

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The expenses which are incurred for the generation of revenues from the sales of goods are called	A. Non-operating expenses B. Selling expenses C. Operation expenses D. Administrative expenses
2	Gross profit is derived from	A. Trading a/c B. Profit & Loss a/c C. Trial Balance D. Balance Sheet
3	Bank reconciliation statement is prepared by	A. Banker B. Customer's accountant C. Auditors D. Manager
4	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
5	Distinction between capital and revenue items is important for the preparation	A. Balance sheet B. Trading and profit or loss a/c C. Bank reconciliation statement D. Both a & b
6	It is used to record only cash receipts and payments	A. Single column cash book B. Double column cash book C. Treble column cash book D. Sales book
7	Salary outstanding account relevant to:	A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts
8	Premium on issue of shares of a company represents	A. capital loss B. capital profit C. capital payment D. none of these
9	Preliminary expenses incurred before the commencement of business	A. revenue expenditure B. capital expenditure C. deferred revenue expenditure D. capital loss
10	Credit Balance of pass book must be equal to debit balance of	A. Cash Book B. Bank Ledger C. Clients other Account D. None of these
11	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
12	Which one of the following is a direct expense?	A. Packing expense B. Advertisement expense C. Manufacturing expense D. Traveling expense
13	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
14	If amount for Rs. 554 recovered from Ali, previously written off as bad debts we should	A. Debited to bad debts recovered account B. Credited to Ali account C. Debited to bad debts account D. Credited to bad debts recovered account
15	In form journal. the first column represents:	A. Ledger Folio B. Data

		C. Amount D. Debit
16	Payment of Rs. 50 to Raheel as wages for repairing machine should be debited to	A. Machinery a/c B. Repair a/c C. Wages a/c D. Raheel a/c
17	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
18	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
19	All the transactions recorded to credit sales are recorded in:	A. Sale return book B. Sales book C. Cash book D. Debtor's book
20	Narration is always written:	A. Above each entry B. Below each entry C. Between of each entry D. None of these