Week 1 - Assessment 1 - Introduction, Concepts and Conventions

***1 point***

Beginning point of accounting is

 Transaction



 Book keeping



 Auditing



 Events



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Transaction*

***1 point***

 The primary objective of book keeping is

 Systematic  recording of Transactions



 Ascertainment of financial effect on the business



 Analysis and interpretation of various facts



 Both choices a and b



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Systematic  recording of Transactions*

***1 point***

Book keeping is responsible for ------------- transactions

 Recording



 Identifying profit



 Identifying loss



 Identifying profit and loss



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Identifying profit*

***1 point***

The process of recording in account books is

 Auditing



 Book keeping



 Accounting



 Accountancy



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Book keeping*

***1 point***

 Monetary exchange between business and others are ..........

 Book- keeping



 Transaction



 Accounting



 Event



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Transaction*

***1 point***

-------------forms the base for accounting.

 Book- keeping



 Transaction



 Accounting



 Event



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Transaction*

***1 point***

Which one of the following is a function of business language?

 Planning



 Accounting



 Organising



 Controlling



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Accounting*

***1 point***

Financial Statements are part of------------------.

 Book- Keeping



 Record – keeping



 Accounting



 Management accounting



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Management accounting*

***1 point***

Book- keeping includes ................. of the financial transactions and the events of the business.

 Reading



 Elimination



 Analysis



 Recording ,Classification and Summarizing



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Recording ,Classification and Summarizing*

***1 point***

 Accounting records transaction in terms of  .........

 Commodity units



 Monetary  units



 Production units



 Sales units



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Monetary  units*

***1 point***

An exchange of financial benefits for accounts receivable is called as ...........

 Cash transaction



 Financial transaction



 Credit transaction



 Barter System



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Credit transaction*

***1 point***

 The concept of distinction between the owner and business is .................

 Business entity concept



 Going concern concept



 Cost concept



 Money measurement concept



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Business entity concept*

# Week 2 - Assessment 2 - Accounting Cycle and Equation

**1 point**

From the following, identify which is not a branch of accounting .....

 Financial accounting

 Company form of accounting

 Cost accounting

 Management accounting

Accepted Answers:

Company form of accounting

A chartered accountant who renders accounting services on a fee basis is a .....

 Private accountant

 Public accountant

 Government accountant

 Internal accountant

Accepted Answers:

Private Accountant

Who are the internal users of financial statements

 Debtors

  Creditors

 Shareholders

 Financial managers

Accepted Answers:

Financial Managers

**1 point**

Which of the following is not a function of financial accounting?

 Keeping systematic recording

 Meeting legal requirements

 Tax evasion

 Communicating business results

Accepted Answers:

Tax evasion

**1 point**

Every business transaction reveals  ..... aspect

 Two

 Three

 One

 Four

Accepted Answers:

Two

**1 point**

The receiving aspect of transaction is called as  .....

 Debit aspect

 Credit aspect

 Cash aspect

 Incoming approach

Accepted Answers:

Debit aspect

**1 point**

 In double entry system of book keeping, every business transaction affects .....

 Minimum of two accounts

 Same accounts on two different dates

 Two sides of the same accounts

 Minimum three accounts

Accepted Answers:

Minimum of two accounts

**1 point**

The giving aspect of transaction is called as .....

 Cash aspect

 Credit aspect

 Debit aspect

 Outgoing  aspect

Accepted Answers:

Credit aspect

**1 point**

Total assets of the Business are Rs. 50,000; Liabilities are Rs. 15,000 then Capital is .....

 Rs. 65,000

 Rs.35,000

 Rs.25,000

 Rs.15,000

Accepted Answers:

Rs. 35,000

**1 point**

Financial positions of the business is ascertained by .....

 Journal

 Ledger

 Balance sheet

 Trial balance

Accepted Answers:

Balance sheet

**1 point**

Difference between revenue and expenditure is .....

 Profit

 Gain

 Assets

 Liabilities

Accepted Answers:

Profit

**1 point**

The assets that can be converted into cash within a short period are known as .....

 Current assets

 Fixed assets

 Tangible assets

 Investments

Accepted Answers:

Current assets

Week 3 - Assessment 3 - IFRS and XBRL

***1 point***

Which of the following factors shall not be taken into account when applying option pricing models?

 Vesting conditions;



 Life of the option;



 Expected volatility of the share price;



 Dividends expected on the shares



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Vesting conditions;*

***1 point***

How does an entity adopt IFRSs for the first time?

 By reporting on its financial position, financial performance and cash flows in accordance with IFRSs ;



 By reporting on its financial position, financial performance and cash flows in accordance with national requirements, which do not contradict IFRSs;



 By issuing its first financial statements in which the entity adopts IFRSs, by an explicit and unreserved statement of compliance with IFRSs;



 By issuing its first financial statements in accordance with national requirements, which contain explicit and unreserved statement of compliance with IFRSs



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*By issuing its first financial statements in which the entity adopts IFRSs, by an explicit and unreserved statement of compliance with IFRSs;*

***1 point***

Soapy company produces soaps and detergents. However due to lack of demand in the vicinity, it is proposing to relocate to another country. The machinery has been dismantled and packed up for relocation. It is proposed to use the same machinery in the foreign country. What treatment is appropriate regarding this machinery?

 Treat as impaired;



 Write off the machinery as obsolete;



 Dispose of the machinery and account for the profit or loss;



 None of the above



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*None of the above*

***1 point***

Bigglesworth Limited is planning to dispose a group of assets. The carrying value immediately before this decision was $100,000. The fair value on reclassification is $90,000 and estimated costs to sell are $10,000. What would be the carrying amount of the asset immediately after reclassification?

 $110,000;



 $100,000;



 $80,000 ;



 $90,000



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*$80,000 ;*

***1 point***

An entity is planning to sell a building and has started marketing the property. It is still occupying the building, though another building is being constructed nearby for relocation. The entity will relocate the staff only after the other building is completed in eight months. Which of the following treatments is appropriate?

 Classify this building as ‘held for sale’ as per IFRS 5;



 Disclose the intention to sell in the explanatory notes without classification as ‘held for sale’;



 Treat this operations as discontinued operations under IFRS 5;



 Classify both the buildings as ‘held for sale’ as per IFRS 5



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Disclose the intention to sell in the explanatory notes without classification as ‘held for sale’;*

***1 point***

Adjustments and eliminations made in preparing an entity’s financial statements and allocations of revenues, expenses, and gains or losses shall be included in determining reported segment profit or loss \_\_\_\_\_\_\_\_\_\_ they are included in the measure of the segment’s profit or loss that is used by the chief operating decision maker.

 Unless;



 Even if ;



 Regardless of the fact that ;



 Only if



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Only if*

***1 point***

An entity X has two reportable segments: A and B. The carrying amount of X’s non-current assets is $1,200, out of which 500 is allocated to A and the rest is allocated to B. Recoverable amount of A’s non-current assets is $520 and B’s — $650. What amount of impairment loss should the entity report on?

 $0 ;



 $20 ;



 $30 ;



 $50



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*$50*

***1 point***

Which of the following conditions give rise to derecognition of a part of an asset under IFRS 9?

 The part considered for derecognition comprises only a fully proportionate share of specifically identified cash flows from a financial asset (or a group of similar financial assets) ;



 The part considered for derecognition comprises only specifically identified cash flows from a financial asset ;



 The part considered for derecognition comprises only a fully proportionate share of the cash flows from a financial asset (or a group of similar financial assets) ;



 All of the above



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*All of the above*

***1 point***

Within the content of developing a new accounting system, parallel running is best defined as:

 Developing contingency plans to be implemented in the event of a major failure of the accounting



 Running the old system as well as the new one until we are confident in the new system



 Running the old system indefinitely as a way of backing up the new live system



 Ensuring that we have a sound system for taking back-ups at regular intervals



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Running the old system indefinitely as a way of backing up the new live system*

***1 point***

A journal voucher file contains which of the following data items?

 account number



 source reference code



 amount debited or credited



 All of the above



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*account number*

***1 point***

The balanced scorecard

 focuses on activities which most directly impact customer perceptions.



 focuses on activities which compose the accounting cycle



 focuses on activities which form the basis of adjusting entries



 focuses on activities which form manager satisfaction



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*focuses on activities which most directly impact customer perceptions.*

***1 point***

Processing controls include

 validity checks



 field checks



 closed loop verification



 All of the above



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*All of the above*

Week 4 - Assessment 4 - Introduction to Journal and Ledger

***1 point***

Purchase of a laptop is .........

 An asset



 An expense



 A profit



 A loss



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*An asset*

***1 point***

Real account credit balances show a/an ......

 Asset



 Profit



 Liability



 Impossible



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Asset*

***1 point***

If Ram has sold goods for cash, the entry will be recorded in the ..........

 Cash Book



 Sales Book



 Journal



 Purchases Book



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Cash Book*

***1 point***

--------- means the page number in ledger into which the journal entry is posted

 Ledger Folio



 Journal



 Voucher Number



 Receipt Number



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Ledger Folio*

***1 point***

Amount of interest paid to X should be debited to-------

 Interest



 X's A/c



 Cash A/c



 Account Payable A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Interest*

***1 point***

---------------A/c is meant for purchase of goods only.

 Purchase



 Sales



 Purchase Returns



 Sales Returns



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Purchase*

***1 point***

Bills receivable is an example of a/an ------

 Asset



 Liability



 Expenses



 Revenue



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Asset*

***1 point***

Purchased goods from Rahul for cash should be credited to .........

 Cash account



 Sales account



 Purchase account



 Rahul account



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Cash account*

***1 point***

The balance of carriage outwards account is placed in the ...... side of the trial balance

 Debit



 Credit



 Either debit or credit



 Neither debit nor credit



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Debit*

***1 point***

Balances of the nominal account of ledger is transferred to .......

 Trial Balance



 Profit and Loss A/c



 Balance Sheet



 Both a and b



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Trial Balance*

***1 point***

If debit balance is greater than credit balance then the account balance will be-----

 Debit balance



 Credit balance



 Debit and Credit balance



 Cash balance



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Debit balance*

***1 point***

The balance of cash account indicates --------

 Net cash on hand



 Net loss for the period



 Net income for the period



 Net worth of the business



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Net cash on hand*

Week 5 - Assessment 5 - Subsidiary Books

***1 point***

A purchase book is used to record all ........ made by the business from its suppliers.

 Purchases



 Credit purchases



 Cash purchases



 None of these



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Credit purchases*

***1 point***

If the purchase day of the book is overcast then it will ........

 Increase gross profit and reduce net profit



 Reduce gross profit and increase net profit



 Reduce gross profit and as well as net profit



 Increase gross profit as well as net profit



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Reduce gross profit and as well as net profit*

***1 point***

The weekly or monthly total of the purchases book is ......

 Posted to the debit of the Purchases A/c



 Posted to the debit of the Sales A/c



 Posted to the credit of the Purchases A/c



 Posted to the credit of the Sales A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Posted to the debit of the Purchases A/c*

***1 point***

Cash book is a type of ---------------- but treated as a --------------- of accounts

 Subsidiary Book, Principal Book



 Principal Book, Subsidiary Book



 Subsidiary Book, Subsidiary Book



 Principal Book, Principal Book



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Subsidiary Book, Principal Book*

***1 point***

The total of sales book will be posted in ledger in ...........

 Debit side of Sales A/c



 Credit side of Sales A/c



 Debit side of Cash A/c



 None of the above



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Credit side of Sales A/c*

***1 point***

Use of subsidiary books can be made by .......

 Only large business concerns



 Only small business concerns



 All types of business concerns



 Only companies



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Only large business concerns*

***1 point***

Small payments are recorded in a book called --------------.

 Cash Book



 Bills Payable Book



 Purchases Book



 Petty Cash Book



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Petty Cash Book*

***1 point***

Bills payable book is a part of ..........

 Balance Sheet



 Journal



 Ledger



 Profit and Loss A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Journal*

***1 point***

A contra entry in the cashbook would include ..........

 Transferring cash into the petty cash box



 Totalling up the bank and cash columns at the end of each month



 Withdrawing cash from the bank account



 Transferring the discounts to the accounts in the general ledger



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Withdrawing cash from the bank account*

***1 point***

Debiting the petty cash book with the exact amount spent in the previous period is an example of ........

 Contra entry



 Going concern



 Imprest system



 Prudence



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Imprest system*

***1 point***

The total of discounts column on the debit side  of the cash book, recording cash discount deducted by customer when paying their accounts, is posted to the -------------.

 Credit of the Discount Allowed A/c



 Debit of the Discount Allowed A/c



 Credit of the Discount Received A/c



 Debit of the Discount Received A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Debit of the Discount Allowed A/c*

***1 point***

The sales return book records ...........

 Return of goods purchased



 Return of anything purchased



 Return of assets sold



 Return of goods sold



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Return of goods sold*

Week 6 - Assessment 6 - Subsidiary Books and Trial Balance

***1 point***

Contra entries are passed only when -------------------.

 Three column Cash Book is prepared



 Double column Cash Book is prepared



 Simple Cash Book is prepared



 Petty Cash Book is prepared



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Three column Cash Book is prepared*

***1 point***

Petty cash may be used to pay --------------.

 The expenses relating to postage and conveyance



 Salary to the manager



 Purchases of furniture



 Purchases of raw materials



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*The expenses relating to postage and conveyance*

***1 point***

The cash book records -------------.

 All cash receipts and payments



 All cash receipts



 All cash payments



 All credit payments



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*All cash receipts and payments*

***1 point***

The balance in the petty cash book is ------.

 An Asset



 An Expense



 A Profit



 A Loss



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*An Asset*

***1 point***

Journal proper is used to record -------------------.

 All cash purchases of assets other than goods



 All cash sales of assets other than goods



 Returns of fixed assets purchased on credit



 Recovery of an amount already written-off as bad debts



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Returns of fixed assets purchased on credit*

***1 point***

After preparing the trial balances the accountant finds that the total of debit side is short by Rs. 1,500. This differences will be .......

 Credited to Suspense A/c



 Debited to Suspense A/c



 Adjusted to any of the debit balance A/c



 Adjusted to any of the credit balance A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Debited to Suspense A/c*

***1 point***

The balance of ...... account will be shown in the debit column of trial balance.

 Cash



 Creditor's



 Bank Overdraft



 Capital



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Cash*

***1 point***

Closing stock of the trial balance implies that ..........

 It is already adjusted in the Opening Stock A/c



 It is adjusted in the Purchases A/c



 It is adjusted in the Cost of Sales A/c



 It is adjusted in the Sales A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*It is adjusted in the Purchases A/c*

***1 point***

In trial balance, which accounts with normal balance is recorded at the credit side?

 Bank A/c



 Equipment A/c



 Cash A/c



 Accrued expenses A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Accrued expenses A/c*

***1 point***

Trial balances is the link between the ..........

 Journal and ledger



 Journal and Final Account



 Ledger and Final Account



 P& L A/c and Balance Sheet



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Ledger and Final Account*

***1 point***

Trial balance is a proof that .........

 Every transaction is recorded twice



 No error remains in the books of accounts



 Books are authentically and correctly written



 All ledger accounts are correctly balanced



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Every transaction is recorded twice*

***1 point***

Which items influence the trial balance agreement?

 Deposit in transit



 Compensating errors



 Complete omission of a transaction



 Partial omission of a transaction



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Partial omission of a transaction*

Week 7 - Assessment 7 - Introduction to Final Accounts

***1 point***

Additional capital introduced will increase ---------------

 Assets and liabilities



 Assets and equities



 Liabilities and expenses



 Capital and liabilities



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Capital and liabilities*

***1 point***

Assets are held for the purpose of --------------

 Earning Revenue



 Resale



 Conversion into cash



 Law purpose



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Earning Revenue*

***1 point***

A current asset that is convertible into cash within three months can be referred as ---------------

 Cash asset



 Operating asset



 Intangible asset



 Cash equivalent



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Cash equivalent*

***1 point***

Current asset is also known as a/an -----------------

 Working capital



 Invested capital



 Asset



 Cash



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Working capital*

***1 point***

Which of the following statement is correct?

 Premises is an intangible asset



 Patents and copyrights are not intangible assets



 Stock is a liquid asset



 Trademarks is an intangible asset



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Trademarks is an intangible asset*

***1 point***

A customer returns goods already charged to him. We should ------------------.

 Debit his account



 Credit his account



 No entry is passed on his account



 Credit the return inwards account



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Credit his account*

***1 point***

Financial statements are prepared mainly for ------------

 Internal users



 External users



 Creditors



 Management of a company



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Internal users*

***1 point***

Collection of an Accounts Receivable results in ----------------

 An increase in total assets



 A decrease in total assets



 No change in total assets



 An increase in the fixed assets



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*An increase in total assets*

***1 point***

Final accounts prepared with the help of -------------

 Journal Entries



 Ledgers



 Subsidiary Books



 Trial Balance



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Trial Balance*

***1 point***

Depreciation is provided on ---------------

 Fixed assets



 Outwards charges



 Current assets



 Intangible assets



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Fixed assets*

***1 point***

The term “Financial Statements” covers -------------

 Profit & Loss A/c



 Profit & Loss A/c and Balance Sheet



 Balance Sheet Alone



 Profit & Loss A/c, P & L Appropriation A/c and Balance Sheet



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Profit & Loss A/c, P & L Appropriation A/c and Balance Sheet*

***1 point***

A debit to an account may ------------

 Increase an expense



 Decrease an asset



 Increase a liability



 Increase an income



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Increase an expense*

Week 8 - Assessment 8 - Final Accounts

***1 point***

Profit & Loss Account is prepared to find out ..........

 Cost of Sales



 Gross Profit



 Total expenditure incurred



 Result of operation of business transactions



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Result of operation of business transactions*

***1 point***

Purchase of raw materials appears in .............

 Trading A/c



 Manufacturing A/c



 Profit and Loss A/c



 Income Statement



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Manufacturing A/c*

***1 point***

Manufacturing account is prepared to find out ........

 Cost of Goods Sold



 Cost of Goods Manufactured



 Ascertainment of Stock in hand



 Cost of Materials Consumed



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Cost of Goods Manufactured*

***1 point***

Assets are shown in the Balance sheet at ..........

 Market Price



 Cost less Depreciation



 Replacement Cost



 Revalued Cost



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Cost less Depreciation*

***1 point***

Long term assets that have no physical existence but are rights that have value is known as a/an .........

 Current Asset



 Fixed Asset



 Intangible Asset



 Investment



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Intangible Asset*

***1 point***

Salary outstanding is a ........ Account.

 Current



 Real



 Nominal



 Representative Personal



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Representative Personal*

***1 point***

Carriage on purchases or carriage inwards are shown in ......

 Trading A/c



 Profit & Loss A/c



 Balance Sheet



 Adjusted P& L A/c



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Trading A/c*

***1 point***

A reserve is charge against .........

 Trading A/c



 Profit and Loss A/c



 P & L Adjustment A/c



 P & L Appropriation A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*P & L Appropriation A/c*

***1 point***

As per Trial Balance, Bad Debts = Rs. 18,000 and Bad Debts Reserve= Rs. 20,000. Bad Debts (end of the year) = Rs. 6,000. What balance would appear in P & L A/c?

 Rs. 42,000



 Rs. 24,000



 Rs. 4,000



 Rs. 8,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs. 4,000*

***1 point***

Capital Rs. 20 lakhs; Drawings Rs. 1 lakh; Interest on Drawings 6%; Interest on Capital Rs. 5 lakhs; Net Profit Rs. 7 lakhs and Income Tax Rs. 8 lakhs. Net Capital is ...........

 Rs. 22,96,000



 Rs. 22,94,500



 Rs. 22,49,000



 Rs. 22,94,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs. 22,94,000*

***1 point***

Sales is equal to ........

 Cost of Goods Sold - Gross Profit



 Cost of goods sold - Net Profit



 Gross Profit – Cost of Sales



 Gross Profit + Cost of Sales



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Gross Profit + Cost of Sales*

***1 point***

Gross margin is difference between ...........

 Sales and Purchase



 Sales and Cost of Production



 Sales and Cost of Sales



 Sales and Total Liability



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Sales and Cost of Sales*

Week 9 - Assessment 9 - Final Accounts - Comprehensive

***1 point***

Gross Profit b/d: Rs. 50,000; Salaries: Rs. 20,000; Wages: Rs. 5,000; Loss due to fire (not covered by insurance) Rs. 14,000; Factory Rent Rs. 16,000. Net Profit or Loss is Rs...........

 Net Profit:Rs. 10,000



 Net Loss:Rs. 5,000



 Net Profit:Rs. 16,000



 Net Loss:Rs. 20,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Net Profit:Rs. 16,000*

***1 point***

If, Capital at the end Rs. 70,000; fresh capital introduced Rs. 50,000; Drawings Rs. 80,000; Loss Rs.1,00,000; then Capital at the beginning is Rs ..........

 Rs. 1,20,000



 Rs. 1,80,000



 Rs. 2,00,000



 Rs. 3,00,000



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs. 2,00,000*

***1 point***

In a business net assets on 1 January are Rs. 6,000 and on 31 January is Rs. 7,500. If withdrawals by owner on January are Rs. 1,000 the net income for January is ............

 Rs. 1,500



 Rs. 500



 Rs. 2,500



 Rs. 3,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs. 2,500*

***1 point***

Net income is equal to Revenues minus .........

 Gains



 Depreciation



 Expenses



 Capital Expenditure



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Expenses*

***1 point***

Purchase of a motor bike for proprietor’s son results in ........

 Increase in Assets and Decrease in Capital



 Increase in Assets and Decrease in Liabilities



 Decrease in Assets and Decrease in Liabilities



 Decrease in Assets and Decrease in Capital



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Decrease in Assets and Decrease in Capital*

***1 point***

Rent = Rs. 2,40,000 p.a.; Rent outstanding Rs. 20,000; total Rent for the year is ........

 Rs. 2,40,000



 Rs. 2,60,000



 Rs. 2,20,000



 Rs. 2,00,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs. 2,60,000*

***1 point***

Rs. 2,000 Interest on Drawings charged after preparation of Trial Balance should be ..........

 Debited to P & L A/c



 Credited to P & L A/c and added to Capital A/c



 Credited to P & L A/c and deducted from Capital A/c



 Debited to P & L A/c and added to Capital A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Credited to P & L A/c and deducted from Capital A/c*

***1 point***

Sale of Goods on Approval Basis, approval not yet received – calculated on what basis?

 Profit & Loss Account: Comes under Extraordinary Expense



 Balance Sheet: Deducted from Net Profit



 Trading Account: Deducted from Sales at selling price of goods sold and added to Stock at cost price.



 Balance Sheet: Added to Debtors at selling price and deducted from Closing Stock



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Trading Account: Deducted from Sales at selling price of goods sold and added to Stock at cost price.*

***1 point***

Stock destroyed by fire is Rs. 50,000; Insurance Company accepted a claim of Rs. 35,000 only.How much of amount will be debited in P & L A/c as loss?

 Rs. 50,000



 Rs. 35,000



 Rs. 15,000



 Rs. 85,000



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs. 15,000*

***1 point***

The capital of a sole trader would change as a result of .......

 A creditor being paid his account by cheque



 Raw materials being purchased on credit



 Fixed assets being purchased on credit



 Wages being paid in cash



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Wages being paid in cash*

***1 point***

Unfavourable balance in P & L A/c should be ........

 Added to Liabilities



 Subtracted from Current Assets



 Subtracted from Capital



 Subtracted from Liabilities



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Subtracted from Capital*

***1 point***

Wages & Salaries are Rs. 5,000 & Rs. 10,000 respectively, these would appear in .........

 Trading A/c



 Profit & Loss A/c



 Income Statement



 Statement of Financial Condition



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Trading A/c*

Week 10 - Assessment 10 - Introduction and Methods of Depreciation

Depreciation charges are .......

 Cash expenses



 Financial expenses



 Non-cash expenses



 Non-operating expenses



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Non-cash expenses*

***1 point***

Providing depreciation reduces the reported net income.

 True



 Partly true



 False



 Partly false



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*True*

***1 point***

Depreciation arises due to ........

 Physical wear and tear of an asset



 Fall in the market value of an asset



 Fall in the value of money



 Rise in the value of money



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Physical wear and tear of an asset*

***1 point***

Depreciation is a process of .........

 Valuation of an asset



 Allocation of cost



 Both A and B



 Reducing the value of an asset



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Valuation of an asset*

***1 point***

“Reducing balance method of depreciation is followed to have a uniform charge for depreciation and repairs and maintenance together”

 True



 Partly true



 False



 Partly false



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*True*

***1 point***

For an asset owned for more than one year, the depreciation charge for the year, calculated using the reducing-balance basis at the rate of 35%, would be arrived at as follows:

 35% x cost of the asset



 35% x (cost of the asset - accumulated depreciation)



 35% x accumulated depreciation



 35% x (cost of the asset + accumulated depreciation)



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*35% x (cost of the asset - accumulated depreciation)*

***1 point***

Original cost: Rs.13,00,000, Salvage value: Rs.40,000, Useful life: 6 years. Depreciation for the first year Under sum of years digit methods will be ......

 Rs.60,000



 Rs.1,20,000



 Rs.3,60,000



 Rs. 2,00,000



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs.3,60,000*

***1 point***

A company purchased a machinery on April 01,2014, for Rs.15,00,000. It is estimated that the machinery will have a useful life of 5 years after which it will have no salvage value. The depreciation charged during the year 2018-19 was ......

 Rs.50,000



 Rs.4,00,000



 Rs.3,00,000



 Rs.3,50,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs.3,00,000*

***1 point***

Depreciation on intangible asset is known as depletion.

 True



 Partly true



 False



 Partly false



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*False*

***1 point***

Well maintained asset need not to be depreciated. Is it true or not?

 True



 Partly true



 False



 Partly false



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*False*

***1 point***

Salvage value means ........

 Cash to be paid when asset is disposed off



 Estimated disposal value



 Definite sale price of the asset



 Cash to be received when life of the asset ends



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Estimated disposal value*

***1 point***

A motor van was bought for Rs.20,000 on 1 September 2005 with a residual value of Rs.2,000. Depreciation was charged at 20% by the reducing balance method on yearly basis. It was sold for Rs.18,000 after three years of use on 30 September 2008. Compute the profit on sale of asset.

 Rs.7,760



 Rs.505



 Rs.5,201



 Rs.990



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs.7,760*

Week 11 - Assessment 11 - Bank Reconciliation Statement

***1 point***

A Bank Pass Book is a copy of .......

 The cash column of a customer’s Cash Book



 The bank column of a customer’s Cash Book



 The customer’s A/c in the Bank’s ledger



 The cash column of a Bank’s ledger



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*The customer’s A/c in the Bank’s ledger*

***2 points***

A Bank reconciliation statement is a ......

 Ledger A/c



 Separate statement



 Subsidiary record



 Profit and Loss A/c



Yes, the answer is correct.  
Score: 2

Accepted Answers:

*Separate statement*

***1 point***

When balance as per Cash Book is the starting point, to ascertain balance as per Pass Book, Dividend collected by the bank is ........

 Subtracted



 Added



 Not adjusted



 Multiplied



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Added*

***1 point***

Bank Reconciliation Statement reveals the balance at the bank as on a particular date.

 True



 Partly true



 False



 Partly false



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*False*

***1 point***

Credit side of Bank Pass Book should be matched with debit side of the Cash Book.

 True



 Partly true



 False



 Partly false



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*True*

***1 point***

Debit balance in the Cash Book means .......

 Overdraft as per Pass Book



 Credit balance as per Pass Book



 Overdraft as per Cash Book



 Debit balance as per Day Book



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Credit balance as per Pass Book*

***1 point***

Mr.X issued a cheque worth Rs.20,000 during March 2018 out of which cheques worth of Rs.5,000 only were presented for payment by 31 March 2018. Balance as per Pass Book was Rs.25,000. What would be balance as per Cash Book?

 Rs.5,000



 Rs.10,000



 Rs.15,000



 Rs.20,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs.10,000*

***1 point***

A customer paid Rs.750 directly into the Bank Account. In the BRS starting with Cash Book Overdraft ..........

 Rs.750 will be deducted from Cash Book Overdraft



 Rs.1,500 will be added to Cash Book Overdraft



 Rs.750 will be added to Cash Book Overdraft



 This amount will be ignored



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs.750 will be deducted from Cash Book Overdraft*

***1 point***

The credit balance of Rs.2,000 in the bank column of the Cash Book was carried forward as its debit balance. When overdraft as per Pass Book is the starting point .......

 Rs.2,000 will be deducted



 Rs.2,000 will be added



 Rs.4,000 will be deducted



 Rs.4,000 will be added



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs.4,000 will be deducted*

***1 point***

Balance shown by Pass Book Rs.10,000. Cheques issued but not presented for payment Rs.4,000 and Cheques deposited but not yet collected Rs.3,000. Balance as per Cash Book will be ......

 Rs.9,000



 Rs.10,000



 Rs.11,000



 Rs.17,000



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Rs.9,000*

***1 point***

The bank statement shows an overdrawn balance of Rs.2,000. A cheque for Rs.500 drawn in favour of a creditor has not yet been presented for payment. When the creditor presents the cheque for payment,the bank balance will be ..........

 Rs.1,500 (overdrawn)



 Rs.2,500 (overdrawn)



 Rs.1,500



 Rs.2,500



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs.2,500 (overdrawn)*

***1 point***

Interest charged by bank will be deducted when the overdraft as per Pass Book is the starting point for preparing the BRS.

 True



 Partly true



 False



 Partly false



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*True*

Week 12 - Assessment 12 - Inventory Valuation

**T**

***1 point***

During a period of steadily falling prices, which of the following methods of measuring cost of goods sold is likely to result in the lowest possible taxable income?

 Average Cost



 Weighted Cost



 FIFO



 LIFO



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*FIFO*

***1 point***

In FIFO method

 Issue is made out of latest receipt



 Issue is made out of first receipt



 Issue is made out of highest value receipt



 Issue is made out of lowest value receipt



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Issue is made out of first receipt*

***1 point***

In FIFO method, closing stock is valued at oldest prices of material.

 True



 Partly true



 False



 Partly false



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*False*

***1 point***

During the period of rising prices, which of the following inventory pricing methods result in lower total current assets?

 Simple Average



 Weighted Average



 FIFO



 LIFO



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*LIFO*

***1 point***

In a period of inflation, which inventory method would be considered suitable by the accountant?

 LIFO



 FIFO



 Standard Cost



 Average Cost



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*LIFO*

***1 point***

FIFO method is advisable during a period of .......... prices.

 Rising



 Falling



 Constant



 Fluctuating



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Falling*

***1 point***

Valuation of closing stock is same under FIFO and LIFO methods.

 True



 Partly true



 False



 Partly false



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*False*

***1 point***

Which of the following systems of inventory valuation computes cost of goods sold as a residual amount?

 Weighted Average



 LIFO



 Perpetual Inventory system



 Periodic Inventory system



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Periodic Inventory system*

***1 point***

Identify the method in which inventory is valued at the latest price prevailing in the market.

 LIFO



 FIFO



 Weighted Average



 Replacement



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Replacement*

***1 point***

The name FIFO means first-in first-out, refers to the sequence in which inventory acquisition cost is charged to cost of goods sold.

 True



 Partly true



 False



 Partly false



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*True*

***1 point***

In the perpetual inventory system, stock taking is ..........

 Not done ever



 Periodical



 At te time of winding up



 Continuous



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Continuous*

***1 point***

Which inventory pricing method calculates value of closing inventory considering that inventory most recently purchased has not been issued?

 FIFO



 LIFO



 Weighted Average



 HIFO



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*FIFO*

Week 13 - Assessment 13 - Introduction to Non-Trading Organisations

***1 point***

An advance receipt of subscription from a member of the non-profit organization is considered a/an .....

 Expense



 Liability



 Equity



 Asset



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Liability*

***1 point***

Expenditures greater than incomes of a non-profit organization is a ......

 Loss



 Profit



 Surplus



 Deficit



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Deficit*

***1 point***

General donations and legacies credited to .......

 Income and Expenditure A/c



 Receipts and Payments A/c



 Capital Fund A/c



 Specific Fund A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Capital Fund A/c*

***1 point***

Interest on Prize Fund is ......

 Credited to Income and Expenditure A/c



 Credited to Receipts and Payments A/c



 Added to Capital Fund



 Added to Prize Fund



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Added to Prize Fund*

***1 point***

Income and Expenditure A/c reveals ......

 Cash in hand



 Surplus or Deficiency



 Financial Position



 Capital A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Surplus or Deficiency*

***1 point***

Non-profit organizations prepare all of the following accounts except the .......

 Receipts and Payments A/c



 Income and Expenditure A/c



 Balance Sheet



 Income Statement



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Income Statement*

***1 point***

Property received as a result of the will of the deceased person is called as .......

 Legacy



 Honorarium



 Donation



 Subscription



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Legacy*

***1 point***

Rent expense of a non-profit organization is paid in advance. Which of the following is the correct classification of prepaid rent?

 An expense



 A liability



 An equity



 An asset



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*An asset*

***1 point***

All receipts from sale of consumable items are treated as .........

 Revenue receipts



 Revenue expenditures



 Capital receipts



 Capital expenditures



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Revenue receipts*

***1 point***

In case specific fund is maintained, the expenses exceeding the amount of the funds, should be recorded on ..........

 Liabilities side of the Balance Sheet



 Debit side of the Income and Expenditure A/c



 Credit side of the Income and Expenditure A/c



 Assets side of the Balance Sheet



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Debit side of the Income and Expenditure A/c*

***1 point***

Special aids are ...........

 Treated as Capital receipts



 Treated as Revenue receipts



 Added to Capital fund



 Both (a) and (b)



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Treated as Capital receipts*

***1 point***

If income is Rs.16,000 and deficit debited to capital fund is Rs. 4,300, then expenditure is ......

 Rs. 16,000



 Rs. 4,300



 Rs. 20,300



 Rs. 11,700



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs. 20,300*

Week 14 - Assessment 14 - Non-Trading Firms - II

***1 point***

A non-profit organization received Rs.10,000 as the entrance fee of a new member. If 20% of the fee has to be capitalized, what is the amount of fee needs to be shown in the income and expenditure account?

 Rs.9,000



 Rs.8,000



 Rs.2,000



 Rs.5,000



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs.8,000*

***1 point***

A profit on sale of furniture of club will be taken to .........

 Cash A/c



 Receipts and Payments A/c



 Income and Expenditure A/c



 Profit and Loss A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Income and Expenditure A/c*

***1 point***

Amount received from sale of grass by a club should be treated as a/an .........

 Capital Receipt



 Revenue Receipt



 Asset



 Earned Income



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Revenue Receipt*

***1 point***

Any income arising from special fund will be credited to ......

 Income and Expenditure A/c



 Capital Fund



 Special Fund



 Receipts and Payments A/c



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Special Fund*

***1 point***

Balance of Income and Expenditure A/c shows ........

 Cash in hand



 Capital Fund



 Net Profit



 Excess of income over expenditure or vice versa



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Excess of income over expenditure or vice versa*

***1 point***

Capital fund of a not-for-profit concern does not include .........

 Special donations



 Capitalised admission fee



 Surplus from Income and Expenditure A/c



 Honorarium paid



No, the answer is incorrect.  
Score: 0

Accepted Answers:

*Honorarium paid*

***1 point***

Final accounts of non-trading concern does not include ......

 Receipts and Payments A/c



 Income and Expenditure A/c



 Balance Sheet



 Profit and Loss A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Profit and Loss A/c*

***1 point***

If income is Rs.16,000 and deficit debited to capital fund is Rs. 4,300, then expenditure is ......

 Rs. 16,000



 Rs. 4,300



 Rs. 20,300



 Rs. 11,700



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs. 20,300*

***1 point***

In case specific fund is maintained, the expenses exceeding the amount of the funds, should be recorded on ..........

 Liabilities side of the Balance Sheet



 Debit side of the Income and Expenditure A/c



 Credit side of the Income and Expenditure A/c



 Assets side of the Balance Sheet



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Debit side of the Income and Expenditure A/c*

***1 point***

Income and Expenditure A/c is equivalent to ......

 Profit and Loss A/c



 Profit and Loss Appropriation A/c



 Balance Sheet



 Trading A/c



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Profit and Loss A/c*

***1 point***

Prize fund Rs.10,000, Interest on prize fund investments Rs.1,000, Prize paid Rs.2,000, Prize fund investment Rs.8,000.What will be its treatment?

 Rs.20,000 on Liability side,Rs. 8,000 on Asset side



 Rs.1,000 on Liability side,Rs. 8,000 on Asset side



 Rs.1,700 on Liability side,Rs. 8,000 on Asset side



 Rs.9,000 on Liability side, Rs. 8,000 on Asset side



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*Rs.9,000 on Liability side, Rs. 8,000 on Asset side*

***1 point***

Income and Expenditure A/c begins with .......

 Debit balance



 Credit balance



 Debit or Credit balance



 No balance



Yes, the answer is correct.  
Score: 1

Accepted Answers:

*No balance*

# Week 15 - Assessment 15 - Non-Trading Firms III

Which of the following items will not appear in the balance sheet of a sports club?

 Subscription received for the current year

 Subscription received for the next year

 Subscription outstanding during the year

 Insurance prepaid

### No, the answer is incorrect. Score: 0

### Accepted Answers:

*Subscription received for the current year*

**1 point**

Which of the following items should not be entered in Receipts and Payments Account for a Club?

 Sale of old news papers

 Loss on sale of old furniture

 Subscriptions received in advance

 Expenses for previous year

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Loss on sale of old furniture*

**1 point**

Which of the following is the accounting equation for a non-profit organization?

 Asset = Capital + Liabilities

 Capital + Liabilities = Assets

 Accumulated fund + Liabilities = Assets

 Liabilities = Asset + Accumulated fund

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Accumulated fund + Liabilities = Assets*

**1 point**

There are 1,500 members, each paying an annual subscription of Rs. 10. Only 1,250 members have paid subscription during the year. The amount to be credited to Income and Expenditure A/c for the year 2018 will be ..........

 Rs.15,000

 Rs.12,300

 Rs.15,200

 Rs.12,500

### No, the answer is incorrect. Score: 0

### Accepted Answers:

*Rs.15,000*

**1 point**

The balance sheet of a non-profit organization such as a charitable hospital does not contain the .........

 Assets

 Buildings

 Debts

 Owner’s Equity

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Owner’s Equity*

**1 point**

Sale of old news papers is to be shown on the credit side of the ........

 Cash Book

 Income and Expenditure A/c

 Balance Sheet

 Receipts and Payments A/c

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Income and Expenditure A/c*

**1 point**

Rs. 50,000 were spent for the expenses in 2019. On 31-12-2018, prepaid expenses were Rs. 1,600 and outstanding expenses were Rs. 1,200 . On 31-12-2019, prepaid expenses and outstanding expenses respectively were Rs. 4,000 and Rs. 2,000. How much will be transferred to Income and Expenditure A/c?

 Rs.39,600

 Rs.35,900

 Rs. 48,400

 Rs.42,500

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Rs. 48,400*

**1 point**

Payments made for salary during 2019 Rs. 50,000, Outstanding Salary as on 31-12-2018 Rs.5,000. Outstanding salary as on 31-12-2019 Rs. 3,000 and prepaid salary as on 31-12-2018 Rs. 4,000 and prepaid salary as on 31-12-2019 Rs. 2000. Amount to be debited in Income and Expenditure A/c is ……..

 Rs. 50,000

 Rs. 55,000

 Rs. 45,000

 Rs. 40,000

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Rs. 50,000*

**1 point**

Out of the following items, which is not shown in the Receipts and Payments A/c of a not-for-profit organisation?

 Subscription received in advance

 Subscription due

 Last year subscription received

 All of the above

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Subscription due*

**1 point**

Investment in sinking fund by a non-profit organization is a/an ........

 Liability

 Accumulated Fund

 Asset

 Equity

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Asset*

**1 point**

Interest receivable on investment by a club will be shown on the ........

 Assets side of the Balance Sheet

 Liabilities side of the Balance Sheet

 Debit side of the Income and Expenditure A/c

 Credit side of the Income and Expenditure A/c

### No, the answer is incorrect. Score: 0

### Accepted Answers:

*Credit side of the Income and Expenditure A/c*

**1 point**

Income and expenses related to the Prize Fund is shown in ........

 Income and Expenditure A/c

 Assets side of the Balance Sheet

 Liabilities side of the Balance Sheet

 Cash A/c

### Yes, the answer is correct. Score: 1

### Accepted Answers:

*Liabilities side of the Balance Sheet*