

Principles of Accounting Icom Part 2 English Medium Chapter 8 Online Test

Sr	Questions	Answers Choice
1	A company comes into existence when the registrar issue the	A. Prospectus B. Certificate of incorporation C. statement in Lieu of prospectus D. Companies ordinance
2	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
3	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
4	The document which contains the fundamental conditions of incorporation and the objects for which the company was formed is called.	A. Memorandum of association B. Article of association C. Prospectus D. None of the above
5	The debentures which are payable to bearer, are termed as.	A. None transferable B. Registered debentures C. Bearer debentures D. Non - bearer debentures
6	A certificate issued by the company under its seal acknowledging a debt due by it to its holder, is called.	A. Debenture B. Certificate of commencement C. Acknowledgement certificate D. None of these
7	Equity share holders are.	A. Creditors B. Owners C. Customers of the company D. Debtors of the company
8	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
9	The value of the share as quoted on the stock exchange is said to be	A. Par value B. Book value C. Cost value D. Market value
10	The shares of public limited company are.	A. Not refundable B. Not transferable C. Transferable D. Not allotable
11	A situation where a company receives more applications than actual number of shares offered to the public for subscriptions is termed as.	A. Oversubscription B. Under subscription C. No subscription D. None of these
12	Unclaimed dividend is shown as.	A. Asset B. Liability C. Deduction from paid up capital D. None of these
13	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
14	Share application account is in the nature of.	A. Real account B. Personal account C. Nominal account D. None of the above
15	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

16	Joint stock company is an Artificial person created by	A. Law B. Federal Govt C. Registrar D. Employees
17	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
18	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
19	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.	A. At discount B. At premium C. At par D. None of these
20	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