

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

Sr	Questions	Answers Choice
1	The effect of drawing on accounting equation is	A. decrease in assets and decrease in liabilities B. increase in both assets & liabilities C. decrease in assets and increase in capital D. none of these
2	Error due to wrong allocation as expenditure between capital and revenue is regarded as:	A. Error of omission B. Error of principle C. Compensating errors D. Error of Commission
3	Ahmad's account is an example of	A. real account B. personal A/c C. nominal account D. none of these
4	A copy of the customer's account in the bank's ledger is called:	A. Deposit statement B. Balance statement C. Bank statement D. Customer
5	The accounts of assets and properties	A. nominal accounts B. real accounts C. personal accounts D. valuation accounts
6	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
7	A basis of business languages	A. accounting B. bookkeeping C. transaction D. cost accounting
8	A dealing between two persons is called a	A. business B. transaction C. purchases D. sales
9	Disagreement in balances may arise owing to mistake or mistakes in the:	A. Cash book only B. Bank statement C. Cash book or bank statement D. Bank column of the cash book only
10	The system of recording transaction based on dual concept is called	A. Double account system B. Double entry system C. Single entry system D. Management system
11	Expenses paid by a business decrease	A. cash B. capital C. cash & capital D. none of these
12	A bill of exchange contains:	A. An unconditional order B. A promise C. A request D. A conditional order
13	The errors in which amount have occurred on the opposite sides of two or more accounts and have concealed themselves in the net result, are:	A. Error of principle B. Errors of omission C. Errors of commission D. Compensating error
14	Bookkeeping provides the	A. primary information B. secondary information C. final information D. insufficient information

15	An expenditure incurred to the increases the profit earning of the concern is a:	A. Revenue expenditure B. Current expenditure C. Capital receipt D. Capital expenditure
16	For every debit, there is a credit	A. going concern concept B. dual aspect concept C. matching concept D. cost concept
17	Carriage account is a/an	A. asset account B. revenue account C. expenditure A/c D. withdrawal account
18	Accounting principles can be classified in	A. three types B. two types C. five types D. six types
19	An expenditure which is incurred again and again is a:	A. Capital expenditure B. Future expenditure C. Deferred expenditure D. Revenue expenditure
20	How many categories of accounts are	A. two B. three C. four D. five