

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

Sr	Questions	Answers Choice
1	Our cheque to Ali & Bros, returned dishonored should be credited to	A. Cheque account B. Cash account C. Bank account D. Ali & Bros account
2	.The cash book is a	A. Subsidiary journal B. Ledger account C. Subsidiary journal and ledger D. Trial balance
3	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
4	The book in which all cash transaction are primarily recorded is called	A. Pass book B. Cheque book C. Finance book D. Cash book
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	The money can be deposited into bank by means of	A. Cash book B. Cheque book C. Pay-in-slip book D. Pass book
7	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
8	A cash account always shows	A. Debit balance B. Credit balance C. Both debit and credit balance D. Nil balance
9	When cash is received from debtor or customer, generally a receipt is issued to the debtor which is called	A. Payment voucher B. Receipt voucher C. Cash voucher D. None of these
10	Ahmed's cheque endorse to Akbar should be debited to	A. Cash account B. Cheque account C. Akbar's account D. Ahmed account
11	Cash account is a	A. Personal account B. Nominal account C. Real account D. Both personal and real account
12	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
13	Bank reconciliation statement is prepared by	A. Banker B. Customer's accountant C. Auditors D. Manager
14	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book D. Purchases and sales book
15	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

16	When cash is withdrawn from the bank for the personal use of the owner, must be debited to	A. Cash account B. Bank account C. Drawings account D. Capital account
17	A double column cash book is used to record	A. Cash transactions only B. Cash and bank transaction C. Cash, bank and discount transaction D. None of these
18	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
19	When cheque received, and deposited into bank, bank account must be	A. Credited B. Debited C. Both debited & credited D. None of these
20	paid to Nadeem cash Rs. 5000 and a cheque for Rs. 4800 in full settlement of his dues Rs. 10000 should be credited to	A. Cash account B. Bank account C. Discount received account D. All of these