

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

| Sr | Questions   | Answers Choice   |
|----|---|--|
| 1  | All the direct expenses are charged to:   | A. Balance sheet<br>B. Profit and loss account<br><b>C. Trading account</b><br>D. None of these  |
| 2  | Bill receivable book represents   | A. Ledger<br>B. Journal<br>C. Trail balance<br>D. All of above   |
| 3  | Nominal account are related to:   | A. Assets and liabilities<br><b>B. Expenses, losses and incomes</b><br>C. Customers, creditors etc<br>D. Capital account                                       |
| 4  | Ahmed's cheque endorse to Akbar should be debited to                              | A. Cash account<br>B. Cheque account<br><b>C. Akbar's account</b><br>D. Ahmed account  |
| 5  | Any difference in trial balance is transferred to                                 | A. sales account<br>B. nominal account<br>C. purchases account<br><b>D. suspense account</b>   |
| 6  | Goods sold to Ali for Rs. 50,000 recorded in purchases day book will affect       | A. purchases A/c<br>B. sales account<br><b>C. purchases, sales &amp; Ali account</b><br>D. purchases & sales account   |
| 7  | Cash account is a   | A. Personal account<br>B. Nominal account<br><b>C. Real account</b><br>D. Both personal and real account   |
| 8  | The money can be deposited into bank by means of                                  | A. Cash book<br>B. Cheque book<br><b>C. Pay-in-slip book</b><br>D. Pass book   |
| 9  | A gradual decrease in the value of fixed assets is called                         | A. Reduction<br>B. Revaluation<br><b>C. Depreciation</b><br>D. None of these   |
| 10 | The rules of the debiting the receiving and crediting the giver is applicable to: | <b>A. Persona account</b><br>B. Real account<br>C. Nominal account<br>D. Expense account   |
| 11 | Premium on issue of shares of a company represents                                | A. capital loss<br><b>B. capital profit</b><br>C. capital payment<br>D. none of these  |
| 12 | A bill of exchange is drawn by:   | A. A debtor<br><b>B. A creditor</b><br>C. A holder<br>D. Endorsee  |
| 13 | Retiring a bill under rebate means:   | <b>A. Making payment for the bill before the due date</b><br>B. Making payment for the bill after the due date<br>C. Dishonouring bill<br>D. None of the above |
| 14 | The debts, the recovery of which is uncertain are called                          | A. Unbelievable debts<br>B. unrealized debts<br><b>C. doubtful debts</b><br>D. both b and c  |
|    |   | <b>A. Debit Balance</b>  |

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| 15 | A cash account always shows                                      | B. Credit Balance<br>C. Both a and b<br>D. Nil Balance   |
| 16 | Net Profit is transferred to                                     | A. Trading Account<br>B. Balance Sheet<br>C. Capital a/c<br>D. Trial Balance                         |
| 17 | According to accounting equation, capital is equal to            | A. assets + liabilities<br>B. expenses-incomes<br>C. liabilities - assets<br>D. assets - liabilities |
| 18 | All those expenses which have become due but not paid are called | A. Accrued revenue<br>B. Prapaid revenue<br>C. Outstanding expenses<br>D. Advance expenses           |
| 19 | Expenses paid by a business decrease                             | A. cash<br>B. capital<br>C. cash & capital<br>D. none of these                                       |
| 20 | A _____ is a large columnar sheet of paper                       | A. Worksheet<br>B. Balance sheet<br>C. Journal<br>D. None of these                                   |