

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Surplus balance can be shown in the balance sheet as.	A. Asset B. Liability C. Owner's equity D. None of these
2	Realization account is opened to find out gain or loss at the time of.	A. Admission of a new partner B. Retirement of the partner C. Death of the partners D. None of these
3	Reserve for bad and doubtful debts appearing in the books of accounts at the time of dissolution should be transferred to.	A. Realization account B. Revaluation account C. Debtors account D. None of these
4	Interest on drawing is debited to.	A. Partners capital accounts B. Profit and loss account C. Interest account D. None of these
5	The liability of the shareholder of a public limited company is.	A. Unlimited B. Limited C. Compulsory D. None of these
6	Good will is	A. Expense B. Profit C. Assets D. Liability
7	Bills payable issued during the period must be debited to total creditors account credited to.	A. Bills payable account B. Bills receivable account C. Debtors account D. Cash account
8	The maximum number of members in case of a public limited company can be	A. Forty B. Fifty C. Sixty D. No restriction on maximum number
9	The figure of the bills receivable can be worked out from.	A. Total debtors account B. Total creditors account C. Trail balance D. Balance sheet
10	A situation where a company receives application for a lesser number of shares than offered to the public for subscription is termed as.	A. Oversubscription B. Under subscription C. No subscription D. None of these
11	How many methods are available to calculate the profit or loss under single entry system,	A. One B. Two C. Three D. Four
12	The owner's equity in a company is commonly called.	A. Shareholder equity B. promoters equity C. Directors equity D. None of these
13	Receipt and payment account includes.	A. Revenue items B. Capital items C. Both capital and Revenue items D. None of the above
14	Due to fresh capital introduced during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
15	Share application account is in the nature of.	A. Real account B. Personal account C. Nominal account D. None of the above

16	The profit earned prior to the date of incorporation is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain
17	Subscription received during the current year is.	A. An income B. An expenditure C. An asset D. An liability.
18	Non-profit seeking organizations prepare	A. Manufacturing account B. Trading account C. Income and expenditure account D. Profit and loss account
19	In single entry system nominal accounts and some assets accounts balances are not available so it is not possible to prepare,	A. Debtors account B. Creditors account C. Trial balance D. Statement of affairs
20	Receipts and payments account shows	A. Debit and credit balances of ledgers B. Incomes and expenditures C. Cash receipts and payments D. Assets and liabilities