

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

Sr	Questions	Answers Choice
1	Double entry system means	A. The recording of same things twice B. Double accounting C. The two sides of every transaction are recorded D. Entry at two dates
2	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
3	Single entry system is generally adopted by,	A. Small business concerns B. Large business concerns C. Medium business concerns D. All of the above
4	Single entry system contains,	A. A daybook or general journal B. A cash book C. Ledger accounts for individual customers and creditors D. All of the above
5	In single entry system,	A. Personal accounts are maintained B. Real accounts are maintained C. Nominal accounts are maintained D. None of the above
6	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
7	In single entry system nominal accounts and some assets accounts balances are not available so it is not possible to prepare,	A. Debtors account B. Creditors account C. Trial balance D. Statement of affairs
8	In single entry system real accounts are not maintained so the preparation of,	A. Correctly B. Effectively C. Wrongly D. Approximately
9	How many methods are available to calculate the profit or loss under single entry system,	A. One B. Two C. Three D. Four
10	Net worth is equal to,	A. Assets - Liabilities B. Liabilities - Assets C. Liabilities + Capital D. Capital + Assets
11	To calculate the value of capital both at the beginning and at the end of year in single entry system we prepare,	A. Balance sheet B. Trading account C. Trial balance D. Statement of affairs
12	Opening capital is calculated by taking the difference between,	A. Opening assets and closing assets B. Opening assets and closing liabilities C. Opening assets and Opening liabilities D. Closing assets and closing liabilities
13	Closing capital in single entry system is calculated by preparing,	A. Opening statement of affairs B. Closing statement of affairs C. Opening balance sheet D. Closing balance sheet

14	Due to fresh capital introduced during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
15	Due to drawings made during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
16	To calculate the true net profit or net loss in single entry system it is necessary that the amount of fresh capital should be subtracted from,	A. Adjusted closing capital B. Closing capital C. Cash in hand D. Cash at bank
17	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
18	According to companies ordinance, single entry system cannot be adopted by,	A. Sole proprietorship B. Partnership C. "a" and "b" D. Joint stock companies
19	Both aspects of a transaction must be recorded in,	A. Single entry system B. Barter system C. Double entry system D. Islamic system
20	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
21	We cannot prepare the trial balance and precise balance sheet under,	A. Single entry system B. Double entry system C. "a" and "b" D. Barter system
22	In single entry system both the aspects, debit and credit of a transaction are not recorded so it is.	A. Incomplete and unscientific B. Complete and scientific C. Incomplete and scientific D. Complete and unscientific
23	In single entry system only.	A. Personal account are maintained B. Real account are maintained C. Nominal accounts are maintained D. None of the above
24	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
25	The single entry system of book keeping is generally followed by	A. Small business concern B. Large Business concern C. Non trading concern D. None of these
26	In single entry it is not possible to prepare	A. Trial balance B. Trading account C. Profit and loss account D. Balance sheet
27	The opening capital is ascertained by preparing.	A. Cash account B. Opening statements of affairs C. Total debtors account D. Total creditors account
28	Cash book is prepared to find out the figure of.	A. Opening capital B. Closing cash balance C. Net profit D. Financial position
29	In cash of net worth method of single entry system net profit is ascertained by.	A. Preparing the trading and profit and account B. By comparing 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

30	Single entry system is most suitable where	A. Credit transactions are numerous. B. Cash transactions are numerous C. Cash and credit transactions both are numerous D. None of the above
31	Arithmetical accuracy of the books of accounts cannot be checked under.	A. Single Entry system B. Double entry system C. None entry system D. Both a and b
32	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
33	In appearance, the statement of affairs, is similar to a.	A. Balance sheet B. Profit and loss account C. Trading account D. Bank Reconciliation statement
34	Under single entry system information relating to expenses must be ascertained from the analysis of.	A. Debtors account B. Creditors account C. Sales book D. Cash book
35	Net worth of an organization means the excess of its total assets over total.	A. Liabilities B. Income C. Expenses D. None of the above
36	Bad debt written off always affects the	A. Debtor's account B. Creditors account C. Cash account D. All of the above
37	The closing balance of trade debtors can be located from.	A. Total debtors account B. Balance sheet C. Bills receivable account D. Cash book
38	Cash received from the debtors can be found out by preparing.	A. Debtors account B. Creditors account C. Balance sheet D. Trial balance
39	The figure of the credit purchase can be worked out.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
40	The figure of the bills receivable can be worked out from.	A. Total debtors account B. Total creditors account C. Trial balance D. Balance sheet
41	Cash paid to creditors can be worked out from.	A. Debtors account B. Creditors account C. Balance sheet D. None of these
42	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
43	Single entry system can not be maintained by.	A. Sole owner B. Partnership concern C. Joint stock companies D. All of the above
44	Under the conversion method of single entry credit sales are ascertained by preparing the.	A. Total debtors account B. Total creditors account C. Total cash account D. Total bills receivable account
45	Acceptance received during the period must be debited to bills receivable account and credited to.	A. Total bills receivable account B. Total debtors account C. Total cash account D. Total bills receivable account
46	Bills payable issued during the period must be debited to total creditors account credited to.	A. Bills payable account B. Bills receivable account C. Debtors account D. Cash account
47	If the cash sales are missing they are to be ascertained by the construction of	A. Debtors account B. Creditors account

47	If the cash sales are missing they are to be ascertained by the construction of.	C. Cash account D. None of these
48	The figure of bills payable is worked out by preparing the.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
49	Not worth method is equal to.	A. Liabilities - assets B. Assets- liabilities C. Capital + assets D. None of these
50	In single entry system statements of assets and liabilities is called.	A. Balance sheet B. Statement of Affair C. Trial balance D. Income statement
51	The opening and closing balance of bills Receivable can be calculated by preparing the.	A. Total debtors accounts B. Total creditors account C. Bills Recivable accounts D. Salaes accounts
52	How many methods are available to calculate the profit or loss under single entry system.	A. One B. Two C. Three D. Four
53	In case of dissolution, assets sold for cash are debited to.	A. Realization account B. Cash account C. Assets account D. None of these