

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Bill receivable book represents	A. Ledger B. Journal C. Trail balance D. All of above
2	How many categories of accounts are	A. two B. three C. four D. five
3	Premium on issue of shares of a company represents	A. capital loss B. capital profit C. capital payment D. none of these
4	Assets come into existence upon the happening of a certain event, are called:	A. Fixed assets B. Fictitious assets C. Floating assets D. Contingent assets
5	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
6	Real accounts are related to:	A. Assets B. Expenses, losses and incomes C. Customers, creditors D. Incomes
7	Expenditure, which helps to maintain the business efficiency is called	A. Revenue expenditure B. Deferred expenditure C. Capital expenditure D. Future expenditure
8	Cash of sales is equal to	A. Sales - purchases B. Purchases - return + closing stock C. Opening stock + Purchases (Net) - Closing stock D. Sales + Opening stock - (Purchases + Closing stock)
9	Bad debts are	A. Deferred expenditure B. Revenue expenditure C. Capital expenditure D. None of these
10	Journal shows all necessary information regarding.	A. The document B. A transaction C. The accounting D. Meeting
11	A book which is used to record small expenses is called	A. Expenses book B. Cash book C. Petty cash book D. Purchases book
12	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
13	Nominal account are related to:	A. Assets and liabilities B. Expenses, losses and incomes C. Customers, creditors etc D. Capital account
14	The valuation of closing stock is at	A. Cost price B. Market price C. Cost or market price whichever is lower D. Cost or market price whichever is higher

15	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
16	Which book is used to record all credit purchases?	A. Purchases book B. Purchases book return C. Cash book D. Debit note book
17	Bill receivable account is a:	A. Nominal account B. Personal account C. Real account D. Expenses account
18	_____ simplifies work to be done at the end of the period	A. Work sheet B. Ledger C. Trail balance D. Balance sheet
19	When bank column of a cash book shows a credit balance, it means:	A. Cash balance B. Bank balance C. Under draft D. Over draft
20	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