

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	premium on issue of shares is shown in.	A. Assets side of balance sheet B. Liabilities side of balance sheet C. Trading account D. Profit and loss account
2	Net worth is equal to,	A. Assets - Liabilities B. Liabilities - Assets C. Liabilities + Capital D. Capital + Assets
3	Income and expenditure account is credited with all.	A. Expenses B. Incomes C. Assets D. Liabilities
4	The Receipt and payment account is the summary of the	A. Cash book B. Balance sheet C. Trial balance D. Profit and loss account
5	Closing capital in single entry system is calculated by preparing,	A. Opening statement of affairs B. Closing statement of affairs C. Opening balance sheet D. Closing balance sheet
6	The balance of realization account is transferred to the capital accounts of the partners in.	A. Capital ratio B. Equality C. Interest ratio D. Profit sharing ratio
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 shares of public limited company are.	A. Not refundable B. Not transferable C. Transferable D. No allotable
9	In the absence of an agreement, interest on loan advanced by the partner to the firm is allowed at the rate of.	A. 5 percent B. 6 percent C. 8 percent D. 9 percent
10	In the absence of an agreement partners shall	A. Be paid salaries B. Not to be paid the salaries C. Be paid salaries by the consent of the partners D. Be paid salaries to those who worked for the firm
11	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixed assets
12	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Annuity method C. Diminishing balance method D. Straight line method
13	In case of retirement when the goodwill raised with retiring partner is written off among the remaining partners.	A. In gaining ratios B. Sacrificing ratios C. Capital ratios D. New ratio
14	Donations received in heavy amounts are treated as.	A. Revenue B. Capitalized C. Liability D. Assets
15	Income and expenditure account is usually accompanied by.	A. Trial balance B. Balance sheet C. Cash book

		D. None of these
16	The persons who have entered in partnership are collectively called.	A. A firm B. Agents C. Partners D. Promoters
17	Investment in partnership is made by introducing.	A. Cash B. Non cash assets C. Cash or non cash assets D. None of these
18	Non-profit seeking organizations prepare	A. Manufacturing account B. Trading account C. Income and expenditure account D. Profit and loss account
19	Income and expenditure account is prepared on.	A. Cash basis B. Accrual basis C. Cash of accrual basis D. None of these
20	In consignee's books, the acceptance of a bill of exchange by consignee will be debited to.	A. Trading account B. Bill payable account C. Consignor account D. Consignment account