

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Sales are equal to	<p>A. Cost of goods sold + Profit</p> <p>B. Gross profit - cost of goods sold</p> <p>C. Cost of goods sold - gross profit</p> <p>D. None of these</p>
2	Cost of goods sold is equal to	<p>A. sales - purchases</p> <p>B. purchases + closing stock - returns outwards</p> <p>C. Opening stock - closing stock + purchase + returns inwards</p> <p>D. Opening stock + purchases - returns outwards - closing stock</p>
3	Cash of sales is equal to	<p>A. Sales - purchases</p> <p>B. Purchases - return + closing stock</p> <p>C. Opening stock + Purchases (Net) - Closing stock</p> <p>D. Sales + Opening stock - (Purchases + Closing stock)</p>
4	A bill from the point of view of a creditor is called a:	<p>A. Bill payable</p> <p>B. Bill receivable</p> <p>C. Bil acceptable</p> <p>D. Bill rejectable</p>
5	The accrued income or outstanding income will appear in the balance sheet as	<p>A. An expense</p> <p>B. A liability</p> <p>C. An asset</p> <p>D. Both a & b</p>
6	A bill of exchange is drawn by:	<p>A. A debtor</p> <p>B. A creditor</p> <p>C. A holder</p> <p>D. Endorsee</p>
7	The account of depreciation of building of Rs. 30,000 at 5% p.a. will be	<p>A. Rs. 20,00</p> <p>B. Rs. 15,00</p> <p>C. Rs. 25,00</p> <p>D. Rs. 5,00</p>
8	Cash account is a:	<p>A. Personal account</p> <p>B. Real account</p> <p>C. Nominal account</p> <p>D. Both real and personal account</p>
9	A sheet which minimizes the chances of errors to the maximum possible extent is called	<p>A. Balance sheet</p> <p>B. Work sheet</p> <p>C. Paper sheet</p> <p>D. Income statement</p>
10	It is used to record cash, bank and discount transactions on debit and credit side	<p>A. Single column cash book</p> <p>B. Petty cash book</p> <p>C. Double column cash book</p> <p>D. Treble column cash book</p>
11	All cash purchases and cash sales are recorded in:	<p>A. Sales book</p> <p>B. Purchases book</p> <p>C. Both a & b</p> <p>D. Cash book</p>
12	Which one of the following is a direct expense?	<p>A. Custom duty</p> <p>B. Carriage</p> <p>C. Wages</p> <p>D. All of above</p>
13	Bank for collection is a	<p>A. Permanent Account</p> <p>B. Fixed Account</p> <p>C. Current Account</p> <p>D. Temporary Account</p>
14	Octori duty paid on machinery, is an example of	<p>A. Revenue expenditure</p> <p>B. Recurring expenditure</p> <p>C. Capital expenditure</p> <p>D. Both a & b</p>

15	In case of a debt becoming bad, the amount should be credited to	A. Debtor's a/c B. Bad Debts a/c C. Sales a/c D. cash a/c
16	The body of worksheet contains	A. Two pairs of money column B. Three pairs of money column C. Four pairs of money column D. Five pairs of money column
17	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
18	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
19	In three column cash book, discount column is	A. Totaled B. Balanced C. Carry Forward D. Both a and b
20	Real accounts are related to:	A. Assets B. Expenses, losses and incomes C. Customers, creditors D. Incomes