

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Excise duty is a	A. Direct revenue B. Indirect revenue C. Direct expense D. Indirect expense
2	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
3	All those expenses which are incurred to convert raw-materials into finished goods are called:	A. Direct expenses B. Indirect expenses C. Administrative expenses D. Sales expenses
4	Which one of the following is appeared in the balance sheet	A. Revenue expenditure B. Capital expenditure C. Deferred expenditure D. Both b & c
5	Retiring a bill under rebate means:	A. Making payment for the bill before the due date B. Making payment for the bill after the due date C. Dishonouring bill D. None of the above
6	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
7	A statement which is prepared to know the financial position of a business on a particular date, is called	A. Balance sheet B. Statement of condition C. Position statement D. All of above
8	The creditor of the business are called:	A. Assets B. Liabilities C. Capital D. Income
9	Any activity undertaken for the purpose of earning profit is called:	A. Performance B. Dealing C. Business D. Duties
10	Capitalized expenditure are shown in	A. Trading a/c B. Profit or loss a/c C. Income statement D. Balance sheet
11	Any mistake in ledger can be easily detected with the help of:	A. Journal B. Balance sheet C. Trial balance D. Financial statement
12	Credit purchases are recorded in	A. Purchases book B. Creditors book C. Cash book D. Purchases returns book
13	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
14	_____ is prepared to avoid errors in the permanent records of accounting	A. Work sheet B. Ledger C. Bank statement D. Balance sheet
15	Errors which affect one account can be	A. errors of principle B. errors of posting C. errors of omission D. errors of commission

		D. none of these
16	All expenses connected with the office and its conduct are called	A. Selling expenses B. Marketing expenses C. Service expenses D. Administrative expenses
17	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
18	When a Bill is dishonoured, the holder of the bill goes to an official called	A. Inspector B. Notary Public C. Drawer D. Manager
19	It is used to record only cash receipts and payments	A. Single column cash book B. Double column cash book C. Treble column cash book D. Sales book
20	The person to whom bill is transferred will become	A. Endorser B. Creditor C. Debtor D. Endorsee