

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Accommodation bills are drawn accepted and endorsed	A. Without any Consideration B. for some Consideration C. for Quarter Consideration D. none of the above
2	Capitalized expenditures are shown in	A. trading A/c B. profit & Doss A/c C. income statement D. balance sheet
3	The cash book is a	A. Subsidiary Journal B. Ledger Account C. Subsidiary Journal and Ledger D. Trial Balance
4	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
5	Cost of goods sold is equal to	A. sales - purchases B. purchases + closing stock - returns outwards C. Opening stock - closing stock + purchase + returns inwards D. Opening stock + purchases - returns outwards - closing stock
6	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & D. Cash book
7	The person to whom a bill is addressed is the:	A. Debtor B. Creditor C. Holder D. Agent
8	The favourable balance of bank statement is	A. Credit Balance B. Debit Balance C. Zero Balance D. Both b and c
9	Adjusted is used to prepare the income statement and balance sheet	A. Trail balance B. Ledger C. Balance sheet D. Bank statement
10	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
11	A copy of the customer's account in the bank's ledger is called:	A. Deposit statement B. Balance statement C. Bank statement D. Customer
12	Any difference in trail balance, is transferred to	A. Sales account B. Nominal account C. Purchases account D. Suspense account
13	Real accounts are related to:	A. Assets B. Expenses, losses and incomes C. Customers, creditors D. Incomes
14	Which of the following discloses the financial position of the business:	A. Trading account B. Profit and loss account C. Profit and loss appropriation account D. Balance sheet

5	The margin that is available to cover the other expenses for a period and to yield net income is known as	A. Net profit B. Gross profit C. Net sales D. Cost of goods sold
6	The Legal tenor of a bill is	A. Sixty Days B. One Month C. Eighty Days D. Ninety Days
7	When a drawer discounts a bill, he debits	A. Bank Account B. Interest Account C. Drawee Account D. Bill Receivable Account
18	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
19	A many buy Rs. 40,000 worth good and sells them for Rs. 50,000. His gross profit is:	A. Rs.10,000 B. Rs.20,000 C. Rs,30,000 D. Rs. 40,000
20	In accounting all business transactions are recorded which have:	A. Dual aspect B. Single aspect C. None of the above D. Economic aspect