Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Disagreement in balances may arise owing to mistake or mistakes in the:	A. Cash book only B. Bank statement C. Cash book or bank statement D. Bank column of the cash book only
2	When a drawee honours his acceptance, he will credit	A. Capital Account B. Drawer Account C. Bill Payable Account D. Cash Account
3	Capital contributed by the partners is a:	A. Revenue receipt B. Capital receipt C. Current receipt D. Deferred receipt
4	Cash account is concerned with:	A. Real account B. Personal account C. Nominal account D. Capital account
5	The const concept applied only to the assets and not to:	A. Expenses B. Liabilities C. Incomes D. None of these
6	Accounting principles can be classified in	A. three types B. two types C. five types D. six types
7	The book use to record all credit purchases is called:	A. Purchases book B. Purchase return book C. Cash book D. Creditor book
8	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
9	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
10	The errors in which amount have occurred on the opposite sides of two or more accounts and have concealed themselves in the net result, are:	A. Error of principle B. Errors of omission C. Errors of commission D. Compensating error
11	All those expenses which are incurred to convert raw-materials into finished goods are called:	A. Direct expenses B. Indirect expenses C. Administrative expenses D. Sales expenses
12	Work sheet is also used as a source to prepare _____	A. Financial statement B. Income statement C. Position statement D. Bank reconciliation statement
13	When cash is withdrawn from the bank for the personal use of the owner, must be debited to	A. Cash account B. Bank account C. Drawings account D. Capital account
14	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
15	It is the price of goods sold or services provided by a business to its customers	A. Asset B. Cost C. Capital

		D. Revenue
16	All the time of endorsement of a bill the drawer credits:	A. The drawee account B. The endorser's personal account C. Bill receivable account D. Endorser's account
17	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book D. Purchases and sales book
18	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
19	The Legal tenor of a bill is	A. Sixty Days B. One Month C. Eighty Days D. Ninety Days
20	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