

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Cash account is concerned with:	A. Real account B. Personal account C. Nominal account D. Capital account
2	The transaction for which non separate book is maintained are recorded in:	A. Journal proper B. Bills receivable book C. Bills payable book D. Cash book
3	Worksheet provides complete information for preparing	A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement
4	The book in which all cash transaction are primarily recorded is called	A. Pass book B. Cheque book C. Finance book D. Cash book
5	The accounts of expenses, incomes, losses and gains	A. real accounts B. valuation accounts C. nominal accounts D. personal accounts
6	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
7	Bill receivable book represents	A. Ledger B. Journal C. Trail balance D. All of above
8	All the acceptances received from the debtors are recorded in	A. Cash book B. Bills payable book C. Debtor's book D. Bills receivable book
9	When cheque received, and deposited into bank, bank account must be	A. Credited B. Debited C. Both debited & credited D. None of these
10	Wages paid for the construction of building is an example of	A. Revenue expenditure B. Capital expenditure C. Recurring expenditure D. Short-term expenditure
11	A basis of business languages	A. accounting B. bookkeeping C. transaction D. cost accounting
12	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
13	Cost incurred to generate revenue is called	A. Revenue B. Cost C. Expense D. Liability
14	Any expenditure incurred to increase the earning capacity of a business	A. capital expenditure B. capital loss C. revenue loss D. revenue expenditure
15	Octori duty paid on machinery, is an example of	A. Revenue expenditure B. Recurring expenditure C. Capital expenditure D. Both a & b

16	Income received in advance during the year is	A. Prepaid Expenses B. Accrued Income C. Advance Expenses D. Advance Income
17	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
18	Transaction are recorded data wise, so journal is also called:	A. Entry book B. Transaction book C. Chronological book D. Voucher
19	The balance of the 'Caha Column' in cash book is always:	A. Debit balance B. Credit balance C. Both debit and credit balance D. None of the above
20	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
