

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

Sr	Questions	Answers Choice
1	The excess of credit column over debit column in income statement is called	A. Net loss B. Net profit C. Cash balance D. Gross profit
2	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
3	Provision for the doubtful debts is debited to	A. Debtors a/c B. Provision for bad debts a/c C. Profit or loss a/c D. Bad debts recovered a/c
4	_____ simplifies work to be done at the end of the period	A. Work sheet B. Ledger C. Trail balance D. Balance sheet
5	A statement which is 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
6	Which book is used to record all cash receipts and cash payments?	A. Sale book B. Purchase book C. Cash book D. Petty cash book
7	The creditor of the business are called:	A. Assets B. Liabilities C. Capital D. Income
8	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
9	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
10	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement is the starting points:	A. Rs. 200 will be deducted B. Rs. 200 will be added C. Rs. 400 will be added D. Rs. 400 will be deducted
11	The rules of the debiting the receiving and crediting the giver is applicable to:	A. Persona account B. Real account C. Nominal account D. Expense account
12	Which one of the following is a direct expense?	A. Packing expense B. Advertisement expense C. Manufacturing expense D. Traveling expense
13	Assets which have no physical existence are called	A. Tangible assets B. Fictitious assets C. Liquid assets D. Intangible assets
14	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
15	According to accounting equation, capital is equal to	A. assets + liabilities B. expenses-incomes C. liabilities - assets D. assets - liabilities

16	A document given by the seller to the buyer for credit sale of goods or assets is called	A. Cash memo B. Invoice C. Voucher D. None of these
17	The concession given by the supplier to the buyer on purchases of good is known as:	A. Sales discount B. Trade discount C. Purchase discount D. Discount received
18	All those expenses which have become due but not paid are called	A. Accrued revenue B. Prapaid revenue C. Outstanding expenses D. Advance expenses
19	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
20	Worksheet contains _____ pairs of money columns	A. Five B. Four C. Three D. Two