

Principles of accounting Icom Part 1 English Medium Chapter 8 Online Test

Sr	Questions	Answers Choice
1	When cash is withdrawn from the bank for the personal use of the owner, must be debited to	A. Cash account B. Bank account C. Drawings account D. Capital account
2	A document evidencing cash receipts and payments and forming the basis for making entries in the cash book is called	A. Receipt voucher B. Cash voucher C. payment voucher D. Cash memo
3	.The cash book is a	A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance
4	Our cheque to Ali & Bros, returned dishonored should be credited to	A. Cheque account B. Cash account C. Bank account D. Ali & Bros account
5	A statement which is used to reconcile the bank balance as per cash book with the balance as per pass book is called	A. Bank statement B. Income statement C. Bank reconciliation statement D. Financial statements
6	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book D. Purchases and sales book
7	It is used to record cash, bank and discount transactions on debit and credit side	A. Single column cash book B. Petty cash book C. Double column cash book D. Treble column cash book
8	The favorable balance of cash book bank column is	A. Credit balance B. Debit balance C. Both debit and credit balance D. None of these
9	Received a cheque from Bilal Rs. 1900 in full settlement of his debt Rs. 2000 should be debited to	A. Cash account B. Discount allowed account C. Bank account D. Both a & b
10	It is used to record only cash receipts and payments	A. Single column cash book B. Double column cash book C. Treble column cash book D. Sales book
11	Bank reconciliation statement is prepared by	A. Banker B. Customer's accountant C. Auditors D. Manager
12	Ahmed's cheque endorse to Akbar should be debited to	A. Cash account B. Cheque account C. Akbar's account D. Ahmed account
13	When cheque received, and deposited into bank, bank account must be	A. Credited B. Debited C. Both debited & credited D. None of these
14	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
15	Cash account is a	A. Personal account B. Nominal account C. Real account D. Both personal and real account

16	The book in which all cash transaction are primarily recorded is called	A. Pass book B. Cheque book C. Finance book D. Cash book
17	A cash account always shows	A. Debit balance B. Credit balance C. Both debit and credit balance D. Nil balance
18	The money can be deposited into bank by means of	A. Cash book B. Cheque book C. Pay-in-slip book D. Pass book
19	Unfavorable balances mean	A. Credit balance in the pass book B. Credit balance in the cash book C. Debit balance in bank statement D. Both b & c
20	Credit purchases are recorded in	A. Purchases book B. Creditors book C. Cash book D. Purchases returns book