

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	A situation where a company receives more application than actual number of shares offered to the public for subscriptions is termed as.	<p>A. Oversubscription</p> <p>B. Under subscription</p> <p>C. No subscription</p> <p>D. None of these</p>
2	A statement of assets and liabilities is prepared under the single entry system is called.	<p>A. Balance sheet</p> <p>B. Financial statement</p> <p>C. Statement of affair</p> <p>D. Cash transaction</p>
3	In the absence of an agreement, interest on loan advanced by the partner to the firm is allowed at the rate of.	<p>A. 5 percent</p> <p>B. 6 percent</p> <p>C. 8 percent</p> <p>D. 9 percent</p>
4	How many methods are available to calculate the profit or loss under single entry system.	<p>A. One</p> <p>B. Two</p> <p>C. Three</p> <p>D. Four</p>
5	The persons who have entered two partnership are individually called.	<p>A. Agents</p> <p>B. Partners</p> <p>C. A firm</p> <p>D. Vendor</p>
6	The dividend paid to the shareholders during the financial year is.	<p>A. Redeemable debentures</p> <p>B. Irredeemable debentures</p> <p>C. Repayable debentures</p> <p>D. None of these</p>
7	The expense incurred by the consignee in connection with the sale of the consignment goods are debited to.	<p>A. Consignment account</p> <p>B. Cash account</p> <p>C. Consignor account</p> <p>D. None of these</p>
8	Income and expenditure account is debited with all.	<p>A. Expenses</p> <p>B. Incomes</p> <p>C. Liabilities</p> <p>D. Assets</p>
9	On the admission of a new partner the increase in the value of assets is debited	<p>A. Revaluation account</p> <p>B. Assets account</p> <p>C. Old partners capital account</p> <p>D. New partners capital account</p>
10	The Receipt and payment account is the summary of the	<p>A. Cash book</p> <p>B. Balance sheet</p> <p>C. Trial balance</p> <p>D. Profit and loss account</p>
11	Amount received by the concern as per the will of the donor is known as.	<p>A. Legacy</p> <p>B. Donation</p> <p>C. Subscription</p> <p>D. None of these</p>
12	Bad debt written off always affect the	<p>A. Debtor's account</p> <p>B. Creditors account</p> <p>C. Cash account</p> <p>D. All of the above</p>
13	The unsold stock is valued at	<p>A. Original cost of the goods</p> <p>B. Market value of the goods</p> <p>C. Original cost price + proportionate direct expense incurred by the both consignor and consignee</p> <p>D. Cost of market price which ever is the lower.</p>
14	The method is specially suited to natural resources is said to be	<p>A. Annuity method</p> <p>B. Depletion method</p> <p>C. Revaluation method</p> <p>D. Sum of digit method</p>
		<p>A. Total debtors account</p>

15	The figure of the bills receivable can be worked out from.	B. Total creditors account C. Trail balance D. Balance sheet
16	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
17	Dividend is calculated on.	A. Registered capital B. Issue Capital C. Paid up Capital D. Subscribed Capital
18	The income and expenditure account begins with.	A. Opening debit balance B. Opening credit balance C. Opening balance D. None of these
19	In case of retirement of a partner's full good will is credited to the account of.	A. Only retiring partner B. Only remaining partners C. All partners D. None of these
20	The dividend paid to the shareholders during the financial year is.	A. Final dividend B. Interim dividend C. Unclaimed dividend D. Proposed dividend