

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	In case of private company minimum numebr of sharaeholders are.	A. Six B. Seven C. Ten D. Two
2	The income through admissionfee shoul db.	A. Capitalized B. Treated as revenue C. Treated as liability D. An expenses
3	Under diminhing balance method, depreciationis calculated on.	A. The original cost B. The scrape value C. Book value D. All of the above
4	Teh single entry system of book keeping is genaray followed by	A. Small business concern B. Large Business concern C. Non trading concern D. None of these
5	To calculate the true net profit or net loss in single entry system it is necessary that the amount of fresh capital should be subtracted from,	A. Adjusted closing capital B. Closing capital C. Cash in hand D. Cash at bank
6	Cash received from the debtors can be find out by preparing.	A. Debtors account B. Creditors account C. Balance sheet D. Trial balance
7	Profit on revalutin is to be caredited to old partners in their	A. Sacrificing ratio B. New profit shiaring ratio C. Old prift sharing ratio D. Equal prift sharing ratio
8	In the absense of an agreement partners shall	A. Be paid salaries B. Not to be paid the salaries C. Be paid salaries by the consent of the pariners D. Be paid salaris to thos who worked for the firm
9	The documents which contains the rules and regulation for the internal management of the company is called.	A. Prospectus B. Articles of assocaiton C. Memorandum of association D. Notice
10	Bad debt written off always affect the	A. Deblor's account B. Creditors account C. Cash account D. All of the above
11	When the cash is received from the sale of the goods by the consignee on behalf the consignor then it will be debited to.	A. Cash account B. Consignor 's personal account C. Consignment account D. None of these
12	Amount of to the out going partner is shown in the balance sheet as his.	A. Liability B. Loan C. Capital D. Assets
13	Depreciation is charged on.	A. Fixed tangible assets only B. Fixex intangible assets only C. Current assets only D. None of these
14	The retired is one who has	A. Died B. Withdraw his capital C. Bought his capital D. Decreases his capital
15	The owner of the partnership are called as.	A. Member B. Partners C. Share holder

		D. None of these
16	The shares of public limited company are.	A. Not refundable B. Not transferable C. Transferable D. No allotable
17	The credit balance of retiring partner capital account if not paid in cash should be transferred to.	A. Retiring partners loan account B. Retiring partners capital account C. Old partner capital account D. None of these
18	The joint stock company is formed under companies ordinance.	A. 1984 B. 1974 C. 1884 D. 1962
19	The debentures which are payable to bearer, are termed as.	A. None transferable B. Registered debentures C. Bearer debentures D. Non - bearer debentures
20	If the credit side of the income and expenditure account is greater it is termed as.	A. Deficit B. Surplus C. Asset D. Liability
21	The total amount received by the company out of the total called up amount is known as the.	A. Called up capital B. Paid up capital C. Issued capital D. Reserve capital
22	The credit balance of the retained earnings statement represents.	A. Undistributed Profit B. Dividend declared C. Profit distributed D. None of these
23	The amount payable to the retiring partner is shown in the balance sheet of partnership as.	A. Capital B. Loan C. Investment D. Assets
24	The excess of total assets over total liabilities of a concern is called.	A. Surplus B. Deficit C. Capital fund D. Profit
25	Account sales is submitted by.	A. The consignor to the consignee B. The consignee to the consignor C. The debtor to the creditors D. The principal to his agent
26	Under single entry system sometimes,	A. Double aspects of a transaction are recorded B. Single aspect of a transaction is recorded C. No aspect of a transaction is recorded D. All of the above
27	When the goods sent on consignment are sold by the consignee the account to be debited is.	A. Cash account B. Consignee personal account C. Consignment account D. None of these
28	The maximum number of members in case of public limited company can be	A. Forty B. Fifty C. Sixty D. No restriction on maximum number
29	Under which method the book value of the fixed assets can be reduced to zero after certain year	A. Diminishing balance method B. Straight line method C. Depreciation fund method D. Deflation method
30	Non-trading concern prepares.	A. Profit and loss account B. Income and expenditure account C. Manufacturing account D. None of these
31	Realization account is opened to find out gain or loss at the time of.	A. Admission of a new partner B. Retirement of the partner C. Death of the partners D. None of these
32	Single entry system can not be maintained by.	A. Sole owner B. Partnership concern C. Joint stock companies D. All of the above

		D. All of the above
33	Income and expenditure account shows	A. Cash in hand B. Surplus or deficit C. Cash at bank D. Capital account
34	Single entry system is most suitable where	A. Credit transactions are numerous. B. Cash transactions are numerous C. Cash and credit transactions both are numerous D. None of the above
35	Non-profit making organizations	A. Buy goods B. Manufacture goods C. Sell goods D. None of these
36	The partnership may come to an end due to the	A. Death of a partner B. Insolvency of a partner C. Both of the above D. None of these
37	In consignment all the expenses either paid by the consignor himself or by the consignee are borne by the.	A. Consignor B. purchaser C. Consignee D. None of these
38	Subscription received during the current year is.	A. An income B. An expenditure C. An asset D. A liability.
39	The loss prior to the date of incorporation of a company is.	A. Revenue loss B. Capital loss C. Liability D. None of these
40	Dividend is calculated on.	A. Registered capital B. Issue Capital C. Paid up Capital D. Subscribed Capital
41	In cash of net worth method of single entry system net profit is ascertained by.	A. Preparing the trading and profit and account B. By comparing the capitals in the beginning and at the end of the accounting period. C. Capital closing + Drawing - fresh capital - opening capital D. Capital opening + Drawing - fresh capital - closing stock
42	Single entry system is suitable where,	A. Small amount of cash transactions are more B. Large amount of cash transactions are more C. Small amount of cash transactions are more D. Large amount of cash transactions are more
43	Share application account is in the nature of.	A. Real account B. Personal account C. Nominal account D. None of the above
44	All transactions relating to non-profit seeking concerns are recorded in the books of account strictly according to	A. Single entry system B. Double entry system C. Treble entry system D. "a" and "b"
45	Receipts and payments account records transactions relating to.	A. Current year B. Past year C. future year D. All of the above
46	The gaining ratio is calculated on.	A. Admission of a partner B. Death of a partner C. Retirement of a partner D. None of these
47	A company in which members give a guarantee to contribute a specified sum to the company if it is wound up is called.	A. Limited company B. Unlimited company C. Company limited by guarantee D. Chartered company
48	The face value of the share is also known as	A. Book value B. Par value

48	The face value of the share is also known as.	C. Market value D. None of these
49	Revaluation account is a.	A. Real account B. Personal account C. Cash account D. Nominal account
50	Which of the following term is used for the depreciation of wasting assets such as timber tree, mines, oil wells etc.	A. Depreciation B. Depletion C. Amortization D. None of these
51	Registration of the firm.	A. It is legally necessary B. It is optional C. It depends on the will of the partners D. It depends upon the will of the employee
52	An income and expenditure account is.	A. Normal account B. Real account C. Personal account D. None of these
53	For the firm, interest on drawing is.	A. Expense B. Income C. Liability D. None of these
54	The balance of revaluation account is transferred to the old partners capital accounts in their.	A. Sacrificing ratio B. Old profit sharing ratio C. New profit sharing ratio D. Equal profit sharing ratio
55	In single entry system nominal accounts and some assets accounts balances are not available so it is not possible to prepare,	A. Debtors account B. Creditors account C. Trial balance D. Statement of affairs
56	In the books of consignee the sale of goods by the consignee credited to.	A. Sales account B. Consignor account C. Consignee's account D. None of these
57	Depreciation arises because of	A. Due to fall in the market value of fixed assets B. Due to physical wear and tear of the assets C. Due to fall in the market value D. None of these
58	If all the partners but one is solvent it is.	A. Compulsory dissolution of firm B. Dissolution by agreement C. Or may not cause dissolution D. None of these
59	If the debit side of the receipt and payment account exceeds the credit side it represents.	A. Bank overdraft B. Cash at bank C. Surplus balance D. Deficit balance
60	The amount of assets may rise or fall on account of.	A. Depreciation B. Fluctuation C. Depletion D. Amortization
61	Income and expenditure account is credited with all.	A. Expenses B. Incomes C. Assets D. Liabilities
62	In partnership minimum limit of partners is.	A. Two (02) B. Five (5) C. Ten (10) D. Twelve (12)
63	Amount received by the way of gift from any person or organization is called.	A. Donation B. Subscription C. Legacy D. None of these
64	The unsold stock is valued at	A. Original cost of the goods B. Market value of the goods C. Original cost price + proportionate direct expense incurred by the both consignor and consignee D. Cost of market price whichever is the lower.

65	If the cash sales are missing they are to be ascertained by the construction of.	A. Debtors account B. Creditors account C. Cash account D. None of these
66	The closing balance of trade debtors can be located from.	A. Total debtors account B. Balance sheet C. Bills receivable account D. Cash book
67	Consignment account is in the nature of.	A. Profit and loss account B. Real account C. Personal Account D. None of these
68	Those debentures which carry no security as to payment of interest or repayment of principal, are known as.	A. Mortgage debentures B. Secured debentures C. Simple or naked debentures D. None of these
69	Income and expenditure account is prepared at the	A. Start of the year B. Mid of the year C. End of the year D. At the start and end of the year
70	Partnership is formed by the partners.	A. Written agreement B. Mutual consent C. Verbal agreement D. None of these
71	Abnormal loss arises due to.	A. Natural causes B. Evaporation drying breaking in bulk C. Pilferage, theft fire etc. D. Some unavoidable causes
72	A situation where a company receives an application for a large number of shares than offered to the public for subscription is termed as.	A. Under subscription B. Over subscription C. General subscription D. Above subscription
73	Revaluation loss should be debited to.	A. Revaluation account B. All partners capital account C. Old partners capital accounts D. New partners capital account
74	Sacrificing ratios are equal to.	A. Capital Ratios- New ratios B. Old ratios - New ratios C. New ratio - old ratios D. None of these
75	A statement of assets and liabilities is prepared under the single entry system is called.	A. Balance sheet B. Financial statement C. Statement of affair D. Cash transaction
76	It is prepared by non-profit making organizations to determine surplus or deficit	A. Trading account B. Profit and loss account C. Receipts and payments account D. Income and expenditure account
77	On the admission of a new partner the decrease in the value of assets is debited to.	A. Revaluation account B. Assets account C. Old partner's capital account D. New partner capital account
78	Opening capital is calculated by taking the difference between,	A. Opening assets and closing assets B. Opening assets and closing liabilities C. Opening assets and Opening liabilities D. Closing assets and closing liabilities
79	Interest on drawing is debited to.	A. Partners capital accounts B. Profit and loss account C. Interest account D. None of these
80	If any partner takes over any asset at the time of dissolution then it should be debited to.	A. Partner's capital accounts B. Realization account C. Cash account D. None of these
81	Income and expenditure account is debited with all.	A. Expenses B. Incomes C. Liabilities

		D. Assets
82	The balance of revaluation account is transferred to the capital accounts of the partners in.	A. Profit sharing ratios B. Capital ratios C. Equality D. None of these
83	The debentures which are repayable at the end of a specified period are termed as.	A. Redeemable debentures B. Irredeemable debentures C. Repayable debentures D. None of these
84	If the price required to be paid to the company for the share less than the nominal value of that share, it is called shares.	A. At discount B. At premium C. At par D. None of these
85	Del-credere commission is allowed to cover.	A. Normal losses B. Abnormal losses C. Loss due to bad debts D. None of these
86	If the price required to be paid to the company for the share is more than nominal value of that share, it is called.	A. At discount B. At premium C. At par D. None of these
87	The which is calculated at the time of retirement of partner is	A. Gaining ratio B. Sacrificing ratio C. Capital ratio D. New ratio
88	General reserve at the time of dissolution is transferred to	A. All partners capital accounts B. Realization account C. Solvent partners capital account D. Insolvent partner's capital account
89	How many methods are available to calculate the profit or loss under single entry system.	A. One B. Two C. Three D. Four
90	Joint stock company is an Artificial person created by	A. Law B. Federal Govt C. Registrar D. Employees
91	Reserve for bad and doubtful debts appearing in the books of accounts at the time of dissolution should be transferred to.	A. Realization account B. Revaluation account C. Debtors account D. None of these
92	In consignment, the remuneration allowed to consignee for selling the goods of the consignor, is termed as.	A. Salary B. Wages C. Profit D. Commission
93	Lagacies are generally treated as.	A. Income B. Capitalized C. Assets D. Liability
94	The amount of share capital with which a company is registered is called.	A. Authorized capital B. Issued capital C. Paid up capital D. Called up capital
95	the profit on consignment in the books of the consignor should be debited to.	A. Consignment account B. Profit and loss account C. Consignee's account D. None of these
96	Depreciation under diminishing balance method on the cost price of the fixed asset of Rs. 50,000 after two years @10% will be	A. Rs. 5,000 B. Rs. 4050 C. Rs. 4500 D. Rs. 40,000
97	In single entry system real accounts are not maintained so the preparation of,	A. Correctly B. Effectively C. Wrongly D. Approximately
98	The figure of the credit purchase can be worked out.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
		A. Manufacturing account

99	Non-profit seeking organizations prepare	B. Trading account C. Income and expenditure account D. Profit and loss account
100	Depreciation caused by some external amoutn of anual depreciation gradully.	A. Increase B. Decrease C. Remain constant D. None of these
101	In case of Garner Vs. Murray rule, the decision was given is.	A. Mr. Justice james B. Mr Garner C. Mr. Justice joyee D. Mr. Murray
102	The income and expenditure account begins with.	A. Opening debit balance B. Opening credit balance C. Opening balance D. None of these
103	The Receipt and payment account is the summery of the	A. Cash book B. Balance sheet C. Trqail balance D. Proft and loss account
104	Single entry system is generally adopted by,	A. Small business concerns B. Large business concerns C. Medium business concerns D. All of the above
105	The process of writing of intengible assets patent right, good will etc is called.	A. Depreciation B. Fluctuaton C. Amorization D. depletion
106	Debenture holders are.	A. Creditors B. Owners C. Customers of the company D. Debtors
107	A partner who is newly admitted to the firm with the consent of all the parties is called.	A. Salaried partner B. Incoming partner C. Junior partner D. Minor partner
108	If the debit side of the income and expenditure account is greater thanthe credit sideit is termed as.	A. Surplus B. Deficit C. Assets D. Liabilities
109	Receipt and payment account starts with the.	A. Opening balance B. Ending balance C. Beginning or ending balance D. None of these
110	The Closing Capital is worked out by preparing the.	A. Opening statement of affair B. Closing statement of affiar C. Cash book D. Balance sheet
111	In the books of consignor, the loss on the consignment should be credited to.	A. Consignment account B. Consignee's account C. Profit and loss account D. Gppds sent on consignemnt
112	The assets which have not got physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Current assets D. Tangible fixed assets
113	the loss whihc arises due to natural causes such as evaporation etc is called.	A. Abnormal loss B. Normal loss C. Additional loss D. None of these
114	The abnormal loss on consignemnt is credited to.	A. Consignment account B. Consignment personal account C. Profit and loss account D. Goods sent on consignemnt account
115	The asses which have physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Tangible fixed assets D. Both tangible or intangible assets
116	The method for preparing the final accounts in trading concerns and non-profit making organizations are	A. Same B. Different C. Easy D. Difficult

117	The debentures which does not carry any charges o the assets of the company.	A. Simple debentures B. Mortagage debentures C. Redeemable debentures D. None of these
118	According to companies ordinance, single entry system cannot be adopted by,	A. Sole proprietorship B. Partnership C. "a" and "b" D. Joint stock companies
119	The objective of charging depreciation on fixed assets is.	A. Calculate the true net profit B. To provide funds for the replacement C. To redue the tax liability D. All of the above
120	In case of dissolution, assets sold for cash are debited to	A. Realization account B. Cash account C. Assets account D. None of these
121	Un recorded liability when paid on dissolution of the firmis debited to.	A. Realization account B. Liability account C. Partners capital account D. None of these
122	To calculate the value of capital both at the beginning and at the end of year in single entry system we prepare,	A. Balance sheet B. Trading account C. Trial balance D. Statement of affairs
123	Another name of diminishing balance method of depreciation is the	A. Reducing balance method B. Sinking fund method C. Straight line mehod D. Revaluation method
124	In the absence of an partnership agreement the pprofit and losses are divided by the partners in the ratio of.	A. Capitals B. Profit and loss ratios C. Equality D. Time devoted by each partner
125	A receipts and payments account is similar to	A. An income and expenditure B. A statement of affair C. A cash or a bank account D. A profit or loss account
126	The liability of the shareholder of a public limited company is.	A. Unlimited B. Limited C. Compulsory D. None of these
127	The profit earned prior to the date of incorporatin is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain
128	A certificat issue by the company under its seal acknowledging a debt due by it to its holder, is called.	A. Debenture B. Certificate of commencement C. Acknowledge certificate D. Noen of these
129	The document which contains the fundamental conditions of incorporation and the obejedcts for which the company was formed is called.	A. Memorandum of association B. Article of association C. Prospectus D. None of he above
130	If some proparty is owned jointly with out any attention to carry on a business it is called.	A. Partnership B. Co- ownership C. Sole ownership D. Agency
131	In single entrey system statements of assets and liabilities is called.	A. Balance sheet B. Statement of Affair C. Trial balance D. Income statement
132	The persons who have entered two partnership are individually called.	A. Agents B. Partners C. A firm D. Vendor
133	Double entry system means	A. The recording of same things twice B. Double accounting C. The two sides of every transaction are recorded D. Entry at two dates

134	Value of the good will is calculated under capitalization formula.	<p>A. $\frac{\text{Average profit}}{\text{reasonable return}} \times 100$</p> <p>B. $\frac{\text{Resonable return}}{\text{average profit}} \times 100$</p> <p>C. $\frac{\text{Averager profit} \times 100}{\text{resonable return}}$</p> <p>D. None of these</p>
135	In single entry it is not possible to prepare	<p>A. Trial balance</p> <p>B. Trading account</p> <p>C. Profit and loss account</p> <p>D. Balance sheet</p>
136	Excess of liabilities over assets is an indication of .	<p>A. Solvency</p> <p>B. Insolvency</p> <p>C. Surplus</p> <p>D. Profit</p>
137	Capital is obtained by deductin liabilities from.	<p>A. Expenditures</p> <p>B. Receipt</p> <p>C. Assets</p> <p>D. Incomes</p>
138	A prospectus for subscription of shares can be issued only by.	<p>A. Public company</p> <p>B. A private company</p> <p>C. Both public and private company</p> <p>D. None of these</p>
139	Registered company is	<p>A. 2</p> <p>B. 3</p> <p>C. 4</p> <p>D. 5</p>
140	The end or termination of partnership is called.	<p>A. Amalgamation</p> <p>B. Dissolution</p> <p>C. Retirement</p> <p>D. Admission</p>
141	General reserve at the time of admission of anew partner is credited.	<p>A. New partner capital account</p> <p>B. General reserve account</p> <p>C. Old partners capital account</p> <p>D. All partners capital account</p>
142	The person who sends the goods to his agent for the purpose of sale is called.	<p>A. Consignor</p> <p>B. Consignee</p> <p>C. Debtor</p> <p>D. Creditor</p>
143	Income and expenditur eaccount is prepared on.	<p>A. Cash basis</p> <p>B. Accrual basis</p> <p>C. Cahs of accrual basis</p> <p>D. None of these</p>
144	In receipt and payments account	<p>A. No narration is written</p> <p>B. No ledger reference is recorded</p> <p>C. Daily cash balance cannot be ascertained</p> <p>D. All of the above</p>
145	Bills payable issued durant the period must be debited to total creditors account credited to.	<p>A. Bills payable account</p> <p>B. Bills receivable account</p> <p>C. Debtora account</p> <p>D. Cash account</p>
146	A partner goes out of a firm due to certain event or reason is known as.	<p>A. Retired or out going partner</p> <p>B. Junior partner</p> <p>C. Senior partner</p> <p>D. Minor partner</p>
147	In single entry system both the aspects, debit and credit of a transaction are not recorded soit is.	<p>A. Incomplete and unscientific</p> <p>B. Complete and scientific</p> <p>C. Incompleted and scientific</p> <p>D. Complete and unscientific</p>
148	The expense incurred by the oconsignee in connection with the sale of the consignment goods are debited to.	<p>A. Consignment account</p> <p>B. Cash account</p> <p>C. Consignor account</p> <p>D. None of these</p>
149	Joint life policy account after the maturity of the policy shoul db e transferred to the capital accounts of the partners in.	<p>A. Capital ratios</p> <p>B. Old profit sharing ratios</p> <p>C. New profit sharing ratio</p> <p>D. Gaining ratios</p>
150	At the end of the year non trading institutions prepare.	<p>A. Profit and loss account</p> <p>B. Income and expenditure account</p> <p>C. Manufacturing account</p> <p>D. None of the above</p>

151	The sum total of the nominal value of shares of company is called is.	A. Issued capital B. Subscribed capital C. Share capital D. Called up capital
152	Consignment signifies.	A. Goods despatched by the owner to his agent B. Goods forwarded by the creditor to his debtor C. Goods forwarded from one place to another D. Goods sent by the owner to his agent for the purpose of sale.
153	Consignee is.	A. A principal B. An agent C. A debtor D. A creditor
154	Under the conversion method of single entry credit sales are ascertained by preparing the.	A. Total debtors account B. Total creditors account C. Total cash account D. Total bills receivable account
155	The person who take the initiative in the matter of formation of a company are known as the.	A. Promoters B. Share holder C. Director D. Registered
156	The consignment inward book or journal is maintained by.	A. Consignor B. Consignee C. Customer D. Debtors
157	Old profit sharing ratio minus new profit sharing ratio is equal for.	A. Sacrificing ratios B. Gaining ratios C. Distributing ratios D. None of these
158	Gaining ratios are equal to.	A. New Ratio - Old ratio B. Old ratio - New ratio C. New Ratio + old ratios D. Capital ratios - New Ratios
159	Single entry system contains,	A. A daybook or general journal B. A cash book C. Ledger accounts for individual customers and creditors D. All of the above
160	A partner who does not take an active part in the management of the firm is called.	A. Active partner B. Senior partner C. Dormant or sleeping partner D. Nominal partner
161	The owner's equity in a company is commonly called.	A. Shareholder equity B. promoters equity C. Directors equity D. None of these
162	Consignee account is of the nature of.	A. Personal account B. Nominal account C. Real account D. None of these
163	The persons who have entered in partnership are collectively called.	A. A firm B. Agents C. Partners D. Promoters
164	When the incoming partner pays the firm for goodwill in cash the amount should be debited to the firm's books to.	A. Goodwill accounts B. Cash Account C. Capital account of the incoming partner D. All of the above
165	Income and expenditure account is usually accompanied by.	A. Trial balance B. Balance sheet C. Cash book D. None of these
166	A partner who takes an active part in the management of the firm is called.	A. Active partner B. Sleeping partner C. Nominal partner D. Quasi partner
167	The consignee acts entirely on behalf of the	A. Debtors B. Creditors

		C. Customer D. Principal or consignor
168	The figure of bills payable is worked out by preparing the.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
169	Interest on dividend is paid.	A. At the end of financial period B. During the financial year C. At the time of incorporation D. At the time of winding of company
170	Purchase of sports material for the club should be treated as.	A. Expense B. Assets C. Income D. Liability
171	In appearance, the statement of affairs, is similar to a.	A. Balance sheet B. Profit and loss account C. Trading account D. Bank Reconciliation statement
172	An additional commission paid to the consignee who guarantees the payment in case of credit sale, is called.	A. Bonus B. Commission C. Del credere commission D. Credit commission
173	Del credere commission is calculated on.	A. Total sales B. Cash sales C. Credit sales D. None of these
174	Income and expenditure account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
175	On the death of the partner the amount of the joint policy credited to the capital account of.	A. Remaining partners capital account B. All partners capital accounts C. Deceased partners capital account D. None of these
176	A company comes into existence when the registrar issues the	A. Prospectus B. Certificate of incorporation C. statement in Lieu of prospectus D. Companies ordinance
177	The maximum number of members in case of private limited company can be.	A. Forty B. Fifty C. Sixty D. No restriction on maximum number
178	In consignee's books the payment of expense by consignee should be debited to	A. Consignment account B. Consignor's account C. Cash account D. None of these
179	Under the straight line method of charging depreciation, the amount of depreciation .	A. Decrease every year B. Increase every year C. Remain constant every year D. None of the above
180	Non-profit seeking organization income and expenditure account performs the same function as profit seeking organization's	A. Trading and profit and loss account B. Balance sheet C. Bank account D. Petty cash book
181	Realization account is a.	A. Nominal account B. Real account C. Personal account D. Cash account
182	The investment in partners capital accounts is to be credited to.	A. Partners capital accounts B. Profit and loss account C. Interest account D. None of these
183	Depreciation is charged at fixed rate on the reducing balance, under the.	A. Written - down value method B. Annuity method C. Sinking fund method D. Depletion method
184	In case of retirement of a partner's full good will is credited to the account of.	A. Only retiring partner B. Only remaining partners C. All partners

		<p>C. All partners</p> <p>D. None of these</p>
185	For the expenses incurred by the consignee on the sale of goods will be credited in the books of the consignor.	<p>A. Cash account</p> <p>B. Consignee personal account</p> <p>C. Consignment account</p> <p>D. None of the above</p>
186	A partner, who hasnot attained the age of majority is called.	<p>A. Junior partner</p> <p>B. Minor partner</p> <p>C. Nominal patner</p> <p>D. Quasi Partner</p>
187	If the good will raised at the time of retirement of a partner is to be written off, then the capital accounts of the remaiing partners are debited in.	<p>A. Capital ratio</p> <p>B. Old profit sharing ratio</p> <p>C. New profit shiaring ratio</p> <p>D. None of these</p>
188	Good will is.	<p>A. Tangible asset</p> <p>B. Intamgon;e asset</p> <p>C. Wasting assets</p> <p>D. Frictious assets</p>
189	For the commission due to the consignee on the sales of goods in the books of the consignor will be credited to.	<p>A. Commission account</p> <p>B. Consignee's personal account</p> <p>C. Consignment account</p> <p>D. None of these</p>
190	Maximum numebr of the partners in an ordinary Partnership.	<p>A. Ten partners</p> <p>B. Twenty partners</p> <p>C. Thirty partners</p> <p>D. Fourth partners</p>
191	A person who purchases the share of the company becomes its.	<p>A. Share holder</p> <p>B. Debenture holder</p> <p>C. Under writer</p> <p>D. Promoter</p>
192	Where a partner become unsound mind the dissolution is considered as.	<p>A. Dissolution by court</p> <p>B. Dissolution by Notice</p> <p>C. Dissolution by agreement</p> <p>D. Compulsory dissolution</p>
193	In case of retirement the amount of the general reserve any other profit is credited to all partners in.	<p>A. Sacrificing Ratios</p> <p>B. New profit sharing ratios</p> <p>C. Old prift sharing ratios</p> <p>D. Gaining ratios</p>
194	A new partner may be admitted to a partnership.	<p>A. With the consent of all the partners</p> <p>B. With the consent of any one of the partners</p> <p>C. With consent of two third the old partners</p> <p>D. Without the consent of old partners</p>
195	In increased net worth method, profit or loss is calculated by preparing,	<p>A. Income and expenditure account</p> <p>B. Profit and loss account</p> <p>C. Statement of profit or loss</p> <p>D. Balance sheet</p>
196	Due to fresh capital introduced during the year, the closing capital will,	<p>A. Increase</p> <p>B. Decrease</p> <p>C. Constant</p> <p>D. Multiply</p>
197	Which of the following method is suitable for charging depreciation an machinery and furniture.	<p>A. Straight line method</p> <p>B. Diminishing balance method</p> <p>C. Depreciation on fixed method</p> <p>D. Annuity method</p>
198	In case of dissolution, assets sold for cash are debited to.	<p>A. Realization account</p> <p>B. Cash account</p> <p>C. Assets account</p> <p>D. None of these</p>
199	The balance of realization account is transferred to the capital accounts of the partners in.	<p>A. Capital ratio</p> <p>B. Equality</p> <p>C. Interest ratio</p> <p>D. Profit sharing ratio</p>
200	Profit of revaluation should be credited to.	<p>A. Revaluation account</p> <p>B. Liabilites accounts</p> <p>C. Old partners capital accounts</p> <p>D. Assets accounts</p>
201	Debit side of income and expenditur account records	<p>A. Expenses and losses</p> <p>B. Income and gains</p>

201	Debit side of income and expenditure account records.	C. Assets D. Liabilities
202	In non-profit making organization final accounts contains	A. Income and expenditure account and balance sheet B. Receipts and payments account and balance sheet C. Receipts and payments account and statement of affairs D. Profit and loss account and balance sheet
203	Income and expenditure account is usually accompanied by.	A. Trail balance B. Balance sheet C. Income and gains D. Liabilities
204	Unclaimed dividend is shown as.	A. Asset B. Liability C. Deduction from paid up capital D. None of these
205	Goods sent on consignment should be debited into the books of the consignor.	A. Consignee account B. Consignment account C. Goods sent on consignment D. Consignor account
206	The profit on revaluation of assets and liabilities on the retirement of the partners should be credited to the capital account of.	A. All the partners B. Retiring partner C. Remaining partner D. None of these
207	We cannot prepare the trial balance and precise balance sheet under,	A. Single entry system B. Double entry system C. "a" and "b" D. Barter system
208	Premium on issue of share is a.	A. Capital profit B. Business loss C. Revenue profit D. Revenue loss
209	The opening and closing balance of bills Receivable can be calculated by preparing the.	A. Total debtors accounts B. Total creditors account C. Bills Receivable accounts D. Sales accounts
210	Amount received by the concern as per the will of the donor is known as.	A. Legacy B. Donation C. Subscription D. None of these
211	Due to drawings made during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
212	Current account of the partners should be opened when the capitals are.	A. Fluctuating B. Fixed C. Either fixed or fluctuating D. Neither fixed or fluctuating
213	A partner who invests capital in the business but does not take active part in the conduct of the business is called.	A. Active partner B. Sleeping partner C. Secret partner D. None of these
214	Example of non-profit making organization	A. Fan factory B. Sugar industry C. Hospital D. Shoe factory
215	In single entry system,	A. Personal accounts are maintained B. Real accounts are maintained C. Nominal accounts are maintained D. None of the above
216	premium on issue of shares is shown in.	A. Assets side of balance sheet B. Liabilities side of balance sheet C. Trading account D. Profit and loss account
217	Consignor is also called.	A. Principal B. Agent C. Debtor of the consignee D. Creditor of the consignee
218	Capital fund of non-trading concern is equal to	A. Assets + Income B. Assets + Liabilities

218	Capital of a non-trading concern is equal to.	C. Expenditure + Liabilities. D. Assets - Liabilities
219	Under the diminishing balance method the depreciation is calculated on .	A. Book value B. Original value C. Residual value D. None of these
220	Cash book is prepared to find out the figure of.	A. Opening capital B. Closing cash balance C. Net profit D. Financial position
221	In single entry system only.	A. Personal accounts are maintained B. Real accounts are maintained C. Nominal accounts are maintained D. None of the above
222	Accrued subscription represents.	A. An expense B. An income C. An asset D. A liability.
223	The persons to whom the goods are dispatched for the purpose of sales is called.	A. Debtor B. Consignee C. Consignor D. None of these
224	In the absence of an agreement, interest on loan advanced by the partner to the firm is allowed at the rate of.	A. 5 percent B. 6 percent C. 8 percent D. 9 percent
225	Arithmetical accuracy of the books of accounts cannot be checked under.	A. Single Entry system B. Double entry system C. None entry system D. Both a and b
226	The figure of the bills receivable can be worked out from.	A. Total debtors account B. Total creditors account C. Trial balance D. Balance sheet
227	The total amount of capital, in case of company is divided into small units, these units are called.	A. Bonds B. Cheque C. Share D. Reserve
228	A situation where a company receives an application for a less number of shares than offered to the public for subscription is termed as.	A. Under subscription B. Over subscription C. General subscription D. Above subscription
229	As per the decision in Garner Vs. Murray the solvent partner brings in cash equal to their share of.	A. Realization loss B. Profit ratio C. Capital ratio D. None of these
230	Capital of the partners are maintained under.	A. Fixed capital method B. Fluctuating method C. By any two of the above D. None of the above
231	A person who invests the minor portion of capital in the business and so he has small share in the profit is called.	A. Senior partner B. Junior partner C. Quasi partner D. Nominal partner
232	Partner's capital are affected due to.	A. Admission of a partner B. Retirement of the partner C. Death of a partner D. All of the above
233	The difference of the two sides of receipt and payment account represents.	A. Opening cash balance B. Closing cash or bank balance C. Opening bank balance D. None of these
234	The basic club record or book of original entry in non-profit making organization	A. Purchase book B. Sales book C. Cash book D. "a" and "b"
235	The amount paid to person who was invited to deliver a lecture in a club is known as.	A. Honorarium B. Salary C. Wages D. None of these

236	Receipt and payment account includes.	A. Revenue items B. Capital items C. Both capital and Revenue items D. None of the above
237	In case of dissolution if there is any undivided profit are reserve should be credited to.	A. Partners capital accounts B. Realization accounts C. Reserve account D. Revaluation accounts
238	the term depreciation is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixed assets
239	Under annuity method, the annual charger for depreciation will be debited to.	A. Assets account B. Depreciation account C. Interest account D. None of these
240	Depreciation fund method is also known as.	A. Sinking fund method B. Annuity method C. Sum- of year's digit method D. None of these
241	Partnership is formed under the act of.	A. 1984 B. 1932 C. 1912 D. 1962
242	In the books of consignor on receiving advance in cash from consignee should be debited to.	A. Cash account B. Consignee account C. Consignment account D. None of these
243	Debentures holders are.	A. Creditors of the company B. Owners of the company C. Customer of the company D. None of these
244	The method is specially suited to natural surces is said to be	A. Annuity method B. Depletion method C. Revaluation method D. Sum of digit method
245	The main sources of income of for on -trading concern is.	A. Subscriptions B. Donations C. Sales D. Dividends on investment
246	Income and expenditure account shows.	A. Surplus or deficit B. Not profit or net loss C. Capital account D. Cash in hand
247	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixex assets
248	Investment in partnership is made by introducing.	A. Cash B. Non cash assets C. Cash or non cash assets D. None of these
249	How many methods are available to calculate the profit or loss under single entry system,	A. One B. Two C. Three D. Four
250	Subscription outstanding in the beginning are shown in the	A. Trading account B. Income and expenditure account C. Balance sheet D. Profit and loss account
251	The extra amount charged from the new partner over and above the capital is for.	A. Purchase of Machinery B. Good will C. Purchaser of furniture D. Payment of liabilities
252	To make provision for the replacement of the assets. the method is to be used is.	A. Written down value method B. Annuity method C. Sinking fund method D. Insurance policy method
253	Closing capital in single entry system is calculated by preparing,	A. Opening statement of affairs B. Closing statement of affairs C. Opening balance sheet D. Closing balance sheet

254	Depreciation written off on fixed assets should be recorded in the.	<p>A. Income and expenditure account only</p> <p>B. Receipt and payment account only</p> <p>C. Receipt and payment account and balance sheet</p> <p>D. Income and expenditure account and balance sheet.</p>
255	In income and expenditure account	<p>A. Expense are recorded on debit side</p> <p>B. Revenues are recorded on credit side</p> <p>C. Does not start with any opening balance</p> <p>D. All of the above</p>
256	The periodical report which is prepared by consignee and send to consignor, which shows the detail about the sales of goods is called.	<p>A. Sales account</p> <p>B. Performa invoice</p> <p>C. Account sales</p> <p>D. None of these</p>
257	The profit on the revaluation of the assets and liabilities o the retirement of the partner should be credited to.	<p>A. All partners capital accounts</p> <p>B. Only retiring partners capitals accounts</p> <p>C. Remaiingng partners capital account</p> <p>D. None of these</p>
258	Interest is debited to assets account uder the.	<p>A. Annuity method</p> <p>B. Depreciation fund method</p> <p>C. Insurance policy method</p> <p>D. Depletion method</p>
259	The value of the share as quoted on the stock exchange is said to be	<p>A. Par value</p> <p>B. Book value</p> <p>C. Cost value</p> <p>D. Market value</p>
260	Over riding commission is calculated on.	<p>A. Cash sales only</p> <p>B. Credit sales only</p> <p>C. Total sales</p> <p>D. None of the above</p>
261	On the dissolution of the partnership unrecorded assets if takes away by the partners is debited to.	<p>A. Realization account</p> <p>B. Partners capital account</p> <p>C. Assets account</p> <p>D. None of these</p>
262	The company formed by teh means of Royal Charter is called.	<p>A. Public limited company</p> <p>B. Private limited company</p> <p>C. Charterd company</p> <p>D. Registered company</p>
263	Donation receivedin heavy amount are treated as.	<p>A. Revenue</p> <p>B. Capitaized</p> <p>C. Liability</p> <p>D. Assets</p>
264	The amount charged to depreciation goes on declining in.	<p>A. Diminishing balance method</p> <p>B. Fixex instalment method</p> <p>C. Annuity method</p> <p>D. Depreciation fund method</p>
265	On the addimissionof a new partner the increase int he value of assets is debited	<p>A. Revaluation account</p> <p>B. Assets account</p> <p>C. Old partners capital account</p> <p>D. New partners capital account</p>
266	When the capitals of the partners arr not allowed to change during the life time of the business except in extra ordinary circumslander then they are called.	<p>A. Fluctuating capitals</p> <p>B. Fixed capitals</p> <p>C. Current capitals</p> <p>D. None of these</p>
267	A paartner who have a major investment in the firm and receive a relatively more profit is called.	<p>A. Sleeping partner</p> <p>B. Darment partner</p> <p>C. Senior partner</p> <p>D. Estoppels partner</p>
268	Depreciation is	<p>A. An Income</p> <p>B. An expense</p> <p>C. A loss</p> <p>D. A liability</p>
269	If the price required to be paid to the company for the share is equal to the nominal value of that share it is called.	<p>A. At discount</p> <p>B. At premium</p> <p>C. At par</p> <p>D. None of these</p>

270	The account of non trading concern are generally maintained according to.	A. Mereantile accounting system B. Double entry system of book keeping C. Cash accounting system D. None of the above
271	According to the decision in Garner Va. Murray rule the loss due to insolvency of a partner is be shared by solvent, partner in the.	A. Capital ratios B. Profit sharing ratios C. Equal ratios D. None of these
272	Receipts and payments account shows	A. Debit and credit balances of ledgers B. Incomes and expenditures C. Cash receipts and payments D. Assets and liabilities
273	The system in whihc accounting records are not kept strictly according to the double entry principle of book keeping is called.	A. Single , entery system B. Accrual system C. Double enterysystem D. Cash system
274	The income and expenditure account performs the same function as.	A. Trading and profit and loss account B. Manufactureng account C. Balance sheet D. None of these
275	The rules and regulation foverning the internal management and administration of the company are called.	A. Memorandum of assocaiton B. Articles of association C. Prospectus D. None of these
276	Commission due to the consignee is calculated on.	A. Credit sales only B. Cash sales only C. Total sales D. None of these
277	At the time of dissolution, all the assets of the firm are transfered in the realization account at.	A. Market value B. Book value C. Cost value D. Bale value
278	The consignment outward books or journal is maintained by.	A. Customers B. Consignor C. Consignee D. Debtors
279	In case of public company minimum number of members is.	A. Six B. Seven C. Ten D. Fifty
280	Not worth method is equal to.	A. Liabilities - assets B. Assets- liabilities C. Capital + assets D. None of these
281	In case of los on revaluation of assets and liabilities should be debited to.	A. Retiring partners capital accounts B. All partners capital accounts C. Remaining patners capitala account D. None of these
282	A person who is elected to run the club	A. Treasurer B. Secretary C. Chairperson D. President
283	The dividend paid to the shareholders during the finaincial year is.	A. Final dividend B. Interim dividend C. Unclaimed dividend D. Proposed dividend
284	Profit and loss on revaluation at the time of retirement must be transterred to the partners in.	A. Capital ratio B. Old prifit sharing ratio C. New profit sharing ratio D. Gaining ratio
285	Surplus balance cna be shown in the balnce sheet as.	A. Asset B. Liability C. Owner's equity D. None of these
286	When a firm dissolved with the consent of all the partners it is called.	A. Dissolution by notice B. Dissolution by agreement C. Dissolution by court D. Compulsory dissolution

287	A situation where a company receives application for a less number of shares than offered to the public for subscription is termed as.	A. Oversubscription B. Under subscription C. No subscription D. None of these
288	The part of the issued capital which has been taken up or subscribed by the public is called	A. Issued capital B. Authorized capital C. Subscribed capital D. Paid up capital
289	Acceptance received during the period must be debited to bills receivable account and credited to.	A. Total bills receivable account B. Total debtors account C. total cash account D. Total bills receivable account
290	Share capital in the balance sheet is known as.	A. Asset B. Liability C. Income D. Reserve
291	Credit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
292	Income and expenditure account is equivalent to the.	A. Receipt and payment account B. Balance sheet C. Cash book D. Profit and loss account
293	Admission fee income should be.	A. Treated as income B. Capitalized C. Proportionate to revenue and capitalized D. None of these
294	The agreement among the partners which sets out the terms in which they have agreed to form a partnership is called.	A. Partnership deed B. Arbitration clause C. Partnership at will D. None of these
295	The amount of share capital which a company is authorized to raise is called.	A. Subscribed capital B. Issued capital C. Authorized capital D. Paid up capital
296	The losses arise in consignment transactions, such as loss of goods in transit, theft, goods damaged or destroyed by fire etc are.	A. Normal losses B. Additional loss C. Abnormal losses D. Both abnormal and normal loss
297	For the stock unsold with the consignee will be debited in the books of the consignor.	A. Stock on consignment account B. Consignment C. Consignee account D. None of the above
298	In single entry system ledger contains the accounts of,	A. Debtors, creditors and cash B. Wages and carriage C. Salaries and insurance D. Assets and liabilities
299	Net worth is equal to,	A. Assets - Liabilities B. Liabilities - Assets C. Liabilities + Capital D. Capital + Assets
300	In the absence of any agreement Reserve on dissolution of a partnership firm is credited to the partners.	A. In capital ratio B. In profit sharing ratio C. Equality D. None of these
301	Under single entry system information relating to expenses must be ascertained from the analysis of.	A. Debtors account B. Creditors account C. Sales book D. Cash book
302	Ordinary shares are also known as.	A. Equity shares B. Deferred shares C. Bonus shares D. Preference shares
303	Goodwill is	A. Expense B. Profit C. Assets D. Liability
304	Amount due to the deceased partner is generally transferred to	A. Executor's loan B. Profit and loss accounts C. Capital account

		C. Capital account D. None of these
305	The charter of the company containing the objects of which for company is being formed is called.	A. Articles of association B. Prospectus C. Memorandum of association D. Notice
306	The depreciation charged to motor car account will be debited to.	A. Depreciation account B. Motor car account C. Cash account D. None of these
307	The Decision in Garner Vs. Murray was given in.	A. 1905 B. 1904 C. 1804 D. 1933
308	In case of del credere commission the liability of bad debts is on	A. Consignee B. Consignor C. Both on consignee and consignor D. None of the above
309	Cash paid to creditors can be worked out from.	A. Debtors account B. Creditors account C. Balance sheet D. None of these
310	the activities of non-trading concern are managed by the.	A. Directors B. Member C. governing body D. Promoters
311	Non-profit making organization is also known as	A. Non-profit seeking concern B. Non-trading concern C. Trading concern D. "a" and "b"
312	Subscription Received in advance is.	A. An income B. An assets C. Liability D. An expenditure
313	If the goods will raised at the time of admission of a new partner will be written off in.	A. Old profit sharing ratios B. Capitals ratios C. New profit - Old ratios D. Sacrificing ratios
314	Those debentures which carry no security as to payment of interest or repayment of principal, are known as.	A. Mortgage debentures B. Secured debentures C. Simple of naked debentures D. None of these
315	Receipts and payments account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
316	Equity share holders are.	A. Creditors B. Owners C. Customers of the company D. Debtors of the company
317	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Annuity method C. Diminishing balance method D. Straight line method
318	Under annuity method the amount of depreciation is.	A. Increasing every year B. Decreasing every year C. Fixed for all the year D. None of these
319	The opening capital is ascertained by preparing.	A. Cash account B. Opening statements of affairs C. Total debtors account D. Total creditors account
320	The value of an asset at the end of the working life is called.	A. Book value B. Scrap value C. Market value D. None of these
321	Receipts and payments account records transaction relating to	A. Past year B. Future year C. Present year D. All of the above

A. Remaining partner

322	On retirement of a partner the share of a retiring partner is taken by.	B. New partner C. Legal representator or retiring partner D. None of these
323	Liability of the partners in partnership is.	A. Limited B. Unlimited C. Limited up to the extent of their capitals D. Depend on the will of the partners
324	When a new partner is admitted with out the consent of the old partner.	A. Partnership will be dissolved B. Will value C. Agreed value D. None of these
325	Normally the discount on the shares should not exceed from	A. Five percent B. Eight percent C. Twenty percent D. Ten percent
326	The dividend paid to the shareeholders duiring the financial year is.	A. Redeemable debentures B. Irredeemable debentures C. Repayable debebtures D. None of these
327	In case of banking business, the numerb of persons must not exceed.	A. Ten (10) B. Twenty (20) C. Twenty five(25) D. Fifty (50)
328	If any partner takes the responsibility to pay the liabilities of the firm at the time of dissolution then it should be credited to.	A. Partner's capital account B. Realization account C. Liabilities accounts D. Cash accounts
329	In cash book	A. Each entry is followed by narration B. Ledger reference is recorded C. Each transaction is recorded in chronological order D. All of the above
330	A situation where a company receives more application than actual number of shares offered to the public for subscriptions is termed as.	A. Oversubscription B. Udnr subscription C. No subscription D. None of these
331	Receipt and payment account is prepared at the.	A. Start of the year B. End of the year C. Mid of the financeial year D. None of these
332	North worth of an organizaton means the excess of its total assets over total.	A. Liabilities B. Income C. Expenses D. None of the above
333	The gradual decrease in the value of the fixex assets due to its use in the business is called.	A. Depreciation B. Depletion C. Amorization D. Fluctuation
334	In the absence of an agreement, the share of new partner in patnership will be.	A. In the portion of capital B. Equal C. According to work D. None of the above
335	The parties involves in the consignment are.	A. Two B. Three C. Four D. Five
336	Non-profit making organizations are established for	A. Profit B. Charitable or religious purpose C. To manufacture goods D. To help the rich people
337	The amount of good will broght in cash by nw partner will be credited to old partner in.	A. Gaining Ratio B. New Ratio C. Old Ratio D. Sacrifice Ratio
338	The relation ship between consignor and consignee is that of.	A. Buyer and seller B. Debtorsde creditor C. Whole seller or retailer D. Principal and agent
	In case of firmment when the good will is sold with parties must agreement off among the	A. In gailing ratios B. Consignation

339	in case of retirement when the good will raised with retiring partner written off among the remaining partner.	B. Sacrificing ratios C. Capital ratios D. New ratio
340	Current accounts of the partners should be opened when the capital are.	A. Fixed B. Fluctuating C. Either fixed or fluctuating D. None of these
341	In consignee's books, the acceptance of a bill of exchange by consignee will be debited to.	A. Trading account B. Bill payable account C. Consignor account D. Consignment account
342	Both aspects of a transaction must be recorded in,	A. Single entry system B. Barter system C. Double entry system D. Islamic system
343	Kind of company is.	A. 2 B. 3 C. 4 D. 5
344	The powers of company are governed by the.	A. Shareholders B. Memorandum of association C. Prospectus D. Articles of association
345	Excess of assets over liabilities is an indication of.	A. Solvency B. Insolvency C. Deficiency D. Loss