

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Under the conversion method of single entry credit sale are ascertained by preparing the.	A. Total debtors account B. Total creditors account C. Total cash account D. Total bills receivable account
2	Value of the good will 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
3	Income and expenditure account shows.	A. Surplus or deficit B. Not profit or net loss C. Capital account D. Cash in hand
4	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
5	Un recorded liability when paid on dissolution of the firm is debited to.	A. Realization account B. Liability account C. Partners capital account D. None of these
6	Capital fund of non trading concern is equal to.	A. Assets + Income B. Assets + Liabilities C. Expenditure + Liabilities. D. Assets - Liabilities
7	Under annuity method, the annual charge for depreciation will be debited to.	A. Assets account B. Depreciation account C. Interest account D. None of these
8	The person who takes the initiative in the matter of formation of a company are known as the.	A. Promoters B. Share holder C. Director D. Registered
9	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. Acknowledge certificate D. None of these
10	For the commission due to the consignee on the sales of goods in the books of the consignor will be credited to.	A. Commission account B. Consignee's personal account C. Consignment account D. None of these
11	The profit earned prior to the date of incorporation is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain
12	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
13	The balance of realization account is transferred to the capital accounts of the partners in.	A. Capital ratio B. Equality C. Interest ratio D. Profit sharing ratio
14	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

15	The persons who have entered two partnership are individually called.	A. Agents B. Partners C. A firm D. Vendor
16	Receipt and payment account is prepared at the.	A. Start of the year B. End of the year C. Mid of the financial year D. None of these
17	Amount due to the deceased partner is generally transferred to	A. Executor's loan B. Profit and loss accounts C. Capital account D. None of these
18	Receipts and payments account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
19	A partner goes out of a firm due to certain event or reason is known as.	A. Retired or out going partner B. Junior partner C. Senior partner D. Minor partner
20	Commission due to the consignee is calculated on.	A. Credit sales only B. Cash sales only C. Total sales D. None of these