

## Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Double entry system means	A. The recording of same things twice B. Double accounting C. The two sides of every transaction are recorded D. Entry at two dates
2	Under single entry system sometimes,	A. Double aspects of a transaction are recorded B. Single aspect of a transaction is recorded C. No aspect of a transaction is recorded D. All of the above
3	Single entry system is generally adopted by,	A. Small business concerns B. Large business concerns C. Medium business concerns D. All of the above
4	Single entry system contains,	A. A daybook or general journal B. A cash book C. Ledger accounts for individual customers and creditors D. All of the above
5	In single entry system,	A. Personal accounts are maintained B. Real accounts are maintained C. Nominal accounts are maintained D. None of the above
6	In single entry system ledger contains the accounts of,	A. Debtors, creditors and cash B. Wages and carriage C. Salaries and insurance D. Assets and liabilities
7	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
8	In single entry system real accounts are not maintained so the preparation of,	A. Correctly B. Effectively C. Wrongly D. Approximately
9	How many methods are available to calculate the profit or loss under single entry system,	A. One B. Two C. Three D. Four
10	Net worth is equal to,	A. Assets - Liabilities B. Liabilities - Assets C. Liabilities + Capital D. Capital + Assets
11	To calculate the value of capital both at the beginning and at the end of year in single entry system we prepare,	A. Balance sheet B. Trading account C. Trial balance D. Statement of affairs
12	Opening capital is calculated by taking the difference between,	A. Opening assets and closing assets B. Opening assets and closing liabilities C. Opening assets and Opening liabilities D. Closing assets and closing liabilities
13	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

14	Due to fresh capital introduced during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
15	Due to drawings made during the year, the closing capital will,	A. Increase B. Decrease C. Constant D. Multiply
16	To calculate the true net profit or net loss in single entry system it is necessary that the amount of fresh capital should be subtracted from,	A. Adjusted closing capital B. Closing capital C. Cash in hand D. Cash at bank
17	Single entry system is suitable where,	A. Small amount of cash transactions are more B. Large amount of cash transaction are more C. Small amount of cash transaction are more D. Large amount of cash transaction are more
18	According to companies ordinance, single entry system cannot be adopted by,	A. Sole proprietorship B. Partnership C. "a" and "b" D. Joint stock companies
19	Non-profit making organizations	A. Buy goods B. Manufacture goods C. Sell goods D. None of these
20	Example of non-profit making organization	A. Fan factory B. Sugar industry C. Hospital D. Shoe factory
21	Non-profit making organizations are established for	A. Profit B. Charitable or religious purpose C. To manufacture goods D. To help the rich people
22	Non-profit making organization is also known as	A. Non-profit seeking concern B. Non-trading concern C. Trading concern D. "a" and "b"
23	The method for preparing the final accounts in trading concerns and non-profit making organizations are	A. Same B. Different C. Easy D. Difficult
24	A person who is elected to run the club	A. Treasurer B. Secretary C. Chairperson D. President
25	The basic club record or book of original entry in non-profit making organization	A. Purchase book B. Sales book C. Cash book D. "a" and "b"
26	Receipts and payments account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
27	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
28	A receipts and payments account is similar to	A. An income and expenditure B. A statement of affair C. A cash or a bank account D. A profit or loss account
29	Receipts and payments account records transaction relating to	A. Past year B. Future year C. Present year D. All of the above
30	In receipt and payments account	A. No narration is written B. No ledger reference is recorded C. Daily cash balance cannot be ascertained

		<p>advertised</p> <p>D. All of the above</p>
31	In cash book	<p>A. Each entry is followed by narration</p> <p>B. Ledger reference is recorded</p> <p>C. Each transaction is recorded in chronological order</p> <p>D. All of the above</p>
32	In non-profit making organization final accounts contains	<p>A. Income and expenditure account and balance sheet</p> <p>B. Receipts and payments account and balance sheet</p> <p>C. Receipts and payments account and statement of affairs</p> <p>D. Profit and loss account and balance sheet</p>
33	It is prepared by non-profit making organizations to determine surplus or deficit	<p>A. Trading account</p> <p>B. Profit and loss account</p> <p>C. Receipts and payments account</p> <p>D. Income and expenditure account</p>
34	Income and expenditure account records the transactions of	<p>A. Revenue nature</p> <p>B. Capital nature</p> <p>C. Revenue and capital nature</p> <p>D. None of the these</p>
35	Non-profit seeking organizations prepare	<p>A. Manufacturing account</p> <p>B. Trading account</p> <p>C. Income and expenditure account</p> <p>D. Profit and loss account</p>
36	Non-profit seeking organization income and expenditure account performs the same function as profit seeking organization's	<p>A. Trading and profit and loss account</p> <p>B. Balance sheet</p> <p>C. Bank account</p> <p>D. Petty cash book</p>
37	Income and expenditure account shows	<p>A. Cash in hand</p> <p>B. Surplus or deficit</p> <p>C. Cash at bank</p> <p>D. Capital account</p>
38	All transactions relating to non-profit seeking concerns are recorded in the books of account strictly according to	<p>A. Single entry system</p> <p>B. Double entry system</p> <p>C. Treble entry system</p> <p>D. "a" and "b"</p>
39	In income and expenditure account	<p>A. Expense are recorded on debit side</p> <p>B. Revenues are recorded on credit side</p> <p>C. Does not start with any opening balance</p> <p>D. All of the above</p>
40	Both aspects of a transaction must be recorded in,	<p>A. Single entry system</p> <p>B. Barter system</p> <p>C. Double entry system</p> <p>D. Islamic system</p>
41	In increased net worth method, profit or loss is calculated by preparing,	<p>A. Income and expenditure account</p> <p>B. Profit and loss account</p> <p>C. Statement of profit or loss</p> <p>D. Balance sheet</p>
42	We cannot prepare the trial balance and precise balance sheet under,	<p>A. Single entry system</p> <p>B. Double entry system</p> <p>C. "a" and "b"</p> <p>D. Barter system</p>
43	the activities of non -trading concern are managed by the.	<p>A. Directors</p> <p>B. Member</p> <p>C. governing body</p> <p>D. Promoters</p>
44	The main sources of income of for on -trading concern is.	<p>A. Subscriptions</p> <p>B. Donations</p> <p>C. Sales</p> <p>D. Dividends on investment</p>
45	Receipt and payment account includes.	<p>A. Revenue items</p> <p>B. Capital items</p> <p>C. Both capital and Revenue items</p> <p>D. None of the above</p>
46	If the debit side of the receipt and payment account exceeds the credit side it represents	<p>A. Bank over draft</p> <p>B. Cash at bank</p>

46	If the debit side of the receipt and payment account exceeds the credit side it represents.	C. Surplus balance D. Deficit balance
47	Surplus balance can be shown in the balance sheet as.	A. Asset B. Liability C. Owner's equity D. None of these
48	At the end of the year non trading institutions prepare.	A. Profit and loss account B. Income and expenditure account C. Manufacturing account D. None of the above
49	Income and expenditure account shows.	A. Surplus or deficit B. Not profit or net loss C. Capital account D. Cash in hand
50	If the credit side of the income and expenditure account is greater it is termed as.	A. Deficit B. Surplus C. Asset D. Liability
51	If the debit side of the income and expenditure account is greater than the credit side it is termed as.	A. Surplus B. Deficit C. Assets D. Liabilities
52	Subscription Received in advance is.	A. An income B. An assets C. Liability D. An expenditure
53	Non- trading concern prepare.	A. Profit and loss account B. Income and expenditure account C. Manufacturing account D. None of these
54	The income and expenditure account performs the same function as.	A. Trading and profit and loss account B. Manufacturing account C. Balance sheet D. None of these
55	The Receipt and payment account is the summary of the	A. Cash book B. Balance sheet C. Trial balance D. Profit and loss account
56	Income and expenditure account is credited with all.	A. Expenses B. Incomes C. Assets D. Liabilities
57	Income and expenditure account is debited with all.	A. Expenses B. Incomes C. Liabilities D. Assets
58	Receipt and payment account starts with the.	A. Opening balance B. Ending balance C. Beginning or ending balance D. None of these
59	Receipt and payment account is prepared at the.	A. Start of the year B. End of the year C. Mid of the financial year D. None of these
60	Income and expenditure account is equivalent to the.	A. Receipt and payment account B. Balance sheet C. Cash book D. Profit and loss account
61	Income and expenditure account is prepared on.	A. Cash basis B. Accrual basis C. Basis of accrual basis D. None of these
62	Income and expenditure account is prepared at the	A. Start of the year B. Mid of the year C. End of the year D. At the start and end of the year
63	Debit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities

64	Credit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
65	Income and expenditure account is usually accompanied by.	A. Trail balance B. Balance sheet C. Income and gains D. Liabilities
66	Income and expenditure account is usually accompanied by.	A. Trail balance B. Balance sheet C. Cash book D. None of these
67	The difference of the two sides of receipt and payment account represents.	A. Opening cash balance B. Closing cash or bank balance C. Opening bank balance D. None of these
68	Accrued subscription represents.	A. An expense B. An income C. An asset D. A liability.
69	An income and expenditure account is.	A. Normal account B. Real account C. Personal account D. None of these
70	Donation received in heavy amount are treated as.	A. Revenue B. Capitalized C. Liability D. Assets
71	Lagacies are generally treated as.	A. Income B. Capitalized C. Assets D. Liability
72	The account of non trading concern are generally maintained according to.	A. Mercantile accounting system B. Double entry system of book keeping C. Cash accounting system D. None of the above
73	The income and expenditure account begins with.	A. Opening debit balance B. Opening credit balance C. Opening balance D. None of these
74	Admission fee income should be.	A. Treated as income B. Capitalized C. Proportionate to revenue and capitalized D. None of these
75	Subscription outstanding in the beginning are shown in the	A. Trading account B. Income and expenditure account C. Balance sheet D. Profit and loss account
76	Excess of assets over liabilities is an indication of.	A. Solvency B. Insolvency C. Deficiency D. Loss
77	Excess of liabilities over assets is an indication of .	A. Solvency B. Insolvency C. Surplus D. Profit
78	Capital is obtained by deducting liabilities from.	A. Expenditures B. Receipt C. Assets D. Incomes
79	The income through admission fee should be.	A. Capitalized B. Treated as revenue C. Treated as liability D. An expenses
80	The excess of total assets over total liabilities of a concern is called.	A. Surplus B. Deficit C. Capital fund D. Profit
		A. Assets + Income B. Assets + Liabilities

81	Capital fund of non trading concern is equal to.	B. Assets + Liabilities C. Expenditure + Liabilities. D. Assets - Liabilities
82	Amount received by the way of gift from any person or organization is called.	A. Donation B. Subscription C. Legacy D. None of these
83	The amount paid to person who was invited to deliver a lecture in a club is known as.	A. Honorarium B. Salary C. Wages D. None of these
84	Purchase of sports material for the club should be treated as.	A. Expense B. Assets C. Income D. Liability
85	Subscription received during the current year is.	A. An income B. An expenditure C. An asset D. An liability.
86	Depreciation written off on fixed assets should be recorded in the.	A. Income and expenditure account only B. Receipt and payment account only C. Receipt and payment account and balance sheet D. Income and expenditure account and balance sheet.
87	Receipts and payments accounts records transaction relating to.	A. Current year B. Past year C. future year D. All of the above
88	Amount received by the concern as per the will of the donor is known as.	A. Legacy B. Donation C. Subscription D. None of these
89	In single entry system both the aspects, debit and credit of a transaction are not recorded so it is.	A. Incomplete and unscientific B. Complete and scientific C. Incompleted and scientific D. Complete and unscientific
90	In single entry system only.	A. Personal account are maintained B. Real account are maintained C. Nominal accounts are maintained D. None of the above
91	The system in which accounting records are not kept strictly according to the double entry principle of book keeping is called.	A. Single , entry system B. Accrual system C. Double entry system D. Cash system
92	The single entry system of book keeping is generally followed by	A. Small business concern B. Large Business concern C. Non trading concern D. None of these
93	In single entry it is not possible to prepare	A. Trial balance B. Trading account C. Profit and loss account D. Balance sheet
94	The opening capital is ascertained by preparing.	A. Cash account B. Opening statements of affairs C. Total debtors account D. Total creditors account
95	Cash book is prepared to find out the figure of.	A. Opening capital B. Closing cash balance C. Net profit D. Financial position
96	In cash of net worth method of single entry system net profit is ascertained by.	A. Preparing the trading and profit and account B. By comparing the capitals in the beginning and at the end of the accounting period. C. Capital closing + Drawing - fresh capital - opening capital D. Capital opening+ Drawing - fresh capital-closing stock
97	Single entry system is most suitable where	A. Credit transactions are numerous. B. Cash transactions are numerous C. Cash and credit transactions both

97	Single entry system is most suitable where	C. Cash and credit transactions both are numerous D. None of the above
98	Arithmetical accuracy of the books of accounts cannot be checked under.	A. Single Entry system B. Double entry system C. None entry system D. Both a and b
99	A statement of assets and liabilities is prepared under the single entry system is called.	A. Balance sheet B. Financial statement C. Statement of affair D. Cash transaction
100	In appearance, the statement of affairs, is similar to a.	A. Balance sheet B. Profit and loss account C. Trading account D. Bank Reconciliation statement
101	Under single entry system informatoin relating to expenses must be ascertained from the analysis of.	A. Debtors account B. Creditors account C. Sales book D. Cash book
102	North worth of an organizaton means the excess of its total assets over total.	A. Liabilities B. Income C. Expenses D. None of the above
103	Bad debt written off always affect the	A. Deblor's account B. Creditors account C. Cash account D. All of the above
104	The closing balance of trade debtors can be located from.	A. Total debtors account B. Balance sheet C. Bills receivable account D. Cash book
105	Cash received from the debtors can be find out by preparing.	A. Debtors account B. Creditors account C. Balance sheet D. Trial balance
106	The figure of the credit purchase can be worked out.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
107	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
108	Cash paid to creditors can be woked out from.	A. Debtora account B. Creditors account C. Balance sheet D. None of theses
109	The Closing Capital is worked out by preparing the.	A. Opening statement of affair B. Closing statement of affiar C. Cash book D. Balance sheet
110	Single entry systme can bot be maintained by.	A. Sole owner B. Partnership concern C. Joint stock companies D. All of the above
111	Under the conversion method of single entry credit salea are ascertained by preparing the.	A. Total debtors account B. Total creditors account C. Total cash account D. Total bills receivable account
112	Acceptance received durinthe period must be debited to bills receivable account and credited to.	A. Total bills receivable account B. Total debtors account C. total cash account D. Total bills receivabel account
113	Bills payable issued durint the period must be debited to total creditors account credited to.	A. Bills payable account B. Bills receivable account C. Debtora account D. Cash account
114	If the cash sales are missing they are to be ascertained by the construction of.	A. Debtors account B. Creditors account C. Cash account D. None of these

A. Total debtors account

115	The figure of bills payable is worked out by preparing the.	A. Total debtors account B. Total creditors account C. Cash book D. Balance sheet
116	Not worth method is equal to.	A. Liabilities - assets B. Assets- liabilities C. Capital + assets D. None of these
117	In single entry system statements of assets and liabilities is called.	A. Balance sheet B. Statement of Affair C. Trial balance D. Income statement
118	The opening and closing balance of bills Receivable can be calculated by preparing the.	A. Total debtors accounts B. Total creditors account C. Bills Recivable accounts D. Salaes accounts
119	How many methods are available to calculate the profit or loss under single entry system.	A. One B. Two C. Three D. Four
120	The person who sends the goods to his agent for the purpose of sale is called.	A. Consignor B. Consignee C. Debtor D. Creditor
121	The persons to whom the goods are dispatched for the purpsoe of sales is called.	A. Debtor B. Consignee C. Consignor D. None of these
122	Consignment signifies.	A. Goods despatched by the owner to his agent B. Goods forwarded by the creditor to his debtor C. Goods forwarded from one place to another D. Goods sent by the owner to his agent for the purpose of sale.
123	Goods sent on consignment should be debited int he books of the consignor.	A. Consignee account B. Consignment account C. Goods sen ton consignment D. Consignor account
124	When the goods sent on consignment are sold by the consignee the account to be debited is.	A. Cash account B. Consignee personal account C. Consignment account D. None of these
125	Commission due to the consignee is calculated on.	A. Credit sales only B. Cash sales only C. Total sales D. None of these
126	Del-credere commission is allowed to cover.	A. Normal losses B. Abnormal losses C. Loss due to bad debts D. None of these
127	The unsold stock is valued at	A. Original cost of the goods B. Market value of the goods C. Original cost price + proportionate direct expense incutred by the both consignor and consignee D. Cost of market pric ewhich wver is the lower.
128	The expense incurred by the oconsignee in connection with the sale of the consignment goods are debited to.	A. Consignment account B. Cash account C. Consignor account D. None of these
129	The abnormal loss on consigneemnt is credited to.	A. Consignment account B. Consignment personal account C. Profit and loss account D. Goods sent on consigneemnt account
130	In the books of consignee the sale of goods by the consigee credited to.	A. Sales account B. Consignor account C. Consignee's account D. None of these

A. Stock on consignment account



131	For the stock unsold with the consignee will be debited in the books of the consignor.	B. Consignment C. Consignee account D. None of the above
132	For the expenses incurred by the consignee on the sale of goods will be credited in the books of the consignor.	A. Cash account B. Consignee personal account C. Consignment account D. None of the above
133	When the cash is received from the sale of the goods by the consignee on behalf the consignor then it will be debited to.	A. Cash account B. Consignor's personal account C. Consignment account D. None of these
134	For the commission due to the consignee on the sales of goods in the books of the consignor will be credited to.	A. Commission account B. Consignee's personal account C. Consignment account D. None of these
135	Consignor is also called.	A. Principal B. Agent C. Debtor of the consignee D. Creditor of the consignee
136	Del credere commission is calculated on.	A. Total sales B. Cash sales C. Credit sales D. None of these
137	Consignment account is in the nature of.	A. Profit and loss account B. Real account C. Personal Account D. None of these
138	Account sales is submitted by.	A. To the consignor to the consignee B. The consignee to the consignor C. the debtor to the creditors D. The principal to his agent
139	the profit on consignment in the books of the consignor should be debited to.	A. Consignment account B. Profit and loss account C. Consignee's account D. None of these
140	The relationship between consignor and consignee is that of.	A. Buyer and seller B. Debtor and creditor C. Wholesale seller or retailer D. Principal and agent
141	Consignee is.	A. A principal B. An agent C. A debtor D. A creditor
142	The consignment inward book or journal is maintained by.	A. Consignor B. Consignee C. Customer D. Debtors
143	The periodical report which is prepared by consignee and sent to consignor, which shows the detail about the sales of goods is called.	A. Sales account B. Performance invoice C. Account sales D. None of these
144	In consignment, the remuneration allowed to consignee for selling the goods of the consignor, is termed as.	A. Salary B. Wages C. Profit D. Commission
145	An additional commission paid to the consignee who guarantees the payment in case of credit sale, is called.	A. Bonus B. Commission C. Del credere commission D. Credit commission
146	In case of del credere commission the liability of bad debts is on	A. Consignee B. Consignor C. Both on consignee and consignor D. None of the above
147	the loss which arises due to natural causes such as evaporation etc is called.	A. Abnormal loss B. Normal loss C. Additional loss D. None of these
148	Overriding commission is calculated on.	A. Cash sales only B. Credit sales only C. Total sales D. None of the above

149	The losses arise in consignment transactions, such as loss of goods in transit, theft, goods damaged or destroyed by fire etc are.	A. Normal losses B. Additional loss C. Abnormal losses D. Both abnormal and normal loss
150	In the books of consignor, the loss on the consignment should be credited to.	A. Consignment account B. Consignee's account C. Profit and loss account D. Goods sent on consignment
151	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
152	Consignee account is of the nature of.	A. Personal account B. Nominal account C. Real account D. None of these
153	Abnormal loss arises due to.	A. Natural causes B. Evaporation drying breaking in bulk C. Pilferage, theft fire etc. D. Some unavoidable causes
154	The consignment outward books or journal is maintained by.	A. Customers B. Consignor C. Consignee D. Debtors
155	The consignee acts entirely on behalf of the	A. Debtors B. Creditors C. Customer D. Principal or consignor
156	In the books of consignor on receiving advance in cash from consignee should be debited to.	A. Cash account B. Consignee account C. Consignment account D. None of these
157	In consignee's books the payment of expense by consignee should be debited to	A. Consignment account B. Consignor's account C. Cash account D. None of these
158	The parties involved in the consignment are.	A. Two B. Three C. Four D. Five
159	In consignment all the expenses either paid by the consignor himself or by the consignee are borne by the.	A. Consignor B. purchaser C. Consignee D. None of these
160	Partnership is formed by the partners.	A. Written agreement B. Mutual consent C. Verbal agreement D. None of these
161	Registration of the firm.	A. It is legally necessary B. It is optional C. It depends on the will of the partners D. It depends upon the will of the employee
162	Maximum number of the partners in an ordinary Partnership.	A. Ten partners B. Twenty partners C. Thirty partners D. Fourth partners
163	Partnership is formed under the act of.	A. 1984 B. 1932 C. 1912 D. 1962
164	Liability of the partners in partnership is.	A. Limited B. Unlimited C. Limited up to the extent of their capitals D. Depend on the will of the partners
165	The persons who have entered into partnership are individually called.	A. Agents B. Partners C. A firm D. Vendor

166	In case of banking business, the number of persons must not exceed.	A. Ten (10) B. Twenty (20) C. Twenty five (25) D. Fifty (50)
167	In partnership minimum limit of partners is.	A. Two (02) B. Five (5) C. Ten (10) D. Twelve (12)
168	The persons who have entered in partnership are collectively called.	A. A firm B. Agents C. Partners D. Promoters
169	A partner who takes an active part in the management of the firm is called.	A. Active partner B. Sleeping partner C. Nominal partner D. Quasi partner
170	A partner who has a major investment in the firm and receives a relatively more profit is called.	A. Sleeping partner B. Dormant partner C. Senior partner D. Estoppel partner
171	A person who invests the minor portion of capital in the business and so he has a small share in the profit is called.	A. Senior partner B. Junior partner C. Quasi partner D. Nominal partner
172	A partner who does not take an active part in the management of the firm is called.	A. Active partner B. Senior partner C. Dormant or sleeping partner D. Nominal partner
173	A partner, who has not attained the age of majority is called.	A. Junior partner B. Minor partner C. Nominal partner D. Quasi Partner
174	A partner who is newly admitted to the firm with the consent of all the parties is called.	A. Salaried partner B. Incoming partner C. Junior partner D. Minor partner
175	In the absence of a partnership agreement the profit and losses are divided by the partners in the ratio of.	A. Capitals B. Profit and loss ratios C. Equality D. Time devoted by each partner
176	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
177	Investment in partnership is made by introducing.	A. Cash B. Non cash assets C. Cash or non cash assets D. None of these
178	A partner who invests capital in the business but does not take an active part in the conduct of the business is called.	A. Active partner B. Sleeping partner C. Secret partner D. None of these
179	Capital of the partners is maintained under.	A. Fixed capital method B. Fluctuating method C. By any two of the above D. None of the above
180	In the absence of an agreement partners shall	A. Be paid salaries B. Not 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
181	Current accounts of the partners should be opened when the capital are.	A. Fixed B. Fluctuating C. Either fixed or fluctuating D. None of these
182	The owner of the partnership is called as.	A. Member B. Partners C. Share holder D. None of these

A. Partnership

183	If some property is owned jointly with out any attention to carry on a business it is called.	B. Co- ownership C. Sole ownership D. Agency
184	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. Aribtratio clause C. Partnership at will D. None of these
185	When the capitals of the partners arr not allowed to change during the life time of the business except in extra ordinary circumslander then they are called.	A. Fluctuating capitals B. Fixed capitals C. Current capitals D. None of these
186	Current accout of the partners should be opened when the capitals are.	A. Fluctuating B. Fixed C. Either fixed or fluctuating D. Neither fixed or fluctuating
187	The investment in partners capital accounts is to be credited to.	A. Partners capital accounts B. Profit and loss account C. Interest account D. None of these
188	Interest on drawing is debited to.	A. Partners capital accounts B. Profit and loss account C. Interest account D. None of these
189	For the firm, interest on drawing is.	A. Expense B. Income C. Liability D. None of these
190	A new partner may be admitted to a partnership.	A. With the consent of all the partners B. With the consent of any one of the partners C. With consent of two third the old partners D. Without the consent of old partners
191	When a new partner is admitted with out the consent of the old partner.	A. Partnership will be dissolved B. Will value C. Agreed value D. None of these
192	Revaluation account is a.	A. Real account B. Personal account C. Cash account D. Nominal account
193	The balance of revaluation accoun tis transferred to the old partners capital accounts in their.	A. Sacrificing ratio B. Old profit shairng ratio C. New profit sharing ratio D. Equal profit shairng ratio
194	Profit on revalutin is to be caredited to old partners in their	A. Sacrificing ratio B. New profit shiaring ratio C. Old prift sharing ratio D. Equal prift sharing ratio
195	General reserve at the time of admission of anew partner is credited.	A. New partner capital account B. General reserve account C. Old parners capital account D. All partners capital account
196	If the goods will raised at the tim e of admissionof a new partner will be written off in.	A. Old prifit sharing ratios B. Capitals ratios C. New profit - Old ratios D. Sacrificing ratios
197	Sacrificing rations are equal to.	A. Capital Ratios- New ratios B. Old ratios - New ratios C. New ratio - old ratios D. None of these
198	Old prifit sharing ratio minus new profit sharing ratio is equal for.	A. Sacrifing ratios B. Gaining ratios C. Distributing ratios D. None of these
199	When the incoming partner pays the firm for good willin cash the amount should be debited to firms books to.	A. Good will accounts B. Cash Account C. Capital account of the incoming partner D. All of the above

200	On the admission of a new partner the decrease in the value of assets is debited to.	A. Revaluation account B. Assets account C. Old partner's capital account D. New partner capital account
201	On the admission of a new partner the increase in the value of assets is debited	A. Revaluation account B. Assets account C. Old partner's capital account D. New partner's capital account
202	The extra amount charged from the new partner over and above the capital is for.	A. Purchase of Machinery B. Good will C. Purchase of furniture D. Payment of liabilities
203	Good will is.	A. Tangible asset B. Intangible asset C. Wasting assets D. Frictional assets
204	Good will is	A. Expense B. Profit C. Assets D. Liability
205	In the absence of an agreement, the share of new partner in partnership will be.	A. In the portion of capital B. Equal C. According to work D. None of the above
206	The amount of good will brought in cash by new partner will be credited to old partner in.	A. Gaining Ratio B. New Ratio C. Old Ratio D. Sacrifice Ratio
207	Profit of revaluation should be credited to.	A. Revaluation account B. Liabilities accounts C. Old partner's capital accounts D. Assets accounts
208	Revaluation loss should be debited to.	A. Revaluation account B. All partner's capital account C. Old partner's capital accounts D. New partner's capital account
209	A partner goes out of a firm due to certain event or reason is known as.	A. Retired or outgoing partner B. Junior partner C. Senior partner D. Minor partner
210	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
211	Amount of the outgoing partner is shown in the balance sheet as his.	A. Liability B. Loan C. Capital D. Assets
212	Partner's capital are affected due to.	A. Admission of a partner B. Retirement of the partner C. Death of a partner D. All of the above
213	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
214	If the good will raised at the time of retirement of a partner is to be written off, then the capital accounts of the remaining partners are debited in.	A. Capital ratio B. Old profit sharing ratio C. New profit sharing ratio D. None of these
215	Gaining ratios are equal to.	A. New Ratio - Old ratio B. Old ratio - New ratio C. New Ratio + old ratios D. Capital ratios - New Ratios
216	The profit on the revaluation of the assets and liabilities on the retirement of the partner should be credited to.	A. All partner's capital accounts B. Only retiring partner's capital accounts C. Remaining partner's capital account D. None of these
		A. Admission of a partner B. Death of a partner

217	The gaining ratio are calculated on.	<p>B. Death of a partner</p> <p>C. Retirement of a partner</p> <p>D. None of these</p>
218	On retirement of a partner the share of a retiring partner is taken by.	<p>A. Remaining partner</p> <p>B. New partner</p> <p>C. Legal representator or retiring partner</p> <p>D. None of these</p>
219	In case of retirement when the good will raised with retiring partner written off among the remaining partner.	<p>A. In gaining ratios</p> <p>B. Sacrificing ratios</p> <p>C. Capital ratios</p> <p>D. New ratio</p>
220	In case of retirement the amount of the general reserve any other profit is credited to all partners in.	<p>A. Sacrificing Ratios</p> <p>B. New profit sharing ratios</p> <p>C. Old profit sharing ratios</p> <p>D. Gaining ratios</p>
221	The profit on revaluation of assts 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>
222	In case of los 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 patners capitala account</p> <p>D. None of these</p>
223	The credit balance of retiring partner capital account if not paid in cash should be tranferred to.	<p>A. Retiring partners loan account</p> <p>B. Retiring partners capital account</p> <p>C. Old partner capital account</p> <p>D. None of these</p>
224	The amount payable to the retiring partner is shown in the balance sheet of partnership as.	<p>A. Capital</p> <p>B. Loan</p> <p>C. Investment</p> <p>D. Assets</p>
225	Joint life policy account after the maturity of the policy shoul dbe transferred to the capital accounts of the partners in.	<p>A. Capital ratios</p> <p>B. Old profit sharing ratios</p> <p>C. New profit sharing ratio</p> <p>D. Gaining ratios</p>
226	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>
227	On the detach of the partner the amount of the joint policy credited to the capital account of.	<p>A. Remaining partners capital account</p> <p>B. All partners capital accounts</p> <p>C. Deceased parners capital account</p> <p>D. None of these</p>
228	The end or termination of partnership is called.	<p>A. Amalgamation</p> <p>B. Dissolution</p> <p>C. Retirement</p> <p>D. Admission</p>
229	When a firm dissolved with the consent of all the partners it is called.	<p>A. Dissolution by notice</p> <p>B. Dissolution by agreement</p> <p>C. Dissolution by court</p> <p>D. Compulsory dissolution</p>
230	Where a partner become unsound mind the dissolution is considered as.	<p>A. Dissolution by court</p> <p>B. Dissolution by Notice</p> <p>C. Dissolution by agreement</p> <p>D. Compulsory dissolution</p>
231	Reliization account is opened to find out gain or loss at the time of.	<p>A. Admisson of a new partner</p> <p>B. Retirement of the partner</p> <p>C. Death of the partners</p> <p>D. None of these</p>
232	The partnership may come to an end due to the	<p>A. Death of a partner</p> <p>B. Involency of a partner</p> <p>C. Both of the above</p> <p>D. None of these</p>
233	In the absence of any agreement Reserve on dissolution of a partnership firm is credited to the partners.	<p>A. In capital ratio</p> <p>B. In profit sharing ratio</p> <p>C. Equality</p> <p>D. None of these</p>
234	If all the partners but one is solvent it is.	<p>A. Compulsory dissolution of firm</p> <p>B. Dissolution by agreement</p> <p>C. Or may not cause dissolution</p>

		C. It may not cause dissolution. D. None of these
235	On the dissolution of the partnership unrecorded assets if takes away by the partners is debited to.	A. Realization account B. Partners capital account C. Assets account D. None of these
236	At the time of dissolution, all the assets of the firm are transfered in the realization account at.	A. Market value B. Book value C. Cost value D. Bale value
237	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
238	In case of Garner Vs. Murray rule, the decision was given is.	A. Mr. Justice james B. Mr Garner C. Mr. Justice joyee D. Mr. Murray
239	According to the decision in Garner Va. Murray rule the loss due to insolvency of a partner is be shared by solvent, partner in the.	A. Capital ratios B. Profit sharing ratios C. Equal ratios D. None of these
240	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
241	The Decision in Garner Va. Murray was given in.	A. 1905 B. 1904 C. 1804 D. 1933
242	Realizaton account is a.	A. Nominal account B. Real account C. Personal account D. Cash account
243	In case of dissolution, assets sold for cash are debited to	A. Realization account B. Cash account C. Assets account D. None of these
244	In case of dissolution, assets sold for cash are debited to.	A. Realization account B. Cash account C. Assets account D. None of these
245	Generatal reserve at the time of dissolution is transferred to	A. All partners capital accounts B. Realization account C. Solvent partners capital account D. Insolvent patner's capital account
246	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
247	If any partner takes over any asset at the time of dissolution then it should be debited to.	A. Partner's capital accounts B. Realization account C. Cash account D. None of these
248	If any partner takes the responsibility to pay the liabilities of the firm at the time of dissolution then it should be credited to.	A. Partner's capital account B. Realization account C. Liabilities accounts D. Cash accounts
249	Un recorded liability when paid on dissolution of the firmis debited to.	A. Realization account B. Liability account C. Partners capital account D. None of these
250	In case of dissolution if there is any undivided profit are reserve should be credited to.	A. Partners capital accounts B. Realization accounts C. Reserve account D. Revaluation accounts
251	The balance of revaluation account is transferred to the capital accounts of the partners in.	A. Profit sharing ratios B. Capital ratios C. Equality D. None of these

A. 1984

252	The joint stock company is formed under companies ordinance.	B. 1974 C. 1884 D. 1962
253	Joint stock company is an Artificial person created by	A. Law B. Federal Govt C. Registrar D. Employees
254	The company formed by the means of Royal Charter is called.	A. Public limited company B. Private limited company C. Chartered company D. Registered company
255	A company in which member gives a guarantee to contribute a specified sum to the company of its being wound up is called.	A. Limited company B. Unlimited company C. Company limited by guarantee D. Chartered company
256	The maximum number of members in case of public limited company can be	A. Forty B. Fifty C. Sixty D. No restriction on maximum number
257	In case of public company minimum number of members is.	A. Six B. Seven C. Ten D. Fifty
258	The maximum number of members in case of private limited company can be.	A. Forty B. Fifty C. Sixty D. No restriction on maximum number
259	In case of private company minimum number of shareholders are.	A. Six B. Seven C. Ten D. Two
260	The liability of the shareholder of a public limited company is.	A. Unlimited B. Limited C. Compulsory D. None of these
261	The powers of company are governed by the.	A. Shareholders B. Memorandum of association C. Prospectus D. Articles of association
262	The shares of public limited company are.	A. Not refundable B. Not transferable C. Transferable D. No allotable
263	The person who takes the initiative in the matter of formation of a company are known as the.	A. Promoters B. Shareholder C. Director D. Registered
264	The documents which contain the rules and regulation for the internal management of the company is called.	A. Prospectus B. Articles of association C. Memorandum of association D. Notice
265	The charter of the company containing the objects of which for company is being formed is called.	A. Articles of association B. Prospectus C. Memorandum of association D. Notice
266	A prospectus for subscription of shares can be issued only by.	A. Public company B. A private company C. Both public and private company D. None of these
267	A company comes into existence when the registrar issues the	A. Prospectus B. Certificate of incorporation C. Statement in Lieu of prospectus D. Companies ordinance
268	The total amount of capital, in case of company is divided into small units, these units are called.	A. Bonds B. Cheque C. Share D. Reserve
269	The sum total of the nominal value of shares of company is called is.	A. Issued capital B. Subscribed capital C. Share capital D. Called up capital



270	The amount of share capital which a company is authorized to raise is called.	A. Subscribed capital B. Issued capital C. Authorized capital D. Paid up capital
271	The part of the issued capital which has been taken up or subscribed by the public is called	A. Issued capital B. Authorized capital C. Subscribed capital D. Paid up capital
272	The total amount received by the company out of the total called up amount is known as the.	A. Called up capital B. Paid up capital C. Issued capital D. Reserve capital
273	The value of the share as quoted on the stock exchange is said to be	A. Par value B. Book value C. Cost value D. Market value
274	If the price required to be paid to the company for the share is equal to the nominal value of that share it is called.	A. At discount B. At premium C. At par D. None of these
275	If the price required to be paid to the company for the share is more than nominal value of that share, it is called.	A. At discount B. At premium C. At par D. None of these
276	If the price required to be paid to the company for the share less than the nominal value of that share, it is called shares.	A. At discount B. At premium C. At par D. None of these
277	A situation where a company receives an application for a less number of shares than offered to the public for subscription is termed as.	A. Under subscription B. Over subscription C. General subscription D. Above subscription
278	A situation where a company receives an application for a large number of shares than offered to the public for subscription is termed as.	A. Under subscription B. Over subscription C. General subscription D. Above subscription
279	Normally the discount on the shares should not exceed from	A. Five percent B. Eight percent C. Twenty percent D. Ten percent
280	Equity share holders are.	A. Creditors B. Owners C. Customers of the company D. Debtors of the company
281	A certificate issued by the company under its seal acknowledging a debt due by it to its holder, is called.	A. Debenture B. Certificate of commencement C. Acknowledge certificate D. None of these
282	Debentures holders are.	A. Creditors of the company B. Owners of the company C. Customer of the company D. None of these
283	Share capital in the balance sheet is known as.	A. Asset B. Liability C. Income D. Reserve
284	Share application account is in the nature of.	A. Real account B. Personal account C. Nominal account D. None of the above
285	The profit earned prior to the date of incorporation is.	A. Revenue profit B. Capital profit C. Capital gain D. Revenue gain
286	The debentures which are repayable at the end of a specified period are termed as.	A. Redeemable debentures B. Irredeemable debentures C. Repayable debentures D. None of these
287	Those debentures which carry no security as to payment of interest or repayment of principal, are known as.	A. Mortgage debentures B. Secured debentures C. Simple or naked debentures D. None of these

		D. None of these
288	The dividend paid to the shareholders during the financial year is.	A. Redeemable debentures B. Irredeemable debentures C. Repayable debentures D. None of these
289	Those debentures which carry no security as to payment of interest or repayment of principal, are known as.	A. Mortgage debentures B. Secured debentures C. Simple of naked debentures D. None of these
290	The dividend paid to the shareholders during the financial year is.	A. Final dividend B. Interim dividend C. Unclaimed dividend D. Proposed dividend
291	Dividend is calculated on.	A. Registered capital B. Issue Capital C. Paid up Capital D. Subscribed Capital
292	The credit balance of the retained earnings statement represents.	A. Undisturbed Profit B. Dividend declared C. Profit distributed D. None of these
293	The loss prior to the date of incorporation of a company is.	A. Revenue loss B. Capital loss C. Liability D. None of these
294	Interest on dividend is paid.	A. At the end of financial period B. During the financial year C. At the time of incorporation D. At the time of winding of company
295	The rules and regulations governing the internal management and administration of the company are called.	A. Memorandum of association B. Articles of association C. Prospectus D. None of these
296	The document which contains the fundamental conditions of incorporation and the objects for which the company was formed is called.	A. Memorandum of association B. Article of association C. Prospectus D. None of the above
297	Unclaimed dividend is shown as.	A. Asset B. Liability C. Deduction from paid up capital D. None of these
298	The debentures which are payable to bearer, are termed as.	A. Non-transferable B. Registered debentures C. Bearer debentures D. Non-bearer debentures
299	Debenture holders are.	A. Creditors B. Owners C. Customers of the company D. Debtors
300	A person who purchases the share of the company becomes its.	A. Share holder B. Debenture holder C. Underwriter D. Promoter
301	The face value of the share is also known as.	A. Book value B. Par value C. Market value D. None of these
302	Premium on issue of share is a.	A. Capital profit B. Business loss C. Revenue profit D. Revenue loss
303	Ordinary shares are also known as.	A. Equity shares B. Deferred shares C. Bonus shares D. Preference shares
304	The debentures which do not carry any charges on the assets of the company.	A. Simple debentures B. Mortgage debentures C. Redeemable debentures D. None of these
305	The amount of share capital with which a company is registered is called.	A. Authorized capital B. Issued capital C. Paid up capital

		<p>C. Paid up capital D. Called up capital</p>
306	premium on issue of shares is shown in.	<p>A. Assets side of balance sheet B. Liabilities side of balance sheet C. Trading account D. Profit and loss account</p>
307	The owner equity in a company is commonly called.	<p>A. Shareholder equity B. promoters equity C. Directors equity D. None of these</p>
308	A situation where a company receives application for a less number of shares than offered to the public for subscription is termed as.	<p>A. Oversubscription B. Under subscription C. No subscription D. None of these</p>
309	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 B. Under subscription C. No subscription D. None of these</p>
310	Kind of company is.	<p>A. 2 B. 3 C. 4 D. 5</p>
311	Registered company is	<p>A. 2 B. 3 C. 4 D. 5</p>
312	The which is calculated at the time of retirement of partner is	<p>A. Gaining ratio B. Sacrificing ratio C. Capital ratio D. New ratio</p>
313	The retired is one who has	<p>A. Died B. Withdraw his capital C. Bought his capital D. Decreases his capital</p>
314	Value of the good will is calculated under capitalization formula.	<p>A. <math>\frac{\text{Average profit} / \text{reasonable return} \times 100}{\text{Reasonable return} / \text{average profit} \times 100}</math> B. Reasonable return / average profit x 100 C. Average profit x 100 / reasonable return D. None of these</p>
315	The objective of charging depreciation on fixed assets is.	<p>A. Calculate the true net profit B. To provide funds for the replacement C. To reduce the tax liability D. All of the above</p>
316	Under the straight line method of charging depreciation, the amount of depreciation .	<p>A. Decrease every year B. Increase every year C. Remain constant every year D. None of the above</p>
317	Which of the following method is suitable for charging depreciation on machinery and furniture.	<p>A. Straight line method B. Diminishing balance method C. Depreciation on fixed method D. Annuity method</p>
318	The depreciation charged to motor car account will be debited to.	<p>A. Depreciation account B. Motor car account C. Cash account D. None of these</p>
319	Under which method the book value of the fixed assets can be reduced to zero after certain year	<p>A. Diminishing balance method B. Straight line method C. Depreciation fund method D. Deflation method</p>
320	The assets which have physical existence are called.	<p>A. Intangible assets B. Intangible fixed assets C. Tangible fixed assets D. Both tangible or intangible assets</p>
321	The assets which have not got physical existence are called.	<p>A. Intangible assets B. Intangible fixed assets C. Current assets D. Tangible fixed assets</p>

A. Depreciation

322	Which of the following term is used for the depreciation of wasting assets such as timber tree, mines, oil wells etc.	B. Depletion C. Amortization D. None of these
323	The process of writing of intangible assets patent right, good will etc is called.	A. Depreciation B. Fluctuation C. Amortization D. depletion
324	The amount of assets may rise or fall on account of.	A. Depreciation B. Fluctuation C. Depletion D. Amortization
325	Depreciation is	A. An Income B. An expense C. A loss D. A liability
326	Under diminishing balance method, depreciation is calculated on.	A. The original cost B. The scrap value C. Book value D. All of the above
327	Another name of diminishing balance method of depreciation is the	A. Reducing balance method B. Sinking fund method C. Straight line method D. Revaluation method
328	Depreciation is charged at fixed rate on the reducing balance, under the.	A. Written - down value method B. Annuity method C. Sinking fund method D. Depletion method
329	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixed instalment method C. Annuity method D. Depreciation fund method
330	Under annuity method, the annual charge for depreciation will be debited to.	A. Assets account B. Depreciation account C. Interest account D. None of these
331	Depreciation fund method is also known as.	A. Sinking fund method B. Annuity method C. Sum- of year's digit method D. None of these
332	The method is specially suited to natural resources is said to be	A. Annuity method B. Depletion method C. Revaluation method D. Sum of digit method
333	Under annuity method the amount of depreciation is.	A. Increasing every year B. Decreasing every year C. Fixed for all the year D. None of these
334	To make provision for the replacement of the assets. the method is to be used is.	A. Written down value method B. Annuity method C. Sinking fund method D. Insurance policy method
335	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
336	Depreciation arises because of	A. Due to fall in the market value of fixed assets B. Due to physical wear and tear of the assets C. Due to fall in the market value D. None of these
337	Under the diminishing balance method the depreciation is calculated on .	A. Book value B. Original value C. Residual value D. None of these
338	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Annuity method C. Diminishing balance method D. Straight line method
339	The gradual decrease in the value of the fixed assets due to its use in the business is called.	A. Depreciation B. Depletion C. Amortization

		C. Amortization D. Fluctuation
340	Depreciation caused by some external amount of annual depreciation gradually.	A. Increase B. Decrease C. Remain constant D. None of these
341	Depreciation is charged on.	A. Fixed tangible assets only B. Fixed intangible assets only C. Current assets only D. None of these
342	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixed assets
343	the term depreciation is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixed assets
344	The value of an asset at the end of the working life is called.	A. Book value B. Scrap value C. Market value D. None of these
345	Interest is debited to assets account under the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method