

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Accounts relating to persons of firms are called:	A. Real accounts B. Proprietary accounts C. Personal accounts D. Nominal accounts
2	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
3	Wages paid for the construction of building is an example of	A. Revenue expenditure B. Capital expenditure C. Recurring expenditure D. Short-term expenditure
4	Gross profit equals to	A. Net profit minus expenses B. Sales minus closing stock C. Purchases minus closing stock D. Sales minus cost of goods sold
5	Suspense means	A. certainty B. uncertainty C. surly D. none of these
6	The gross amount of goods sold or services performed during an accounting period is known as	A. Purchase B. Sale C. Gross profit D. Net profit
7	When a drawer discounts a bill, he debits	A. Bank Account B. Interest Account C. Drawee Account D. Bill Receivable Account
8	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
9	The favourable balance of bank statement is	A. Credit Balance B. Debit Balance C. Zero Balance D. Both b and c
10	In double entry system of bookkeeping every business transaction affects:	A. Debit or credit side of the same account B. Two accounts C. The same side of the same account D. None of the above
11	The amount of assets, liabilities, capital and drawings are extended form adjusted trail balance to the	A. Balance sheet columns B. Income statement columns C. Cash columns D. Bank columns
12	Record of business transaction in the journal is called	A. Detail B. Summary C. Narration D. Entry
13	Worksheet provides complete information for preparing	A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement
14	The book which is used to record all goods returned to us by our customers is called	A. Returns outwards book B. Returns inwards book C. Sales book D. Cash book

15	Bill receivable book represents	A. Ledger B. Journal C. Trail balance D. All of above
16	Expenses paid by a business decrease	A. cash B. capital C. cash & capital D. none of these
17	Cash account is a	A. Personal account B. Nominal account C. Real account D. Both personal and real account
18	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
19	Accounting principles can be classified in	A. three types B. two types C. five types D. six types
20	The is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trail balance