

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
2	Any mistake in ledger can be easily detected with the help of:	A. Journal ; B. Balance sheet C. Trial balance D. Financial statement
3	In journalizing the page numbers of the ledgers are written in:	A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal
4	Our cheque to Ali & Bros, returned dishonored should be credited to	A. Cheque account B. Cash account C. Bank account D. Ali & Bros account
5	Purchased goods on credit and for cash will affect	A. cash & goods B. cash & creditors C. cash creditors & owner's equity D. cash goods and creditors
6	The person to whom a bill is addressed is the:	A. Debtor B. Creditor C. Holder D. Agent
7	The rules of the debiting the receiving and crediting the giver is applicable to:	A. Persona account B. Real account C. Nominal account D. Expense account
8	The statement which contains the explanation of different in cash book and bank statement is known as:	A. Bank statement B. Cash statement C. Balance statement D. Bank reconciliation statement
9	The balance of petty cash book is a/an	A. Asset B. Liability C. Expense D. Income
10	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
11	Heavy expenditure on advertisement for making a new product is a	A. Revenue expenditure B. Deferred expenditure C. Capital loss D. Non-recurring expenditure
12	The process of totaling the data at the end of the period is called	A. Posting B. Casting C. Compensating D. Recording
13	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
14	Accounting principles can be classified in	A. three types B. two types C. five types D. six types
15	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
16	Financial accounting is mainly confined to preparation of:	A. Manufacturing statement B. Financial statements C. Production statement D. Sale statement
17	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & b D. Cash book
18	Adjusted _____ is used to prepare the income statement and balance sheet	A. Trail balance B. Ledger C. Balance sheet D. Bank statement
19	The _____ is not a part of the permanent accounting record	A. worksheet B. Journal C. Ledger D. Trail balance
20	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