

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

Sr	Questions	Answers Choice
1	Profit and loss on revaluation at the time of retirement must be transferred to the partners in.	A. Capital ratio B. Old profit sharing ratio C. New profit sharing ratio D. Gaining ratio
2	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
3	Debit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
4	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
5	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
6	In single entry it is not possible to prepare	A. Trial balance B. Trading account C. Profit and loss account D. Balance sheet
7	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
8	For the expenses incurred by the consignee on the sale of goods will be credited in the books of the consignor.	A. Cash account B. Consignee personal account C. Consignment account D. None of the above
9	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
10	Investment in partnership is made by introducing.	A. Cash B. Non cash assets C. Cash or non cash assets D. None of these
11	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
12	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
13	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
14	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

15	When the cash is received from the sale of the goods by the consignee on behalf the consignor then it will be debited to.	<p>A. Cash account</p> <p>B. Consignor 's personal account</p> <p>C. Consignment account</p> <p>D. None of these</p>
16	Income and expenditure account shows	<p>A. Cash in hand</p> <p>B. Surplus or deficit</p> <p>C. Cash at bank</p> <p>D. Capital account</p>
17	A partner does not take an active partner in the management firm is called.	<p>A. Active partner</p> <p>B. Senior partner</p> <p>C. Dormant of sleeping partner</p> <p>D. Nominal partner</p>
18	The gaining ratio are calculated on.	<p>A. Admission of a partner</p> <p>B. Death of a partner</p> <p>C. Retirement of a partner</p> <p>D. None of these</p>
19	The document which contains the fundamental conditions of incorporation and the objects for which the company was formed is called.	<p>A. Memorandum of association</p> <p>B. Article of association</p> <p>C. Prospectus</p> <p>D. None of the above</p>
20	The assets which have physical existence are called.	<p>A. Intangible assets</p> <p>B. Intangible fixed assets</p> <p>C. Tangible fixed assets</p> <p>D. Both tangible or intangible assets</p>