history

1. Which of the following is false concerning the development of the partnership form of business organization?
   A. helped shape the separate entity concept.
   B. permitted sharing of risks.
   C. permitted the combining of labor and capital.
   D. developed as a result of the industrial revolution

2. Which of the following was not a characteristic of accounting prior to the 16th Century?
   A. The primary objective of accounting was to provide information for the owners of the business.
   B. There was no distinction between business and the owners.
   C. There was no concept of continuity of business operations.
   D. Transactions were measured in terms of a common monetary unit.

3. Which of the following individuals were part of the scientific management movement?
   A. Frederick Taylor
   B. W. A. Paton
   C. George O. May
   D. A. C. Littleton

4. The scientific management movement influenced accounting primarily by:
   A. focusing on the development of standard cost accounting.
   B. improving financial reporting to stockholders.
   C. providing the impetus for increased governmental regulation of business.
   D. creating an improved rule-making process in accounting.

5. Adam Smith published Wealth of Nations. Smith’s book:
   A. led to relaxation of trade barriers.
   B. argued for the need for an income tax.
   C. led to increased trade barriers.
   D. advocated a new theory of accounting.

6. Which of the following statements is false concerning depreciation?
   A. The concept of depreciation was necessitated by the Industrial Revolution.
   B. Early railroad executives were leaders in adopting depreciation accounting.
   C. Depreciation was mandated for railroads by the Interstate Commerce Commission.
   D. Failure to recognize depreciation led to dividends being paid out of the capital invested in the business.
7. Which of the following statements is false concerning the influence of the corporation on accounting development?

A. The corporation impacted the passing of management from individual owners to hired professionals.
B. The corporation led to a continued adherence on the completed venture accounting to provide information on a timely basis.
C. The corporation led to a renewed emphasis on the concepts of continuity and permanency of capital.
D. The corporation led to the development of the protection-of-the-equities function in accounting.

8. Which of the following statements concerning Paciolo (or Pacioli) is false:

A. He wrote a book on mathematics and included a section on double-entry bookkeeping.
B. His book helped spread the "Italian method" throughout Europe.
C. He invented double entry bookkeeping.
D. Pacioli was actually a Franciscan monk.

9. The "cottage system" of production

A. was a result of the industrial revolution
B. referred to the fact that production occurred in the homes of the workers.
C. required a large investment in machinery.
D. was a necessary part of the venture type of business activity.

10. Which of the following was referred to as a period of accounting stagnation?

A. The thousand years between the fall of the Roman Empire and publication of Pacioli's Summa.
B. The period between the beginnings of the Industrial Revolution and the start of the twentieth century.
C. The period during which the Committee on Accounting Procedure existed.
D. The period during which the Accounting Principles Board existed.