

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Bank Reconciliation represents	A. A Journal B. A Ledger C. A Statement D. both a and c
2	The rules of the debiting the receiving and crediting the giver is applicable to:	A. Persona account B. Real account C. Nominal account D. Expense account
3	The accounts of assets and properties	A. nominal accounts B. real accounts C. personal accounts D. valuation accounts
4	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
5	Ahmed's cheque endorse to Akbar should be debited to	A. Cash account B. Cheque account C. Akbar's account D. Ahmed account
6	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
7	Wages paid for the construction of building is an example of	A. Revenue expenditure B. Capital expenditure C. Recurring expenditure D. Short-term expenditure
8	Any mistake in ledger can be easily detected with the help of:	A. Journal B. Balance sheet C. Trial balance D. Financial statement
9	The favorable balance of cash book bank column is	A. Credit balance B. Debit balance C. Both debit and credit balance D. None of these
10	Subsidiary books are called books of	A. Original entry B. Secondary entry C. Final entry D. Basic entry
11	Error of principle arises when	A. Any transaction is incorrectly recorded, either wholly or partially B. Any transaction is left wholly or partially C. Any transaction is affects one account D. Any transaction is recorded in fundamentally incorrect manner
12	In double entry system of bookkeeping every business transaction affects:	A. Debit or credit side of the same account B. Two accounts C. The same side of the same account D. None of the above
13	A receipt is revenue receipt because	A. the amount is small B. it relates to routine activity of business C. it is received in the accounting year D. both b, c

14	Receipts, which are non-recurring by nature, are called	<ul style="list-style-type: none"> A. revenue receipts B. current receipts C. capital receipts D. capital profit
15	Expenditure is a capital expenditure because	<ul style="list-style-type: none"> 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
16	If a transaction has been completely omitted from the Journal it will be considered	<ul style="list-style-type: none"> A. Error of commission B. Error of principle C. Error of omission D. None of these
17	A bill of exchange is drawn by	<ul style="list-style-type: none"> A. Debtor B. Creditor C. Endorser D. Endorsee
18	.If the error committed in the capital account, it will affect	<ul style="list-style-type: none"> A. Trading account B. Profit and loss account C. Trading and profit and loss account D. Balance sheet
19	Modern system of bookkeeping is	<ul style="list-style-type: none"> A. single entry system B. double entry system C. modern system D. none of these
20	The creditor of the business are called:	<ul style="list-style-type: none"> A. Assets B. Liabilities C. Capital&nbsp; D. Income