

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

Sr	Questions	Answers Choice
1	The process of recording business transaction in the journal is called	A. Posting B. Journalizing C. Classifying D. Entry
2	Record of business transaction in the journal is called	A. Detail B. Summary C. Narration D. Entry
3	Journal is prepared in	A. Columnar form B. Vertical form C. Horizontal form D. Row form
4	The first successful step of Double Entry System is	A. Leger B. Journal C. Final Account D. Trial Balance
5	Written below each entry is the	A. Transaction B. Voucher no C. Narration D. Date
6	Journal means	A. Weekly B. Monthly C. Yearly D. Daily
7	The Amount of salary paid to Sohail should be debited to	A. Sohail's a/c B. Cash Account C. Salaries a/c D. Both a & c
8	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
9	A table lost by fire should be debited to	A. Table a/c B. Furniture a/c C. Loss by Fire a/c D. Purchases a/c
10	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
11	Debit Signifies	A. Increase in Asset Account B. Decrease in Liability Account C. Decrease in Capital Account D. All of the Above
12	The Principle book of accounts is	A. Journal B. Ledger C. Trial Balance D. Balance Sheet
13	Contain all residual account	A. Debtors Ledger B. Creditors Ledger C. General Ledger D. Cash Ledger
14	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
15	A Ledger is a book in which	A. Only Personal & Cash Accounts are Opened B. Only Real Accounts are Opened C. Only Nominal Accounts are Opened D. All Accounts are Opened

		Opened D. All Real, Nominal and Personal Accounts are Opened
16	Which of the following normally has a credit balance	A. Machinery a/c B. Purchases a/c C. Stock a/c D. Sales a/c
17	Ledger Records Transaction in a/an	A. Chronological Order B. Daily order C. Arithmetical Order D. Analytical Order
18	Left hand side of an account is called	A. Debit Side B. Credit Side C. Both a & b D. None of these
19	A schedule of balances of all accounts is called	A. Journal B. Ledger C. Balance Sheet D. Trial Balance
20	A trial balance can be constructed by	A. Three Methods B. Two Methods C. Four Methods D. Five Methods
21	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
22	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
23	Salary outstanding account relevant to:	A. Representative personal account B. Artificial person's account C. Natural persons account D. Nominal accounts
24	Personal account are related to:	A. Assets and liabilities B. Expenses, losses C. Customers, creditors etc. D. Incomes
25	Transaction are recorded data wise, so journal is also called:	A. Entry book B. Transaction book C. Chronological book D. Voucher
26	A transaction is recorded on the same days as its takes place, so journal is also called:	A. A day book B. A history book C. An entry book D. Ledger book
27	The book use to record all credit purchases is called:	A. Purchases book B. Purchase return book C. Cash book D. Creditor book
28	All the transactions recorded to credit sales are recorded in:	A. Sale return book B. Sales book C. Cash book D. Debtor's book
29	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
30	Bank account is a:	A. Personal account B. Real account C. Nominal account D. None of these
31	A bill of exchange is drawn by:	A. A debtor B. A creditor C. A holder D. Endorsee

A. Nominal account

32	Bill receivable account is a:	<p>A. Personal account</p> <p>B. Personal account</p> <p>C. Real account</p> <p>D. Expenses account</p>
33	Trading account is the account which is prepared to determine the:	<p>A. Only gross profit of the business</p> <p>B. Only gross loss of the business</p> <p>C. Gross profit or the gross loss of the business</p> <p>D. None of the above</p>
34	The balance of the trading account is the transferred to:	<p>A. Profit and loss account</p> <p>B. Balance sheet</p> <p>C. Work sheet</p> <p>D. Position statement</p>
35	The expenditures which reduce revenue (profit) of the business are:	<p>A. Revenue expenditures</p> <p>B. Capital expenditure</p> <p>C. Fixed expenditures</p> <p>D. Future expenditures</p>
36	کسی شے کے مسلسل اور لگاتار استعمال سے مختتم افادہ میں کمی آتی جاتی ہے بشرطیکہ دیگر امور بنسٹور ہیں اس قانون کو کہتے ہیں	<p>A. قانون تقلیل افادہ مختتم</p> <p>B. قانون مساوی افادہ مختتم</p> <p>C. قانون طلب</p> <p>D. قانون تقلیل حاصل</p>