

Principles of accounting Icom Part 1 English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	When saleable goods are bought in a business are called:	A. Sales B. Purchase C. Assets D. Goods
2	The excess of gross profit on sale over total operating expenses is called:	A. Cost of goods sold B. Gross profit C. Net profit D. None-operating income
3	How many columns are drawn on one side of three column cash book ?	A. Five Columns B. Six Columns C. Seven Columns D. Eight Columns
4	The favourable balance of bank statement is	A. Credit Balance B. Debit Balance C. Zero Balance D. Both b and c
5	The document evidencing cash receipts and payments and forming the basis for making entries in the cash book is called:	A. Receipt voucher B. Payment voucher C. Cash voucher D. Cash memo
6	In form journal, the first column represents:	A. Ledger Folio B. Data C. Amount D. Debit
7	When boan statement shown a debit total balance it means:	A. Overdraft as per cash book B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Overdraft as per bank statement
8	The book in which all cash transactions are primarily recorded is called	A. Cheque Book B. Pass Book C. Cash Book D. Finance Book
9	Cash account is concerned with:	A. Real account B. Personal account C. Nominal account D. Capital account
10	Discount deducted from the catalogue or list price is called:	A. Trade discount B. Cash discount C. Catalogue discount D. Credit discount
11	Petty cash book is a branch of	A. Pass Book B. Cash Book C. Journal D. Ledger
12	Pass book is prepared by	A. Debtor B. Creditor C. Banker D. Customer
13	Our cheque to Babar & Bros, returned dishonoured should be credited to	A. Cheque Account B. Cash Account C. Bank Account D. Babar & Bros A/c
14	The rules of the debiting the receiving and crediting the giver is applicable to:	A. Persona account B. Real account C. Nominal account D. Expense account
15	The most exhaustive cash book is	A. Petty Cash Book B. Single Column Cash Book C. Double Column Cash Book

D. Treble Column Cash Book

16	The balance of petty cash book is a/an	A. Asset B. Liability C. Expense D. Income
17	Bank reconciliation statement is prepared by	A. Banker B. Customers Accountant C. Auditor D. Manager
18	A cash account always shows	A. Debit Balance B. Credit Balance C. Both a and b D. Nil Balance
19	Which column is prepared in single column cash book?	A. Bank Column B. Cash Column C. Discount Column D. All of the Above
20	In accounting all business transactions are recorded which have:	A. Dual aspect B. Single aspect C. None of the above D. Economic aspect
21	The owner of the business is known as:	A. Sale man B. Agent C. Proprietor D. Employee
22	Unfavourable balance means	A. Credit Balance in the Pass Book B. Credit Balance in the Cash Book C. Debit Balance in Bank Statement D. Both b and c
23	Credit Balance of pass book must be equal to debit balance of	A. Cash Book B. Bank Ledger C. Clients other Account D. None of these
24	Book used to record petty expenses and receipts	A. Single Column Cash Book B. Petty Cash Book C. Double Column Cash Book D. Treble Column Cash Book
25	An Entry which is recorded on the both sides of cash book is called	A. Simple Entry B. Compound Entry C. Combined Entry D. Contra Entry
26	Bank Reconciliation represents	A. A Journal B. A Ledger C. A Statement D. both a and c
27	In three column cash book, discount column is	A. Totaled B. Balanced C. Carry Forward D. Both a and b
28	All the direct expenses are charged to:	A. Balance sheet B. Profit and loss account C. Trading account D. None of these
29	All the time of endorsement of a bill the drawer credits:	A. The drawee account B. The endorser's personal account C. Bill receivable account D. Endorser's account
30	The cash book is a	A. Subsidiary Journal B. Ledger Account C. Subsidiary Journal and Ledger D. Trial Balance
31	Cheques issued to a creditor but not presented for payment are called	A. Un Credited Cheques B. Uncollected Cheques C. Un Presented Cheques D. Dishonoured Cheques
32	When ban column of a cash book shows a debit balance it means:	A. Overdraft as per bank B. Unfavourable balance as per cash book C. Favourable balance as per cash book D. Favourable balance as per pass book

33	In journalizing the page numbers of the ledgers are written in:	A. The first column of journal B. The second column of journal C. The third column of journal D. The fourth column of journal
34	Contra Refers to	A. Same Side B. Parallel Side C. Opposite Side D. None of these
35	Retiring a bill under rebate means:	A. Making payment for the bill before the due date B. Making payment for the bill after the due date C. Dishonouring bill D. None of the above