

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Unfavorable balances mean	A. Credit balance in the pass book B. Credit balance in the cash book C. Debit balance in bank statement D. Both b & c
2	Which one of the following is appeared in the balance sheet ?	A. revenue expenditure B. capital expenditure C. deferred revenue D. both b,c
3	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
4	Income statement is prepared to ascertain the net result of the business concern under	A. British accounting system B. American accounting system C. Cash system of accounting D. None of these
5	If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an	A. Error of commission B. Error of principle C. Compensating error D. Error of principle
6	Cost of redecorating a cinema hall is a	A. Capital expenditure B. Capital loss C. Revenue expenditure D. None of these
7	Error which affects profit and loss account relates to	A. Nominal account B. Property account C. Personal account D. None of these
8	The document evidencing cash receipts and payments and forming the basis for making entries in the cash book is called:	A. Receipt voucher B. Payment voucher C. Cash voucher D. Cash memo
9	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
10	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
11	In the preparation of worksheet the amounts in the trail balance are taken directly form the _____	A. Ledger B. Trail balance C. Balance sheet D. None of these
12	All the bills given to the creditors are recorded in	A. Creditor's book B. Bills payable book C. Bills receivable book D. Bank book
13	Net sales - cost of goods sold - operating expenses = ?	A. Net purchases B. Cost of goods sold available for sale C. Net operating income D. Gross Profit
14	Deprecation is	A. A Liability B. A loss C. An expense D. Both b & c
15	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book

16	The transactions, the effect of which is not exhausted with in the current accounting year are called	A. Revenue transaction B. Capital transaction C. Current transaction D. Monetary transaction
17	Which cash is paid or received in an exchange the transaction is called:	A. Sale transaction B. Cash transaction C. Credit transaction D. None of the above
18	Which book is used to record all cash receipts and cash payments?	A. Sale book B. Purchase book C. Cash book D. Petty cash book
19	The money can be deposited into bank by means of	A. Cash book B. Cheque book C. Pay-in-slip book D. Pass book
20	When ban column of a cash book shows a debit balance it means:	A. Overdraft as per bank B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Favourable balance as per pass book
