

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	The profit on revaluation of assets and liabilities on the retirement of the partners should be credited to the capital account of.	<p>A. All the partners</p> <p>B. Retiring partner</p> <p>C. Remaining partner</p> <p>D. None of these</p>
2	In consignment all the expenses either paid by the consignor himself or by the consignee are born by the.	<p>A. Consignor</p> <p>B. purchaser</p> <p>C. Consignee</p> <p>D. None of these</p>
3	Under the diminishing balance method the depreciation is calculated on .	<p>A. Book value</p> <p>B. Original value</p> <p>C. Residual value</p> <p>D. None of these</p>
4	A partner who invests capital in the business but does not take active part in the conduct of the business is called.	<p>A. Active partner</p> <p>B. Sleeping partner</p> <p>C. Secret partner</p> <p>D. None of these</p>
5	In the books of consignee the sale of goods by the consignee credited to.	<p>A. Sales account</p> <p>B. Consignor account</p> <p>C. Consignee's account</p> <p>D. None of these</p>
6	In case of loss on revaluation of assets and liabilities should be debited to.	<p>A. Retiring partners capital accounts</p> <p>B. All partners capital accounts</p> <p>C. Remaining partners capital account</p> <p>D. None of these</p>
7	The document which contains the fundamental conditions of incorporation and the objects for which the company was formed is called.	<p>A. Memorandum of association</p> <p>B. Article of association</p> <p>C. Prospectus</p> <p>D. None of the above</p>
8	Debenture holders are.	<p>A. Creditors</p> <p>B. Owners</p> <p>C. Customers of the company</p> <p>D. Debtors</p>
9	The parties involved in the consignment are.	<p>A. Two</p> <p>B. Three</p> <p>C. Four</p> <p>D. Five</p>
10	The charter of the company containing the objects of which for company is being formed is called.	<p>A. Articles of association</p> <p>B. Prospectus</p> <p>C. Memorandum of association</p> <p>D. Notice</p>
11	Subscription Received in advance is.	<p>A. An income</p> <p>B. An asset</p> <p>C. Liability</p> <p>D. An expenditure</p>
12	In single entry system only.	<p>A. Personal accounts are maintained</p> <p>B. Real accounts are maintained</p> <p>C. Nominal accounts are maintained</p> <p>D. None 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 end or termination of partnership is called.	<p>A. Amalgamation</p> <p>B. Dissolution</p> <p>C. Retirement</p> <p>D. Admission</p>

15	Registraion of the firm.	<p>A. It is legally necessary</p> <p>B. It is optional</p> <p>C. It depends on the will of the partners</p> <p>D. It depends uopon the will of theemployee</p>
16	In receipt and payments account	<p>A. No narration is written</p> <p>B. No ledger reference is recorded</p> <p>C. Daily cash balance cannot be ascertained</p> <p>D. All of the above</p>
17	Amount due to the deceased partner is generally transferred to	<p>A. Executor's loan</p> <p>B. Profit and loss accounts</p> <p>C. Capital account</p> <p>D. None of thess</p>
18	The rules and regulation foverning the internal management and administration of the company are called.	<p>A. Memorandum of assocaiation</p> <p>B. Articles of association</p> <p>C. Prospectus</p> <p>D. None of these</p>
19	Revaluation account is a.	<p>A. Real account</p> <p>B. Personal account</p> <p>C. Cash account</p> <p>D. Nominal account</p>
20	The fingure of bills payable is worked out by preparing the.	<p>A. Total debtors account</p> <p>B. Total creditors account</p> <p>C. Cash book</p> <p>D. Balance sheet</p>