

Shikshan Mandal Karad's
Mahila Mahavidyalaya, Karad
Financial Accounting
B.Com. I Sem. I
MCQ
Teacher- Dr. Moholkar J. V.

1. Accounting principles are divided into _____.
 - a. Accounting Concepts
 - b. Accounting Conventions
 - c. Fundamental Accounting Assumption
 - d. **All of the above**
2. Accounting concepts are based on _____.
 - a. Certain facts and figures
 - b. **Certain assumptions**
 - c. Certain accounting records
 - d. Government Guidelines
3. In accounting, all business transactions are recorded as having dual aspect due to _____.
 - a. Money Measurement concept
 - b. **Dual aspect concept**
 - c. Going concern concept
 - d. Matching concept
4. There are _____ branches of accounting.
 - a. Five
 - b. Two
 - c. **Four**
 - d. One
5. GAAP means _____.
 - a. **Generally Accepted Accounting Principles**

- b. General Accounting Package
 - c. General Awareness of Accounting Practices
 - d. Generally Acceptance of Accounting
6. The accounting is _____ of business.
- a. Principles
 - b. Language**
 - c. Mathematics
 - d. Standards
7. Accounting is an _____ as well as science.
- a. Art**
 - b. Mathematical
 - c. Marketing
 - d. Geography
8. Accounting standard board is established in _____.
- a. 1975
 - b. 1976
 - c. 1977**
 - d. 1978
9. Accounting standard-2 is _____.
- a. Amalgamation
 - b. Valuation of inventories**
 - c. Revenue recognition
 - d. Fixed Asset
10. Accounting standard-6 is _____.
- a. Borrowing cost
 - b. Revenue recognition
 - c. Lease
 - d. Depreciation accounting**
11. Full form of IFRS _____.
- a. International Financial reporting standard**

- b. International final Reporting standard
 - c. Internal Financial Reporting standard
 - d. None of these
12. In accounting_____transaction are not recorded.
- a. Non monetary**
 - b. Monetary
 - c. Regular
 - d. Special
13. Full form of ASB _____.
- a. Accounting starting board
 - b. Accounting system board
 - c. Accounting standard board**
 - d. None of these
14. In accounting_____transactions are recording
- a. Manual
 - b. Ledger
 - c. Financial**
 - d. Monthly
15. ____is type of combination of business two or more firms
- a. Amalgamation**
 - b. Absorption
 - c. Reconstruction
 - d. None of these
16. Accounting for amalgamation are mentioned in_____accounting standard.
- a. AS-14**
 - b. AS-12
 - c. AS-15
 - d. AS-2
17. Balance sheet is opened in_____firm.
- a. New**
 - b. Old

- c. Continue
 - d. Partnership
18. Profit or loss in revaluation account is transferred to partners in _____ ratio.
- a. Old profit sharing ratio**
 - b. New ratio
 - c. Profit Ratio
 - d. Capital Ratio
19. In amalgamation of partnership firm the old firms are _____.
- a. Opened
 - b. Closed**
 - c. Continue
 - d. Stopped
20. Goodwill is distributed among partners in _____ ratio.
- a. Profit
 - b. New
 - c. Old profit sharing**
 - d. Capital
21. Revaluation account is also called as _____.
- a. Profit & Loss Adjustment A/c**
 - b. Capital A/c
 - c. Balance sheet
 - d. Ledger A/c
22. Overvalued assets means _____.
- a. Decrease in value of assets**
 - b. Increase in value of assets
 - c. Decrease in value of liabilities
 - d. Increase in value of liabilities
23. For ascertaining the profit or loss for amalgamation of firm _____ account prepared.
- a. Revaluation**
 - b. Capital

- c. Balance sheet
 - d. Profit & Loss A/c
24. Profit or loss on revaluation account is transferred to _____
- a. Partners capital A/c**
 - b. Revaluation
 - c. Balance sheet
 - d. Profit & Loss A/c
25. Credit balance of Revaluation A/c indicates _____.
- a. Profit**
 - b. Loss
 - c. Liability
 - d. Asset
26. Assets taken over by partner transferred to _____ side of partners capital A/c.
- a. Liability
 - b. Credit
 - c. Asset
 - d. Debit**
27. Goodwill account is debited to partners capital A/c in case of _____.
- a. Written off**
 - b. Depreciation
 - c. Sales
 - d. Appreciation
28. Goods sent on consignment should be debited by consignor to _____.
- a. Goods sent on consignment A/c
 - b. Consignment A/c**
 - c. Consignees A/c
 - d. Consignors A/c
29. The consignor is _____ .
- a. Principal**
 - b. Agent

- c. Debtor
 - d. None of these
30. Del creder commission is calculated on _____.
- a. Credit sales**
 - b. Cash sales
 - c. Total sale
 - d. Both (A) and (B)
31. Consignee A/c is the nature of _____ .
- a. Nominal A/c
 - b. Personal A/c**
 - c. Real A/c
 - d. None of these
32. The person who sends goods to the agent is called as _____.
- a. Consignee
 - b. Consignor**
 - c. Creditor
 - d. Debtor
33. _____ losses are unavoidable.
- a. Gross loss
 - b. Net
 - c. Normal loss**
 - d. None of these
34. Del creder commission is allowed to cover _____.
- a. Bad debt loss**
 - b. Normal loss
 - c. Abnormal loss
 - d. Both normal & abnormal loss
35. The proforma invoice is prepared by _____ and send to consignee.
- a. Agent
 - b. Consignor**
 - c. Owner

- d. Supplier
36. The excess amount over cost price is termed as _____.
- a. Loading**
 - b. Reserve
 - c. Invoice
 - d. None of the above
37. The relation between the consignor & the consignee is of _____ and _____.
- a. Owner & Agent
 - b. Principal & Agent**
 - c. Debtor & creditor
 - d. Seller & Purchaser
38. Consignee is the _____ of consignor.
- a. Owner
 - b. Agent**
 - c. Seller
 - d. Principal
39. Doctors, C.A., Solicitors etc are called _____.
- a. Professional Persons**
 - b. Business Man
 - c. Trader
 - d. Manufacturer
40. Professional Persons prepare _____ account to find out surplus or deficit.
- a. Profit and Loss account
 - b. Income and Expenditure Account
 - c. Receipt and Expenditure account**
 - d. Receipt and payment Account
41. Receipt and Expenditure account is maintained by _____.
- a. Professionals**
 - b. Trading Concern
 - c. Non Trading Concern
 - d. Sole Trader

42. Receipt and payment Account is also called as ____.
- a. Subsidiary Book
 - b. Cash Book**
 - c. Petty Cash Book
 - d. Ledger
43. The effect of provision for outstanding fees first is debited to Receipt and Expenditure account and secondly it is shown to ____.
- a. Asset Side of Balance Sheet
 - b. Liability Side of Balance Sheet**
 - c. Income
 - d. Expenditure
44. The Balance of Receipt and Expenditure account is either ____ or ____.
- a. Profit , loss
 - b. Income , Expenditure
 - c. Surplus , Deficit**
 - d. Asset , Liability
45. Professional person are doing _____ activities.
- a. Service**
 - b. Trading
 - c. Banking
 - d. Manufacturing
46. Main Income source of Professionals is _____.
- a. Salary
 - b. Fees**
 - c. Commission
 - d. wages
47. _____ Professional is also doing tax consultancy.
- a. Doctor
 - b. Engineer
 - c. Solicitor
 - d. Chartered Accountant**

48. Fees received form O. P. D. is income of _____Professional .

- a. **Doctor**
- b. Engineer
- c. Solicitor
- d. Chartered Accountant

49. Receipt and Payment account is _____.

- a. Personal Account
- b. **Real Account**
- c. Nominal Account
- d. None of the Above

50. Capital income and capital expenses are shown to _____account.

- a. Receipt and payment Account
- b. Receipt and Expenditure account
- c. **Balance Sheet**
- d. Income and Expenditure Account