

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	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
3	The figure of the bills receivable can be worked out from.	A. Total debtors account B. Total creditors account C. Trial balance D. Balance sheet
4	To calculate the true net profit or net loss in single entry system it is necessary that the amount of fresh capital should be subtracted from,	A. Adjusted closing capital B. Closing capital C. Cash in hand D. Cash at bank
5	In appearance, the statement of affairs, is similar to a.	A. Balance sheet B. Profit and loss account C. Trading account D. Bank Reconciliation statement
6	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
7	In case of Garner Vs. Murray rule, the decision was given by.	A. Mr. Justice James B. Mr. Garner C. Mr. Justice Joyce D. Mr. Murray
8	Capital of the partners are maintained under.	A. Fixed capital method B. Fluctuating method C. By any two of the above D. None of the above
9	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
10	How many methods are available to calculate the profit or loss under single entry system.	A. One B. Two C. Three D. Four
11	The objective of charging depreciation on fixed assets is.	A. Calculate the true net profit B. To provide funds for the replacement C. To reduce the tax liability D. All of the above
12	Non-profit seeking organizations prepare	A. Manufacturing account B. Trading account C. Income and expenditure account D. Profit and loss account
13	In single entry system both the aspects, debit and credit of a transaction are not recorded so it is.	A. Incomplete and unscientific B. Complete and scientific C. Incomplete and scientific D. Complete and unscientific
14	In income and expenditure account	A. Expenses are recorded on debit side B. Revenues are recorded on credit side C. Does not start with any opening

		balance D. All of the above
15	The loss prior to the date of incorporation of a company is.	A. Revenue loss B. Capital loss C. Liability D. None of these
16	The gradual decrease in the value of the fixex assets due to its use in the business is called.	A. Depreciation B. Depletion C. Amorization D. Fluctuation
17	The agreement among the partners which sets out the term is which they have agreed to form a partnership is called.	A. Partnership deed B. Aribtrartio clause C. Partnership at will D. None of these
18	Under the straight line method of charging depreciation, the amount of deperciation .	A. Decrease every year B. Increase every year C. <div>Remain constant every year</div> D. None of the above
19	The credit balacne of the retained earnings statement represents.	A. Undisturbed Profit B. Divided declared C. Profit distributed D. None of these
20	The profit on the revaluation of the assets and liabilities o the retirement of the partner should be credited to.	A. All partners capital accounts B. Only retiring partners capitals accounts C. Remaingng partners capital account D. None of these