

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
3	An expenditure, which is completely exhausted with in the current accounting period is known as	A. Deferred expenditure B. Revenue expenditure C. Future expenditure D. Non-recurring expenditure
4	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
5	The debts, the recovery of which is uncertain are called	A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c
6	Events which are related with money are called:	A. Monetary events B. Non - monetary events C. None-social events D. Political events
7	The Legal tenor of a bill is	A. Sixty Days B. One Month C. Eighty Days D. Ninety Days
8	If any income omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & b D. having no effect on profit
9	The accrued income or outstanding income will appear in the balance sheet as	A. An expense B. A liability C. An asset D. Both a & b
10	A bill of exchange is a / an	A. Promise B. Unconditional Order C. Request D. Conditional Order
11	When boan statement shown a debit total balance it means:	A. Overdraft as per cash book B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Overdraft as per bank statement
12	When a bill is discharged the acceptor debits:	A. Creditors account B. Cash account C. Bill payable account D. Bill receivable account
13	Net sales equal to	A. Sales - Returns outwards B. Sales + Returns inwards C. Sales - Returns inwards D. Purchases - Returns inwards
14	Worksheet contains _____ pairs of money columns	A. Five B. Four C. Three D. Two
15	Drawings are deducted from	A. Sales B. Income C. Capital

		D. Expenses
16	A bill from the point of view of a debtor is called	A. Bill Acceptable B. Bill Receivable C. Bill Payable D. None of these
17	When is a drawee is declared insolvent which account is to be debited in the books of drawer	A. Deficiency a/c B. Bad Debts a/c C. Solvency a/c D. None of these
18	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & c
19	From business point of view, Interest on capital is considered as	A. An income B. An expense C. A profit D. A liability
20	The Amount of salary paid to Sohail should be debited to	A. Sohail's a/c B. Cash Account C. Salaries a/c D. Both a & c