

ACCOUNT QUESTION BANK

Question Paper: Fundamentals of Financial Accounting (Chapter 1)

Multiple Choice Questions (MCQs)

1. **Who is considered the Father of modern bookkeeping?**

a) Adam Smith
b) Lucas Pacioli
c) Alfred Marshall
d) Lionel Robbins
(Modern bookkeeping ke Father kaun hain?)

2. **Which is the first step in the accounting process?**

a) Recording
b) Classifying
c) Summarizing
d) Analyzing
(Accounting process ka pehla step kya hai?)

3. **Accounting deals with transactions that are:**

a) Non-financial in nature
b) Measurable in monetary terms
c) Based on opinions
d) Random and unstructured
(Accounting un transactions se deal karta hai jo kis prakaar ke hote hain?)

4. **What is the process of arranging similar transactions under one head called?**

a) Recording
b) Classifying
c) Summarizing
d) Communicating

(Ek jaise transactions ko ek category mein arrange karne ki prakriya kya kehlati hai?)

5. Which document provides the summary of all financial transactions?

- a) Journal
- b) Ledger
- c) Balance Sheet
- d) Trial Balance

(Kaunsa document sabhi financial transactions ka summary deta hai?)

6. Which of the following is NOT recorded in accounting books?

- a) Purchase of goods
- b) Quality of leadership
- c) Payment of salaries
- d) Sale of services

(Inme se kaunsa accounting books mein record nahi hota?)

7. The main objective of preparing a Balance Sheet is to:

- a) Measure profit or loss
- b) Show financial position of the business
- c) Summarize all transactions
- d) Record daily transactions

(Balance sheet ka main objective kya hai?)

8. What is the amount withdrawn by the owner for personal use called?

- a) Drawings
- b) Capital
- c) Expenses
- d) Liability

(Owner ke dwara personal use ke liye li gayi amount ko kya kehte hain?)

9. Which accounting branch deals with cost control?

- a) Financial Accounting
- b) Cost Accounting
- c) Management Accounting

d) Social Responsibility Accounting

(Kaunsa accounting branch cost control se sambandhit hai?)

10. Which type of asset is used for a long period in the business?

a) Fixed Asset

b) Current Asset

c) Intangible Asset

d) Liquid Asset

(Wo asset jo business mein lambe samay tak use hota hai, usse kya kehte hain?)

11. Which of these is a liability of a business?

a) Cash in hand

b) Debtors

c) Creditors

d) Fixed Assets

(Inme se kaunsa business ki liability hai?)

12. Accounting ensures reliability of information by:

a) Allowing errors

b) Faithfully presenting data

c) Hiding important details

d) Using incomplete records

(Accounting kaise apni information reliable banata hai?)

13. Which characteristic of accounting helps in comparing results?

a) Relevance

b) Understandability

c) Comparability

d) Faithful Representation

(Accounting ki kaunsi characteristic results ka comparison karne mein madad karti hai?)

14. What is a trade discount?

a) Concession on immediate payment

- b) Concession on the list price of goods
 - c) Bonus for employees
 - d) Reduction in liability
- (Trade discount kya hota hai?)*

15. What does "Bad Debts" refer to?

- a) Money paid to creditors
 - b) Unrecoverable amount from debtors
 - c) Excess payment of taxes
 - d) Loss due to fire
- (Bad debts ka kya matlab hai?)*

16. What is the total amount of sales during a period called?

- a) Turnover
 - b) Revenue
 - c) Profit
 - d) Income
- (Ek period mein total sales ko kya kehte hain?)*

17. What is the primary goal of financial accounting?

- a) Minimize taxes
 - b) Provide financial information to stakeholders
 - c) Maintain internal records
 - d) Avoid legal issues
- (Financial accounting ka primary goal kya hai?)*

18. Which concept states that only monetary transactions are recorded?

- a) Business Entity Concept
 - b) Dual Aspect Concept
 - c) Money Measurement Concept
 - d) Going Concern Concept
- (Kaunsa concept kehta hai ki sirf monetary transactions record hote hain?)*

19. What does "Revenue" represent in accounting?

- a) Total liabilities of the business

- b) Money earned from sales or services
 - c) Profit after tax
 - d) Investments made in the business
- (Accounting mein revenue ka kya matlab hai?)*

20. Who are creditors in accounting?

- a) People who owe money to the business
 - b) People to whom the business owes money
 - c) Business partners
 - d) Tax authorities
- (Accounting mein creditors kaun hote hain?)*
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