

Principles of accounting Icom Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
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| 1 | Which column is prepared in single column cash book? | A. Bank Column B. Cash Column C. Discount Column D. All of the Above |
| 2 | 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 |
| 3 | The process of totaling the data at the end of the period is called | A. Posting B. Casting C. Compensating D. Recording |
| 4 | Assets which have no physical existence are called | A. Tangible assets B. Fictitious assets C. Liquid assets D. Intangible assets |
| 5 | A document is sent to customer when he returns the goods is called | A. Promissory note B. Debit note C. Currency note D. Credit note |
| 6 | Both cash purchases as well as credit purchases are recorded in | A. Cash book B. Purchase book C. Purchases account D. None of these |
| 7 | Wages paid for the construction of building is an example of | A. Revenue expenditure B. Capital expenditure C. Recurring expenditure D. Short-term expenditure |
| 8 | Which account will be created in the presence of suspense account, if sales book is undercast by Rs. 500 | A. suspense A/c B. sales A/c C. cash A/c D. none of above |
| 9 | From the business point of view, interest on drawings is | A. An asset B. An expense C. A liability D. A revenue |
| 10 | Income received in advance during the year is | A. Prepaid Expenses B. Accrued Income C. Advance Expenses D. Advance Income |
| 11 | The capital profit should be transferred to: | A. Profit and loss account B. Trading account C. Balance Sheet D. Both Trading and profit and loss account and balance sheet |
| 12 | When balance of suspense account has debit balance it will be shown in balance sheet on | A. Liability side B. Capital side C. Asset side D. Credit side |
| 13 | The margin that is available to cover the other expenses for a period and to yield net income is known as | A. Net profit B. Gross profit C. Net sales D. Cost of goods sold |
| 14 | Loss of good by fire should be credited to: | A. Purchase account B. Sales account C. Loss by goods by fire account D. Capital account |
| 15 | The money with which business is started is known as: | A. Capital B. Creditor C. Income D. Profit |

D. Debtor

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| 16 | When is a drawee is declared insolvent which account is to be debited in the books of drawer | A. Deficiency a/c B. Bad Debts a/c C. Solvency a/c D. None of these |
| 17 | A Ledger is a book in which | A. Only Personal & Cash Accounts are Opened B. Only Real Accounts are Opened C. Only Nominal Accounts are Opened D. All Real, Nominal and Personal Accounts are Opened |
| 18 | If the total of the credit side of an account exceeds that of debit side of the same account, it is called | A. Credit Balance B. Debit Balance C. Balancing D. Zero Balance |
| 19 | Credit Balance of pass book must be equal to debit balance of | A. Cash Book B. Bank Ledger C. Clients other Account D. None of these |
| 20 | 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 |