

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

Sr	Questions	Answers Choice
1	The Principle book of accounts is	A. Journal B. Ledger C. Trial Balance D. Balance Sheet
2	One way of avoiding errors in the permanent accounting records is to use a form which is called	A. Bank statement B. Trail balance C. Balance sheet D. Work sheet
3	Expenses paid by a business decrease	A. cash B. capital C. cash & capital D. none of these
4	Both cash purchases as well as credit purchases are recorded in	A. Cash book B. Purchase book C. Purchases account D. None of these
5	When an acceptor refuses to pay the amount of bill to the holder on its maturity date it is called	A. Honoured Bill B. Retired Bill C. Dishonoured Bill D. Endorsed Bill
6	Ahmad's account is an example of	A. real account B. personal A/c C. nominal account D. none of these
7	The revenue profit should be transferred to:	A. Balance sheet B. Trading account C. Profit and loss account D. None of these
8	The act result of the business activities is shown by:	A. Profit and loss account B. Profit & loss appropriation account C. Trading account D. Balance sheet
9	Expenditure is revenue expenditure because	A. It is intended to benefit the current period B. The amount involved is small C. It is deducted from the gross sale proceeds D. None of these
10	In case of a debt becoming bad, the amount should be credited to	A. Debtor's a/c B. Bad Debts a/c C. Sales a/c D. cash a/c
11	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
12	Bank Reconciliation represents	A. A Journal B. A Ledger C. A Statement D. both a and c
13	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
14	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
		A. Revenue expenditure

15	Wages paid for the construction of building is an example of	<b>B. Capital expenditure</b> C. Recurring expenditure D. Short-term expenditure
16	Trade expenses of Rs. 180 posted in the ledger as Rs. 810, it will be considered as	A. Error of principle B. Error of omission C. Error of casting <b>D. Error of transposition</b>
17	The process of totaling the data at the end of the period is called	A. posting <b>B. casting</b> C. compensating D. recording
18	Accounting principles can be classified in	A. three types <b>B. two types</b> C. five types D. six types
19	When saleable goods are bought in a business are called:	A. Sales <b>B. Purchase</b> C. Assets D. Goods
20	A document given by the seller to the buyer for credit sale of goods or assets is called	A. Cash memo <b>B. Invoice</b> C. Voucher D. None of these