

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

Sr	Questions	Answers Choice
1	The act result of the business activities is shown by:	<p>A. Profit and loss account            B. Profit &amp; and loss appropriation account            C. Trading account            D. Balance sheet</p>
2	Accounting records of a business enterprise are required by	<p>A. management of the business            B. outsiders            C. all of the above            D. none of the above</p>
3	A dealing between two persons is called a	<p>A. business            B. transaction            C. purchases            D. sales</p>
4	The accounts of assets and properties	<p>A. nominal accounts            B. real accounts            C. personal accounts            D. valuation accounts</p>
5	Expenses paid by a business decrease	<p>A. cash            B. capital            C. cash &amp; capital            D. none of these</p>
6	The accounts of expenses, incomes, losses and gains	<p>A. real accounts            B. valuation accounts            C. nominal accounts            D. personal accounts</p>
7	Disagreement in balances may arise owing to mistake or mistakes in the:	<p>A. Cash book only            B. Bank statement            C. Cash book or bank statement            D. Bank column of the cash book only</p>
8	Bookkeeping provides the	<p>A. primary information            B. secondary information            C. final information            D. insufficient information</p>
9	The recording of transaction chronologically in the book of accounts is called:	<p>A. Summarizing            B. Classifying            C. Recording            D. None of above</p>
10	Carriage account is a/an	<p>A. asset account            B. revenue account            C. expenditure A/c            D. withdrawal account</p>
11	Events which are related with money are called:	<p>A. Monetary events            B. Non - monetary events            C. None-social events            D. Political events&amp;nbsp;</p>
12	How many categories of accounts are	<p>A. two            B. three            C. four            D. five</p>
13	Accounts relating to persons of firms are called:	<p>A. Real accounts            B. Proprietary accounts            C. Personal accounts            D. Nominal accounts</p>
14	An expenditure incurred to the increases the profit earning of the concern is a:	<p>A. Revenue expenditure            B. Current expenditure            C. Capital receipt            D. Capital expenditure</p>
		<p>A. decrease in assets and decrease in liabilities            B. increase in both assets &amp;</p>

15	The effect of drawing on accounting equation is	liabilities C. decrease in assets and increase in capital D. none of these
16	For every debit, there is a credit	A. going concern concept B. dual aspect concept C. matching concept D. cost concept
17	Goods returned by customers are	A. purchases B. purchases returns C. sales returns D. sales
18	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
19	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
20	A basis of business languages	A. accounting B. bookkeeping C. transaction D. cost accounting