ADMINISTERED BY……..

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1. The final step for payroll system is ……….. (A). collecting information about hours worked (B). Calculating the pay (C). Calculate deductions (D). create payment
2. ………… is an artificial person which is recognized in law as separate legal entity
3. The partners in a partnership business are collectively known as …………….
4. When a creditor is authorized to ask for payment from the customers bank or an arrangement whereby the bank debit the account of the customer with a sum of money at the instance of the creditor is known as (A). Credit transfer (B). Bank error (C). Bank statement (D). direct debit
5. Cost which are treated as expenses that can be attributed to the manufacturing of a product and deducted from the revenue of the period (A). Prime cost (B). Indirect cost (C). Factory cost (D). overheads
6. Companies with no limit to liabilities of members in event of liquidation or winding up of a company are known as ……………..
7. Before a business name could be registered, one of these particulars is needed in each partner except (A). Sex (B). Nationality (C). Present forenames or surnames (D). school
8. One of the disadvantages of single entry is that ……………. . (A). fraud may be easily committed (B). it shows the true profit or loss of the organization (C). It is possible to ascertain the arithmetic accuracy (D). it is acceptable for tax purpose
9. An instrument used by big organization to raise short term fund from the money market is called …………. (A). subsistence paper (B). Economical paper (C). Commercial paper (D). social paper
10. ………………. Is a statement reared periodically and sent by the bank to an account holder showing the transaction between the customer and the bank within a period of time (A) Receipt (B). Bank reconciliation statement (C). Bank charges (D). bank statement
11. A system of accounting which ignores the two fold aspect of each transaction is known as……………………..
12. ………… companies are companies whose shares are quoted on the stock exchange market
13. …………. Allows the partners to withdraw their account up to a certain agreed limit (A). Trade credit (B). Loan (C). Overdraft (D). retained profit
14. One of these is the Importance of deed of partnership (A). Limited liability (B). Rules and regulations (C). Registration (D). equal power
15. A statement reared by an account holder for the purpose of finding difference between the cashbook and bank statement in order to reconcile and harmonize the balances is known as……………. (A). bank statement (B). Standing order (C). Bank reconciliation (D). cashbook
16. One of these is not a feature of single entry (A). Real and nominal accounts are kept (B). Only personal account of debtors and creditors are kept (C). Profit and loss could only be ascertained by comparing capital at the beginning and at end (D). real and nominal account are not kept
17. One of these is not the right and duties of partners (A). They all share profit (B). Restriction on transfer of ownership (C). Decisions by majority (D). right to act as agent of the firm
18. Tobacco in cigarette can be classified as under…………….. (A). hard drug (B). Direct expenses (C). Prime cost (D). direct material
19. ………… is a part of a profit of an organization not distributed as dividend but ploughed back into the business for expansion
20. The two forms of maintaining capital account are ………. And …………..
21. Money borrowed from financial institutions or individual to finance a partnership business is called ……………..
22. One of these is not an important of bank reconciliation statement (A). it acts as a check on accuracy of entries made in the books (B). it helps to detect and rectify any error (C). it verifies the accuracy of balances (D). it helps to prepare payment at the bank
23. Cheques released or issued out to some people but yet to be shown in the bank for collection as at the reconciliation date is ……… (A). uncredited cheques (B). bank charges (C). unpresented cheques (D). credit transfer
24. Organizations whose shares are not traded or quoted on the stock exchange market is called……………..
25. The type of partner who allows his name to be used by the firm for prestige or reputation is known as…………….
26. ……………. Are necessary for productions which are not directly traceable to a specific quantity of physical unit (A). Indirect expenses (B). Selling expenses (C). Prime cost (D). factory overhead
27. One of these is not a feature of receipts and payments account (A). It is a real account (B). Balance represents cash in hand (C). It includes capital and revenue items (D). accruals and prepayment are included
28. One of the features of single entry is………………. (A). real and nominal accounts are kept (B). Only personal account of debtors and creditors are not kept (C). Profit or loss can be ascertained by comparing the capital at the beginning and the end (D). it is realistic
29. One of the advantages of single entry is that ……….. (A). it is very useful for large business enterprise (B). Profit is not easily computed (C). it is very easy and simple to operate (D). it is cumbersome
30. The easiest way for a public limited liability company to raise capital is through………
31. All these are the content of deed of partnership except (A). Signatory to the account (B). Duration of the partnership (C). Name of business (D). unregistered office
32. Cheques that are being received and entered in the cashbook and lodged in the bank but have not been entered in the customer’s account is ……….(A) unresented cheque (B). Bank charges (C). Standing order (D). uncredited cheque
33. The main reason for setting up a partnership business is to …………..
34. ………….. is a form of partnership which stipulates a participation of at least one ordinary partner who should be responsible for all the debt if it fails is known as
35. The share offered to existing shareholders is known as ……………..
36. An excess of the assets over the liabilities as far non profit making organization is concerned is known as…………….
37. An instruction given by the account holder to the bank to make regular payment on his behalf is known as ………. (A). bank charges (B). Standing order (C). Credit transfer (D). dividend
38. The document issued to a company by the registrar of companies after all documents have been drawn and submitted is ………… (A). certificate of incorporation (B). Articles of association (C). Memorandum of association (D). certificate of trading
39. Where the partnership deed does not specify how profit should be shared, what’s the available statutory sharing formula?
40. One of these is not a disadvantage of single entry (A). Double entry principle is accepted (B). Fraud may be easily committed (C). Records of information are not complete (D). flexibility of the principle of double entry is not present
41. One of these is not a feature of nonprofit making organization (A). They are not set up to make profit (B). Surplus is not distributed as dividend (C). balance represents surplus or deficiency (D). funds are available from members contribution
42. ………. Occurs when the amount received on a call is less than the amount due
43. The shareholders issued to promoters or management is……………..
44. …………….. occurs when shares are offered to a few large institutions that are investors A. placing B. public issue by prospectus C. right offer D. private placing
45. Cheques or cash received directly by the bank on behalf of the firm without notifying them until they receive the bank statement is …………. A. bank charges B. dividend C. credit transfer D. standing order
46. The shares which could be bought back by the management from the shareholders is called …………….
47. A sum of money to be paid as subscription due from members for a particular year but which has not been paid for is called…………….
48. ……… is given to a company to commence trading after it has been issued with the certificate of incorporation
49. One of these is an advantage of partnership (A). Limited capital (B). Limited number (C). Continuity in business (D). joint responsibility
50. One of these is not a type of debenture (A). Mortgage debenture (B). Perpetual debenture (C). Redeemable debenture (D). irredeemable debenture
51. The total amount usually paid or payable on the share is known as……………..
52. ………….. Are issued directly to general public for subscription (A) public issue (B) private issue (C). Offer for sale (D). right offer
53. The expenditure that can be charged directly to a particular unit is (A). Direct expenses (B).Prime cost (C). Royalties (D). direct cost
54. Opening stock 45,500

Expenses 50,000

Purchases 35,500

Closing stock 25,000

Uniform margin of 33 1/3 %

What is the mark up percentage of the above transaction?

1. What is the sales figure?
2. Calculate the Gross profit of the above transaction
3. A statement of affairs is prepared to ascertain …………….
4. One difference between balance sheet and statement of affairs is that balance shows the true financial position of n organization while statement of affairs ……….. ……….
5. The collection of shares into a bundle or consolidated share is ……… …………
6. One of these is not part of the features of debenture (A). it has fixed rate of interest (B). it is not entitled to voting right (C). the interest element are tax deductible (D). none of the above
7. ……………. Is a part of the profit distributable to shareholders of an organization (A) Dishonored cheque (B). uncredited cheque (C) credit transfer (D) dividend
8. ………… consist of partly finished work or work not completed in a manufacturing company
9. The ending up of a company in other word………. The corporative life of the company is brought to an end and company ceases to exist is (A). Liquidation (B). Subsidiary (C). loan capital (D). factoring
10. ………….. is used to describe the excess of current asset of a business over its current liabilities
11. The maximum number of those that can set up a partnership business is ……………
12. One of these is not a compulsory book to be kept according to company act 1968 (A). Minute book (B). Register of members (C). Memorandum (D). register of mortgage and charges
13. Indirect labour 4000

Royalty 350

Closing stock of R.M 2500

Opening stock of R.M 7500

Excise duties 500

Factory power 50

Closing stock of W.I.P 620

Opening W.I.P 5000

Office rent 350

Packaging material 200

What is the value of prime cost?

1. What is the value of cost of production
2. The amount of expenses incurred is ……………
3. A financial agreement to finance the purchases of an asset through a finance bank is called ………….. (A). equipment finance (B). Equipment leasing (C). Equipment purchase (D). factoring
4. An item on the debit side of the cashbook and not on the credit side of the bank account is……………………..
5. …………is when profit is expressed as a percentage of selling price or percentage added to selling price to give the cost price
6. This of the following enjoys perpetual existence (A). Sole proprietorship (B). Tertiary institution (C). Limited liability Company (D). all of the above
7. If the closing capital is 10,200, drawing is4,900, opening capital 17,900 and additional capital is 845, what is the profit for the year
8. The law governing partnership agreement was set up in what year?
9. With an additional capital of 40% increments in the total capital what is the net profit
10. A 35% reduction in the drawing will lead to what value of profit or loss
11. To ascertain the cost of production incurred during the financial year……… account is prepared
12. An account which shows the summary of revenue and running cost of a nonprofit making organization is known as……………….
13. Which of the following is not a source of finance to a nonprofit making organization (A) Fines (B), donations (C). Dividend (D). entrance fees
14. A fund invested by the third party in an enterprise and usually provided by merchant bank is called ………….. (A) Venture capital (B). Venture loan (C). Venture stocks (D). venture shares
15. Which of the following is a credit item on the capital account (A)? Drawing (B). Interest on drawing (C). Share of profit (D). retained earnings
16. The share of 5000 was issued to the public at 0.65 market value, what is the premium value if the nominal rate is N2.5…………….
17. Excise duties can be classified under ………… (A). administrative expenses (B). Income (C). Factory overhead (D). prime cost
18. Which of the following is not a form of business organization (A) Sole proprietorship

(B) Partnership (C). Credit thrift (D). Limited liability Company

1. The loan of long term nature is known as ……………..
2. The partners must …………. And give full information to one another on all partnership matters (A). Advice (B). Participate (C). render true account D. publish the financial statements
3. A situation whereby shares are quoted above nominal value is ……………..
4. The issuing house that had initially taken up the shares offered for sale to members of the public is known as (A). Right offer (B). Placing (C). Offer at cost (D). offer for sale
5. One of these is not an advantage of partnership (A). Joint responsibility (B). Sharing of risk (C). high degree of privacy (D) better and joint decision
6. ………….. is the contribution made by the members to the club or society at regular intervals
7. Which of the following types of partner is entitled to take full share in the administration and management of the firm (A)? General (B). Active (C). Nominal (D). sleeping
8. All are source of capital except …………… A. overdraft B. loan C. bank credit D. retained profit
9. A process by which a company sells off its debt for cash is called ………………
10. ……………..refers to a situation where a company does an act not authorized by the object clause in the memorandum of association (A).vitra vires doctrine (B). Certificate of trading (C). Illegal act (D). company doctrine
11. A company whose aim is not to make profit is referred to as ……………..
12. A sum of money prepaid by the members of the club which represent their dues for the coming year is known as……………..
13. ………… is when profit is expressed as a percentage of cost price or percentage added to cost price to give the selling price
14. The process of providing compensation to employees for their efforts on behalf of a business is known as …………….
15. After the deduction of taxes from employee’s income during payroll the balance left is known as ………..

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