

Principles of Accounting Icom Part 2 English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	Under the conversion method of single entry credit sale are ascertained by preparing the.	A. Total debtors account B. Total creditors account C. Total cash account D. Total bills receivable account
2	In single entry system ledger contains the accounts of,	A. Debtors, creditors and cash B. Wages and carriage C. Salaries and insurance D. Assets and liabilities
3	A statement of assets and liabilities is prepared under the single entry system is called.	A. Balance sheet B. Financial statement C. Statement of affair D. Cash transaction
4	The closing balance of trade debtors can be located from.	A. Total debtors account B. Balance sheet C. Bills receivable account D. Cash book
5	Under single entry system sometimes,	A. Double aspects of a transaction are recorded B. Single aspect of a transaction is recorded C. No aspect of a transaction is recorded D. All of the above
6	The Closing Capital is worked out by preparing the.	A. Opening statement of affair B. Closing statement of affair C. Cash book D. Balance sheet
7	Due to fresh capital introduced during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
8	Cash paid to creditors can be worked out from.	A. Debtors account B. Creditors account C. Balance sheet D. None of these
9	In single entry system real accounts are not maintained so the preparation of,	A. Correctly B. Effectively C. Wrongly D. Approximately
10	Single entry system is suitable where,	A. Small amount of cash transactions are more B. Large amount of cash transaction are more C. Small amount of cash transaction are more D. Large amount of cash transaction are more
11	Single entry system is generally adopted by,	A. Small business concerns B. Large business concerns C. Medium business concerns D. All of the above
12	How many methods are available to calculate the profit or loss under single entry system,	A. One B. Two C. Three D. Four
13	In increased net worth method, profit or loss is calculated by preparing,	A. Income and expenditure account B. Profit and loss account C. Statement of profit or loss D. Balance sheet
14	The system in which accounting records are not kept strictly according to the double entry principle of book keeping is called.	A. Single entry system B. Accrual system C. Double entry system

		D. Cash system
15	In case of dissolution, assets sold for cash are debited to.	A. Realization account B. Cash account C. Assets account D. None of these
16	In cash of net worth method of sigle entery system net profikt is ascertained by.	A. Prepareing the trading and profit and account B. By cimparing the capitals in the beginning and at the end of the accounting period. C. Capital closing + Drawing - fresh capital - opening capital D. Capital opening+ Drawing - fresh capital-closing stock
17	Both aspects of a transaction must be recorded in,	A. Single entry system B. Barter system C. Double entry system D. Islamic system
18	The fingure of bills payable is worked out by preparing the.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
19	In single entry it is not possible to prepare	A. Trial balance B. Trading account C. Profit and loss account D. Balance sheet
20	Net worth is equal to,	A. Assets - Liabilities B. Liabilities - Assets C. Liabilities + Capital D. Capital + Assets