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	In adjusting the cash balance one of the following is not taken into account:	A. Mistakes in the cash book B. Mistake in the bank statement C. Interest and dividends credited in the bank statement D. None of the abvove
3	Transaction, having short-term effects are known as	A. Revenue transaction B. Capital transaction C. Non-monetary transaction D. Paper transaction
4	Errors of affect one account can be	A. Errors of principle B. Errors of posting C. Errors of omission D. None of these
5	The cash book is a	A. Subsidiary Journal B. Ledger Account C. Subsidiary Journal and Ledger D. Trial Balance
6	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
7	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
8	Net profit is equal to	A. Gross profit - expenses B. Sales - Cost of goods sold C. Sales - expenses D. Capital - expenses
9	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
10	The account of depreciation of building of Rs. 30,000 at 5% p.a. will be	A. Rs. 20,00 B. Rs. 15,00 C. Rs. 25,00 D. Rs. 5,00
11	If sales are Rs. 12000 Gross profit is 10% of sales and net profit is 5% of sales then the expenses will be	A. 1200 B. 600 C. 1800 D. 2400
12	When cash is withdrawn from the bank for the personal use of the owner, must be debited to	A. Cash account B. Bank account C. Drawings account D. Capital account
13	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
14	Error which affects profit and loss account relates to	A. Nominal account B. Property account C. Personal account D. None of these
		A. Sale transaction

15	Which cash is paid or received in an exchange the transaction is called:	B. Cash transaction C. Credit transaction D. None of the above
16	Capital contributed by the partners is a:	A. Revenue receipt B. Capital receipt C. Current receipt D. Deferred receipt
17	All those expenses which have not become due but paid in advance are called	A. Accrued expenses B. Outstanding expenses C. Prepaid expenses D. Payable expenses
18	Events which are related with money are called:	A. Monetary events B. Non - monetary events C. None-social events D. Political events
19	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
20	When cash is paid to creditors it will decrease	A. cash B. capital C. debtor D. cash & creditors