

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The cash book is a	A. Subsidiary Journal B. Ledger Account C. Subsidiary Journal and Ledger D. Trial Balance
2	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account
3	Ahmad's account is an example of	A. real account B. personal A/c C. nominal account D. none of these
4	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
5	Gross profit equals to	A. Net profit minus expenses B. Sales minus closing stock C. Purchases minus closing stock D. Sales minus cost of goods sold
6	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & Loss a/c D. None of these
7	An error completely omitted to be entered in the journal	A. partial error B. error of posting C. error of casting D. complete error
8	The payments side of the cash book is undercast by Rs. 200, when overdraft as per bank statement is the starting points:	A. Rs. 200 will be deducted B. Rs. 200 will be added C. Rs. 400 will be added D. Rs. 400 will be deducted
9	Accommodation bills are drawn accepted and endorsed	A. Without any Consideration B. for some Consideration C. for Quarter Consideration D. none of the above
10	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
11	A prepaid expense is	A. An asset B. A liability C. An expense D. An income
12	When a bill is discharged the acceptor debits:	A. Creditors account B. Cash account C. Bill payable account D. Bill receivable account
13	When an acceptor refuses to pay the amount of bill to the holder on its maturity date it is called	A. Honoured Bill B. Retired Bill C. Dishonoured Bill D. Endorsed Bill
14	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
15	Transaction, having short-term effects are known as	A. Revenue transaction B. Capital transaction C. Non-monetary transaction D. Paper transaction

16	The time after which the bill is to be paid	A. Grace Days B. Tenor C. Due Date D. Extra Days
17	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
18	Which cash is paid or received in an exchange the transaction is called:	A. Sale transaction B. Cash transaction C. Credit transaction D. None of the above
19	The transaction for which non separate book is maintained are recorded in:	A. Journal proper B. Bills receivable book C. Bills payable book D. Cash book
20	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
