

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A receipt is revenue in nature, if it relates to:	A. Balance sheet B. The receipt of accounting year C. Small amount D. Routine activity of the business
2	The owner of the business is known as:	A. Sale man B. Agent C. Proprietor D. Employee
3	Adjusting entries affect	A. Balance sheet B. Income statement C. Work sheet D. All of them
4	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book D. Purchases and sales book
5	The price of goods sold or services rendered to the customers is called	A. Sale B. Profit C. Expense D. Revenue
6	Which one of the following is appeared in the balance sheet	A. Revenue expenditure B. Capital expenditure C. Deferred expenditure D. Both b & c
7	The money with which business is started is known as:	A. Capital B. Creditor C. Income D. Debtor
8	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
9	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
10	The expenses which are incurred for the generation of revenues from the sales of goods are called	A. Non-operating expenses B. Selling expenses C. Operation expenses D. Administrative expenses
11	Subsidiary books are called the book of:	A. Original entry B. Secondary entry C. Temporary entry D. Basic entry
12	Ahmad's account is an example of	A. real account B. personal A/c C. nominal account D. none of these
13	Excise duty is a	A. Direct revenue B. Indirect revenue C. Direct expense D. Indirect expense
14	An Entry which is recorded on the both sides of cash book is called	A. Simple Entry B. Compound Entry C. Combined Entry D. Contra Entry
15	Financial statement is prepared from the amount given in	A. Trail balance columns B. Adjustments columns C. Cash columns D. Adjusted trail balance columns

16	The account of depreciation of building of Rs. 30,000 at 5% p.a. will be	A. Rs. 20,00 B. Rs. 15,00 C. Rs. 25,00 D. Rs. 5,00
17	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
18	If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an	A. Error of commission B. Error of principle C. Compensating error D. Error of principle
19	The accounts of assets and properties	A. nominal accounts B. real accounts C. personal accounts D. valuation accounts
20	The _____ is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trail balance