

Principles of accounting Icom Part 1 English Medium 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	It is used to record only cash receipts and payments	A. Single column cash book B. Double column cash book C. Treble column cash book D. Sales book
3	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
4	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
5	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
6	At the time of drawing a bill the drawer credits:	A. Debtors account B. Creditors account C. bill receivable account D. Suppliers account
7	How many parties are involved in case of Discounting of a bill ?	A. Two B. Three C. Four D. None of these
8	All expenses connected with the office and its conduct are called	A. Selling expenses B. Marketing expenses C. Service expenses D. Administrative expenses
9	A statement which i prepared to ascertain the net income or net loss for a specific accounting period is called	A. Position statement B. Statement of condition C. Financial statement D. Bank reconciliation statement
10	Premium on issue of shares of a company represents	A. capital loss B. capital profit C. capital payment D. none of these
11	Transaction, having short-term effects are known as	A. Revenue transaction B. Capital transaction C. Non-monetary transaction D. Paper transaction
12	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
13	A table lost by fire should be debited to	A. Table a/c B. Furniture a/c C. Loss by Fire a/c D. Purchases a/c
14	A copy of the customer's account in the bank's ledger is called:	A. Deposit statement B. Balance statement C. Bank statement D. Customer
15	The process of totaling the data at the end of the period is called	A. posting B. casting C. compensating D. recording

16	Goods purchased from Robin have been posted to Rahim account, it is an:	A. Error of omission B. Error of casting C. Error of posting D. Error of commission
17	When a drawee honours his acceptance, he will credit	A. Capital Account B. Drawer Account C. Bill Payable Account D. Cash Account
18	Goods sold to Ali for Rs. 50,000 recorded in purchases day book will affect	A. purchases A/c B. sales account C. purchases, sales & Ali account D. purchases & sales account
19	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
20	The accrued income or outstanding income will appear in the balance sheet as	A. An expense B. A liability C. An asset D. Both a & b