

Principles of accounting Icom Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
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| 1 | In accounting all business transactions are recorded which have: | A. Dual aspect B. Single aspect C. None of the above D. Economic aspect |
| 2 | Events which are related with money are called: | A. Monetary events B. Non - monetary events C. None-social events D. Political events |
| 3 | Net profit is always | A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these |
| 4 | An expenditure, which increases the utility or productive capacity of an asset is treated as | A. Revenue expenditure B. Capital expenditure C. Deferred expenditure D. None of these |
| 5 | 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 |
| 6 | The favorable balance of bank statement is | A. Credit balance B. Debit balance C. Zero balance D. All of these |
| 7 | Position statement is similar to a | A. Trial balance B. Balance sheet C. Financial statement D. Bank reconciliation statement |
| 8 | From the business point of view, interest on drawings is | A. An asset B. An expense C. A liability D. A revenue |
| 9 | Errors, which do not affect on profit calculation, will have an effect only on | A. Trail balance B. Balance sheet C. Profit or loss account D. Trading account |
| 10 | Record of business transaction in the journal is called | A. Detail B. Summary C. Narration D. Entry |
| 11 | Worksheet provides complete information for preparing | A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement |
| 12 | A document is sent to customer when he returns the goods is called | A. Promissory note B. Debit note C. Currency note D. Credit note |
| 13 | Goodwill, patent, copyright and trade mark are | A. Wasting assets B. Intangible assets C. Fictitious assets D. Liquid assets |
| 14 | The act result of the business activities is shown by: | A. Profit and loss account B. Profit and loss appropriation account C. Trading account D. Balance sheet |
| 15 | 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 |
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| 16 | Transaction are recorded data wise, so journal is also called: | A. Entry book B. Transaction book C. Chronological book D. Voucher |
| 17 | Debit Signifies | A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above |
| 18 | A bill of exchange is a method of payment on | A. Cash Basis B. Credit Basis C. Reserve Basis D. Accommodation Basis |
| 19 | Accounting records of a business enterprise are required by | A. management of the business B. outsiders C. all of the above D. none of the above |
| 20 | Trading account is the account which is prepared to determine the: | A. Only gross profit of the business B. Only gross loss of the business C. Gross proofit or the gross loss of the business D. None of the above |