

Principles of accounting Icom Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	The debts, the recovery of which is uncertain are called	A. Unbelievable debts B. unrealized debts C. doubtful debts D. both b and c
2	Bad debts recovered should be credited to	A. Balance Sheet B. Trading a/c C. Profit & Loss a/c D. None of these
3	The bad debts which are showed in the trial balance are called	A. new bad debts B. old bad debts C. further bad debts D. additional bad debts
4	Wages paid for installing a machine should be debited to	A. Wages a/c B. Cash a/c C. Machinery a/c D. none of these
5	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
6	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
7	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
8	Net profit is always	A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these
9	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
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	Income received in advance during the year is	A. Prepaid Expenses B. Accrued Income C. Advance Expenses D. Advance Income
12	Assets having some market value	A. Fictitious Assets B. Real Assets C. Unreal Assets D. None of these
13	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
14	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
15	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return outwards + return inwards D. Sales + return outwards - return inwards

C. Sales - return to supplier
D. both b and c