Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Bill receivable book represents	A. Ledger B. Journal C. Trail balance D. All of above
2	In adjusting the cash balance one of the following is not taken into account:	A. Mistakes in the cash book B. Mistake in the bank statement C. Interest and dividends credited in the bank statement D. None of the abvove
3	The statement which contains the explanation of different in cash book and bank statement is known as:	A. Bank statement B. Cash statement C. Balance statement D. Bank reconciliation statement
4	When cheque received, and deposited into bank, bank account must be	A. Credited B. Debited C. Both debited & credited D. None of these
5	Salary outstanding account relevant to:	A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts
6	The recording of transaction chronologically in the book of accounts is called:	A. Summarizing B. Classifying C. Recording D. None of above
7	Receipts which are non-recurring by nature:	A. Capital receipts B. Revenue receipts C. Short term receipts D. Capital profit
8	One way of avoiding errors in the permanent accounting records is to use a form which is called	A. Bank statement B. Trail balance C. Balance sheet D. Work sheet
9	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
10	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
11	Octori duty paid on machinery, is an example of	A. Revenue expenditure B. Recurring expenditure C. Capital expenditure D. Both a & b
12	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
13	How many categories of accounts are	A. two B. three C. four D. five
14	Depreciation of fixed assets used in the business is an example of	A. capital expenditure B. Revenue expenditure C. Deferred expenditure D. None of these
15	For every debit, there is a credit	A. going concern concept B. dual aspect concept C. matching concept

		D. cost concept
16	Gross profit is derived from	A. Trading a/c B. Profit & Loss a/c C. Trial Balance D. Balance Sheet
17	Which of the following discloses the financial position of the business	A. Trading account B. Profit or loss account C. Profit or loss appropriation account D. Balance sheet
18	Wages paid of installing a machine should be debited to	A. Wages a/c B. cash a/c C. Machinery a/c D. None of these
19	An expenditure incurred to the increases the profit earning of the concern is a:	A. Revenue expenditure B. Current expenditure C. Capital receipt D. Capital expenditure
20	All the bills given to the creditors are recorded in	A. Creditor's book B. Bills payable book C. Bills receivable book D. Bank book