

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

Sr	Questions	Answers Choice
1	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
2	The favorable balance of bank statement is	A. Credit balance B. Debit balance C. Zero balance D. All of these
3	When cash is withdrawn from the bank for the personal use of the owner, must be debited to	A. Cash account B. Bank account C. Drawings account D. Capital account
4	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
5	The money can be deposited into bank by means of	A. Cash book B. Cheque book C. Pay-in-slip book D. Pass book
6	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
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	Bank reconciliation statement is prepared by	A. Banker B. Customer's accountant C. Auditors D. Manager
9	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
10	When money is paid to a creditor or supplier a receipt is obtained from him which is called	A. Cash voucher B. Cash payment C. Receipt voucher D. Payment voucher
11	A cash account always shows	A. Debit balance B. Credit balance C. Both debit and credit balance D. Nil balance
12	The book in which all cash transaction are primarily recorded is called	A. Pass book B. Cheque book C. Finance book D. Cash book
13	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
14	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
15	Cash account is a	A. Personal account B. Nominal account C. Real account

16 Our cheque to Ali & Bros, returned dishonored should be credited to  
A. Cheque account  
B. Cash account  
C. Bank account  
D. Ali & Bros account

17 Credit purchases are recorded in  
A. Purchases book  
B. Creditors book  
C. Cash book  
D. Purchases returns book

18 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

19 .The cash book is a  
A. Subsidiary journal  
B. Ledger account  
C. Subsidiary journal and ledger  
D. Trial balance

20 Ahmed's cheque endorse to Akbar should be debited to  
A. Cash account  
B. Cheque account  
C. Akbar's account  
D. Ahmed account