

## Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Unfavourable balance means	A. Credit Balance in the Pass Book B. Credit Balance in the Cash Book C. Debit Balance in Bank Statement D. Both b and c
2	A revenue expenditure, the benefit of which is not confined to one accounting year is called	A. Non-current expenditure B. Revenue expenditure C. Future expenditure D. Deferred expenditure
3	The balance of the trading account is the transferred to:	A. Profit and loss account B. Balance sheet C. Work sheet D. Position statement
4	An error completely omitted to be entered in the journal	A. partial error B. error of posting C. error of casting D. complete error
5	Sales returns book periodical total is posted to	A. Debit of returns inwards account B. Credit of returns inwards account C. Debit of returns outwards account D. Credit of returns outwards account
6	Which one of the following is appeared in the balance sheet ?	A. revenue expenditure B. capital expenditure C. deferred revenue D. both b,c
7	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
8	Rent account' is a kind of:	A. Real account B. Personal account C. Nominal account D. <div>Capital account</div>
9	The process of totaling the data at the end of the period is called	A. posting B. casting C. compensating D. recording
10	_____ must be prepaid for testing ledger accounts, adjusting entries and financial statement	A. Work sheet B. Balance sheet C. Bank statement D. Trail balance
11	The transactions, the effect of which is not exhausted with in the current accounting year are called	A. Revenue transaction B. Capital transaction C. Current transaction D. Monetary transaction
12	A gradual decrease in the value of fixed assets is called	A. Reduction B. Revaluation C. Depreciation D. None of these
13	A sheet which minimizes the chances of errors to the maximum possible extent is called	A. Balance sheet B. Work sheet C. Paper sheet D. Income statement
14	A balance sheet is a	A. Statement of income and expenditure B. Statement of debtors and creditors C. Financial statement of a business on a particular date D. Statement of profit earned by a busniess
		A. Sales - returns outwards

15	Net purchases are equal to	B. Purchases + returns inwards C. Purchases - returns outwards D. Purchases + returns outwards
16	In the preparation of worksheet the amounts in the trail balance are taken directly from the _____	A. Ledger B. Trial balance C. Balance sheet D. None of these
17	.The cash book is a	A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance
18	Allowance for discount on account receivable is calculated on the amount of account receivable	A. Before deducting the allowance for doubtful debts B. Left after deducting the allowance for doubtful debts C. Before deducting the actual bad debts D. None of these
19	Contain all residual account	A. Debtors Ledger B. Creditors Ledger C. General Ledger D. Cash Ledger
20	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