

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

Sr	Questions	Answers Choice
1	Accounts relating to persons of firms are called:	A. Real accounts B. Proprietary accounts C. Personal accounts D. Nominal accounts
2	Expenses paid by a business decrease	A. cash B. capital C. cash & capital D. none of these
3	For every debit, there is a credit	A. going concern concept B. dual aspect concept C. matching concept D. cost concept
4	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
5	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
6	Bookkeeping provides the	A. primary information B. secondary information C. final information D. insufficient information
7	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
8	Modern system of bookkeeping is	A. single entry system B. double entry system C. modern system D. none of these
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	How many categories of accounts are	A. two B. three C. four D. five
11	When cash is paid to creditors it will decrease	A. cash B. capital C. debtor D. cash & creditors
12	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
13	Journal shows all necessary information regarding.	A. The document B. A transaction C. The accounting D. Meeting
14	A dealing between two persons is called a	A. business B. transaction C. purchases D. sales
		A. three types

15	Accounting principles can be classified in	B. two types C. five types D. six types
16	All cash purchases and cash sales are recorded in:	A. Sales book B. Purchases book C. Both a & b D. Cash book
17	Events which are related with money are called:	A. Monetary events B. Non - monetary events C. None-social events D. Political events
18	Cash paid to Naeem will affect	A. cash & capital B. cash & creditor C. cash and debtors D. cash & goods
19	A basis of business languages	A. accounting B. bookkeeping C. transaction D. cost accounting
20	The act result of the business activities is shown by:	A. Profit and loss account B. Profit &and loss appropriation account C. Trading account D. Balance sheet