

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

| Sr | Questions   | Answers Choice  |
|----|---|---|
| 1  | Net loss is always  | A. Equal to gross loss     B. More than gross loss     C. Less than gross loss     D. None of these   |
| 2  | It is used to record cash, bank and discount transactions on debit and credit side      | A. Single column cash book B. Petty cash book C. Double column cash book D. Treble column cash book   |
| 3  | Credit Balance of pass book must be equal to debit balance of                           | A. Cash Book B. Bank Ledger C. Clients other Account D. None of these   |
| 4  | Gross profit equals to  | A. Net profit minus expenses     B. Sales minus closing stock     C. Purchases minus closing stock     D. Sales minus cost of goods sold                |
| 5  | Suspense means  | A. certainty B. uncertainty C. surly D. none of these   |
| 6  | An expenditure, which is non-recurring and irregular is called                          | A. Capital expenditure B. Revenue expenditure C. Short-term expenditure D. Current expenditure  |
| 7  | According to accounting equation, capital is equal to                                   | A. assets + liabilities B. expenses-incomes C. liabilities - assets D. assets - liabilities   |
| 8  | 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  |
| 9  | When balance of suspense account has debit balance it will be shown in balance sheet on | A. Liability side B. Capital side C. Asset side D. Credit side  |
| 10 | Book-keeping is mainly concerned with:  | A. Recording of business transactions B. Recording classifying and summarizing the recorded data C. Interpreting the recorded data D. None of the above |
| 11 | The time after which the bill is to be paid   | A. Grace Days B. Tenor C. Due Date D. Extra Days  |
| 12 | 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  |
| 13 | Patent is an example of   | A. Assets B. Liabilities C. Income D. Expense   |
| 14 | The process of totaling the data at the end of the period is called                     | A. Posting B. Casting C. Compensating D. Recording  |
| 15 | Wages paid of installing a machine should be debited to                                 | A. Wages a/c<br>B. cash a/c<br>C. Machinery a/c   |

|    |   | D. None of these  |
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| 16 | When boan statement shown a debit total balance it means: | A. Overdraft  as per cash book B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Overdraft as per bank statement |
| 17 | Wages paid for installing a machine should be debited to  | A. Wages a/c B. Cash a/c C. Machinery a/c D. none of these  |
| 18 | Net profit is equal to                                    | A. Gross profit - expenses B. Sales - Cost of goods sold C. Sales - expenses D. Capital - expenses  |
| 19 | Any difference in trial balance is transferred to         | A. sales account B. nominal account C. purchases account D. suspense account  |
| 20 | Record of business transaction in the journal is called   | A. Detail B. Summary C. Narration D. Entry  |