

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

Sr	Questions	Answers Choice
1	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
2	The expenditures which reduce revenue (profit) of the business are:	A. Revenue expenditures B. Capital expenditure C. Fixed expenditures D. Future expenditures
3	A bill of exchange is drawn by:	A. A debtor B. A creditor C. A holder D. Endorsee
4	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
5	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
6	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بستور ہیں اس قانون کو کہتے ہیں	A. قانون تقلیل افادہ مختتم B. قانون مساوی افادہ مختتم C. قانون طلب D. قانون تقلیل حاصل
7	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
8	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
9	Transaction are recorded data wise, so journal is also called:	A. Entry book B. Transaction book C. Chronological book D. Voucher
10	Ledger Records Transaction in a/an	A. Chronological Order B. Daily order C. Arithmetical Order D. Analytical Order
11	The book use to record all credit purchases is called:	A. Purchases book B. Purchase & return book C. Cash book D. Creditor book
12	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
13	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
14	Left hand side of an account is called	A. Debit Side B. Credit Side C. Both a & b D. None of these
15	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account

		D. Trial Balance
16	The balance of the trading account is transferred to:	A. Profit and loss account B. Balance sheet C. Work sheet D. Position statement
17	All the transactions recorded to credit sales are recorded in:	A. Sale return book B. Sales book C. Cash book D. Debtor's book
18	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
19	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
20	A schedule of balances of all accounts is called	A. Journal B. Ledger C. Balance Sheet D. Trial Balance