

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

Sr	Questions	Answers Choice
1	Which of the following discloses the financial position of the business	A. Trading account B. Profit or loss account C. Profit or loss appropriation account D. Balance sheet
2	An expenditure, which is non-recurring and irregular is called	A. Capital expenditure B. Revenue expenditure C. Short-term expenditure D. Current expenditure
3	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
4	Cost incurred to generate revenue is called	A. Revenue B. Cost C. Expense D. Liability
5	Errors, which do not affect on profit calculation, will have an effect only on	A. Trail balance B. Balance sheet C. Profit or loss account D. Trading account
6	Cost of redecorating a cinema hall is a	A. Capital expenditure     B. Capital loss     C. Revenue expenditure     D. None of these
7	Narration is always written:	A. Above each entry B. Below each entry C. Between of each entry D. None of these
8	Heavy expenditure on advertisement for making a new product is a	A. Revenue expenditure     B. Deferred expenditure     C. Capital loss     D. Non-recurring expenditure
9	The excess of gross profit on sale over total operating expenses is called:	A. Cost of goods sold B. Gross profit C. Net profit D. None-operating income
10	Which one of the following is appeared in the balance sheet ?	A. revenue expenditure B. capital expenditure C. deferred revenue D. both b,c
11	A many buy Rs. 40,000 worth good and sells them for Rs. 50,000. His gross profit is:	A. Rs.10,000 B. Rs.20,000 C. Rs,30,000 D. Rs. 40,000
12	Expenses paid by a business decrease	A. cash B. capital C. cash & mp; capital D. none of these
13	paid to Nadeem cash Rs. 5000 and a cheque for Rs. 4800 in full settlement of his dued Rs. 10000 should be credited to	A. Cash account     B. Bank account     C. Discount received account     D. All of these
14	Patent is an example of	A. Assets B. Liabilities C. Income D. Expense
15	The cash book is a book of	A. Compound entry B. Original entry C. Final entry

	D. Simple entry
The balance of the 'Caha Column' in cash book is always:	A. Debit balance B. Credit balance C. Both debit and credit balance D. None of the above
Any difference in trail balance, is transferred to	A. Sales account B. Nominal account C. Purchases account D. Suspense account
Received a cheque from Bilal Rs. 1900 in ful settlement of his debt Rs. 2000 should be debited to	A. Cash account B. Discount allowed account C. Bank account D. Both a & D. Bot
Suspense means	A. certainty B. uncertainty C. surly D. none of these
Income statement is prepared to ascertain the net result of the business concern under	A. British accounting system B. American accounting system C. Cash system of accounting D. None of these
	Any difference in trail balance, is transferred to  Received a cheque from Bilal Rs. 1900 in ful settlement of his debt Rs. 2000 should be debited to  Suspense means