

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

Sr	Questions	Answers Choice
1	The balance of the trading account is the transferred to:	A. Profit and loss account B. Balance sheet C. Work sheet D. Position statement
2	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
3	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
4	Record of business transaction in the journal is called	A. Detail B. Summary C. Narration D. Entry
5	A schedule of balances of all accounts is called	A. Journal B. Ledger C. Balance Sheet D. Trial Balance
6	Bank account is a:	A. Personal account B. Real account C. Nominal account D. None of these
7	Trading account is the account which is prepared to determine the:	A. Only gross profit of the business B. Only gross loss of the business C. Gross profit or the gross loss of the business D. None of the above
8	کمی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بدستور ہیں اس قانون کو کہتے ہیں	A. قانون تقلیل افادہ مختتم B. قانون مساوی افادہ مختتم C. قانون طلب D. قانون تقلیل حاصل
9	Salary outstanding account relevant to:	A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts
10	If the total of the credit side of an account exceeds that of debit side of the same account, it is called	A. Credit Balance B. Debit Balance C. Balancing D. Zero Balance
11	The expenditures which reduce revenue (profit) of the business are:	A. Revenue expenditures B. Capital expenditure C. Fixed expenditures D. Future expenditures
12	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
13	Journal is prepared in	A. Columnar form B. Vertical form C. Horizontal form D. Row form
14	Written below each entry is the	A. Transaction B. Voucher no C. Narration D. Date
15	All the transactions recorded to credit sales are recorded in:	A. Sale return book B. Sales book C. Cash book D. None of these

		D. Debtor's book
16	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
17	Ledger Records Transaction in a/an	A. Chronological Order B. Daily order C. Arithmetical Order D. Analytical Order
18	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
19	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
20	The Principle book of accounts is	A. Journal B. Ledger C. Trial Balance D. Balance Sheet
21	Left hand side of an account is called	A. Debit Side B. Credit Side C. Both a & b D. None of these
22	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
23	Contain all residual account	A. Debtors Ledger B. Creditors Ledger C. General Ledger D. Cash Ledger
24	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
25	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
26	Transaction are recorded data wise, so journal is also called:	A. Entry book B. Transaction book C. Chronological book D. Voucher
27	Which of the following normally has a credit balance	A. Machinery a/c B. Purchases a/c C. Stock a/c D. Sales a/c
28	Payment of Rs. 50 to Raheel as wages for repairing machine should be debited to	A. Machinery a/c B. Repair a/c C. Wages a/c D. Raheel a/c
29	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
30	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
31	A transaction is recorded on the same days as its takes place, so journal is also called:	A. A day book B. A history book C. An entry book D. Ledger book

32	Bill receivable account is a:	A. Nominal account B. Personal account C. Real account D. Expenses account
33	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
34	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
35	The book use to record all credit purchases is called:	A. Purchases book B. Purchase return book C. Cash book D. Creditor book
36	A bill of exchange is drawn by:	A. A debtor B. A creditor C. A holder D. Endorsee