

## PREVIEW QUESTION BANK

Module Name : nou24-cm02 BCOC-131 Financial Accounting-ENG  
Exam Date : 18-May-2024 Batch : 15:00-18:00

Sr. No.	Client Question ID	Question Body and Alternatives	Marks	Negative Marks
Objective Question				
1	11942001	<p>In ledger there are _____ columns</p> <ol style="list-style-type: none"> <li>1. 4</li> <li>2. 6</li> <li>3. 8</li> <li>4. 10</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
Objective Question				
2	11942002	<p>The main Purpose of Financial Accounting is?</p> <ol style="list-style-type: none"> <li>1. To Provide financial information to shareholders</li> <li>2. To maintain balance sheet</li> <li>3. To minimize taxes.</li> <li>4. To keep track of liabilities</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
Objective Question				
3	11942003	<p>What is the supporting evidence in a business transaction called?</p> <ol style="list-style-type: none"> <li>1. Journal</li> <li>2. Ledger</li> <li>3. Voucher</li> <li>4. Contra Voucher</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p>	2.0	0.00

		A3 : 3		
		A4 : 4		

Objective Question

4	11942004	<p>AS-10 deals with _____</p> <ol style="list-style-type: none"> <li>1. Accounting for Fixed Assets</li> <li>2. Accounting for Current Assets</li> <li>3. Accounting for Govt Grants</li> <li>4. Accounting for Inventory</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

5	11942005	<p>_____ method is also known as Reducing Balance Methods.</p> <ol style="list-style-type: none"> <li>1. WDV</li> <li>2. SLM</li> <li>3. Sinking Fund</li> <li>4. Redemption Fund</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

6	11942006	<p>Business Transaction are recorded as and when they occur in the _____</p> <ol style="list-style-type: none"> <li>1. Journal</li> <li>2. Ledger</li> <li>3. Trial Balance</li> <li>4. Profit &amp; Loss Account</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p>	2.0	0.00
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A4 : 4

## Objective Question

7	11942007	<p>Left side of an account is the _____ side.</p> <ol style="list-style-type: none"> <li>1. Credit</li> <li>2. Debit</li> <li>3. Positive</li> <li>4. Negative</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

8	11942008	<p>Purchase returns book records</p> <ol style="list-style-type: none"> <li>1. Cash purchase</li> <li>2. Credit sales</li> <li>3. Return of sold goods</li> <li>4. Return of goods purchased on credit</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

9	11942009	<p>Credit Note issued for sold goods returned by buyer to _____</p> <ol style="list-style-type: none"> <li>1. Debtors</li> <li>2. Creditors</li> <li>3. Bank</li> <li>4. Consigner</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

10	11942010	<p>Rectifying Entries are recorded in _____</p> <ol style="list-style-type: none"> <li>1. Ledger</li> <li>2. Balance Sheet</li> <li>3. Cash Book</li> <li>4. Journal Proper</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

11	11942011	<p>What is the trial balance used for?</p> <ol style="list-style-type: none"> <li>1. It is a financial statement</li> <li>2. It records balances of a balance sheet</li> <li>3. It doesn't contribute to the accounting cycle</li> <li>4. It records balances of accounts</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

12	11942012	<p>Carriage expenses Paid on New Machinery should be debited to _____ account.</p> <ol style="list-style-type: none"> <li>1. Carriage</li> <li>2. Machinery</li> <li>3. Trading</li> <li>4. P&amp;L Account</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question				
13	11942013	<p>Depreciation to machinery is debited to:</p> <ol style="list-style-type: none"> <li>1. Profit and loss a/c</li> <li>2. Machinery a/c</li> <li>3. Depreciation a/c</li> <li>4. Expenses and loss a/c</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00

Objective Question				
14	11942014	<p>IFRS _____ deals with First Time Adoption of International Financial Standards.</p> <ol style="list-style-type: none"> <li>1. 2</li> <li>2. 3</li> <li>3. 1</li> <li>4. 4</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00

Objective Question				
15	11942015	<p>The process of becoming out of date or obsolete is termed:</p> <ol style="list-style-type: none"> <li>1. Physical deterioration</li> <li>2. Depletion</li> <li>3. Obsolescence</li> <li>4. Amortization</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00

Objective Question				
16	11942016		2.0	0.00

		<p>When a Liability is decreased or reduced, it is registered on the ____</p> <ol style="list-style-type: none"> <li>1. Debit side or left side of the account</li> <li>2. Credit side or right side of the account</li> <li>3. Debit side or right side of the account</li> <li>4. Credit side or left side of the account</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>		
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Objective Question

17	11942017	<p>Which of the options is an example of business liability?</p> <ol style="list-style-type: none"> <li>1. Creditors</li> <li>2. Cash</li> <li>3. Building</li> <li>4. Land</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

18	11942018	<p>AThe article purchased sold or produced by a businessman_____</p> <ol style="list-style-type: none"> <li>1. Fixed Assets</li> <li>2. Financial Assets</li> <li>3. Real Assets</li> <li>4. Goods</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

19	11942019		2.0	0.00
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		<p>Income tax paid by a sole trader on his business income should be:</p> <ol style="list-style-type: none"> <li>1. Credited to his capital Account</li> <li>2. Credited to Trading Account</li> <li>3. Debited to Profit and Loss Account</li> <li>4. Debited to Capital Account</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>		
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Objective Question

20	11942020	<p>Out of the following, the one which is the most liquid asset, is:</p> <ol style="list-style-type: none"> <li>1. Sundry Debtors</li> <li>2. Inventory</li> <li>3. Prepaid Insurance</li> <li>4. Cash</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

21	11942021	<p>Which of the following is not a revenue receipt?</p> <ol style="list-style-type: none"> <li>1. Discount received</li> <li>2. Sales made</li> <li>3. Sale of Plant</li> <li>4. Commission</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

22	11942022		2.0	0.00
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		<p>If the firm stops making repayments and the goods or assets are taken away from them as a result, this is known as_____</p> <ol style="list-style-type: none"> <li>1. Cancellation</li> <li>2. Forfeiture</li> <li>3. Repossession</li> <li>4. Annulment</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>		
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Objective Question

23	11942023	<p>____concept in accounting considers that only transactions involving money should be recorded.</p> <ol style="list-style-type: none"> <li>1. Business entity</li> <li>2. Money measurement</li> <li>3. Operating lease</li> <li>4. Dual aspect</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

24	11942024	<p>The act of buying an asset without having to make full payment in the immediate future is known as_____</p> <ol style="list-style-type: none"> <li>1. Hire purchase</li> <li>2. Finance lease</li> <li>3. Operating lease</li> <li>4. Sale and leaseback</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

25	11942025	<p>The depreciation in the books of buyer is charged on.....</p> <ol style="list-style-type: none"> <li>1. Hire Purchase Price</li> <li>2. Market price</li> <li>3. Total Instalment amount</li> <li>4. Cash Price</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

26	11942026	<p>Under hire purchase system the buyer is called _____</p> <ol style="list-style-type: none"> <li>1. Buyer</li> <li>2. Hirer.</li> <li>3. Hire vendor.</li> <li>4. Debtor</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

27	11942027	<p>When Cheque is dishonored after being deposited into bank it should be credited to _____</p> <ol style="list-style-type: none"> <li>1. Bank A/c</li> <li>2. Cash A/c</li> <li>3. Drawee's A/c</li> <li>4. Drawer's A/c</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question				
28	11942028	<p>In the books of hirer, when the asset is repossessed, asset account will be _____</p> <ol style="list-style-type: none"> <li>1. Debited</li> <li>2. Credited</li> <li>3. Rectified</li> <li>4. Reversed</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00

Objective Question				
29	11942029	<p>Hire Purchase price =</p> <ol style="list-style-type: none"> <li>1. Cash price + Down payment</li> <li>2. Cash price + Total interest</li> <li>3. Cash price</li> <li>4. Sum of total instalments</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00

Objective Question				
30	11942030	<p>Under _____ system the buyer does not get ownership of goods immediately _____</p> <ol style="list-style-type: none"> <li>1. Installment</li> <li>2. Hire purchase (HP)</li> <li>3. Installment and HP</li> <li>4. Accounting</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00

Objective Question				
31	11942031		2.0	0.00

Under Final A/c system , the profit or loss made by the branch is determined by preparing\_\_\_\_\_

1. Branch stock A/c
2. Branch Debtors A/c
3. Branch Adjustment A/c
4. Branch Trading & Profit &Loss A/c

A1 : 1

A2 : 2

A3 : 3

A4 : 4

Objective Question

32	11942032	Branch which does not maintain its own set of books is_____.  1. Dependent branch 2. Independent branch 3. Foreign branch 4. Local branch  A1 : 1  A2 : 2  A3 : 3  A4 : 4	2.0	0.00
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Objective Question

33	11942033	Bank account is a _____.  1. Real account 2. Personal account 3. Nominal account 4. Valuation account  A1 : 1  A2 : 2  A3 : 3  A4 : 4	2.0	0.00
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Objective Question

34	11942034	<p>In branch Account, goods sent by branch P to branch Q will be debited to _____</p> <ol style="list-style-type: none"> <li>1. branch X</li> <li>2. branch P</li> <li>3. c branch Q</li> <li>4. branch Y</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

35	11942035	<p>If a branch has purchased fixed asset on credit basis the liability from such purchase is _____ branch account.</p> <ol style="list-style-type: none"> <li>1. Debited to</li> <li>2. Credited to</li> <li>3. Not shown in</li> <li>4. Decreased from fixed asset in</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

36	11942036	<p>_____ account shows the shortage or surplus of stock.</p> <ol style="list-style-type: none"> <li>1. Branch adjustment</li> <li>2. Branch stock</li> <li>3. Goods sent to branch</li> <li>4. Branch P&amp;L</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

37	11942037		2.0	0.00
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		<p>Over-riding commission is calculated on:</p> <ol style="list-style-type: none"> <li>1. Cash sales</li> <li>2. Credit sales only</li> <li>3. Sales at higher price</li> <li>4. Credit sales less cash sales</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>		
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Objective Question

38	11942038	<p>Del credere commission is allowed to cover _____</p> <ol style="list-style-type: none"> <li>1. Normal loss</li> <li>2. Abnormal loss</li> <li>3. Loss due to bad debts</li> <li>4. Loss due to fire</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

39	11942039	<p>Consignment Stock is valued _____</p> <ol style="list-style-type: none"> <li>1. Cost price</li> <li>2. Market price</li> <li>3. Selling price</li> <li>4. Cost or net realizable value, whichever is less</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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Objective Question

40	11942040		2.0	0.00
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		Balance of consignment account shows _____		
		1. Stock lying with consignee		
		2. Profit and loss on consignment		
		3. Amount due from consignee		
		4. Amount due to consignee		
		A1 : 1		
		A2 : 2		
		A3 : 3		
		A4 : 4		

Objective Question

41	11942041	Which of these accounts are opened in the books of consignee?	2.0	0.00
		1. Consignor A/c		
		2. Goods sent on consignment A/c		
		3. Consignee personal A/c		
		4. Consignment A/c.		
		A1 : 1		
		A2 : 2		
		A3 : 3		
		A4 : 4		

Objective Question

42	11942042	When unsold stock is taken away by a co-venturer, then account is debited _____	2.0	0.00
		1. Joint Stock		
		2. Joint Venture		
		3. Joint e Bank Account		
		4. Co – venturers capital account		
		A1 : 1		
		A2 : 2		
		A3 : 3		
		A4 : 4		

Objective Question

43	11942043		2.0	0.00
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		<p>When co-ventures initially contribute for a joint venture which account should be debited in case when separate set of books are maintained _____</p> <ol style="list-style-type: none"> <li>1. Purchases A/c</li> <li>2. Joint venture A/c</li> <li>3. Venture's Capital A/c</li> <li>4. Joint Bank A/c</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>		
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## Objective Question

44	11942044	<p>X maintains all records in his books. X spends Rs.10000 in Cash on account of joint venture. Which account would be credited in the Books of X</p> <ol style="list-style-type: none"> <li>1. Memorandum Venture</li> <li>2. Joint Venture</li> <li>3. Co – Venturers</li> <li>4. Cash</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

45	11942045	<p>Which of the following business documents is a proof of payment for a business transaction?</p> <ol style="list-style-type: none"> <li>1. Receipt</li> <li>2. Invoice</li> <li>3. Debit note</li> <li>4. Credit note</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

46	11942046		2.0	0.00
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		<p>Which of the following is documentary evidence that records the details of a transaction and is prepared in a specific format?</p> <ol style="list-style-type: none"> <li>1. Journal</li> <li>2. Ledger</li> <li>3. Voucher</li> <li>4. Balance sheet</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>		
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## Objective Question

47	11942047	<p>The process of recording data relating to accounting transactions in accounting books is called?</p> <ol style="list-style-type: none"> <li>1. Bookkeeping</li> <li>2. Books of original entry</li> <li>3. Double-entry accounting</li> <li>4. Journal entry</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

48	11942048	<p>The process of recording is performed:</p> <ol style="list-style-type: none"> <li>1. Twice a year</li> <li>2. Once a year</li> <li>3. Frequently during the accounting period</li> <li>4. At the end of an accounting period</li> </ol> <p>A1 : 1</p> <p>A2 : 2</p> <p>A3 : 3</p> <p>A4 : 4</p>	2.0	0.00
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## Objective Question

49	11942049		2.0	0.00
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What is the name given to a group of accounts that have a common characteristic, such as all customer accounts?

- 1. General journal
- 2. Subsidiary ledger
- 3. Special journal
- 4. General ledger

A1 : 1

A2 : 2

A3 : 3

A4 : 4

Objective Question

50 11942050

The other name for the journal is:

- 1. Ledger
- 2. T-account
- 3. Day book
- 4. Cash book

A1 : 1

A2 : 2

A3 : 3

A4 : 4

2.0 0.00