

Principles of accounting Icom Part 1 English Medium Online Test

C _r	Quartiera	Anguara Chaire
Sr	Questions	Answers Choice
1	The gross amount of goods sold or services performed during an accounting period is known as	A. Purchase B. Sale C. Gross profit D. Net profit
2	The credit purchases were wrongly recorded in sales book, the rectification of entry	A. Increase the net profit by double amount B. Decrease the net profit by double amount C. Decrease the net profit D. Increase the net profit
3	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
4	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
5	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
6	Which book is used to record all credit purchases?	A. Purchases book B. Purchases book return C. Cash book D. Debit note book
7	Suspense means	A. certainty B. uncertainty C. surly D. none of these
8	Accounts relating to persons of firms are called:	A. Real accountsB. Proprietary accountsC. Personal accountsD. Nominal accounts
9	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
10	Assets come into existence upon the happening of a certain event, are called:	A. Fixed assets B. Fictitious assets C. Floating assets D. Contingent assets
11	The book use to record all credit purchases is called:	A. Purchases book B. Purchase return book C. Cash book D. Creditor book
12	If any income omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & D. having no effect on profit
13	All the bills given to the creditors are recorded in	A. Creditor's book B. Bills payable book C. Bills receivable book D. Bank book
14	Errors of omission affects	A. One account B. Two account C. Three account D. None of these
		A. Sales account

15	Any difference in trail balance, is transferred to	B. Nominal account C. Purchases account D. Suspense account
16	The Amount of salary paid to Sohail should be debited to	A. Sohail's a/c B. Cash Account C. Salaries a/c D. Both a & D. Both a & D. Both a
17	Transportation cost paid for the purchases of Machinery must be debited to	A. Transportation cost account B. Purchases account C. Machinery account D. Cash account
18	All the time of endorsement of a bill the drawer credits:	A. The drawee account B. The endorser's personal account C. Bill receivable account D. Endorser's account
19	Subsidiary books are called books of	A. Original entry B. Secondary entry C. Final entry D. Basic entry
20	An expenditure, incurred to improve the position of the business is known as	A. Deferred expenditure B. Revenue expenditure C. Capital expenditure D. Recurring expenditure