

## Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When money is paid to a creditor or supplier a receipt is obtained from him which is called	A. Cash voucher B. Cash payment C. Receipt voucher D. Payment voucher
2	The book which is used to record all goods returned by us to our supplier is called	A. Returns inwards book B. Purchases book C. Return outwards book D. Sales book
3	If any expense omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & D. No effect on profit
4	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
5	Accounting principles can be classified in	A. three types B. two types C. five types D. six types
6	The effect of drawing on accounting equation is	A. decrease in assets and decrease in liabilities B. increase in both assets & Decrease in liabilities C. decrease in assets and increase in capital D. none of these
7	Error of carry forward will affect	A. Personal accounts B. Nominal accounts C. Impersonal accounts D. None of these
8	Which one of the following is not considered the permanent part of the accounting record?	A. Journal B. Trail balance C. Ledger D. Work sheet
9	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
10	Contain all residual account	A. Debtors Ledger B. Creditors Ledger C. General Ledger D. Cash Ledger
11	All the acceptances received from the debtors are recorded in	A. Cash book B. Bills payable book C. Debtor's book D. Bills receivable book
12	Bad debts are business	A. Expenses B. Liabilities C. Assets D. Revenue
13	The accounting system in which accounting entries are made on the basis of amount having become due for payment or receipt, is called	A. Cash system B. Accrual or mercantile system C. Outstanding system D. None of these
14	is prepared to avoid errors in the permanent records of accounting	A. Work sheet B. Ledger C. Bank statement D. Balance sheet
		A. Asset

15	The balance of petty cash book is a/an	B. Liability C. Expense D. Income
16	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & D. None of these
17	Assets which have no market value are called	A. Wasting assets B. Fictitious assets C. Intangible assets D. Tangible assets
18	The time after which the bill is to be paid	A. Grace Days B. Tenor C. Due Date D. Extra Days
19	The process of totaling the data at the end of the period is called	A. posting B. casting C. compensating D. recording
20	Acceptance to Mr. A was posted to the debit of B's account. The rectification of the entry will.	A. Increase the net profit     B. Decrease the net profit     C. Have double effect on net profit     D. Have no effect on net profit