

**The Bodwad Sarvajanik co . op Educational Society Ltd, Bodwad**  
**Arts, Commerce & Science College, Bodwad .**  
**Internal Examination 2021-2022**  
**Sub-Accounting**  
**Total mcq-100. Total marks -100**  
**Sem-1st**

---

1. IASB stands for... ..
  - A. Indian accounting standards board
  - B. Indian accounting standard bulletins
  - C. International accounting standard bulletins
  - D. International accounting standard board**
  
2. Accounting standards refers to specific accounting... ..
  - A. Principles
  - B. Methods of applying those principles
  - C. Both (A) & (B)**
  - D. None
  
3. As-2 is on...
  - A. Disclosures of Accounting policies
  - B. Valuation of inventories**
  - C. Revenue recognition
  - D. Depreciation Accounting
  
4. Accounting for fixed assets...
  - A. As-6
  - B. As-10**
  - C. As-3
  - D. As-2
  
5. How many accounting standards have been issued by ICAI
  - A. 25
  - B. 20
  - C. 32**
  - D. 2
  
6. Joint venture is a... ..
  - A. Personal Ac
  - B. Nominal Ac**
  - C. Real Ac
  - D. Memorandum Ac
  
7. Joint venture with another Co-venture AC is a...
  - A. Personal Ac

- B. Nominal Ac**
- C. Real Ac
- D. Memorandum Ac

8. What does the balance in memorandum joint venture AC shows... .

- A. Profit or loss**
- B. Closing stock
- C. Balance due from other CO -venture
- D. Different in Trial Balance

9. Which of these accounts are not opened in a joint venture?

- A. Stock Reserve**
- B. Joint bank
- C. Joint venture ac
- D. Co-venturer personal Ac

10. Stock left over taken by a Co-venturer is .....

- A. Debited to joint venture Ac
- B. Credited to Co-venture Ac
- C. Credited to joint venture Ac**
- D. Credit to joint bank account

11. Employee benefits to employees in financial statements are recognize as per..

- A. Indian As-1
- B. Indian As-9
- C. Indian As-6
- D. Indian As-is 19**

12. As-6 was made mandatory from the accounting period beginning on or after ...

- A. 1-04-1991
- B. 1-04-2001
- C. 1-04-2004
- D. 11-04-1995**

13. Accounting policies are generally based on

- A. Objectivity**
- B. Subjectivity
- C. Convenience in recording
- D. None of the above

14. Accounting standards in India are issued by

- A. Central govt
- B. State govt
- C. Institute of chartered Accountants of India**

D. Reservation bank of india

15. Provision of Indian partnership act are also applicable to joint venture.

- A. **True**
- B. False
- C. Both are
- D. None

16. Accounting standards for amalgamation is... .

- A. As -3
- B. As -9
- C. As-12
- D. **Ad-14**

17. According to As -14 payment of purchase consideration made to the... .

- A. Debenture holders and shareholders
- B. **Shareholders**
- C. Debenture holders
- D. Creditors, Debenture Holders & shareholders

18. Reliance Ltd. takes over the business of future retails. It's in case of..

- A. **Absorption**
- B. External Reconstruction
- C. Amalgamation
- D. Take over

19. Net assets minus capital reserve is...

- A. Goodwill
- B. General reserve
- C. **Purchase consideration**
- D. None of the above

20. The method to be followed in case of Amalgamation in the nature of merger is...

- A. **Purchase Method**
- B. Pooling Intrest method
- C. Absorption method
- D. None of the above

21. Amalgamation is... .

- A. **Merger of business**
- B. Dissolution of firms
- C. Both (A) & (B)
- D. None of the above

22. Purchase consideration is amount
- A. Payable by new firm to old firm**
  - B. Payable by old firms to partners
  - C. Payable by one firm to another firm
  - D. None of the above
23. Assets are transferred to Realisation Ac at...
- A. Market value
  - B. Book value**
  - C. Cost value
  - D. All of above
24. Excess of credit over debit side of Realisation AC is ...
- A. Loss on Realisation
  - B. Surplus
  - C. Profit on Realisation**
  - D. Deficit
25. Liability added by partners are... .
- A. Debited to revaluation Ac
  - B. Debited to partners capital ac
  - C. Debited to Realisation Ac**
  - D. None
26. Excess of net assets over purchase consideration is... .
- A. Capital Reserve**
  - B. Goodwill
  - C. Capital
  - D. Drawings
27. Profit or loss on Realisation is distributed among the partners in... .
- A. Capital Ratio
  - B. Profit sharing ratio**
  - C. Claim ratio
  - D. Benefit ratio
28. Realisation AC is opened when amalgamation is accounted by...
- A. Revaluation Method
  - B. Realisation method**
  - C. Either (A) or (B)
  - D. None
29. On Amalgamation realisation AC is opened in the books of...

- A. Purchasing firm
  - B. Vendor firm**
  - C. Both (A) & (B)
  - D. None
30. Profit on Realisation AC.. .
- A. Credited to partners capital ac**
  - B. Debited to partners capital ac
  - C. Ignored
  - D. All of the above
31. Surplus capital method is also known as...
- A. Proportionate Capital method
  - B. High relative capital method
  - C. Excess capital method
  - D. All of the above**
32. Maximum loss method is also known as
- A. Notional loss method**
  - B. Quetient method
  - C. Surplus capital method
  - D. None.
33. Methods of distribution of cash among the partners
- A. Maximum loss method
  - B. Surplus capital method
  - C. Both (A) & (B)**
  - D. None
34. What is Dissolution..
- A. Merger of the firm
  - B. Discontinuation of firm**
  - C. Sell of firms
  - D. Purchase of new firm
35. Piecemeal distribution of cash means..
- A. After realised assets, liabilities paid off in piece**
  - B. Paid off liabilities by net assets methods
  - C. Paid off liabilities by net payment method
  - D. None.
- 36) Which of the following is not external liability ....
- A.Realisation Exp.
  - B.Govt. Dues

### **C.Loan from Partners**

D.Secured Asstes

37. Solvent partner is.....

- A. able to cover his financial liability**
- B. doing not able to cover his financial liability
- C. a proprietor
- D. None

38.Capital Deficiency is...

- A. Credit balance to the capital balance of Insolvent person
- B. Debit balance to the capital balance of Insolvent person**
- C. Debit balance to the capital balance of solvent person
- D.credit balance to the capital balance of solvent person

39. When is Garner Vs Murray rulling is applicable....

- A. When solvent partner pay off his capital deficiency
- B. When solvent partner did not able pay off his capital deficiency
- C. Insolvent person has no liability
- D. When insolvent partner did not able to pay off his capital deficiency**

40. Loan to firm by partners wife is..... third party

- A. Liability**
- B. Loan
- C. Capital
- D. Investment

41. Creditors, O/S Exp. are example of.....

- A. Personal liability
- B. Internal liability
- C. External liability**
- D. All of the above

42. Partner loan, partners capital example of....

- A. Personal liability
- B. Internal liability**
- C. External liability
- D. None

43. General Reserve is shared among partners in... ratio

- A. Capital Ratio
- B. Profit sharing ratio**

- C. Deficiency ratio
- D. All of the above

44. Estimated realisation Exp. are kept aside from.....

- A. First Realisation**
- B. Last Realisation
- C. Next Realisation
- D. None

45. There are..... types of Secured Loan

- A. 1
- B. 2**
- C. 3
- D. 4

46. Dissolution of firms means...

- A. Admission of partner
- B. Retirement of partner
- C. Death of partner
- D. Breakdown of partnership**

47. Meaning of 'Piecemeal ' is....

- A. at a time
- B. all at once
- C. part by part**
- D. All of the above

48. Realisation Exp. are..... exp

- A. General Exp.
- B. Recurring Exp.
- C. Exp.paid on realisation**
- D. Preliminary Exp.

49. Govt. Dues is a..... Liability

- A. Secured liability
- B. Preferential liability**
- C. Internal liability
- D. Universal liability

50. Partners loan is paid....

- A. After Creditors
- B. After partners Mrs. Loan
- C. Before partners capital**

D. Both B&C

51. A partnership firm has....

- A. Limited capital
- B. Limited managerial skill
- C. Limited liability
- D. Both A & B**

52. The form of organization suitable for large scale business is....

- A. Sole trader
- B. Partnership firm
- C. Co-operative
- D. Limited company**

53. On conversion of firm into a limited company

- A. A new company is formed
- B. Old firm is dissolved
- C. A new partner is admitted
- D. Both A & B**

54. On conversion of a firm into a Ltd. company

- A. Purchase consideration is decided
- B. Asstes & liabilities are revalued
- C. Purchase consideration is settled
- D. All of the above**

55. Purchase consideration may be settle in....

- A. Cash/shares/debenture of Ltd. Co.**
- B. Cash only
- C. Shares of Ltd. Co. Only
- D. Debenture of Ltd. Co only

56. If cash balance is taken over by Ltd. Co. it is transferred to....

- A. Realisation A/c
- B. Revaluation A/c
- C. P&L A/c
- D. None**

57. Assets taken over by partner is

- A. Debited to partners capital A/c**
- B. Credited to partners capital A/c
- C. Debited to Realisation A/c



D. None

58. On take over of unrecorded liability by a partners the A/c debited is.....

**A. Realisation A/c**

B. Capital A/c

C. P&L A/c

D. None

59. Worthless assets is debited to capital A/c in thier.....

**A. Profit sharing ratio**

B. Capital ratio

C. Final claim Ratio

D. All of the above

60. Liabilities paid by a partners is....

A.. Debited to partner's capital A/c

B. Credited to partner's capital A/c

C. Debited to Realisation A/c

**D. Both B&C**

61. Accounting Standards Board of India established in year....

A. 1970

B. 1972

**C. 1977**

D. 1973

62. As per Indian GAAP financial statement are presented at....

A. Market value

**B. Fair value**

C. Cost

D. None

63. Which one of the following is not consideration in selection accounting policies?

A. Prudence

B. Substance over form

**C. Full Disclosure**

D. Materiality

64. Total number of IFRS is....

A. 15

B. 16

- C. 17**
- D. 18

65. The International Accounting Standard Board was established in the year.....

- A. 1977
- B. 2001**
- C. 2013
- D. 2019

66. Global Standards facilitate.....

- A. Gross border flow of money
- B. Comparability of financial statement
- C. Both B&C**
- D. None

67. Accounting Standards apply to the....

- A. Assets
- B. Liabilities
- C. Revenue Exp.
- D. All of the above**

68. ASB stands for...

- A. Accounting Standard Board**
- B. Accounting Standard Booth
- C. Amount Single Board
- D. Accounting Service Board

69. AS-3 deals with.....

- A. Cash Flow Statement**
- B. Construction Contracts
- C. Accounting for Inventories
- D. Employee benefits Received

70. AS-7 deals with....

- A. Revenue from Operation
- B. Fixed Assets
- C. Construction contracts**
- D. Cash flow statement

71. \_\_\_\_\_ deals with accounting for Govt. Grants

- A. AS-12**
- B. AS-10
- C. AS-20
- D. AS-3

72. What is the basic concept of Cost concept
- A. cost ascertainment**
  - B. Tax compliance
  - C. Financial Audit
  - D. Profit Analysis
73. Which cost is incurred even if the company is closed?
- A. Sunk cost
  - B. Historical cost
  - C. Shutdown cost**
  - D. Imported cost
74. Direct Exp. also known as....
- A. Overhead Exp.
  - B. Sundry Exp.
  - C. Chargable Exp.**
  - D. Major Exp.
75. Warehouse rent is part of which cost?
- A. Production Cost
  - B. Distribution Cost**
  - C. Prime Cost
  - D. Factory Cost
76. What is tender?
- A. Estimation of cost
  - B. Estimation of profit
  - C. Estimation of units
  - D. Estimation of the selling price**
77. Goodwill written off is debited to.....
- A. All partners capital A/c**
  - B. Realisation A/c
  - C. Goodwill A/c
  - D. Drawings A/c
78. On amalgamation of a firm, thr A/c opened is....
- A. Realisation AC**
  - B. P&L A/c
  - C. Deficiency A/c
  - D. None
79. On amalgamation Partner's Loan A/c is trans to \_\_\_\_\_

- A. Capital A/c
- B. Purchasing Firm A/c
- C. Realisation A/c**
- D. None

80. On amalgamation Goodwill of the firm is \_\_\_\_\_

- A. Valued
- B. Ignored
- C. Purchase Consideration**
- D. None

81. On amalgamation of goodwill of both the firm's....

- A. Ignored
- B. Valued separately**
- C. Valued at cost
- D. None

82. Loan from A ₹2,000 is discharged by investment of ₹3,000. The loss on investment is \_\_\_\_\_

- A. ₹2,000
- B. ₹1,000**
- C. ₹5,000
- D. ₹4,500

83. X took over investment having book value of ₹10,000 for 80% of its book value. X A/c is debited by \_\_\_\_\_

- A. ₹10,000
- B. ₹8,000**
- C. ₹18,000
- D. ₹5,000

84. Which of the following accounts are opened when 'seperate book of accounts are maintained' \_\_\_\_\_

- A. Joint venture A/c
- B. Co-venture A/c
- C. Joint Bank A/c
- D. All of the above**

85. Profit or Loss on Joint venture business is shared by the Co-ventures \_\_\_\_\_

- A. Equally
- B. In the ratio of capital contributed
- C. In the agreed upon ratio**
- D. As per seniority

86. Which of these accounts are not opened in a joint venture?  
**A. Stock Reserve**  
B. Joint Bank A/c  
C. Joint venture A/c  
D. Co-venture A/c
87. Which of these is not a feature of Joint venture.  
**A. continuing business**  
B. A joint venture has no name  
C. Partners called Co-venturer  
D. Partnership for limited purpose
88. The parties to joint venture are called \_\_\_\_\_  
A. Friends  
B. Agent  
C. Partners  
**D. Co-ventures**
89. What does the balance in Memorandum Joint venture A/c  
A. Closing stock  
**B. Profit & Loss**  
C. Balance of bank balance  
D. Balance of Co-venture payable
90. Joint venture accounting follows which concept \_\_\_\_\_  
A. Accrual concept  
B. Going concern concept  
C. Cost concept  
**D. Cash basis**
91. Winding of the Partnership business is treated as \_\_\_\_\_  
A. Admission of Partner  
B. Retirement of partner  
**C. Dissolution of partner**  
D. Reconstruction of firm
92. In dissolution of firm assets are realized \_\_\_\_\_  
A. Fast  
**B. Gradually**  
C. Immediately  
D. Quickly
93. Maximum loss method and \_\_\_\_ are the two methods of piecemeal Distribution of Cash.  
A. Super profit method

**B. Surplus capital method**

C. Surplus Assets method

D. Surplus loss method

94. At the time of Dissolution of Partnership firm, accumulated profit or loss is trans. to \_\_\_\_\_

A. Realisation A/c

B. Revaluation A/c

**C. Partners capital A/c**

D. Goodwill A/c

95. Dues of outsiders are classified under \_\_\_\_\_ heading

A. Internal

**B. External**

C. Partner's loan

D. Partner's capital

96. Sales Tax dues amount to ₹6,000 will be considered as \_\_\_\_\_ liability

A. Internal liability

**B. Preferential liability**

C. Secured liability

D. Partner's capital

97. On realisation of Assets first priority is given for payment of \_\_\_\_\_ liabilities.

A. Sundry creditors

**B. Realisation Exp.**

C. Unsecured Bank loan

D. Partner's loan

98. Under piecemeal distribution \_\_\_\_\_ liability should be paid last

**A. Partner's capital**

B. Partner's loan

C. Realisation Exp.

D. Unsecured creditors

99. The Accounting Standards are mandatory for \_\_\_\_\_.

A. Sole Trader

B. Firms

**C. Companies**

D. Societies

100. Which accounting standard is appreciable for intangible assets ?

A. As-10

**B. As-26**

- C. As-6
- D. As-3

--- Thanks u---