

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The amount of assets, liabilities, capital and drawings are extended from adjusted trial balance to the	A. Balance sheet columns B. Income statement columns C. Cash columns D. Bank columns
2	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
3	The gross amount of goods sold or services performed during an accounting period is known as	A. Purchase B. Sale C. Gross profit D. Net profit
4	When is a drawee is declared insolvent which account is to be debited in the books of drawer	A. Deficiency a/c B. Bad Debts a/c C. Solvency a/c D. None of these
5	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
6	At the time of drawing a bill the drawer credits:	A. Debtors account B. Creditors account C. bill receivable account D. Suppliers account
7	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account
8	A bill of exchange is drawn by	A. Debtor B. Creditor C. Endorser D. Endorsee
9	Net sales - cost of goods sold - operating expenses = ?	A. Net purchases B. Cost of goods sold available for sale C. Net operating income D. Gross Profit
10	Book-keeping is mainly concerned with:	A. Recording of business transactions B. Recording classifying and summarizing the recorded data C. Interpreting the recorded data D. None of the above
11	Subsidiary books are called books of	A. Original entry B. Secondary entry C. Final entry D. Basic entry
12	Pass book is prepared by	A. Debtor B. Creditor C. Banker D. Customer
13	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
14	The book use to record all credit purchases is called:	A. Purchases book B. Purchase & return book C. Cash book D. Creditor book
		A. revenue receipts

15	Receipts, which are non-recurring by nature, are called	B. current receipts C. capital receipts D. capital profit
16	Salary outstanding account relevant to:	A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts
17	The system of recording transaction based on dual concept is called	A. Double account system B. Double entry system C. Single entry system D. Management system
18	The outflow of funds to meet the running expenses of a business	A. Revenue loss B. Revenue expenditure C. capital expenditure D. capital loss
19	Capitalized expenditures are shown in	A. trading A/c B. profit & loss A/c C. income statement D. balance sheet
20	The amount by which the revenue for a particular period of time exceed from expenses incurred to generate them is called	A. Gross income B. Net income C. Revenue D. Expenses