Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The concept of conservation will have the effect of:	A. Understatement of assets B. Under statement of liabilities C. Overstatement of assets D. None of the above
2	Bank Reconciliation represents	A. A Journal B. A Ledger C. A Statement D. both a and c
3	The favorable balance of cash book bank column is	A. Credit balance B. Debit balance C. Both debit and credit balance D. None of these
4	Some expenses are incurred at the time of the sate of an asset. The Amount will be debited to:	A. Assets account B. Expenses account C. Cash account D. Purchases account
5	An error completely omitted to be entered in the journal	A. partial error B. error of posting C. error of casting D. complete error
6	Wages paid for the erection of machine debited to wages account is an example of	A. Error of omission B. Error of commission C. Error of principle D. None of these
7	Double entry means	A. entry in two sets of books B. entry at two dates C. entry for two aspects of a transaction D. recording twice in journal
8	Which one of the following in used to simplify work, to be done at the end of period	A. Balance sheet B. Income sheet C. Bank statement D. Work sheet
9	Subsidiary books are called the book of:	A. Original entry B. Secondary entry C. Temporary entry D. Basic entry
10	Income tax paid is a	A. Business expense B. Revenue for business C. Liability of business D. Personal expense
11	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
12	The debts, which are irrecoverable from the debtors, are called	A. Debts B. Doubtful debts C. Bad debts D. Good debts
13	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
14	A document evidencing cash receipts and payments and forming the basis for making entries in the cash book is called	A. Receipt voucher B. Cash voucher C. payment voucher D. Cash memo
15	Left hand side of an account is called	A. Debit Side B. Credit Side C. Both a & b

		D. None of these
16	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
17	The amount becomes due from the customers is called	A. Allowance B. Loan C. Debts D. Doubtful debts
18	When cash is withdrawn from the bank for the personal use of the owner, must be debited to	A. Cash account B. Bank account C. Drawings account D. Capital account
19	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
20	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit