

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	If the debit side of the receipt and payment account exceeds the credit side it represents.	A. Bank over draft B. Cash at bank C. Surplus balance D. Deficit balance
3	Realization account is a.	A. Nominal account B. Real account C. Personal account D. Cash account
4	The extra amount charged from the new partner over and above the capital is for.	A. Purchase of Machinery B. Good will C. Purchaser of furniture D. Payment of liabilities
5	Non-profit seeking organizations prepare	A. Manufacturing account B. Trading account C. Income and expenditure account D. Profit and loss account
6	In single entry system real accounts are not maintained so the preparation of,	A. Correctly B. Effectively C. Wrongly D. Approximately
7	As per the decision in Garner Va. Murray the solvent partner bring in cash equal to their share of.	A. Realization loss B. Profit ratio C. Capital ratio D. None of these
8	Surplus balance can be shown in the balance sheet as.	A. Asset B. Liability C. Owner's equity D. None of these
9	On retirement of a partner the share of a retiring partner is taken by.	A. Remaining partner B. New partner C. Legal representor or retiring partner D. None of these
10	The depreciation charged to motor car account will be debited to.	A. Depreciation account B. Motor car account C. Cash account D. None of these
11	Net worth is equal to,	A. Assets - Liabilities B. Liabilities - Assets C. Liabilities + Capital D. Capital + Assets
12	In consignee's books the payment of expense by consignee should be debited to	A. Consignment account B. Consignors account C. Cash account D. None of these
13	Unclaimed dividend is shown as.	A. Asset B. Liability C. Deduction from paid up capital D. None of these
14	Income and expenditure account is usually accompanied by.	A. Trial balance B. Balance sheet C. Income and gains D. Liabilities
15	The debentures which are payable to bearer, are termed as.	A. None transferable B. Registered debentures C. Bearer debentures

16	In case of dissolution, assets sold for cash are debited to	A. Realization account B. Cash account C. Assets account D. None of these
17	Under aunauity method, the annual charger for depreciation wil be debited to.	A. Assets account B. Depreciation account C. Interest account D. None of these
18	Income and expenditure account is usually accompanied by.	A. Trail balance B. Balance sheet C. Cash book D. None of these
19	Abnormal loss arises due to.	A. Natural causes B. Evaporation drying breaking in bulk C. Pilferage , theft fire etc. D. Some unavoidable causes
20	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. Arbitrartio clause C. Partnership at will D. None of these