

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

Sr	Questions	Answers Choice
1	Bookkeeping provides the	A. primary information B. secondary information C. final information D. insufficient information
2	Expenses paid by a business decrease	A. cash B. capital C. cash & capital D. none of these
3	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
4	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & b D. Cash book
5	Modern system of bookkeeping is	A. single entry system B. double entry system C. modern system D. none of these
6	The act result of the business activities is shown by:	A. Profit and loss account B. Profit & loss appropriation account C. Trading account D. Balance sheet
7	The recording of transaction chronologically in the book of accounts is called:	A. Summarizing B. Classifying C. Recording D. None of above
8	For every debit, there is a credit	A. going concern concept B. dual aspect concept C. matching concept D. cost concept
9	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
10	When cash is paid to creditors it will decrease	A. cash B. capital C. debtor D. cash & creditors
11	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
12	Purchased goods on credit and for cash will affect	A. cash & goods B. cash & creditors C. cash creditors & owner's equity D. cash goods and creditors
13	How many categories of accounts are	A. two B. three C. four D. five
14	Accounting records of a business enterprise are required by	A. management of the business B. outsiders C. all of the above D. none of the above
15	The accounts of assets and properties	A. nominal accounts B. real accounts C. personal accounts

		D. valuation accounts
16	An expenditure which is incurred again and again is a:	A. Capital expenditure B. Future expenditure C. Deferred expenditure D. Revenue expenditure
17	A basis of business languages	A. accounting B. bookkeeping C. transaction D. cost accounting
18	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
19	Cash paid to Naeem will affect	A. cash & capital B. cash & creditor C. cash and debtors D. cash & goods
20	A bill of exchange contains:	A. An unconditional order B. A promise C. A request D. A conditional order