

## 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 <b>C. Personal accounts</b> D. Nominal accounts
2	Expenses paid by a business decrease	A. cash B. capital <b>C. cash &amp; capital</b> D. none of these
3	For every debit, there is a credit	A. going concern concept <b>B. dual aspect concept</b> C. matching concept D. cost concept
4	The effect of drawing on accounting equation is	<b>A. decrease in assets and decrease in liabilities</b> 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>B. Error of principle</b> C. Compensating errors D. Error of Commission
6	Bookkeeping provides the	<b>A. primary information</b> 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 <b>C. all of the above</b> D. none of the above
8	Modern system of bookkeeping is	A. single entry system <b>B. double entry system</b> 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 <b>D. Capital expenditure</b>
10	How many categories of accounts are	A. two <b>B. three</b> C. four D. five
11	When cash is paid to creditors it will decrease	A. cash B. capital C. debtor <b>D. cash &amp; creditors</b>
12	Goods returned by customers are	A. purchases B. purchases returns <b>C. sales returns</b> D. sales
13	Journal shows all necessary information regarding.	A. The document <b>B. A transaction</b> C. The accounting D. Meeting
14	A dealing between two persons is called a	A. business <b>B. transaction</b> C. purchases D. sales
		A. three types

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