

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
SI	Questions	
1	If sales are Rs. 12000 Gross profit is 10% of sales and net profit is 5% of sales then the expenses will be	A. 1200 B. 600 C. 1800 D. 2400
2	The gross amount of goods sold or services performed during an accounting period is known as	A. Purchase B. Sale C. Gross profit D. Net profit
3	Which of the following discloses the financial position of the business	A. Trading account B. Profit or loss account C. Profit or loss appropriation account D. Balance sheet
4	All those expenses which have not become due but paid in advance are called	A. Accrued expenses B. Outstanding expenses C. Prepaid expenses D. Payable expenses
5	Purchased goods on credit and for cash will affect	A. cash & Dods B. cash & Dods C. cash creditors & Downer's equity C. cash goods and creditors
6	The process of totaling the data at the end of the period is called	A. posting B. casting C. compensating D. recording
7	An operating statement is similar to a	A. Balance sheet B. bank reconciliation statement C. Financial statement D. Profit or loss statement
8	When balance of suspense account has debit balance it will be shown in balance sheet on	A. Liability side B. Capital side C. Asset side D. Credit side
9	A cash account always shows	A. Debit balance B. Credit balance C. Both debit and credit balance D. Nil balance
10	A statement which is prepared to know the financial position of a business on a particular date, is called	A. Balance sheetB. Statement of conditionC. Position statementD. All of above
11	Interest on drawings is	A. An asset B. A liability C. An expense D. A revenue
12	Wages paid of installing a machine should be debited to	A. Wages a/c B. cash a/c C. Machinery a/c D. None of these
13	Bad debts are	A. deferred expenditure B. revenue expenditure C. capital expenditure D. none of these
14	The capital profit should be transferred to:	A. Profit and loss account B. Trading account C. Balance Sheet D. Both Trading and profit and loss account and balance sheet
15	When two or more than two error occurred on the opposite side of the account and	A. Errors of omission B. Compensating errors

	cancelled the affect of each are called	C. Errors of commission D. Errors of principle
16	The balance of the 'Caha Column' in cash book is always:	A. Debit balanceB. Credit balanceC. Both debit and credit balanceD. None of the above
17	The book which is used to record all goods returned to us by our customers is called	A. Returns outwards book B. Returns inwards book C. Sales book D. Cash book
18	If amount for Rs. 554 recovered from Ali, previously written off as bad debts we should	A. Debited to bad debts recovered account B. Credited to Ali account C. Debited to bad debts account D. Credited to bad debts recovered account
19	In the preparation of the worksheet the amounts on the trail balance columns are taken directly from	A. Journal B. Ledger C. Trail balance D. Transaction
20	Our cheque to Babar & Bros, returned dishonoured should be credited to	A. Cheque Account B. Cash Account C. Bank Account D. Babar & Amp; Bros A/c