stock D. Sales minus cost of goods sold
20	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods