

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	On the admission of a new partner the increase in the value of assets is debited	A. Revaluation account B. Assets account C. Old partner's capital account D. New partner's capital account
2	Non-profit seeking organization income and expenditure account performs the same function as profit seeking organization's	A. Trading and profit and loss account B. Balance sheet C. Bank account D. Petty cash book
3	Depreciation written off on fixed assets should be recorded in the.	A. Income and expenditure account only B. Receipt and payment account only C. Receipt and payment account and balance sheet D. Income and expenditure account and balance sheet.
4	Account sales submitted by.	A. The consignor to the consignee B. The consignee to the consignor C. the debtor to the creditors D. The principle to his agent
5	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
6	The difference of the two sides of receipt and payment account represents.	A. Opening cash balance B. Closing cash or bank balance C. Opening bank balance D. None of these
7	In single entry system statements of assets and liabilities is called.	A. Balance sheet B. Statement of Affair C. Trial balance D. Income statement
8	Cash paid to creditors can be worked out from.	A. Debtors account B. Creditors account C. Balance sheet D. None of these
9	In single entry system only.	A. Personal accounts are maintained B. Real accounts are maintained C. Nominal accounts are maintained D. None of the above
10	Depreciation is	A. An Income B. An expense C. A loss D. A liability
11	Under the diminishing balance method the depreciation is calculated on .	A. Book value B. Original value C. Residual value D. None of these
12	the activities of non-trading concern are managed by the.	A. Directors B. Member C. governing body D. Promoters
13	Under single entry system information relating to expenses must be ascertained from the analysis of.	A. Debtors account B. Creditors account C. Sales book D. Cash book
14	The profit earned prior to the date of incorporation is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain

15	The end or termination of partnership is called.	A. Amalgamation B. Dissolution C. Retirement D. Admission
16	The sum total of the nominal value of shares of company is called is.	A. Issued capital B. Subscribed capital C. Share capital D. Called up capital
17	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
18	Depreciation under diminishing balance method on the cost price of the fixed asset of Rs. 50,000 after two years @10% will be	A. RS. 5,000 B. Rs. 4050 C. Rs.4500 D. Rs. 40,000
19	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
20	Debit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities