

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

Sr	Questions	Answers Choice
1	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
2	Normally the discount on the shares should not exceed from	A. Five percent B. Eight percent C. Twenty percent D. Ten percent
3	Equity share holders are.	A. Creditors B. Owners C. Customers of the company D. Debtors of the company
4	The liability of the shareholder of a public limited company is.	A. Unlimited B. Limited C. Compulsory D. None of these
5	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
6	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
7	The rules and regulation governing the internal management and administration of the company are called.	A. Memorandum of association B. Articles of association C. Prospectus D. None of these
8	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
9	The profit earned prior to the date of incorporation is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain
10	The shares of public limited company are.	A. Not refundable B. Not transferable C. Transferable D. No allotable
11	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
12	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
13	The debentures which does not carry any charges on the assets of the company.	A. Simple debentures B. Mortgage debentures C. Redeemable debentures D. None of these
14	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. Under subscription C. No subscription D. None of these
15	The credit balance of the retained earnings statement represents.	A. Undistributed Profit B. Dividend declared C. Profit distributed D. None of these

16	The owner equity in a company is commonly called.	A. Shareholder equity B. promoters equity C. Directors equity D. None of these
17	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
18	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
19	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
20	Kind of company is.	A. 2 B. 3 C. 4 D. 5