

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

Sr	Questions	Answers Choice
1	In increased net worth method, profit or loss is calculated by preparing,	A. Income and expenditure account B. Profit and loss account C. Statement of profit or loss D. Balance sheet
2	Income and expenditure account is credited with all.	A. Expenses B. Incomes C. Assets D. Liabilities
3	Partnership is formed under the act of.	A. 1984 B. 1932 C. 1912 D. 1962
4	Interest is debited to assets account under the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method
5	Non-profit making organizations are established for	A. Profit B. Charitable or religious purpose C. To manufacture goods D. To help the rich people
6	Non-profit making organization is also known as	A. Non-profit seeking concern B. Non-trading concern C. Trading concern D. "a" and "b"
7	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
8	The liability of the shareholder of a public limited company is.	A. Unlimited B. Limited C. Compulsory D. None of these
9	Depreciation is charged at fixed rate on the reducing balance, under the.	A. Written - down value method B. Annuity method C. Sinking fund method D. Depletion method
10	Consignment account is in the nature of.	A. Profit and loss account B. Real account C. Personal Account D. None of these
11	Income and expenditure account is equivalent to the.	A. Receipt and payment account B. Balance sheet C. Cash book D. Profit and loss account
12	In partnership minimum limit of partners is.	A. Two (02) B. Five(5) C. Ten (10) D. Twelve (12)
13	A person who invests the minor portion of capital in the business and so he has small share in the profit is called.	A. Senior partner B. Junior partner C. Quasi partner D. Nominal partner
14	Single entry system is generally adopted by,	A. Small business concerns B. Large business concerns C. Medium business concerns D. All of the above
15	Maximum number of the partners in an ordinary Partnership.	A. Ten partners B. Twenty partners C. Thirty partners D. Four partners

16	The profit earned prior to the date of incorporation is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain
17	In case of dissolution, assets sold for cash are debited to	A. Realization account B. Cash account C. Assets account D. None of these
18	Bills payable issued during the period must be debited to total creditors account credited to.	A. Bills payable account B. Bills receivable account C. Debtor account D. Cash account
19	A company in which members give a guarantee to contribute a specified sum to the company if it is wound up is called.	A. Limited company B. Unlimited company C. Company limited by guarantee D. Chartered company
20	Single entry system contains,	A. A daybook or general journal B. A cash book C. Ledger accounts for individual customers and creditors D. All of the above