

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	According to accounting equation, capital is equal to	A. assets + liabilities B. expenses-incomes C. liabilities - assets D. assets - liabilities
3	Worksheet provides complete information for preparing	A. Income statement B. Position statement C. Financial statement D. Bank reconciliation statement
4	Record of business transaction in the journal is called	A. Detail B. Summary C. Narration D. Entry
5	Purchased goods on credit and for cash will affect	A. cash & goods B. cash & creditors C. cash creditors & owner's equity D. cash goods and creditors
6	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
7	Preliminary expenses incurred before the commencement of business	A. revenue expenditure B. capital expenditure C. deferred revenue expenditure D. capital loss
8	It is prepared to determine the net profit or net loss	A. Trading account B. Profit or loss account C. Cash book D. Balance sheet
9	The bad debts which are showed in the trial balance are called	A. new bad debts B. old bad debts C. further bad debts D. additional bad debts
10	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & b D. Cash book
11	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
12	Bad debts recovered from debtors should be credited to	A. Debtors a/c B. Bad debts a/c C. Bad debts recovered a/c D. Cash a/c
13	When cash is received from debtor or customer, generally a receipt is issued to the debtor which is called	A. Payment voucher B. Receipt voucher C. Cash voucher D. None of these
14	A copy of the customer's account in the bank's ledger is called:	A. Deposit statement B. Balance statement C. Bank statement D. Customer
15	.The cash book is a	A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance

16	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بدستور ہیں اس قانون کو کہتے ہیں	A. قانون تقلیل افادہ مختتم B. قانون مساوی افادہ مختتم C. قانون طلب D. قانون تقلیل حاصل
17	Allowance for discount on account receivable is calculated on the amount of account receivable	A. Before deducting the allowance for doubtful debts B. Left after deducting the allowance for doubtful debts C. Before deducting the actual bad debts D. None of these
18	The transaction for which non separate book is maintained are recorded in:	A. Journal proper B. Bills receivable book C. Bills payable book D. Cash book
19	In journalizing the page numbers of the ledgers are written in:	A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal
20	If sales return for Rs. 3,000 were incorrectly included in sales book, gross profit will be	A. overstated by Rs. 3,000 B. understated by Rs. 6,000 C. understated by Rs. 3,000 D. overstated by Rs. 6,000