

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

Sr	Questions	Answers Choice
1	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
2	A Ledger is a book in which	A. Only Personal & Cash Accounts are Opened B. Only Real Accounts are Opened C. Only Nominal Accounts are Opened D. All Real, Nominal and Personal Accounts are Opened
3	A bill of exchange is drawn by:	A. A debtor B. A creditor C. A holder D. Endorsee
4	In case of a debt becoming bad, the amount should be credited to	A. Debtor's a/c B. Bad Debts a/c C. Sales a/c D. cash a/c
5	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
6	In double entry system of bookkeeping every business transaction affects:	A. Debit or credit side of the same account B. Two accounts C. The same side of the same account D. None of the above
7	The Amount of salary paid to Sohail should be debited to	A. Sohail's a/c B. Cash Account C. Salaries a/c D. Both a & c
8	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
9	The Principle book of accounts is	A. Journal B. Ledger C. Trial Balance D. Balance Sheet
10	All the transactions recorded to credit sales are recorded in:	A. Sale return book B. Sales book C. Cash book D. Debtor's book
11	Bill receivable account is a:	A. Nominal account B. Personal account C. Real account D. Expenses account
12	The statement which contains the explanation of different in cash book and bank statement is known as:	A. Bank statement B. Cash statement C. Balance statement D. Bank reconciliation statement
13	A table lost by fire should be debited to	A. Table a/c B. Furniture a/c C. Loss by Fire a/c D. Purchases a/c
14	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes

15	Bank account is a:	A. Personal account B. Real account C. Nominal account D. None of these
16	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
17	Salary outstanding account relevant to:	A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts
18	A schedule of balances of all accounts is called	A. Journal B. Ledger C. Balance Sheet D. Trial Balance
19	The book use to record all credit purchases is called:	A. Purchases book B. Purchase & return book C. Cash book D. Creditor book
20	Book-keeping is mainly concerned with:	A. Recording of business transactions B. Recording classifying and summarizing the recorded data C. Interpreting the recorded data D. None of the above