

Time: One Hour

Max. Marks: 25

Instructions

- Solve any 25 questions from Q1 to Q30

1 The process of recording financial data upto trial balance is

- (A)Book Keeping (B)Classifying (C)Summarizing (D)Analyzing

2 Which of the following is not a Real Account?

- (A)Cash A/C (B)Investments A/C (C)Capital A/c (D)Machinery A/C

3 Which of the following is incorrect?

- (A)Good Will Intangible Asset (B)Sundry Debtors Is Current Asset (C)Loose Tools Tangible Fixed Asset (D)Outstanding Expenses Are Current Asset.

4 Capital A/c is a _____ A/c.

- (A)Personal (B)Real (C)Nominal (D)None

5 Which of the following is related to scientific system of maintaining account?

- (A)Single entry (B)Double entry (C)Contra entry (D)Book entry

6 Sales –Gross Profit = _____

- (A)Cost of Goods Sold (B)Net Sales (C)Gross Sales (D)Liabilities

7 The Main objective of providing depreciation is

- (A)To calculate true profit (B)To Calculate Financial position (C)To Reduce Tax Burden (D)To Reduce Profit.

8 The amount of depreciation charged on machinery will be debited to.....

- (A)Machinery account. (B)Depreciation account. (C)Cash account (D)Bank account

9 Depreciation is provided on ...

- (A)Current assets. (B)Investment (C)Intangible assets (D)Fixed assets

10 Under annuity method the amount of depreciation is found out from _____.

- (A)Log tables. (B)Sinking fund tables. (C)Annuity tables. (D)Present value tables.

11 Depreciation fund is also called _____.

- (A)Reserve Fund (B)Compensation Fund (C)Workers Fund (D)Sinking Fund.

12 Depreciation is charged on _____

- (A)Continuous Basis (B)Temporary Basis (C)Daily Basis (D)Monthly Basis.

13 Hire purchase system is governed by _____.

- (A)Hire Purchase Act 1972 (B)Hire Purchase Act 1982 (C)Hire Purchase Act 1962 (D)Hire Purchase Act 1992

14 Installment system is governed by _____.

- (A)Hire Purchase Act. (B)Sale of Goods Act (C)Installment Act (D)Properties Registration Act.

15 Cash price plus interest is.....

- (A)Installment Price. (B)Hire Purchase Price. (C)Maximum Retail Price (D)Retail Price.

16 The advance amount under hire purchase system is called

- (A)Cash Price. (B)Retail Price. (C)Interest. (D)Down Payment.

17 Under hire purchase system, interest is calculated on.....

- (A)Cash Price. (B)Hire Purchase Price. (C)Mrp. (D)Outstanding Balance.

18 Under installment system the relationship between the buyer and seller is that of a.....

- (A)Buyer and Seller (B)Debtor and Creditor. (C)A and B (D)None of The Above

19 Indirect expenses is also called _____.

- (A)Prime Cost. (B)Common Expenses. (C)Direct Expenses. (D)Management Expenses.

20 How calculate Gross profit ?

- (A)Total Sales- Opening Stock (B)Sales-Purchase (C)Net Sales-Cost of Goods Sold (D)Total Sales –sales return

21 Which of the following is a liability?

- (A)Machinery (B)Building (C)Creditors (D)Debtors

22 Net profit is calculated in the

- (A)Trading Account (B)Trial Balance (C)Profit and Loss account (D)Balance sheet

23 Trading Account is prepared to know:

- (A)Net Profit or Net Loss (B)Gross Profit or Gross Loss (C)A and B (D)None of the above

24 Closing stock is recorded in:

- (A)Profit and loss account (B)Trading Account and Balance sheet (C)Balance Sheet only (D)None of the above

25 Balance Sheet is a statement of

- (A)Assets (B)Liabilities (C)Capital (D)All of the Above

26 Royalty Account is -----

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- (A)Nominal Account (B)Personal Account (C)Real Account (D)Assets Account
- 27 When Royalty Account is paid , it is debited in the books of lessee to
(A)Royalty Account (B)Profit and loss Account (C)Landlord Account (D)None of the above
- 28 Royalty earned by the lessee is credited to—
(A)Sub-lessee account (B)Profit and loss account (C)Royalty receivable account. (D)All of the above
- 29 The balance of royalty’s receivable account is transferred to —
(A)Profit and loss account (B)Royalties suspense account (C)Production account. Ans. (D)None of the above
- 30 The balance of royalty payable account is transferred to—
(A)Profit and loss account (B)Royalties suspense account (C)Production account (D)None of the above