

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
2	Outstanding expense given in adjustment is called	A. An asset B. A gain C. An expense D. A liability
3	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
4	An expenditure incurred to the increases the profit earning of the concern is a:	A. Revenue expenditure B. Current expenditure C. Capital receipt D. Capital expenditure
5	An income which has earned but not received is called	A. Unearned income B. Accrued revenue C. Revenue received in advance D. None of these
6	Retiring a bill under rebate means	A. Payment of Bill Before Due Date B. Payment of Bill After due date C. Discounting of a Bill D. Dishonouring of a Bill
7	Cost of goods sold is equal to	A. sales - purchases B. purchases + closing stock - returns outwards C. Opening stock - closing stock + purchase + returns inwards D. Opening stock + purchases - returns outwards - closing stock
8	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
9	If the error committed in the capital account, it will affect	A. trading account B. profit & loss account C. trading and profit & loss account D. balance sheet
10	If the balance of suspense account is credit then it will be shown in balance sheet on	A. Asset side B. Asset and liability side C. Asset and capital side D. Capital and liability side
11	Which column is prepared in single column cash book?	A. Bank Column B. Cash Column C. Discount Column D. All of the Above
12	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
13	Expired cost of fixed assets means	A. Appreciation B. Amortization C. Depreciation D. None of these
14	A double column cash book is used to record	A. Cash transactions only B. Cash and bank transaction C. Cash, bank and discount

		transaction D. None of these
15	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account
16	The person to whom a bill is addressed is the:	A. Debtor B. Creditor C. Holder D. Agent
17	Assets having some market value	A. Fictitious Assets B. Real Assets C. Unreal Assets D. None of these
18	The Principle book of accounts is	A. Journal B. Ledger C. Trial Balance D. Balance Sheet
19	Any expenditure incurred to increase the earning capacity of a business	A. capital expenditure B. capital loss C. revenue loss D. revenue expenditure
20	Raw material destroyed in fire represents	A. capital loss B. revenue loss C. normal loss D. both b, c