

## Principles of accounting Icom Part 1 English Medium Online Test

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Sr	Questions	Answers Choice
1	Transaction, having short-term effects are known as	A. Revenue transaction     B. Capital transaction     C. Non-monetary transaction     D. Paper transaction
2	The margin that is available to cover the other expenses for a period and to yield net income is known as	A. Net profit B. Gross profit C. Net sales D. Cost of goods sold
3	Errors of omission affects	A. One account B. Two account C. Three account D. None of these
4	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
5	Accommodation bills are drawn accepted and endorsed	A. Without any Consideration B. for some Consideration C. for Quarter Consideration D. none of the above
6	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
7	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
8	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
9	If a liability is recorded as income, it will be considered as	A. Error of commission B. Error of omission C. Error of Principle D. None of these
10	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
11	The amount invested by the owner in the business to produce revenue is known as	A. Income B. Asset C. Capital D. Liability
12	A double column cash book is used to record	A. Cash transactions only B. Cash and bank transaction C. Cash, bank and discount transaction D. None of these
13	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
14	If a transaction has been completely omitted from the Journal it will be considered	A. Error of commission B. Error of principle C. Error of omission D. None of these
15	The concept of conservation will have the effect of:	A. Understatement of assets B. Under statement of liabilities C. Overstatement of assets

		D. None of the above
16	All the transactions related to credit sales are recorded in	A. Sales returns book B. Sales book C. Cash book D. Credit note book
7	An expenditure, which is temporarily increase the profit making capacity of the business is called	A. Deferred expenditure     B. Capital expenditure     C. Revenue expenditure     D. Non-recurring expenditure
18	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
19	Work sheet is also used as a source to prepare	A. Financial statement B. Income statement C. Position statement D. Bank reconciliation statement
20	A document is sent to customer when he returns the goods is called	A. Promissory note B. Debit note C. Currency note D. Credit note