

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

Sr	Questions	Answers Choice
1	The _____ is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trail balance
2	Any difference in trial balance is transferred to	A. sales account B. nominal account C. purchases account D. suspense account
3	Disagreement in balances may arise owing to mistake or mistakes in the:	A. Cash book only B. Bank statement C. Cash book or bank statement D. Bank column of the cash book only
4	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
5	A sale of Rs. 1000 to Farid, was credited to his account, it will affect	A. Sales account B. Farid account C. Cash account D. Both a & b
6	Cheques issued to a creditor but not presented for payment are called	A. Un Credited Cheques B. Uncollected Cheques C. Un Presented Cheques D. Dishonoured Cheques
7	A book which is used to record small expenses is called	A. Expenses book B. Cash book C. Petty cash book D. Purchases book
8	Both cash purchases as well as credit purchases are recorded in	A. Cash book B. Purchase book C. Purchases account D. None of these
9	Expired cost of fixed assets means	A. Appreciation B. Amortization C. Depreciation D. None of these
10	All those expenses which have not become due but paid in advance are called	A. Accrued expenses B. Outstanding expenses C. Prepaid expenses D. Payable expenses
11	In adjusting the cash balance one of the following is not taken into account:	A. Mistakes in the cash book B. Mistake in the bank statement C. Interest and dividends credited in the bank statement D. None of the above
12	The excess of credit column over debit column in income statement is called	A. Net loss B. Net profit C. Cash balance D. Gross profit
13	When two or more than two error occurred on the opposite side of the account and cancelled the affect of each are called	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principle
14	Capitalized expenditure are shown in	A. Trading a/c B. Profit or loss a/c C. Income statement D. Balance sheet
15	Adjusting entries affect	A. Balance sheet B. Income statement C. Work sheet D. None of these

D. All of them

16	If sales are Rs. 12000 Gross profit is 10% of sales and net profit is 5% of sales then the expenses will be	A. 1200 B. 600 C. 1800 D. 2400
17	Sales returns book periodical total is posted to	A. Debit of returns inwards account B. Credit of returns inwards account C. Debit of returns outwards account D. Credit of returns outwards account
18	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
19	Interest on drawings is	A. An asset B. A liability C. An expense D. A revenue
20	Profit or loss appropriation account is not prepared in the case of	A. Partnership B. Joint stock company C. Sole tradership D. Partnership at will