

Principles of accounting Icom Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
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| 1 | In accounting all business transactions are recorded which have: | A. Dual aspect B. Single aspect C. None of the above D. Economic aspect |
| 2 | When ban column of a cash book shows a debit balance it means: | A. Overdraft as per bank B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Favourable balance as per pass book |
| 3 | The system of accounting in which accounting entries are made only when cash received or paid is known as | A. Cash system B. Accrual system C. Mercantile system D. Single system |
| 4 | Errors which affect one account can be | A. errors of principle B. errors of posting C. errors of omission D. none of these |
| 5 | Purchased goods on credit and for cash will affect | A. cash & goods B. cash & creditors C. cash creditors & owner's equity D. cash goods and creditors |
| 6 | When cheque received, and deposited into bank, bank account must be | A. Credited B. Debited C. Both debited & credited D. None of these |
| 7 | All the transactions related to credit sales are recorded in | A. Sales returns book B. Sales book C. Cash book D. Credit note book |
| 8 | If the error committed in the capital account, it will affect | A. trading account B. profit & loss account C. trading and profit & loss account D. balance sheet |
| 9 | Assets which have no market value are called | A. Wasting assets B. Fictitious assets C. Intangible assets D. Tangible assets |
| 10 | Provision for the doubtful debts is debited to | A. Debtors a/c B. Provision for bad debts a/c C. Profit or loss a/c D. Bad debts recovered a/c |
| 11 | Outstanding expense given in adjustment is called | A. An asset B. A gain C. An expense D. A liability |
| 12 | 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 |
| 13 | Any mistake in ledger can be easily detected with the help of: | A. Journal B. Balance sheet C. Trial balance D. Financial statement |
| 14 | .The cash book is a | A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance |

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| 15 | The book use to record all credit purchases is called: | A. Purchases book B. Purchase return book C. Cash book D. Creditor book |
| 16 | An expenditure, incurred to improve the position of the business is known as | A. Deferred expenditure B. Revenue expenditure C. Capital expenditure D. Recurring expenditure |
| 17 | An expenditure which is incurred again and again is a: | A. Capital expenditure B. Future expenditure C. Deferred expenditure D. Revenue expenditure |
| 18 | In journalizing the page numbers of the ledgers are written in: | A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal |
| 19 | 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 |
| 20 | Double entry means | A. entry in two sets of books B. entry at two dates C. entry for two aspects of a transaction D. recording twice in journal |