

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	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
3	Under diminishing balance method, depreciation is calculated on.	A. The original cost B. The scrap value C. Book value D. All of the above
4	Income and expenditure account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
5	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
6	Share capital in the balance sheet is known as.	A. Asset B. Liability C. Income D. Reserve
7	Kind of company is.	A. 2 B. 3 C. 4 D. 5
8	On retirement of a partner the share of a retiring partner is taken by.	A. Remaining partner B. New partner C. Legal representative or retiring partner D. None of these
9	The periodical report which is prepared by consignee and sent to consignor, which shows the detail about the sales of goods is called.	A. Sales account B. Performance invoice C. Account sales D. None of these
10	Dividend is calculated on.	A. Registered capital B. Issue Capital C. Paid up Capital D. Subscribed Capital
11	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
12	Value of the goodwill is calculated under capitalization formula.	A. Average profit / reasonable return x 100 B. Reasonable return / average profit x 100 C. Average profit x 100 / reasonable return D. None of these
13	The Closing Capital is worked out by preparing the.	A. Opening statement of affairs B. Closing statement of affairs C. Cash book D. Balance sheet
14	Debit-creditor commission is allowed to cover.	A. Normal losses B. Abnormal losses C. Loss due to bad debts D. None of these

15	A situation where a company receives a application for a less number of shares than offered to the public for subscription is termed as.	<p>A. Under subscription B. Over subscription C. General subscription D. Above subscription</p>
16	The charter of the company containing the objects of whihc for company is being formed is called.	<p>A. Articles of association B. Prospectus C. Memorandum of associaton D. Notice</p>
17	Amount received by the concern as per the will of the donor is known as.	<p>A. Lagacy B. Donation C. Subscription D. None of these</p>
18	If the goods will raised at the tim e of admissiof a new partner will be written off in.	<p>A. Old prifit sharing ratios B. Capitals ratios C. New profit - Old ratios D. Sacrificing ratios</p>
19	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 B. Old profit sharing ratio C. New profit shiaring ratio D. None of these</p>
20	Subscription Received in advance is.	<p>A. An income B. An assets C. Liability D. An expenditure</p>