

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Acceptance to Mr. A was posted to the debit of B's account. The rectification of the entry will.	A. Increase the net profit B. Decrease the net profit C. Have double effect on net profit D. Have no effect on net profit
2	Bill receivable account is a:	A. Nominal account B. Personal account C. Real account D. Expenses account
3	The most exhaustive cash book is	A. Petty Cash Book B. Single Column Cash Book C. Double Column Cash Book D. Treble Column Cash Book
4	Net sales equal to	A. Sales - Returns outwards B. Sales + Returns inwards C. Sales - Returns inwards D. Purchases - Returns inwards
5	Book-keeping is mainly concerned with:	A. Recording of business transactions B. Recording classifying and summarizing the recorded data C. Interpreting the recorded data D. None of the above
6	Goodwill, patent, copyright and trade mark are	A. Wasting assets B. Intangible assets C. Fictitious assets D. Liquid assets
7	A credit sale was wrongly passed through purchases book, the rectification of the entry will:	A. Increase the net profit by, double amount B. Decrease the net profit C. Decrease the net profit by double amount D. Have no effect on the net profit
8	Cost incurred to generate revenue is called	A. Revenue B. Cost C. Expense D. Liability
9	Which of the following normally has a credit balance	A. Machinery a/c B. Purchases a/c C. Stock a/c D. Sales a/c
10	Cash account is a:	A. Personal account B. Real account C. Nominal account D. Both real and personal account
11	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
12	Which one of the following is appeared in the balance sheet	A. Revenue expenditure B. Capital expenditure C. Deferred expenditure D. Both b & c
13	Expenditure is a capital expenditure because	A. The amount involved is heavy B. It is the personal expenditure of the owner out of his capital C. It is intended to benefit the future period D. It is a recurring expenditure
14	The account of depreciation of building of Rs. 30,000 at 5% p.a. will be	A. Rs. 20,00 B. Rs. 15,00 C. Rs. 25,00 D. Rs. 5,00

15	A cash account always shows	A. Debit Balance B. Credit Balance C. Both a and b D. Nil Balance
16	Cost of redecorating a cinema hall is a	A. Capital expenditure B. Capital loss C. Revenue expenditure D. None of these
17	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
18	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
19	Bank account is a:	A. Personal account B. Real account C. Nominal account D. None of these
20	Unfavorable balances mean	A. Credit balance in the pass book B. Credit balance in the cash book C. Debit balance in bank statement D. Both b & c