

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

Sr	Questions	Answers Choice
1	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
2	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
3	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
4	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
5	Cash account is a	A. Personal account B. Nominal account C. Real account D. Both personal and real account
6	When cheque received, and deposited into bank, bank account must be	A. Credited B. Debited C. Both debited & C. Both debited D. None of these
7	Our cheque to Ali & Bros, returned dishonored should be credited to	A. Cheque account B. Cash account C. Bank account D. Ali & D. Ali & Amp; Bros account
8	Ahmed's cheque endorse to Akbar should be debited to	A. Cash account B. Cheque account C. Akbar's account D. Ahmed account
9	Received a cheque from Bilal Rs. 1900 in ful settlement of his debt Rs. 2000 should be debited to	A. Cash account B. Discount allowed account C. Bank account D. Both a & D. Bot
10	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 & D. Both b & D. Both b
11	Credit purchases are recorded in	A. Purchases book B. Creditors book C. Cash book D. Purchases returns book
12	All cash purchases and cash sales are recorded in	A. Cash book B. Purchases book C. Sales book D. Purchases and sales book
13	A cash account always shows	A. Debit balance B. Credit balance C. Both debit and credit balance D. Nil balance
14	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
15	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
16	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
17	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
18	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
19	paid to Nadeem cash Rs. 5000 and a cheque for Rs. 4800 in full settlement of his dued Rs. 10000 should be credited to	A. Cash account B. Bank account C. Discount received account D. All of these
20	The book in which all cash transaction are primarily recorded is called	A. Pass book B. Cheque book C. Finance book D. Cash book