

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Goods withdrawn by the proprietor for personal use should be credited to	A. Purchase a/c B. Drawings a/c C. Expenses a/c D. Revenue a/c
2	Interest on drawing is debited to	A. Capital B. Drawings C. Sundry Creditors D. Outstanding expense
3	Income tax paid is a	A. Business Expense B. Business Revenue C. Business Liability D. Personal Expense
4	Net profit is always	A. Equal to gross profit B. more than gross profit C. Less than gross profit D. None of these
5	From business point of view, interest on capital is considered as	A. An income B. An Expense C. A Profit D. A Liability
6	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
7	Income received in advance during the year is	A. Prepaid Expenses B. Accrued Income C. Advance Expenses D. Advance Income
8	Assets having some market value	A. Fictitious Assets B. Real Assets C. Unreal Assets D. None of these
9	Goodwill, patent, copyright are classified as	A. Current Assets B. Fixed Assets C. Tangible Assets D. Wasting Assets
10	Gross profit represents	A. Opening stock + purchases B. closing stock + direct expenses - sales C. closing stock-purchases-direct expenses + sales D. purchases - sales
11	Net Sales represent	A. Sales - return outwards B. Sales - return inwards C. Sales - return to supplier D. both b and c
12	Interest paid on loan is	A. Abnormal Loss B. Financial Expenses C. Management Expenses D. Maintenance Expenses
13	Office rent is a	A. Financial Expense B. Abnormal Loss C. Management Expense D. Maintenance Expense
14	Net Profit is transferred to	A. Trading Account B. Balance Sheet C. Capital a/c D. Trial Balance
15	Profit & Loss a/c is prepared to ascertain	A. Gross Profit B. Net Profit C. Gross Loss D. Net Loss

