

# Accountancy

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1. Debit means:
  - A. Decrease in asset
  - B. Increase in liability
  - C. An entry on the left hand side of an account
  - D. Moderate increase in liability
2. Drawings account is related to:
  - A. Nominal account
  - B. Personal account
  - C. Real account
  - D. Company drawings account
3. Which of the following is related to nominal account?
  - A. Bank account
  - B. Commission account
  - C. Furniture account
  - D. Interest received account
4. Goodwill account is related to:
  - A. Nominal account
  - B. Personal account
  - C. Real account
  - D. Tangible account
5. Prepaid insurance is:
  - A. Nominal account
  - B. Personal account
  - C. Real account
  - D. Prepaid account
6. According to the going concern concept, a business entity is assumed to have:
  - A. a long life
  - B. a very short life
  - C. an indefinite life
  - D. a medium life
7. Contingent liability is shown in the balance sheet because of:
  - A. Convention of consistency
  - B. Convention of materiality
  - C. Convention of disclosure
  - D. Convention of adventure
8. Revenue is considered as being earned when:
  - A. cash is received
  - B. production is done
  - C. sale is effected
  - D. purchase is done
9. Accounting does not record non-financial transactions because of:
  - A. Entity concept
  - B. Accrual concept
  - C. Measurement concept
  - D. Double entry concept
10. According to which of the following concepts even the owner of the business who provides capital treated as a creditor of the business?
  - A. Entity concept
  - B. Cost concept
  - C. Money measurement concept
  - D. Convention of disclosure
11. In book-keeping posting means:
  - A. to record the transactions from the journal to ledger
  - B. to record the transactions in the journal
  - C. to record the transactions in the subsidiary books
  - D. to record the transactions in the cash book
12. The basic rule of book-keeping, debit the receiver and credit the giver is applicable to:
  - A. nominal account
  - B. real account
  - C. personal account
  - D. drawing account
13. Goods of the value of ₹ 1500 taken by the proprietor for his personal use should be debited to:
  - A. drawing account
  - B. sales account
  - C. purchases account
  - D. stock account
14. Goods destroyed by fire should be credited to:
  - A. purchases account
  - B. sales account
  - C. loss of goods by fire account
  - D. insurance account
15. The credit balance of bank account indicates:
  - A. amount payable by the bank
  - B. amount payable to the bank
  - C. cash at bank
  - D. loan from bank
16. Which of the following accounts will invariably have a debit balance?
  - A. Bank account
  - B. Accounts receivable account
  - C. Accounts payable account
  - D. Loan account
17. Which of the following accounts will invariably have a credit balance?
  - A. Discount account
  - B. Account payable account
  - C. Cash account
  - D. Purchases account

18. Which of the following accounts have only credit balance?
  - A. Accounts payable account
  - B. Salaries outstanding account
  - C. Reserve fund account
  - D. All of the above accounts
19. Which of the following accounts may have a debit or credit balance?
  - A. Discount received account
  - B. Sales account
  - C. Trade expenses account
  - D. Loan account
20. Which of the following books should be used to record purchase of furniture on credit?
  - A. Cash book
  - B. Journal proper
  - C. Purchases book
  - D. Sales book
21. Which of the following accounts is increased by debit entries?
  - A. Machinery account
  - B. Purchases return account
  - C. Discount received account
  - D. Commission received account
22. The credit balance in the bank account is:
  - A. an asset
  - B. a liability
  - C. an expense
  - D. contingent liability
23. Returns outward book makes a record of:
  - A. goods returned to the suppliers
  - B. goods returned to customers
  - C. goods returned to proprietor
  - D. goods returned to neighbours
24. Cash book prepared on imprest system is:
  - A. two column cash book
  - B. cash book
  - C. petty cash book
  - D. purchase book
25. The statement sent along with purchase return is:
  - A. credit note
  - B. bills payable book
  - C. debit note
  - D. purchases return book
26. A bank reconciliation statement is prepared by .....
  - A. customer of the bank
  - B. bank
  - C. Reserve Bank of India
  - D. Either B or C
27. While preparing bank reconciliation statement, cheques paid into bank but not yet cleared are .....
  - A. added to the balance as per cash book to arrive at the balance as per pass book
  - B. deducted to the balance as per cash book to arrive at the balance as per pass book
  - C. divided to the balance as per cash book to arrive at the balance as per pass book
  - D. multiplied to the balance as per cash book to arrive at the balance as per pass book
28. Errors which affect one account can be .....
  - A. errors of omission
  - B. errors of principle
  - C. errors of posting
  - D. errors of commission
29. Errors of carry forward from one year to another year affect .....
  - A. personal account
  - B. real account
  - C. nominal account
  - D. both personal and real account
30. Which of the following errors is an error of omission?
  - A. Sale of ₹ 800 was written in the purchase journal
  - B. Wages paid to Sohan have been debited to his account
  - C. The total of sales journal has not posted to the sales account
  - D. The total of sales journal has posted to the sales account
31. Which of the following errors is an error of principle?
  - A. ₹ 1000 received from Ganesh has been debited to his account
  - B. Purchase of ₹ 3000 has been entered in the sales journal
  - C. Repairs to machinery have been debited to machinery account
  - D. Repairs to scooter have been debited to repairs account
32. Error of commission do not allow .....
  - A. correct totalling of the balance sheet
  - B. correct totalling of the trial balance
  - C. the trial balance to agree
  - D. correct totalling of the day book
33. Assets are held for the purpose of .....
  - A. earning revenue
  - B. resale
  - C. conversion into cash
  - D. personal purpose
34. Stock is valued at .....
  - A. cost price
  - B. market price
  - C. cost of market price whichever is lower
  - D. odd price
35. Unearned income account is.....
  - A. Asset
  - B. Liability
  - C. Expense
  - D. Income received in advance

36. Depreciation is provided on .....  
 A. fixed assets                      B. outward charges  
 C. current assets                    D. intangible assets
37. Heavy advertising to launch a new product is a .....  
 A. capital expenditure  
 B. revenue expenditure  
 C. deferred revenue expenditure  
 D. other expenditure
38. Accounts receivable includes .....  
 A. sundry debtors                    B. bill receivable  
 C. promissory note                  D. all of the above
39. Provision for bad debts is calculated on .....  
 A. Creditors                          B. Sales  
 C. Purchases                        D. Debtors
40. An example of revenue expenditure is .....  
 A. Purchase of land  
 B. Salaries  
 C. Lease  
 D. Purchase of buildings
41. When a bill is drawn by A on B, it is debited in the books of A to .....  
 A. Cash account  
 B. B's account  
 C. Bills Receivable account  
 D. Bills Payable account
42. When a bill drawn by A on B (and retained till the date of maturity is dishonoured on the due date), it is debited (in the books of A) to .....  
 A. Bill Receivable Account  
 B. B's Account  
 C. Bills Payable Account  
 D. Cash Account
43. When a bill drawn by A and B endorsed to C is dishonoured on the due date, it is credited in the books of A to .....  
 A. Bank account  
 B. Bills receivable account  
 C. Bank for collection of bills account  
 D. C's account
44. When a bill is drawn by A on B and before the date of maturity, B becomes insolvent then in the books of A it is debited to .....  
 A. Bills receivable account  
 B. Bank account  
 C. B's account  
 D. Bank for collection of bills
45. Bills are drawn by .....  
 A. Creditors                          B. Debtors  
 C. Agent                              D. Brokers
46. Noting charges account is debited by .....  
 A. the presenter of bill  
 B. the discounting banker  
 C. the acceptor  
 D. the endorser
47. While discounting the bill, debit should be given to .....  
 A. bank account  
 B. bill receivable account  
 C. acceptor's account  
 D. cash account
48. Cancelling the original bill and drawing a fresh acceptance is known as .....  
 A. Retiring under rebate  
 B. Renewal  
 C. Discounting  
 D. Bill sent to bank for collection
49. At the time of endorsement of a bill, the drawer credits .....  
 A. the drawee  
 B. endorsee personal account  
 C. bills receivable account  
 D. bills for collection account
50. When a bill is discharged, the acceptor debits .....  
 A. Creditor's account  
 B. Cash account  
 C. Bills payable account  
 D. Bills receivable account
51. Base date is otherwise called as .....  
 A. zero date                          B. leave date  
 C. working days                    D. grace days
52. Average due date can be called as.....  
 A. mean due date                    B. median due date  
 C. mode due date                    D. zero date
53. Account current is a journal is .....  
 A. True                                  B. False  
 C. Partly true                        D. Partly false
54. Which is the accounting concept that requires the practice of crediting closing stock to the trading account?  
 A. Going concern                    B. Cost  
 C. Realization                        D. Matching
55. Assets in the balance sheet are shown at cost less depreciation rather than their replacement cost because of the accounting convention .....  
 A. going concern  
 B. matching  
 C. realization  
 D. money measurement

56. According to money measurement concept, which one of the following will be recorded in the books of accounts .....  
 A. excellent morale of workers  
 B. quality control in the business  
 C. managing ability of the manager  
 D. cost of machinery
57. Contingent liability appears as a footnote in the balance sheet. This is in accordance with the accounting principle of .....  
 A. Consistency                      B. Disclosure  
 C. Materiality                      D. Conservatism
58. The policy to anticipate no profit and provide for all possible losses arises due to convention of .....  
 A. Consistency                      B. Disclosure  
 C. Matching                      D. Conservatism
59. Revenue is generally recognised being earned at the point of time when .....  
 A. sale is effected  
 B. cash is received  
 C. production is completed  
 D. goods are delivered
60. Which one of the following arrangements represents the order of liquidity?  
 A. Cash, Bills Receivable, Stock, Debtors  
 B. Cash, Bills Receivable, Debtors, Stock  
 C. Cash, Stock, Bills Receivable, Debtors  
 D. Cash, Debtors, Bills Receivable, Stock
61. Balance sheet is prepared primarily with the following group in view of .....  
 A. Owners                      B. Creditors  
 C. Government                      D. Management
62. Which one of the following is an example of an intangible asset?  
 A. Preliminary expenses  
 B. Discount on issue of debentures  
 C. Investments  
 D. Copyrights
63. Both assets and owners equity would be increased by .....  
 A. capital brought in  
 B. purchase of an asset on credit  
 C. payment of creditors  
 D. proprietors drawings
64. If a companies tangible networth is a positive amount, it indicates:  
 A. the probability of the company  
 B. the liquidity of the company  
 C. the solvency of the company  
 D. Both A and B
65. The excess of current assets over current liabilities is called .....  
 A. Net tangible worth      B. Networth  
 C. Gross working capital      D. Net working capital
66. The discount column of a triple column cash book records .....  
 A. trade discount              B. cash discount  
 C. quantity discount              D. seasonal discount
67. Journal proper is issued to record .....  
 A. all purchases of goods  
 B. all sales of goods  
 C. all business expenses paid in cash  
 D. all adjusting and rectification entries
68. Which one of the following entry is not recorded in the residuary journal?  
 A. Opening entry              B. Closing entry  
 C. Adjustment entry              D. Credit sales
69. When furniture is sold for cash, the entry should be made in .....  
 A. sales book                      B. cash book  
 C. journal                      D. petty cash book
70. Which one of the following is an example of personal account?  
 A. Capital account              B. Building account  
 C. Cash account                      D. Investment account
71. The appropriate book to record credit purchase of machinery is .....  
 A. purchases book              B. journal  
 C. cash book                      D. petty cash book
72. Bills payable book is a .....  
 A. subsidiary book              B. principal book  
 C. ledger                      D. memorandum book
73. The balance of the petty cash book is .....  
 A. an asset                      B. a liability  
 C. an income                      D. an expenditure
74. Sales A/c Dr To Trading A/c Is an example of .....  
 A. closing entry                      B. adjusting entry  
 C. opening entry                      D. transaction entry
75. The balance of cash account indicates .....  
 A. net income for the period  
 B. net loss for the period  
 C. net worth of the business  
 D. net cash on hand
76. The process of transferring the credit and debit items form a journal to their respective accounts in the ledger is termed as .....  
 A. Balancing                      B. Invoicing  
 C. Double entry                      D. Posting

77. Which account is generally used for rectification of errors?  
 A. Memorandum account  
 B. Suspense account  
 C. Rectification account  
 D. Adjustment account
78. Which one of the following errors is an error of principle?  
 A. Debiting repairs account instead of furniture account  
 B. Sale of ₹ 200 entered in the books as ₹ 2000  
 C. Cash sale of ₹ 500 wrongly entered in sales book  
 D. Purchase transaction entered in purchases return book
79. Which one of the following error will affect the agreement of the trial balance?  
 A. A sale of ₹ 20 to Ram entered in the sales book as ₹ 200  
 B. Purchase of ₹ 500 credited to Ram instead of Shyam  
 C. Sale returns of ₹ 1000 correctly entered in the sales returns book but posted to the debit of Sundar  
 D. Cash sale of furniture credited to sales account
80. Preparation of trial balance helps in the deduction of .....  
 A. error of principle  
 B. compensating errors  
 C. errors of whole omission  
 D. clerical errors
81. Errors of principle arise when .....  
 A. proper distinction is not made between capital and revenue.  
 B. there is an omission of transaction  
 C. wrong amounts are entered in the subsidiary books  
 D. transactions are entered in the wrong subsidiary books
82. Goods worth ₹ 200 returned by Mohan were taken into stock, but no entry was passed, is an error of .....  
 A. Commission  
 B. Principle  
 C. Omission  
 D. Compensatory
83. The main purpose of preparing a bank reconciliation statement is .....  
 A. to know the bank balance  
 B. to compare the entries in the cash and pass books  
 C. to correct the cash after comparing with pass books  
 D. to reconcile cash balance as per pass book with the balance in the pass book
84. Bank Reconciliation statement is .....  
 A. ledger account  
 B. part of the cash book  
 C. a separate statement  
 D. a sub division of the journal
85. A Cheque received and paid into the bank on the same day is recorded in the .....  
 A. cash column of the cash book  
 B. bank column of the cash book  
 C. both the cash and bank columns of the book  
 D. the credit balance as per pass book
86. The payment side of the cash book is undercast by ₹ 200. When overdraft as per pass book is the starting point, to get the overdraft as per cash book .....  
 A. ₹ 200 will be deducted  
 B. ₹ 200 will be added  
 C. ₹ 400 will be added  
 D. ₹ 400 will be deducted
87. Which one of the following is not taken into account in adjusting the cash balance?  
 A. Mistakes in the cash book  
 B. Mistakes in the pass book  
 C. Bank charges debited in pass book  
 D. Interest and dividend credited in pass book
88. An amount of ₹ 1000 is debited twice in the pass book. When overdraft as per the cash book is the starting point .....  
 A. ₹ 1000 will be deducted  
 B. ₹ 1000 will be added  
 C. ₹ 2000 will be deducted  
 D. ₹ 2000 will be added
89. Amount spent on advertisement campaign, the benefit of which is likely to last for three years, is .....  
 A. capital expenditure  
 B. deferred revenue expenditure  
 C. revenue expenditure  
 D. deferred capital expenditure
90. Revenue expenditure is intended to benefit .....  
 A. current period  
 B. future period  
 C. past period  
 D. both A and B
91. The distinction between capital and revenue is necessary for the preparation of .....  
 A. fund flow statement  
 B. receipts and payment account  
 C. final accounts  
 D. cash flow statement

92. Any expenditure incurred in order to reduce the operating expenses is .....  
 A. capital expenditure  
 B. revenue expenditure  
 C. deferred revenue expenditure  
 D. promotional expenditure
93. Wages paid for erection of machinery are debited to .....  
 A. Wages account  
 B. Machinery account  
 C. Profit and loss account  
 D. Deferred wages account
94. Premium received on issue of shares is a .....  
 A. capital receipt  
 B. revenue receipt  
 C. deferred capital receipt  
 D. deferred revenue receipt
95. Amount paid for acquiring goodwill is .....  
 A. revenue expenditure  
 B. deferred revenue expenditure  
 C. capital expenditure  
 D. deferred capital expenditure
96. Where separate set of books are maintained, the ledger accounts required are .....  
 A. Memorandum joint venture and joint venture account with the other party  
 B. Joint venture account and the personal account of the other party  
 C. Joint bank account, co-venturer capital accounts and joint bank account  
 D. Joint bank account and joint venture account with the other party
97. When A advances money to B in the course of joint venture then A debits such money to .....  
 A. Joint bank account  
 B. Joint venture account  
 C. B's personal account  
 D. Expenses account
98. The account current method in which the days are calculated from the date of transaction to the commencement date is known as .....  
 A. Forward method  
 B. Epoch method  
 C. Daily balance method  
 D. Backward method
99. The method of current account usually employed by the banker is known as .....  
 A. Daily balance method  
 B. Red ink interest  
 C. Current account  
 D. Product method
100. If payment is made on the average due date it results in .....  
 A. loss of interest to the creditor  
 B. loss of interest to the debtor  
 C. no loss of interest to either of them  
 D. loss of interest to both the creditor and debtor
101. Overcasting of purchases journal would affect .....  
 A. Sales account                      B. Purchase account  
 C. Suppliers account              D. Sales returns account
102. Sales to Benson ₹ 500 posted to his account as ₹ 50 would affect .....  
 A. Sales account                      B. Bensons account  
 C. Cash account                      D. Purchases account
103. Sales to Mr. Gill recorded in purchase journal would affect .....  
 A. Sales account  
 B. Sales account, purchases account and Mr. Gill's account  
 C. Purchases account and sales account  
 D. Journal proper
104. Purchases made on credit not recorded at all would affect .....  
 A. Purchases account  
 B. Suppliers account  
 C. Purchases account and suppliers account  
 D. Wages account
105. Journal Proper is meant for recording .....  
 A. credit purchase of fixed assets  
 B. return of goods  
 C. all such transactions for which no special journal has been kept by the business  
 D. supply of goods
106. Purchase journal is kept to record .....  
 A. cash sales                              B. credit sales of assets  
 C. credit sales of goods              D. credit purchases
107. A credit sale of goods to Shiva should be debited to .....  
 A. Sales account                      B. Goods account  
 C. Shiva account                      D. Purchase account
108. A sale of goods to Vidhya for cash should be debited to .....  
 A. Vidhya's account              B. Cash account  
 C. Sale of goods account              D. Purchases account
109. The preparation of a Trial balance helps in .....  
 A. locating errors in principle  
 B. locating errors of omission  
 C. locating clerical errors  
 D. locating compensatory errors

- 110.** A Cheque received and deposited in the bank on the same day is recorded in the ..... .  
 A. cash column of the cash book  
 B. bank column of the cash book  
 C. credited in the cash book  
 D. debited in the cash book
- 111.** Insurance unexpired account is a ..... .  
 A. Real account  
 B. Personal account  
 C. Nominal account  
 D. Representative account
- 112.** Petty cash may be used to pay ..... .  
 A. the expenses relating to postage and conveyance  
 B. salaries and wages to the final staff  
 C. for the purchase of furniture and fittings  
 D. other recurring expenses
- 113.** Which item is shown on the debit side of a trial balance?  
 A. Rent outstanding  
 B. Prepaid expenses  
 C. Purchases returns  
 D. Excess of income over expenses by the firm
- 114.** Purchases for office furniture on account is recorded in ..... .  
 A. general journal                      B. cash book  
 C. purchases book                      D. sales book
- 115.** What does GAAP represents?  
 A. Generally Accepted Audit Procedure  
 B. Generally Accepted Accounting Principles  
 C. General Agreement on Audit Principles  
 D. General Agreement on Accounting Principles
- 116.** Any donation received for a specific purpose is a ..... .  
 A. liability                                  B. assets  
 C. revenue receipts                      D. capital receipts
- 117.** Expenditure incurred by a publisher for acquiring copyrights is a ..... .  
 A. capital expenditure  
 B. reserve expenditure  
 C. deferred reserve expenditure  
 D. capital receipts
- 118.** Which one of the following should be considered as revenue expenditure?  
 A. ₹ 1000 paid for the execution of a new plant  
 B. Loss of ₹ 10000 incurred in increasing the sitting accommodation of hotel  
 C. Damage paid on account of breach of a contract to supply certain goods  
 D. Repairs to machinery purchased
- 119.** Which one of the following is capital expenditure?  
 A. Cost of advertisement  
 B. Purchase of a delivery van  
 C. Purchase of raw material  
 D. Purchase of machine oil
- 120.** Which one of the following is treated as revenue expenditure?  
 A. Cost incurred for a new exit as required under the local bodies by laws  
 B. Interest paid on loan during the construction of works  
 C. Cost of pulling down an old building  
 D. A dealer in purchasing sewing machines and spent some money on the repairs
- 121.** Expenditure incurred on research is an example of ..... .  
 A. capital expenditure  
 B. revenue expenditure  
 C. deferred revenue expenditure  
 D. partly capital expenditure
- 122.** Payment of compensation to a worker who has been discharged from service is a ..... .  
 A. capital expenditure  
 B. revenue expenditure  
 C. deferred revenue expenditure  
 D. partly capital expenditure
- 123.** Which English alphabet is similar to the shape of an account?  
 A. I    B. T  
 C. H    D. Y
- 124.** How many sides does an account have?  
 A. One    B. Two  
 C. Three    D. Four
- 125.** The ..... in a ledger helps in locating the accounts contained in it.  
 A. folio    B. pages  
 C. serial numbers                              D. part numbers
- 126.** Ledger is also called ..... .  
 A. principal book of accounts  
 B. cash books  
 C. subsidiary books  
 D. petty cash book
- 127.** Purchase of Typewriter would result in ..... of fund.  
 A. Change    B. Application  
 C. Service    D. No flow
- 128.** The following items are shown in profit and loss appropriation account as ..... .  
 A. Dividend declared  
 B. Discount on issue of shares  
 C. Non-operating expenses  
 D. Current assets

129. The assets of a business can be classified as ..... .  
 A. only fixed assets  
 B. only current assets  
 C. fixed and current assets  
 D. fictitious assets
130. If the rate of gross profit is 25% on cost by goods sold and the sales are ₹ 200000, the amount of profit will be ..... .  
 A. ₹ 50000                      B. ₹ 40000  
 C. ₹ 45000                      D. ₹ 65000
131. The balance sheet is a ..... of the assets, liabilities and capital of a concern as on particular date.  
 A. Statement                      B. Document  
 C. Picture                          D. Balance
132. A gross profit is transferred to the ..... side of the profit and loss account.  
 A. Debit                              B. Credit  
 C. Current                          D. Asset
133. If net profits are ₹ 30,000 and expenses not resulting in the application of fund are ₹ 10,000, then the funds from operation will be  
 A. ₹ 30,000                      B. ₹ 40,000  
 C. ₹ 10,000                      D. ₹ 20,000
134. Cost of goods purchased for resale is an example of  
 A. Capital expenditure  
 B. Revenue expenditure  
 C. Deferred revenue expenditure  
 D. None of these
135. Which one of the following is treated as revenue expenditure?  
 A. Cost incurred for a new exit as required under the local bodies by laws  
 B. Interest paid on loan during the construction of works  
 C. Cost of pulling down an old building  
 D. A dealer in purchasing sewing machines and spent some money on the repairs
136. Expenditure incurred on research is an example of ..... .  
 A. capital expenditure  
 B. revenue expenditure  
 C. deferred revenue expenditure  
 D. partly capital expenditure
137. Payment of compensation to a worker who has been discharged from service is a ..... .  
 A. capital expenditure  
 B. revenue expenditure  
 C. deferred revenue expenditure  
 D. partly capital expenditure
138. In case of retirement of a partner, the partner's loan account would be shown  
 A. in his capital account  
 B. in his wife's loan account  
 C. in his loan account  
 D. in the total amount due to him
139. As per Garner V Murray Rule, the loss resulting from a partner's insolvency is borne by other partners in  
 A. equal ratio  
 B. their capital ratio  
 C. their profit sharing ratio  
 D. 3 : 1 ratio
140. The movement of securities from one stock exchange to another with the object of reaping a profit from the disparity in share prices is called  
 A. Averaging                      B. Arbitraging  
 C. Back wardation                D. Forward trading
141. The balance left in the capital accounts on dissolution of a firm is transferred to  
 A. Realisation Account  
 B. Profit and loss Account  
 C. Bank Account  
 D. None of these
142. A cartel is a combination firms  
 A. Which are functioning in a particular industry  
 B. Whose combined assets are worth more than 90% of total assets of the industry  
 C. Who control major chunk of the market  
 D. Whose combined profits are enormous
143. The following items are shown in profit and loss appropriation account:  
 A. Dividend declared  
 B. Discount on issue of shares  
 C. Non-operating expenses  
 D. Current assets
144. The take over of a company in which most of the purchase price is paid with borrowed money is referred to as  
 A. hostile takeover                B. illegal takeover  
 C. lever aged buy-out            D. management buy-out
145. One of the major difficulties in improving the industrial efficiency in enterprises is  
 A. low investment  
 B. low productivity  
 C. ineffective marketing  
 D. poor inventory control
146. In life insurance, the risk insured is  
 A. certain to occur and also the timing of its occurrence is known



- B. certain to occur, but its timing of occurrence is not known  
 C. not certain to occur and also the timing of its occurrence is not known  
 D. not likely to occur
- 147.** The loss on the sale of old furniture is debited to  
 A. Profit and loss Account  
 B. Furniture Account  
 C. Trading Account  
 D. Depreciation Account
- 148.** ₹ 500 spent on servicing office typewriter should be debited to .....  
 A. Expenses account      B. Typewriter account  
 C. Repairs account      D. Services account
- 149.** Wages paid to workers must be debited to ..... account  
 A. Wages      B. Machinery  
 C. Factory expenses      D. Offices expenses
- 150.** Interest on capital is credited to ..... account.  
 A. Expenses account      B. Income account  
 C. Capital account      D. Asset account
- 151.** Depreciation deducted from the concerned .....  
 A. Liability      B. Asset  
 C. Expenses      D. Incomes
- 152.** Receipts and payments account is a .....  
 A. Personal account  
 B. Nominal account  
 C. Real account  
 D. Representative account
- 153.** Receipts and payment account record receipt and payments of .....  
 A. revenue nature only  
 B. capital nature only  
 C. both revenue and capital nature  
 D. capital receipts
- 154.** The receipts and payments account begins with .....  
 A. debit balance      B. credit balance  
 C. no balance      D. normal balance
- 155.** Non-trading institutions prepare .....  
 A. Income and expenditure account  
 B. Trading and profit and loss account  
 C. Only trading account  
 D. Only revenue account
- 156.** Subscription received in advance by a club is shown on the ..... side of the balance sheet.  
 A. Liabilities      B. Assets  
 C. Credit      D. Debit
- 157.** Excess of income over expenditure is shown on the ..... side of income and expenditure account.  
 A. Credit      B. Debit  
 C. Upper      D. Lower
- 158.** Income and expenditure account is prepared by ..... concerns.  
 A. non-trading      B. trading  
 C. partnership      D. sole proprietor
- 159.** Life membership fee received by a club are shown in .....  
 A. balance sheet  
 B. profit and loss account  
 C. income and expenditure account  
 D. revenue account
- 160.** A receipts and payments account, the payments are recorded on the ..... side.  
 A. Credit      B. Debit  
 C. Upper      D. Lower
- 161.** The closing debit balance in the receipts and payments account indicates the ..... balance at the end of the year.  
 A. Opening      B. Closing  
 C. Trading      D. Cash
- 162.** The income and expenditure account is prepared on the basis of ..... system of accounting.  
 A. Basic      B. Main  
 C. Cash      D. Mercantile
- 163.** A debit balance in the income and expenditure account denotes excess of ..... over .....  
 A. income, expenditure      B. assets, liabilities  
 C. liabilities, assets      D. expenditure, incomes
- 164.** Income and expenditure matches all ..... receipts against ..... payments pertaining to the relevant accounting years.  
 A. revenue, revenue      B. cash, cash  
 C. cash, credits      D. credit, cash
- 165.** Any amount received towards endowment fund is a ..... receipt.  
 A. Ordinary      B. Special  
 C. Revenue      D. Capital
- 166.** Interest received on special fund investments will be added to ..... fund in the balance sheet.  
 A. investment fund      B. bank fund  
 C. general      D. special
- 167.** Subscriptions received in advance will figure in the .....  
 A. balance sheet  
 B. receipts and payment account  
 C. income and expenditure account  
 D. revenue account

- 168.** Any revenue expenditure relating to special fund must be deducted from .....  
 A. last fund                      B. special fund  
 C. annual fund                  D. entrance fee
- 169.** Any revenue expense for when a separate fund is available will be .....  
 A. debited to the separate fund  
 B. debited to income and expenditure account  
 C. capital issued and shown in the balance sheet  
 D. credited to the separate fund
- 170.** Sales of old material must be shown on the credit side of .....  
 A. cash book  
 B. income and expenditure account  
 C. balance sheet  
 D. trading account
- 171.** The information for the preparation of receipt and payments account is taken from .....  
 A. cash book  
 B. income and expenditure  
 C. cash book and balance sheet  
 D. revenue account
- 172.** Income and expenditure account is a .....  
 A. Real account                  B. Nominal account  
 C. Personal account              D. Representative account
- 173.** Which of the following items should not be entered in receipts and payments account of a club?  
 A. Sale of old newspaper  
 B. Loss on sale of old furniture  
 C. Subscriptions received in advance  
 D. Expenses for previous year
- 174.** Donations received by a non-profit organisation are usually a .....  
 A. revenue receipt                  B. capital receipt  
 C. capital expenditure              D. revenue expenditure
- 175.** Sale of old newspaper is to be shown on the credit side of the .....  
 A. cash book                      B. income and expenditure  
 C. balance sheet                  D. trading account
- 176.** Specific donations received by a non-trading concern are usually .....  
 A. revenue receipt                  B. capital receipt  
 C. capital expenditure              D. revenue expenditure
- 177.** Any profit on the sale of furniture of a cricket club will be taken to .....  
 A. income and expenditure account  
 B. cash account  
 C. profit and loss account  
 D. furniture account
- 178.** Subscriptions for the current year received during the current year are to be .....  
 A. credited to receipts and payments account  
 B. debited to income and expenditure account  
 C. credited to income and expenditure account  
 D. credited to revenue account
- 179.** Non-trading institutions prepare .....  
 A. profit and loss account  
 B. trading account  
 C. manufacturing account  
 D. income and expenditure account
- 180.** Receipts and payment account shows .....  
 A. income and expenditure  
 B. cash receipts and payments  
 C. assets and liabilities  
 D. profit on sale
- 181.** Income and expenditure account reveals .....  
 A. cash in hand                      B. surplus or deficiency  
 C. capital account                  D. revenue account
- 182.** Income and expenditure account records transaction of .....  
 A. revenue nature only  
 B. capital nature only  
 C. both capital and revenue nature  
 D. personal nature
- 183.** Subscription received in advance is .....  
 A. an income                          B. an asset  
 C. a liability                          D. an expense
- 184.** Subscription in arrears (given in adjustment) is shown on the .....  
 A. credit side of income and expenditure account and assets side of balance sheet  
 B. debit side of the income and expenditure and liabilities side of the balance sheet  
 C. only in the assets side of balance sheet  
 D. only in the liabilities side of balance sheet
- 185.** Donation received for a specific purpose:  
 A. should be credited to a separate account and shown on the liabilities side of the balance sheet  
 B. should be credited to income and expenditure account  
 C. should not be recorded at all  
 D. should be debited to income and expenditure account
- 186.** If there is a prize fund and prizes are awarded, expenses and income are transferred to .....  
 A. income and expenditure account  
 B. assets side of the balance sheet  
 C. the liabilities side of the balance sheet  
 D. trading account

- 187.** Admission fee income should be .....  
 A. capitalized  
 B. treated as a revenue  
 C. treated as revenue unless the amount is pretty large  
 D. treated as a liability
- 188.** The main purpose of this ..... accounting is to ascertain profit or loss during a specific period, to show financial position of the business.  
 A. financial accounting  
 B. cost accounting  
 C. management account  
 D. human resource accounting
- 189.** The main aim of ..... accounting is to ascertain cost relating to the various activities of the business and to have cost control.  
 A. financial accounting  
 B. cost accounting  
 C. management account  
 D. human resource accounting
- 190.** ..... supplies the management significant information in order to assist the management to discharge its various functions such as planning, control and decision making.  
 A. Financial accounting  
 B. Cost accounting  
 C. Management account  
 D. Human resource accounting
- 191.** Any written document in support of a business transaction is called a .....  
 A. Voucher                      B. Bill  
 C. Carbon copy                D. Expense bill
- 192.** If some goods from business are given away as charity to a particular person or institution, it should be .....  
 A. debited to charity account  
 B. credited to charity account  
 C. debit sales account  
 D. debit to donation account
- 193.** ..... is given to promote sales.  
 A. Cash discount              B. Trade discount  
 C. Quantity discount        D. Price discount
- 194.** ..... is allowed to encourage early cash payment.  
 A. Cash discount              B. Trade discount  
 C. Quantity discount        D. Price discount
- 195.** The process of recording financial transactions in the journal is called .....  
 A. Journalizing                B. Utilizing  
 C. Posting                      D. Balancing
- 196.** Bills Receivable book is to keep record of .....  
 A. bills received from customers  
 B. bills received from supplier  
 C. credit purchases  
 D. credit sales
- 197.** Bills Payable book is to keep a record of .....  
 A. bills payable to creditors  
 B. bills received from supplier  
 C. credit purchases  
 D. credit sales
- 198.** The prime function of accounting is to:  
 A. record economic data  
 B. provide the informational basis for action  
 C. classifying and recording business transactions  
 D. attain non-economic goals
- 199.** The basic function of financial accounting is to:  
 A. record all business transactions  
 B. interpret the financial data  
 C. assist the management in performing functions effectively  
 D. information to management
- 200.** Book-keeping is mainly concerned with:  
 A. recording of financial data relating to business operations  
 B. designing the system in recording, classifying, summarizing the recorded data  
 C. interpreting the data for internal and external end users  
 D. only for internal purposes
- 201.** Accounting principles are generally based on:  
 A. practicability  
 B. subjectivity  
 C. convenience in recording  
 D. applicability
- 202.** The system of recording transactions based on dual aspect concept is called:  
 A. double account system  
 B. double entry system  
 C. single entry system  
 D. single account system
- 203.** The convention of conservatism is applicable:  
 A. in providing for discount on creditors  
 B. in making provision for bad debts and doubtful debts  
 C. in making provision for depreciation  
 D. in making provision for contingencies
- 204.** The amount brought in by the proprietor in the business should be credited to:  
 A. cash account                B. capital account  
 C. drawing account            D. bank account

- 205.** Ledger is a book of:  
 A. original entry                      B. final entry  
 C. all cash entry                      D. all credit entry
- 206.** Purchase of machinery is recorded in:  
 A. sales book                      B. journal proper  
 C. purchases book                      D. sales returns book
- 207.** Credit sales are recorded in:  
 A. sales book                      B. cash book  
 C. journal proper                      D. purchases book
- 208.** The cash book records:  
 A. all cash payments  
 B. all cash receipts  
 C. all cash receipts and payments  
 D. only credit payments
- 209.** If a cheque sent for collection is dishonoured, the debit is given to:  
 A. suppliers account                      B. bank account  
 C. customers account                      D. cash account
- 210.** In triple column cash book, cash withdrawn from bank for office use will appear in:  
 A. debit side of the cash book only  
 B. both sides of the cash book  
 C. credit side of the cash book only  
 D. credit side of the bank account
- 211.** Bank reconciliation statement is prepared by the:  
 A. bank                      B. creditors of a business  
 C. customer of a bank                      D. suppliers
- 212.** Debit balance in cash book means:  
 A. overdraft as per pass book  
 B. overdraft as per cash book  
 C. credit balance as per pass book  
 D. debit balance as per day book
- 213.** A bank pass book is a copy of:  
 A. the cash column of a customers cash book  
 B. the bank column of a customers cash book  
 C. the customer's account in the banks ledger  
 D. the customer's account in the suppliers ledger
- 214.** Errors which affect one side of an account are called:  
 A. single sided errors                      B. double sided errors  
 C. triple sided errors                      D. compensation errors
- 215.** A Purchases returns of ₹ 200 to Mr. P if entered in the sales book would affect:  
 A. P's account  
 B. purchases returns account  
 C. sales account  
 D. purchases returns account and sales account
- 216.** Sales to Ram ₹ 336 posted to his account as ₹ 363 would effect:  
 A. sales account                      B. Ram's account  
 C. cash account                      D. bank account
- 217.** State which of the following errors will not be revealed by the trial balance?  
 A. errors of complete omission  
 B. errors of carrying forward  
 C. wrong totalling of the purchases book  
 D. error of partial omission
- 218.** Cost of goods purchased for resale is an example of:  
 A. Deferred Revenue Expenditure  
 B. Revenue Expenditure  
 C. Capital Expenditure  
 D. Common Expenditure
- 219.** Revenue receipts are ..... in the business.  
 A. non-recurring  
 B. Recurring  
 C. Accumulating  
 D. non-accumulating
- 220.** Shankar introduces ₹ 5000 as additional capital in the business. This amount will be considered as:  
 A. capital receipt  
 B. revenue receipt  
 C. capital and revenue receipt  
 D. deferred revenue expenditure
- 221.** Preliminary expenses are an example of:  
 A. Deferred Revenue Expenditure  
 B. Revenue Expenditure  
 C. Capital Expenditure  
 D. Common Expenditure
- 222.** An expenditure is treated as capital nature, when:  
 A. the receiver of the amount is going to use it for the purchase of fixed assets  
 B. it increases the quantity of fixed assets  
 C. it is paid for meeting the normal expenses of the business  
 D. it decreases the quantity of other assets
- 223.** Trading account is prepared to find out:  
 A. gross profit or loss  
 B. net profit or loss  
 C. financial position  
 D. position of the partners
- 224.** Outstanding salaries are shown as:  
 A. an expense                      B. a liability  
 C. an asset                      D. an income
- 225.** Interest on drawings is:  
 A. expenditure for the business  
 B. expense for the business  
 C. gain for the business  
 D. loss for the business
- 226.** Balance sheet is a:  
 A. Statement                      B. Account  
 C. Ledger                      D. Book

- 227.** Wages is an example of:  
 A. capital expenses      B. indirect expenses  
 C. direct expenses      D. revenue expenses
- 228.** A bill of exchange payable after a certain period is known as ..... bill.  
 A. Time      B. Accommodation  
 C. Revenue      D. Dishonored
- 229.** A bill drawn and accepted for a genuine trade transaction is termed as a ..... bill.  
 A. Trade      B. Time  
 C. Inland      D. Personal
- 230.** A bill which is not an inland bill is a ..... bill.  
 A. Outward      B. Inward  
 C. Foreign      D. New
- 231.** A person who draws a bill of exchange is known as the:  
 A. Drawee      B. Drawer  
 C. Payer      D. Payee
- 232.** A person named in the negotiable instrument to whom or to whose order the money in the instrument is directed to be paid is called as the:  
 A. Payer      B. Payee  
 C. Consignor      D. Consignee
- 233.** Noting charges are paid in the event of ..... of a bill.  
 A. Withdrawal      B. Payment  
 C. Dishonour      D. Deposit
- 234.** In case of accommodation bills, if one party becomes insolvent then that party credits the short remittance to:  
 A. deficiency account      B. cash account  
 C. loan account      D. bill account
- 235.** At the time of the renewal of a bill, interest account is ..... in the books of the drawee.  
 A. Credited      B. Totalled  
 C. Debited      D. Posted
- 236.** ..... days of grace are allowed in case of time bills for calculation date of maturity.  
 A. Five      B. Seven  
 C. Three      D. Two
- 237.** A bill drawn and accepted for providing funds to a friend in need is known as:  
 A. cheque  
 B. promissory note  
 C. accommodation bill  
 D. demand bill
- 238.** Salary account is of the nature of a:  
 A. real account      B. nominal account  
 C. personal account      D. trading account
- 239.** Del Credere commission is allowed to the consignee to bear:  
 A. normal loss  
 B. abnormal loss  
 C. loss on account of bad debts  
 D. profit on account of sender
- 240.** The abnormal loss debited to:  
 A. profit & loss account  
 B. consignee's account  
 C. consignor's account  
 D. consignment account
- 241.** Jay account is:  
 A. a nominal account      B. a personal account  
 C. a real account      D. a trading account
- 242.** Cash purchase in the account of:  
 A. purchases account      B. joint venture account  
 C. venturers account      D. cash account
- 243.** Final Account is:  
 A. one account      B. two account  
 C. three account      D. four account
- 244.** Donations received for a special purpose will be taken to:  
 A. income and expenditure account  
 B. asset side of the balance sheet  
 C. liabilities side of the balance sheet  
 D. debit side of the ledger
- 245.** Legacies are generally:  
 A. capitalized and taken to balance sheet  
 B. treated as income  
 C. treated as expenditure  
 D. treated as other incomes
- 246.** Income and expenditure account is:  
 A. a real account      B. a nominal account  
 C. a personal account      D. cash account
- 247.** In case a sports fund is kept expenses on account of sports events should be:  
 A. charged to sports fund  
 B. charged to the income and expenditure account  
 C. Taken to the balance sheet on the asset side  
 D. Taken to the balance sheet on the liability side
- 248.** Profits can be fraudulently inflated by:  
 A. Suppression of sales returns  
 B. Treating capital expenditure as revenue  
 C. Overestimation of liabilities  
 D. Omission of prepaid expenses
- 249.** A credit sale of goods to Shivendra should be debited to:  
 A. Sales Account      B. Goods Account  
 C. Shivendra's Account      D. Purchase Account

- 250.** Which of the following assets does not depreciate?  
 A. Machinery and equipment  
 B. Patents  
 C. Land  
 D. Furniture
- 251.** Valuing the stock in trade at market price or cost price which is less is an example of the convention of:  
 A. consistency                      B. disclosure  
 C. knowing the value      D. None of these
- 252.** Double entry principle means:  
 A. Having debit for every credit and similarly credit for each debit.  
 B. Writing all the entries twice in the book.  
 C. Maintaining the double account for all business transactions.  
 D. Writing two times the same entry.
- 253.** A sale of goods to Vaibhav Deep for cash should be debited to:  
 A. Vaibhav's A/c                      B. Cash A/c  
 C. Sale of goods A/c      D. None of these
- 254.** A withdrawal of cash from business by the proprietor of the firm should be credited to:  
 A. Capital Account                      B. Cash Account  
 C. Drawing Account                      D. Proprietor's Account
- 255.** The preparation of a trial balance helps in:  
 A. Locating errors of principle  
 B. Locating errors of omission  
 C. Locating clerical errors  
 D. Locating compensatory errors
- 256.** A cheque received and deposited in the bank on the same day is recorded in the:  
 A. Cash column of the cash book  
 B. Bank column of the cash book  
 C. Credited in the cash book  
 D. Debited in the cash book
- 257.** Petty cash may be used to pay:  
 A. the expenses relating to postages and conveyance  
 B. salaries and wages to the final staff  
 C. for the purchase of furniture and fittings  
 D. None of these
- 258.** A reserve is charge against:  
 A. Trading account  
 B. Profit and loss account  
 C. Profit and loss appropriation account  
 D. None of these
- 259.** The payment side of cash book is under cost by ₹ 200 when over draft as per pass book is the starting point:  
 A. ₹ 200 will be deducted  
 B. ₹ 200 will be added  
 C. No effect will be in the pass book  
 D. None of these.
- 260.** An amount of ₹ 300 is debited twice in the pass book when overdraft as per the cash book is the starting point:  
 A. ₹ 600 will be added  
 B. ₹ 500 will be deducted  
 C. No effect will be in the cash book  
 D. None of these
- 261.** Expenditure incurred by a publisher for acquiring copy rights is a:  
 A. Capital expenditure  
 B. Revenue expenditure  
 C. Deferred revenue expenditure  
 D. None of these
- 262.** Immediately after purchasing a new truck ₹ 1,000 is paid to have the name of the company and other advertising material painted on the truck this ₹ 1,000 is a:  
 A. Capital expenditure  
 B. Deferred revenue expenditure  
 C. Revenue expenditure  
 D. None of these
- 263.** A return Inwards book is kept to record:  
 A. return of goods sold  
 B. returns of anything purchased  
 C. returns of goods purchased  
 D. returns of anything sold
- 264.** Bill Receivable Book is a part of the:  
 A. Ledger  
 B. Balance Sheet  
 C. Journal  
 D. Profit and Loss Account
- 265.** A sales of ₹ 2000 wrongly entered in the purchase book:  
 A. decreases the gross profit by ₹ 2000  
 B. increases the gross profit by ₹ 2000  
 C. increases the gross profit by ₹ 4000  
 D. none of these
- 266.** Which of the following are current assets?  
 A. Bank loan for three years  
 B. Account receivable  
 C. Long-term investments  
 D. Debentures sinking fund investments
- 267.** Insurance unexpired accounts is a:  
 A. Real account                      B. Personal account  
 C. Nominal account                      D. None of these
- 268.** Goodwill account is a:  
 A. Nominal Account                      B. Real Account  
 C. Personal Account                      D. None of these

- 269.** Bank overdraft account is a:  
 A. Personal Account      B. Real Account  
 C. Nominal Account      D. All of these
- 270.** Contingent liability is shaken due to:  
 A. Convention of full disclosure  
 B. Convention of conservatism  
 C. Convention of materiality  
 D. Dual aspect concept
- 271.** Which item is shown on the debit side of a trial balance?  
 A. Rent outstanding  
 B. Prepaid expenses  
 C. Purchases  
 D. Excess of income over expenses by the firm
- 272.** Purchase for office furniture is recorded in:  
 A. General Journal      B. Cash book  
 C. Purchase book      D. Sales book
- 273.** Sales on account is recorded in:  
 A. Cash book      B. Journal  
 C. Sales book      D. General Journal
- 274.** The credit balance in the bank account is:  
 A. capital      B. a liability  
 C. an asset      D. an expense
- 275.** Cash sales are recorded in:  
 A. Sales book      B. Cash book  
 C. Journal      D. Purchase book
- 276.** Error of commission does not permit:  
 A. The trial balance to agree  
 B. Correct the total of balance sheet  
 C. Correct totalling of trial balance  
 D. None of these
- 277.** An item of ₹ 72 has been debited to a personal account as ₹ 27, is an error of:  
 A. Commission      B. Omission  
 C. Principle      D. None of these
- 278.** Sales to Shyam of ₹ 500 not recorded in the books would affect:  
 A. Shyam's account      B. Purchase account  
 C. Sales account      D. Cash account
- 279.** Which of the following accounts is increased by credit entries?  
 A. Bank Overdraft      B. Purchases Account  
 C. Goodwill Account      D. Sales Returns Account
- 280.** Profit and loss account of business shows the:  
 A. Net profit earned  
 B. Gross profit earned  
 C. Balance of all accounts  
 D. Capital employed in business
- 281.** If a receipt of ₹ 200 from Rajesh out debtor has not been recorded in the books, the profit would show:  
 A. an increase of ₹ 200  
 B. a decrease of ₹ 200  
 C. neither an increase nor a decrease  
 D. None of these
- 282.** Closing stock is valued at:  
 A. Market price  
 B. Cost price  
 C. Cost price or market price whichever is lower  
 D. Cost price or market price whichever is higher
- 283.** Unearned income account is:  
 A. an asset      B. a liability  
 C. an expense      D. an income
- 284.** Depreciation is provided on:  
 A. Current Assets      B. Liquid Assets  
 C. Fictitious Assets      D. Fixed Assets
- 285.** A bill of exchange is drawn by a:  
 A. Creditor      B. Debtor  
 C. Shareholder      D. Debentureholder
- 286.** Bills receivable account is:  
 A. an expense Account      B. an asset Account  
 C. a liability Account      D. a revenue Account
- 287.** When goods are purchased for the joint venture out of joint bank A/c the amount is debited to:  
 A. Joint bank A/c      B. Joint venture A/c  
 C. Purchases account      D. None of these
- 288.** Bills receivable endorsed are debited to:  
 A. Debtor's Account  
 B. Creditor's Account  
 C. Bills payable Account  
 D. Bills receivable Account
- 289.** Subscription received during the year were ₹ 800 for the current year. ₹ 100 for the previous year and ₹ 100 for the next year. In the receipts and payments account the receipts from subscriptions would appear at:  
 A. ₹ 700      B. ₹ 800  
 C. ₹ 900      D. ₹ 1000
- 290.** Any donation received for a specific purpose is a:  
 A. Liability      B. Assets  
 C. Revenue receipts      D. Capital receipts
- 291.** The convention of conservatism will have the effect of:  
 A. Over statement of assets  
 B. Under statement of assets  
 C. Under statement of liabilities  
 D. Under statement of provision for bad and doubtful debts

- 292.** An accountant is mainly concerned with:  
 A. Audit work  
 B. Preparation of budget for his employees  
 C. Management Constancy Services  
 D. Filling tax returns
- 293.** Expenses incurred on research and development is an example of:  
 A. Capital expenditure  
 B. Revenue expenditure  
 C. Deferred revenue expenditure  
 D. None of these
- 294.** Amount spent on increasing the seating capacity in a cinema hall is:  
 A. Capital expenditure  
 B. Revenue expenditure  
 C. Deferred revenue expenditure  
 D. None of these
- 295.** Which of the following is not capital expenditure?  
 A. Cost of issuing shares and debentures  
 B. Wages paid for construction of building  
 C. Repairs on a second-hand machinery newly purchased  
 D. Purchase of new spark plug at a cost of ₹ 8.50 for a two-year old car
- 296.** Window dressing is prohibited due to:  
 A. Convention of conservatism  
 B. Convention of disclosure  
 C. Convention of materiality  
 D. Accrual concept
- 297.** Quantitative transactions are not recorded in accounts due to:  
 A. dual concept  
 B. accrual concept  
 C. money measurement concept  
 D. None of these
- 298.** Concept of Realisation implies:  
 A. When cash is received from debtors  
 B. When goods are delivered to customer  
 C. When order is received  
 D. None of these
- 299.** Which of the following are not current liabilities?  
 A. Bank overdraft  
 B. Redeemable debentures  
 C. Provision for doubtful debts  
 D. Accounts payable
- 300.** Provision for doubtful debts account is a:  
 A. Personal account  
 B. Real account  
 C. Nominal account  
 D. None of these
- 301.** LIFO inventory method was used in year I, FIFO in year II and weighted average in year III. Which accounting principle is violated?  
 A. Cost principle  
 B. Consistency  
 C. Materiality  
 D. No principle of accounting is violated
- 302.** Land was reported at its selling price which is substantially higher than its cost. The increase in value was included in the income statement, which accounting principle is violated?  
 A. Cost principle  
 B. Going concern concept  
 C. Entity concept  
 D. Conservatism
- 303.** The cost of three small files (of ₹ 4 each) was charged to expenses when purchased even though they had a useful life of several years. This was done according to the:  
 A. Cost principle                      B. Conservatism principle  
 C. Full disclosure                      D. Materiality
- 304.** The amount spent on unsuccessful patent rights is a:  
 A. Capital expenditure  
 B. Deferred revenue expenditure (if the amount is large)  
 C. Revenue expenditure (even though the amount is large)  
 D. None of these
- 305.** Double entry system of bookkeeping refers to a system where:  
 A. the number of accounts with a debit balance must agree with the number of accounts with the credit balance  
 B. each transaction is recorded twice, once in journal and then in ledger  
 C. equal debit and credit entries are made for each transaction  
 D. each transaction is recorded in two set of account books
- 306.** An entry of ₹ 500 was wrongly posted to wages account instead of machinery account, as wages are to be capitalised. It is an error of:  
 A. Commission                      B. Omission  
 C. Principle                      D. Clerical error
- 307.** Which of the following statements best explains the relationship between journal and ledger?  
 A. First recording in journal and then posting to ledger completes the double entry of the transaction.  
 B. The journal is the book of original entry where as the ledger is the book of second entry.



- C. The journal is the book for analytical record and ledger is the book for chronological record.  
D. The process of recording, in the journal is called journalising, the process of recording in the ledger is called posting.
- 308.** In order to determine the amount of sales, to which of the following records one should refer?  
A. Sales book                      B. Sales account  
C. Journal                          D. Total debtors account
- 309.** Which of the following errors is revealed by trial balance?  
A. Wrong amount entered in the book of original entry  
B. Wrong amount entered in a ledger account  
C. Complete omission of an entry from the book of original entry  
D. All of these
- 310.** Which of the following errors are revealed by trial balance?  
A. Omission of an amount from the trial balance  
B. Posting of the wrong amount  
C. Wrong totalling of the book of original entry  
D. None of these
- 311.** Which of the following errors will cause the trial balance to be out of balance?  
A. The total of the Purchase book is ₹ 1000 short  
B. Goods received back from Mahesh, ₹ 250 have not been entered in the Returns Inward book  
C. Office furniture purchased from Ravi and Co. ₹ 950 has been entered in the Purchase book  
D. A purchase of ₹ 251 from Gopal and Co. has been entered in the Purchase book as ₹ 215.
- 312.** Which of the following errors will not cause the trial balance to be out of order?  
A. ₹ 590 received from P. Das has been debited to (b) ₹ 10 Das  
B. A purchase of ₹ 258 from Lekhi has been debited to his account as ₹ 285  
C. The total of the discount column of the cash book (cr.) is ₹ 20 short  
D. An invoice for ₹ 460 is entered in the sales book as ₹ 640
- 313.** Which of the following errors will not cause the trial balance to be out of balance?  
A. ₹ 310 for goods sold, was posted to the credit of charges  
B. Purchases returns book for December 1978 was overcast by ₹ 220  
C. Sales book carried forward ₹ 2400 instead of ₹ 2004  
D. All of these
- 314.** An invoice of ₹ 560 is entered in the sales book as ₹ 650. The total of the debit side of the trial balance is ₹ 21,440. Assuming no other error what is the total of the credit side of the trial balance?  
A. ₹ 21,240                      B. ₹ 21,350  
C. ₹ 21,330                      D. None of these
- 315.** Which of the following books should be used to record purchase of a type writer on account?  
A. Cash books                      B. Purchase book  
C. Sales book                      D. Journal
- 316.** Which of the following books should be used to record purchase of merchandise on account?  
A. Cash book                      B. Purchase book  
C. Sales book                      D. Journal
- 317.** Agreement of the trial balance may not indicate that:  
A. no error remains undetected  
B. double entry has been completed  
C. arithmetic accuracy is reasonably proved  
D. all ledger accounts have been correctly posted
- 318.** Use of subsidiary books can be made by:  
A. Only large business concerns  
B. Only small business concerns  
C. Only medium size business concerns  
D. All of these
- 319.** Petty cash system is designed:  
A. to meet the needs of small businesses  
B. to cover small and miscellaneous income  
C. to cover the small expenditure to be paid in cash  
D. to cover both small incomes and expenditures
- 320.** The term "Imprest system" is used in relation to:  
A. Purchase book                      B. Sales book  
C. Cash book                      D. Petty cash book
- 321.** Trial balance is a proof that:  
A. every transaction is recorded twice  
B. no error remains in the books of accounts  
C. books are authentically and correctly written  
D. None of these
- 322.** Which of the following is an error of commission?  
A. A sale of ₹ 560 omitted to be recorded  
B. A purchase of ₹ 840 was wrongly posted  
C. Treating charges as addition to asset  
D. Sales book over cost by ₹ 600 and purchase book was under cost by the same amount
- 323.** Which of the following errors is disclosed by trial balance?  
A. Error of principle  
B. Wrong amount posted in ledger account  
C. Non-recording of a transaction in the book of original entry  
D. None of these

324. 'Bank over draft' should be classified as:  
 A. Current asset                      B. Current liability  
 C. Intangible asset                  D. Intangible asset
325. Assets appearing in the book but having no value are known as:  
 A. Wasting assets                      B. Intangible assets  
 C. Current assets                      D. Fictitious assets
326. Which of the following is an accounting equation?  
 A. Assets – Capital – Liabilities  
 B. Capital – Assets – Liabilities  
 C. Assets – Liabilities – Capital  
 D. Liabilities – Assets – Capital
327. Which of the following is an equation?  
 A. Assets = Equities  
 B. Assets = Liabilities – Capital  
 C. Assets = Liabilities – Equities  
 D. Assets = Equities + Liabilities
328. The capital in a business on Jan. 1 and Jan. 31 is ₹ 17,000 and ₹ 17,200 respectively. Investment by owner and withdrawal by owner during Jan. amount to ₹ 1,000 and ₹ 700 respectively. What is the net income for January?  
 A. ₹ 100 (Loss)                      B. ₹ 300  
 C. ₹ 200                                  D. ₹ 500
329. Which of the following transactions will result in decrease in assets and decrease in liabilities?  
 A. Payment of a promissory note with cash  
 B. Materials returned to supplier on account  
 C. Redemption of debentures  
 D. All of these
330. Cost of goods sold – ₹ 13,300, Gross Profit – ₹ 3,200, Netprofit – ₹ 700, what is the amount of sales?  
 A. ₹ 14,000                              B. ₹ 10,100  
 C. ₹ 16,500                              D. ₹ 17,200
331. Select the correct amount of purchases, given on the following information:  
 Cost of goods sold                      – ₹ 1,20,000;  
 Carriage inwards                        – ₹ 1,890;  
 Opening stock                            – ₹ 43,640;  
 Closing stock                             – ₹ 38,500;  
 Purchase returns                        – ₹ 2,150;  
 Sales                                         – ₹ 2,82,650  
 A. ₹ 1,15,120                              B. ₹ 62,650  
 C. ₹ 1,10,420                              D. None of these
332. Depreciation is appearing in the trial balance of a company. While making final accounts, it should be shown in:  
 A. the profit and loss account  
 B. the balance sheet as a deduction from the asset concerned  
 C. the profit and loss account and balance sheet  
 D. the profit and loss account or balance sheet
333. From the following find out the correct equation:  
 I. A represents opening stock  
 II. B represents purchases  
 III. C represents closing stock  
 IV. D represents cost of goods sold  
 A.  $A - C = D - B$                       B.  $A + B = D - C$   
 C.  $D - A = B + C$                       D. None of these
334. While ascertaining profit in single entry system the amount of additional capital introduced is:  
 A. added to the capital in the beginning  
 B. deducted from the capital in the beginning  
 C. added to the capital at the end  
 D. deducted from the capital at the end
335. When capital at the end is ₹ 21,500 drawings ₹ 4,300 and capital in the beginning ₹ 19,400, what is the amount of profit or loss?  
 A. ₹ 2,200 (profit)                      B. ₹ 2,200 (loss)  
 C. ₹ 6,400 (profit)                      D. ₹ 6,400 (loss)
336. Generally, under single entry system:  
 A. only personal accounts are maintained  
 B. only personal, cash and bank accounts are maintained  
 C. all accounts are maintained  
 D. no account is maintained
337. Opening debtors ₹ 12,000, closing debtors ₹ 15,000 cash received from debtors ₹ 25,000 what is the amount for sales?  
 A. ₹ 22,000                              B. ₹ 28,000  
 C. ₹ 2,000                                  D. None of these
338. If the rate of gross profit on sales is 25% and the cost of goods sold is ₹ 75,000, then the amount of total sales will be:  
 A. ₹ 1,00,000                              B. ₹ 93,750  
 C. ₹ 92,150                                  D. Cannot be known
339. Total debtors account will be affected by:  
 A. Cash sales                              B. Credit sales  
 C. B/R closing balance                  D. All of these
340. If the cost of goods sold is ₹ 1,20,000 and the rate of gross loss is 1/4 on sales, the amount of sales is:  
 A. ₹ 1,20,000                              B. ₹ 90,000  
 C. ₹ 80,000                                  D. ₹ 96,000
341. Cost of goods sold is ₹ 1,00,000 rate of gross profit on sales is 20%. What is the amount of sales?  
 A. ₹ 1,20,000                              B. ₹ 80,000  
 C. ₹ 1,25,000                              D. None of these
342. The single entry system is defective because—  
 I. only one account is maintained  
 II. the trial balance cannot be prepared  
 III. the net profit cannot be accurately calculated  
 IV. the possibility of fraud and misappropriation is great

Select the correct answer from the following:

- A. I, III and IV                      B. I and II  
C. II, III and IV                      D. I only

**343.** Assets in the beginning of the year ₹ 10,000, Assets at the end of the year ₹ 18,000 Drawing during the year ₹ 2,000. Therefore the profit is:

- A. ₹ 6,000                              B. ₹ 8,000  
C. ₹ 10,000                            D. None of these

**344.** Depreciation, as the term is used in accounting, means:

- A. physical deterioration of a fixed asset  
B. decline in the market value of an asset  
C. allocation of the cost of fixed asset over its useful life  
D. making a provision for the replacement of the fixed asset

**345.** The term depletion is used in relation to:

- A. Fixed assets                        B. Wasting assets  
C. Current assets                      D. Intangible assets

**346.** Under the annuity method the amount of total depreciation is determined by:

- A. deducting the scrap value from the cost of the asset  
B. deducting the amount of interest from the cost of the asset  
C. adding the cost of the assets and interest there on  
D. adding the cost of the assets and expected cost of maintenance

**347.** Which method of depreciation is suggested for coal mines?

- A. Diminishing balance  
B. Fixed instalment method  
C. Sum of years' digits method  
D. Depletion method

**348.** In which of the following methods, the asset account appears at its original cost through out its life?

- A. Annuity method  
B. Depreciation fund method  
C. Sum of years, digits method  
D. Machine hour rate method

**349.** The amount of depreciation provided in the sinking fund method when compared to annuity method is:

- A. higher                                B. lower  
C. equal                                  D. unpredictable

**350.** The cost of a machine having a span of life of 5 years is ₹ 1,00,000. It has a scrap value of ₹10,000. The amount of depreciation under the sum of years, digit method will be:

- A. ₹ 16,000                              B. ₹ 18,000  
C. ₹ 25,000                              D. ₹ 30,000

**351.** Stock as on January 5 – ₹ 27,000; purchases between Dec. 31st and Jan. 5 – ₹ 700; cost of sales between Dec. 31st and Jan. 5 – ₹ 1,500 what was the stock on Dec. 31?

- A. ₹ 27,800                              B. ₹ 26,200  
C. ₹ 26,300                              D. ₹ 28,500

**352.** Which method of inventory valuation is most widely used in accounting?

- A. Cost price  
B. Market price  
C. Cost or market price whichever is greater  
D. Cost or market price whichever is lower

**353.** A company may resort to "window dressing" by manipulating the data such as:

- I. inventory valuation  
II. omission of liability for goods purchased  
III. treating a short-term liability long-term debt  
IV. recording in advance cash receipts applicable to next accounting period  
A. I, III and IV                        B. II and IV  
C. I, II and III                        D. I, II, III and IV

**354.** Match List-I with List-II and select the correct answer using the codes given below the list:

**List-I**

**List-II**

- |                          |   |
|--------------------------|---|
| I. Compensating errors   | (a) Not recording a business transaction  |
| II. Errors of omission   | (b) Charging a Revenue item to capital  |
| III. Errors of principle | (c) Writing a debit item on the credit side and a credit item on the debit side of equal amount |
| IV. Errors of commission | (d) Posting a correct amount to a wrong account   |

**Codes:**

- A. I -(c), II-(a), III-(d), IV-(b)  
B. I- (b), II-(a), III-(d), IV-(c)  
C. I- (c), II-(a), III-(b), IV-(d)  
D. I- (b), II-(a), III-(c), IV-(d)

**Directions (Qs. 355 and 356):** These questions consist of two statements, Assertion (A) and Reason (R). You have to examine these two statements and select your answers to these items using the codes given below:

**Codes:**

- A. Both A and R are true, and R is the correct explanation of A  
B. Both A and R are true, but R is not a correct explanation of A  
C. A is true, but R is false  
D. A is false, but R is true

**355. Assertion (A) :** Amount realised on the disposal (sale of a discarded) machine of the factory should be treated as revenue receipt  
**Reason (R) :** Sale proceeds are usually of revenue in nature

**356. Assertion (A) :** An accounting principle is that the relatively small item and values should be ignored from accounts  
**Reason (R) :** The cost of the effort in the allocation of small items over a long period does not justify the benefit derived from this operation and the cost of such items is treated as expense for the period in which they are incurred

**357.** A second hand machinery was purchased for ₹ 1,00,000 five years ago and was overhauled by carrying out some current repairs at a cost of ₹ 10,000. It has also an accumulated depreciation of ₹ 50,000. It has been disposed of in the beginning of the sixth year for ₹ 60,000. Profit/loss on such disposal shall be  
 A. Profit of ₹ 10,000      B. Loss of ₹ 50,000  
 C. Loss of ₹ 40,000      D. No profit, no loss

**358.** Match List-I with List-II and select the correct answer using the codes given below the lists:

| List-I                                   | List-II                       |
|--|-------------------------------|
| I. Income measurement                    | (a) Accrues to owner's equity |
| II. Expense recognition                  | (b) Revenue recognition       |
| III. Basis for realisation in accounting | (c) Matching revenues         |
| IV. Recognised revenue                   | (d) Accounting period         |

**Codes:**

- A. I-(c), II-(d), III-(b), IV-(a)  
 B. I-(c), II-(d), III-(a), IV-(b)  
 C. I-(b), II-(c), III-(d), IV-(a)  
 D. I-(b), II-(c), III-(a), IV-(d)

**359.** Charging a period for the proportionate cost of an Intangible asset is termed as:  
 A. depreciation      B. diminution  
 C. amortisation      D. expiration

**360.** Obsolescence means decline in the value due to:  
 A. Fall in the market price  
 B. Physical wear and tear  
 C. Innovations and inventions  
 D. Efflux of time

**361.** Concept of conservatism refers to taking into account:  
 A. all profit  
 B. only cash profit

- C. only profit realised  
 D. profit realised and all possible losses

**362.** Which one of the following accounting standards is not mandatory in India?  
 A. Fixed assets accounting and revenue recognition  
 B. Inventory and depreciation accounting  
 C. Non-monetary assets and fixed assets  
 D. Monetary assets and depreciation accounting

**363.** If the total charge of depreciation and maintenance is considered as the method which would provide a uniform charge is:  
 A. annuity method  
 B. straight line method  
 C. diminishing balance method  
 D. insurance policy method

**364.** Which of the following expenditures are to be treated as revenue expenditure?  
 I. Interest paid on money borrowed during construction period  
 II. Cost of patent rights  
 III. Loss of uninsured stock due to fire  
 IV. Retirement gratuity paid to an employee

Select the correct answer using the codes given below:

**Codes:**

- A. I, II and III      B. II, III, and IV  
 C. III and IV      D. I and II

**365.** Payment of compensation to a worker, who has been discharged from service, is a:  
 A. Capital expenditure  
 B. Revenue expenditure  
 C. Deferred – revenue expenditure  
 D. Non-business expenditure

**366.** Book-keeping is often confused with:  
 A. Algebra      B. Statistics  
 C. Cashier      D. Accounting

**367.** If the operating expenses exceed gross profit, the excess is referred to as:  
 A. Operating income  
 B. Operating loss  
 C. Non-operating expenses  
 D. Non-operating income

**368.** On using reducing balance method on an asset of ₹ 20,000 at the rate of 10% per annum, depreciation of 3rd year will be:  
 A. ₹ 6,000      B. ₹ 1,800  
 C. ₹ 1,620      D. ₹ 2,000

**369.** ₹ 19,500 debited to building repairs on 31st Dec. 1993 included ₹ 9,500 as the cost of building a small room for the watch man. A bill of ₹ 800 for colour wash of the whole building during the year was not

received till 1993 Dec. The amount to be debited to profit and loss account would be:

- A. ₹ 20,300                      B. ₹ 19,500  
C. ₹ 10,800                      D. ₹ 9,500

**370.** The term loan of ₹ 5,00,000 was received from IFCI. It was used as under:

- I. ₹ 2,00,000 was advanced to suppliers for capital-work-in-progress and  
II. ₹ 3,00,000 was used for financing the working capital

The interest payable would be treated:

- A. on both I and II as capital expenditure  
B. on I as capital expenditure and on II as revenue expenditure  
C. on I as deferred expenditure and on II as revenue expenditure  
D. on I as deferred revenue expenditure and on II as capital expenditure

**371.** Accounting is:

- A. the art of recording, classifying and summarising in a significant manner and in terms of money, transactions and events which are, in part at best financial in character, and interpreting there of  
B. a systematic and regular record of events affecting a firm with a view to obtaining a clear financial picture  
C. preparation of various financial statements over a period of time of a firm to measure its performance in monetary terms  
D. nothing but book-keeping

**372.** Ayush started business on 1st April, 1995 with a capital of ₹ 25,000 and a loan of ₹ 12,500. Total assets and liabilities at the end of 31st March, 1996 amounted to ₹ 75,000 and ₹ 12,500 respectively. He invested a further capital of ₹ 12,500 during the year and withdrew ₹ 7,500 during the relevant financial period. His closing capital and profits would be respectively:

- A. ₹ 62,500 and ₹ 32,500  
B. ₹ 50,000 and ₹ 40,000  
C. ₹ 70,000 and ₹ 47,500  
D. ₹ 55,000 and ₹ 42,500

**373.** A person started business with a cash of ₹ 22,000 and stock of ₹ 3,000 on 1st January, 1996. During the year he made a profit of ₹ 6,000. His creditors were paid ₹ 4,500 for the office furniture supplied. He took goods worth ₹ 3,500 for his daughter's wedding on 30th June, 1996. The gross assets of his business on 31st December, 1996 was:

- A. ₹ 27,500                      B. ₹ 26,500  
C. ₹ 23,500                      D. ₹ 20,500

**374.** In stock valuation, application of the principle 'at cost price or market price whichever is lower' will result in the valuation of stock sometimes at cost price and at other times at market price. This is an application of the principle of:

- A. Consistency  
B. Materiality  
C. Conservatism  
D. Disclosure

**375.** Match List-I with List-II and select the correct answer using the codes given below the lists:

| <b>List-I</b>  | <b>List-II</b>                   |
|--|----------------------------------|
| I. Heavy amount of premium on redemption of preference shares        | (a) Capital expenditure          |
| II. Excess of sale proceeds of fixed assets over their original cost | (b) Deferred revenue expenditure |
| III. Cost of installation of an old machine                          | (c) Capital gain                 |
| IV. Freight paid on purchase of raw material                         | (d) Revenue expenditure          |

**Codes:**

- A. I-(b), II-(c), III-(d), IV-(a)  
B. I-(c), II-(b), III-(d), IV-(a)  
C. I-(b), II-(c), III-(a), IV-(d)  
D. I-(c), II-(b), III-(a), IV-(d)

**376.** Amount spent on an advertisement campaign, the benefit of which is likely to last for three years is a:

- A. Capital expenditure  
B. Revenue expenditure  
C. Deferred revenue expenditure  
D. Contingent expenditure

**377.** Match List-I with List-II and select the correct answer using the codes given below the lists:

| <b>List-I</b>  | <b>List-II</b>          |
|--|-------------------------|
| I. Preliminary expense                                 | (a) Capital expenditure |
| II. Travelling expenses of the salesman                | (b) Revenue expenditure |
| III. Profit on sale of a part of the business building | (c) Capital gain        |
| IV. Nazrana paid on the purchase of land for business  | (d) Deferred revenue    |

**Codes:**

- A. I-(d), II-(b), III-(c), IV-(a)  
B. I-(d), II-(b), III-(a), IV-(c)  
C. I-(b), II-(d), III-(c), IV-(a)  
D. I-(b), II-(d), III-(a), IV-(c)

**378.** Revenue is generally recognised as being earned at that point of time when:

- A. Sale is effected
- B. Cash is received
- C. Production is completed
- D. Debts are collected

**379.** Which one of the following will be treated as revenue expenditure?

- A. Cost incurred for a new exit as required under the local bodies, by laws
- B. Interest paid on loan during the construction of works
- C. Cost of pulling down on old building as also the payment made to the architect for the plan of a new building
- D. A dealer in purchases sewing machines and spends some money on the repair of the machines damaged while goods in transit

**380.** Which one of the following is capital expenditure?

- A. Cost of advertisement
- B. Purchase of a delivery van
- C. Purchase of raw material
- D. Purchase of machine oil

**381.** Which one of the following depreciation methods is most suitable for a coal mine?

- A. Diminishing balance method
- B. Depletion method
- C. Fixed instalment method
- D. Sum of year's digits method

**382.** In the case of a sole proprietorship, Assets in Balance sheet items are conveniently shown in:

- A. Order of fixity
- B. Order of liquidity
- C. Alphabetical order
- D. Order of dates of acquisition

**383.** A business concern provides the following details—

|                    |       |            |
|--------------------|-------|------------|
| Cost of goods sold | ..... | ₹ 1,50,000 |
| Sales              | ..... | ₹ 2,00,000 |
| Opening stock      | ..... | ₹ 60,000   |
| Closing stock      | ..... | ₹ 40,000   |
| Debtors            | ..... | ₹ 45,000   |
| Creditors          | ..... | ₹ 50,000   |

The concerns, purchases would amount to (in ₹):

- A. 1,30,000
- B. 2,20,000
- C. 2,60,000
- D. 2,90,000

**384.** The following figures (all in ₹) relate to non-trading concern:

|   |       |
|---|-------|
| 1st January, 1995 stock of medicines                  | 5,000 |
| 1st January, 1995 outstanding creditors for medicines | 3,000 |

Amount paid for medicines

during the years 15,000

Value of medicines spoiled

during the year stock of

medicines 400

On 31st December, 1995 3,500

The amount to be debited to income and expenditure account would be

- A. ₹ 15,000
- B. ₹ 18,500
- C. ₹ 18,000
- D. ₹ 13,500

**385.** Which one of the following statements is correct?

- A. Depreciation is not the process of valuation of asset—it is a process of allocation of cost of asset to the period of its economic life
- B. If the cost of machinery is more than the book value, then depreciation need not be provided
- C. When the plant and machinery and maintained in good condition, through repairs and renewals, depreciation need not be provided
- D. In the absence of any legal provisions, if the auditor finds that provision made for depreciation is inadequate, then he is not required to refer to it in his report

**386.** Which of the following items should be entered in the receipts and payments account of a club?

- I. Sale of old newspapers
- II. Loss on sale of some asset
- III. Payments for investment

Select the correct answer using the codes given below

**Codes:**

- A. I, II and III
- B. I and III
- C. I and II
- D. II and III

**387.** A cultural club discloses that subscriptions received during a particular accounting period as per receipts and payments account amount to ₹ 57,360. Subscription outstanding (opening and closing) was ₹ 4,800 and ₹ 6,000 respectively. Subscription received in advance (opening balance and closing balance) amounted to ₹ 3,600 and ₹ 2,160 respectively. The amount to be posted to income and expenditure account would be

- A. ₹ 57,360
- B. ₹ 54,000
- C. ₹ 60,000
- D. ₹ 63,360

**Directions (Qs. 388-391):** These questions consist of four statements, Assertion (A) and Reason (R). You have to examine these four statements and select your answers to these items using the codes given below:

**Codes:**

- A. Both A and R are true, and R is the correct explanation of A

- B. Both A and R are true, but R is NOT a correct explanation of A  
 C. A is true, but R is false  
 D. A is false, but R is true

**388. Assertion (A) :** In accounting, a distinction is made between the business and the owner  
**Reason (R) :** Accounting concepts are based on objectivity and not on subjectivity

**389. Assertion (A) :** Materiality concept refers to the state of ignoring relatively small items and values from accounts

**Reason (R) :** The effort involved in allocating the cost of a small item over a long period should be justified in terms of the benefit derived from this operation. Therefore, cost of such items may be treated as expenses for the period in which they are acquired

**390. Assertion (A) :** The balance sheet fails to reveal the worth of a business

**Reason (R) :** Assets are merely unamortised costs

**391. Assertion (A) :** The cost of demolishing an old building preparatory to the construction of a new building in that place is to be treated as capital expenditure

**Reason (R) :** Such cost is not incidental to the construction of the new building

**392.** The fundamental accounting equation, Assets = Equities + liabilities is the formal expression of:

- A. dual aspect concept  
 B. matching concept  
 C. going – concern concept  
 D. money measurement concept

**393.** A business is considered to be having and indefinite life according to:

- A. accounting period concept  
 B. cost concept  
 C. going concern concept  
 D. dual aspect concept

**394.** Which of the following pairs are correctly matched?

- |                     |   |                     |
|---------------------|---|---------------------|
| I. Business entity  | – | Accounting standard |
| II. Stock valuation | – | Consistency         |
| III. Capital        | – | Drawings            |
| IV. Going concern   | – | Assumption          |

Select the correct answer using the codes given below:

**Codes:**

- |                  |                  |
|------------------|------------------|
| A. I, III and IV | B. I, II and III |
| C. I, II and IV  | D. I, III and IV |

**395.** Money measurement concept of accounting theory is based on the assumption that the value of money will:

- A. remain constant  
 B. fluctuate  
 C. decrease  
 D. go up

**396.** Match List-I (Items of expenditure and receipt) with List-II (Nature of expenditure and receipt) and select the correct answer using the codes given below the lists:

| List-I  | List-II                          |
|---|----------------------------------|
| I. Premium paid for a lease hold property   | (a) Revenue expenditure          |
| II. Insurance premium paid for risks against accidental losses of properties (fixed assets) | (b) Capital receipt              |
| III. Amount realised from the sale of securities (investment) purchased earlier             | (c) Deferred revenue expenditure |
| IV. Huge sales promotion expenses   | (d) Capital expenditure          |

**Codes:**

- A. I-(d), II-(b), III-(a), IV-(c)  
 B. I-(c), II-(b), III-(a), IV-(d)  
 C. I-(d), II-(a), III-(b), IV-(c)  
 D. I-(c), II-(a), III-(b), IV-(d)

**397.** Match List-I (Items of expenditure and receipt) with List-II (Nature of expenditure and receipt) and select the correct answer using the codes given below the lists:

| List-I  | List-II                 |
|---|-------------------------|
| I. Compensation paid to retrenched workers of the factory for the loss of service                                 | (a) Capital expenditure |
| II. Legal expenses incurred in connection with the purchase of a plot of land                                     | (b) Capital receipt     |
| III. Compensation received from the government for the compulsory removal of a business premises to another place | (c) Revenue expenditure |
| IV. Sale proceeds of merchandise (goods)  | (d) Revenue receipt     |

**Codes:**

- A. I-(a), II-(c), III-(d), IV-(b)  
 B. I-(a), II-(c), III-(b), IV-(d)  
 C. I-(c), II-(a), III-(d), IV-(b)  
 D. I-(c), II-(a), III-(b), IV-(d)

- 398.** The cash price of a machine is ₹ 1,20,000 and its hire purchase price is ₹ 1,50,000 to be paid in five equal yearly instalments. If a company purchases the machine on hire purchase basis, the amount of capital expenditure will be:
- ₹ 1,20,000
  - ₹ 1,35,000
  - ₹ 1,50,000
  - ₹ 1,60,000
- 399.** Which one of the following is a capital expenditure?
- Compensation paid to directors on termination of their services
  - Expenditure incurred in connection with the renewal of a Trademark
  - Gratuities paid to employees on their retirement
  - Royalty paid in instalments for the purchase of rights to manufacture and sell patent medicines
- 400.** The following information pertains to a cultural club:
- |                            |   |            |
|----------------------------|---|------------|
| Stock of tinned provisions | : | ₹ 25,000   |
| (as on 1.4.94)             |   |            |
| Purchased during the year  | : | ₹ 1,50,000 |
| Stock of tinned provisions | : | ₹ 50,000   |
| (as on 31.3.95)            |   |            |
| Sale of tinned provisions  | : | ₹ 1,50,000 |
| during the year            |   |            |
- The amounts to be debited and credited respectively to the Income and Expenditure account would be:
- ₹ 1,75,000 and ₹ 1,50,000
  - ₹ 1,25,000 and ₹ 1,75,000
  - ₹ 1,25,000 and ₹ 1,50,000
  - ₹ 1,75,000 and ₹ 1,25,000
- 401.** A cricket club has 50 members and each member pays ₹ 200 as monthly subscription 5 members paid advance subscription for the financial year 1994-95 and 10 members failed to pay subscription for the year 1993-94. The amount to be credited as subscription to income and expenditure account would be:
- ₹ 12,000
  - ₹ 10,000
  - ₹ 9,600
  - ₹ 8,000
- 402.** The following information is provided by a cultural club:
- |                              |   |          |
|------------------------------|---|----------|
| Stock of sports goods        | : | ₹ 20,000 |
| Purchase of sports goods     | : | ₹ 80,000 |
| during the accounting period |   |          |
| Sports goods sold as scrap   | : | ₹ 500    |
| Closing balance              | : | ₹ 30,000 |
- The amount to be charged to Income and Expenditure Accounts as sports goods consumed will be:
- ₹ 69,500
  - ₹ 70,000
  - ₹ 70,500
  - ₹ 80,000
- 403.** A trader maintains his books of accounts on Single Entry basis. His books of accounts show that his total purchases during the year were ₹ 90,000 of which he returned goods worth ₹ 10,000. His credit sales were ₹ 50,000 and cash sales were ₹ 80,000 of the total sales goods returned were ₹ 30,000. Closing stock is ₹ 12,000. He sells his goods at cost plus  $33\frac{1}{3}\%$ . His opening stock is:
- ₹ 12,000
  - ₹ 10,000
  - ₹ 8,000
  - ₹ 7,000
- 404.** A firm which keeps its books of accounts on single entry system has opening balance and closing balance of Bills Receivable as ₹ 9,000 and ₹ 11,000 respectively. Bills collected during the financial period amount to ₹ 20,000. Bills receivable received during the financial period amount to:
- ₹ 22,000
  - ₹ 18,000
  - ₹ 12,000
  - ₹ 11,000
- 405.** Which preparing accounts from incomplete records, the amount of credit sales is determined by?
- preparing total creditors account
  - preparing total debtors account
  - ascertaining the balance in trading account other than closing stock
  - ascertaining the balance in debtors account and cash book
- 406.** An asset is purchased for ₹ 50,000 on which depreciation is to be provided annually according to the straight line method. The useful life to the asset is 10 years and the residual value is ₹ 10,000. The rate of depreciation is:
- 20 %
  - 18 %
  - 10 %
  - 8 %
- 407.** An asset is never reduced to zero in the:
- fixed instalment method
  - reducing balance method
  - annuity method
  - sum of years method
- 408.** The main objective of providing depreciation is to:
- create secret reserves
  - reduce the book value of assets
  - value the assets properly
  - allocate cost of the assets
- 409.** Match List-I (financial statements and accounts) with List-II (special matters associated with statements and accounts) and select the correct answer using the codes given below the lists:



**List-I**

- I. Receipts and payments  
 II. Income and expenditure account  
 III. Dividend equalisation reserve  
 IV. Club subscription received in advance account

**List-II**

- (a) Revenue account  
 (b) Cash  
 (c) Liability  
 (d) Balancesheet  
 (e) General reserve

**Codes:**

- A. I-(b), II-(a), III-(d), IV-(c)  
 B. I-(c), II-(b), III-(d), IV-(e)  
 C. I-(b), II-(a), III-(e), IV-(c)  
 D. I-(a), II-(b), III-(d), IV-(e)

**410.** Profit under single entry system of Book Keeping means:

- A. the difference between opening and closing cash balances and reduced by fresh capital introduced  
 B. the difference between opening net assets and closing net assets as increased by drawings and reduced by new capital introduced  
 C. profit shown by Trading and Profit and Loss Account and Balance sheet  
 D. the amount of closing cash balance as reduced by expenses

**411.** Given that

|                      |   |         |
|----------------------|---|---------|
| Opening capital      | : | ₹ 5,000 |
| Closing capital      | : | ₹ 6,000 |
| Drawings             | : | ₹ 1,000 |
| New capital invested | : | ₹ 500   |

The profit for the year will be:

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

**412.** Which of the following are prepared by the organisations keeping only incomplete accounting records?

- I. Cash book  
 II. Customer's Accounts  
 III. Expenses Accounts  
 IV. Day Books

Choose the correct answer using the codes given below:

**Codes:**

- A. I, II and III                      B. I, II and IV  
 C. I, III and IV                      D. II, III and IV

**413.** Depreciation Accounting is a process of:

- A. allocation of cost  
 B. valuation of assets  
 C. provision for replacement of assets  
 D. estimation of net profit

**414.** Given that the value of furniture on 1.1.93 is ₹ 8,000, furniture purchased during the year is ₹ 4,000, sale of furniture no loss no profit basis is ₹ 2,000, and the furniture is valued at ₹ 7,000 on 31.12.93, the depreciation for the year 1993 will be:

- A. ₹ 1,000                      B. ₹ 3,000  
 C. ₹ 5,000                      D. ₹ 7,000

**415.** Which of the following are applicable to sinking fund method of depreciation?

- I. Periodic depreciation is smaller than the assets, actual annual depreciable cost  
 II. Amount of interest constantly declines due to assets, reducing balances  
 III. Annual net incidence on profit and loss account remains constant due to incorporation of only fixed depreciation  
 IV. Periodic depreciation is recorded through the assets account

Select the correct answer using the codes given below:

**Codes:**

- A. II and IV                      B. I and III  
 C. I, II and III                      D. II, III and IV

**416.** Match List-I with List-II and select the correct answer using the codes given below the lists:

**List-I****List-II**

- |                  |   |
|------------------|---|
| I. Amortisation  | (a) Diminution in the life of the assets due to excessive use |
| II. Depreciation | (b) Exhaustion of natural resource                            |
| III. Depletion   | (c) Expiration of tangible assets                             |
| IV. Obsolescence | (d) Expiration of intangible assets                           |
|                  | (e) Economic deterioration due to improved inventions         |

**Codes:**

- A. I-(a), II-(b), III-(c), IV-(d)  
 B. I-(a), II-(b), III-(d), IV-(e)  
 C. I-(e), II-(b), III-(c), IV-(d)  
 D. I-(d), II-(c), III-(b), IV-(e)

**417.** Match List-I with List-II and select the correct answer using the codes given below the lists:

**List-I****List-II****(Accounting concept)****(Principle involved)**

- |                   |   |
|-------------------|---|
| I. Consistency    | (a) Losses are anticipated and accounted for in advance but profits are not accounted for until realised    |
| II. Comparability | (b) All the relevant financial informations should be summarised and presented in the accounting statements |

- III. Conservatism (c) Accounting procedures in an entity should be followed uniformly from period to period
- IV. Disclosure (d) Accounting statement of different periods of an entity and those of different entities of a period should be based on the same accounting principles and procedures.
- (e) Personal Judgement of accountants should not influence accounting measurements.

**Codes:**

- A. I-(d), II-(c), III-(e), IV-(b)  
 B. I-(c), II-(d), III-(a), IV-(b)  
 C. I-(d), II-(c), III-(a), IV-(e)  
 D. I-(c), II-(d), III-(b), IV-(e)

418. Which one of the following should be considered as a revenue expenditure?
- A. ₹ 1,000 paid for the erection of a new plant  
 B. Cost of ₹ 10,000 incurred in increasing the sitting accommodation of a hotel  
 C. Damages paid on account of breach of a contract to supply certain goods  
 D. Repairs to machinery purchased second hand
419. The written down value of a plant is 6,000 (the original value being ₹10,000). It is sold for ₹ 12,000 during the current financial year. Which one of the following is true in this regard?
- A. Capital profit = ₹ 6,000  
 B. Revenue profit = ₹ 6,000  
 C. Capital profit = ₹ 2,000  
 D. Revenue profit = ₹ 4,000

420. Match List-I (Item of expenditure/receipt) with List-II (Nature of expenditure/receipt) and select the correct answer using the codes given below the lists:

| List-I   | List-II                          |
|--|----------------------------------|
| I. Carriage charges on a new machine purchased for factory                                   | (a) Revenue receipt              |
| II. Legal expenses incurred in defending a case of violation of a provision of Factories Act | (b) Revenue expenditure          |
| III. Grant-in-aid received from the Government for the construction of a building            | (c) Deferred revenue expenditure |
| IV. Amount received for a part of the office building sublet                                 | (d) Capital expenditure          |
|  | (e) Capital receipt              |

**Codes:**

- A. I-(b), II-(c), III-(a), IV-(e)  
 B. I-(d), II-(b), III-(e), IV-(a)  
 C. I-(c), II-(d), III-(a), IV-(e)  
 D. I-(d), II-(c), III-(a), IV-(e)

421. While preparing the annual financial statements, the balance of rent account should be treated as the balance of a:
- A. Personal Account  
 B. Nominal Account  
 C. Real Account  
 D. Deferred Expenditure Account
422. What is the correct sequence of the preparation of the following accounts and statement of a non-profit organisation?
- I. Income and expenditure account  
 II. Receipts and payment account  
 III. Balance sheet

Select the correct answer from the codes given below:

**Codes:**

- A. I, II, III  
 B. I, III, II  
 C. II, I, III  
 D. II, III, I

423. Profit as per accounts from incomplete records may constructed as equivalent of:
- A. Excess of assets over liabilities at the close of the period  
 B. Excess of capital at the end over the capital at the beginning  
 C. Excess of assets over liabilities at the commencement of the period  
 D. Excess of capital at the beginning over the capital at the end
424. According to records of a firm which not keep its accounts on double entry systems, all sales were made

on credit so as to realise a profit of  $33\frac{1}{3}$  per cent on

sales proceeds. The stock of unsold goods at the beginning and at the end of the trading period were valued at ₹ 21,000 and 18,000 respectively. Goods worth ₹ 1,39,500 were purchased for resale during the period

The proprietor withdraw goods worth ₹ 1,500 during accounting period for personal use. What were the total sales during the period?

- A. ₹ 1,80,000  
 B. ₹ 2,11,500  
 C. ₹ 2,25,000  
 D. ₹ 2,31,500

425. Consider the following statement, while preparing annual financial statements, the balance of bills receivable account can be treated as—

- I. an accrued income
- II. an item of assets
- III. a "personal account" balance

Of these statement:

- A. II and III are correct
  - B. I and III are correct
  - C. I and II are correct
  - D. None of these
426. On January 1, 1992 there was a balance of ₹ 4,000 in the plant and machinery account. An addition of ₹ 2,000 was made on July 1, 1992. Accounts were closed for the year on December 31, 1992. If depreciation was charged at 10% per annum, the balance in the plant and machinery account on the closing date would be:
- A. ₹ 5,300
  - B. ₹ 5,400
  - C. ₹ 5,500
  - D. ₹ 5,600
427. A machinery having a residual value of ₹ 5,000 was purchased on 1.1.1998 for ₹ 1,00,000 and was depreciated @ 9.5% on a straight line method. On 1.1.1998, it was estimated that its useful life has been reduced to eight years. Under the changed circumstances, the annual depreciation charges for the year 1991 and onwards will be:
- A. ₹ 11,875
  - B. ₹ 13,300
  - C. ₹ 9,500
  - D. ₹ 12,500
428. In which one of the following methods of charge depreciation shall be balance never be reduced to zero?
- A. Fixed instalment method
  - B. Depreciation fund method
  - C. Diminishing balance method
  - D. Depletion unit method
429. "Holding gains in relation to stocks should not be used for payment of dividend." Which one of the following accounting principles is involved in this?
- A. Consistency
  - B. Cost
  - C. Materiality
  - D. Realisation
430. X started business with a capital of ₹ 20,000 and purchased goods worth ₹ 2,000 on credit. These transactions may be expressed in the form of 'Accounting equation' such as:
- A. ₹ 22,000 = ₹ 20,000 + ₹ 2,000
  - B. ₹ 20,000 = ₹ 22,000 - ₹ 2,000
  - C. ₹ 22,000 = ₹ 22,000 + 0
  - D. ₹ 22,000 = 0 + ₹ 22,000
431. Long-term liabilities are:
- A. Fixed assets minus current assets
  - B. Fixed assets minus current liabilities
  - C. Current assets plus current liabilities
  - D. Total liabilities minus current liabilities

432. A business entity has assets of ₹ 26,000 and liabilities of ₹ 6,000. Owner's equity in this case is:
- A. ₹ 32,000
  - B. ₹ 26,000
  - C. ₹ 20,000
  - D. ₹ 6,000

433. Accounting records transactions in terms of:
- A. Commodity units
  - B. Monetary units
  - C. Production units
  - D. None of these

434. Market price or actual cost, whichever is less, is the generally accepted accounting principle for valuation of:
- A. Stock-in-trade
  - B. Fixed assets
  - C. Current assets
  - D. All of these

435. Match List-I with List-II and select the correct answer using the codes given below the lists:

| List-I                 | List-II                                      |
|------------------------|--|
| (Types of accounts)    | (Principles)                                 |
| I. Real Accounts       | (a) Debit the receiver credit the giver      |
| II. Nominal Accounts   | (b) Debit what comes in credit what goes out |
| III. Personal Accounts | (c) Debit all expenses credit all gains      |

**Codes:**

- A. I-(c), II-(b), III-(a)
  - B. I-(a), II-(c), III-(b)
  - C. I-(b), II-(c), III-(a)
  - D. I-(a), II-(b), III-(c)
436. Renewal fee for patents is a:
- A. Capital expenditure
  - B. Revenue expenditure
  - C. Deferred revenue expenditure
  - D. Development expenditure
437. A manufacturing company spent the following amounts on the import and installation of machine:
- (a) ₹ 50,000 : Price of the machine
  - (b) ₹ 5,000 : Freight
  - (c) ₹ 1,050 : Insurance premium
  - (d) ₹ 6,000 : Replacement of a part damaged in transit, not covered under the insurance policy

Based on the above data, capital expenditure would be:

- A. ₹ 50,000
  - B. ₹ 56,050
  - C. ₹ 62,050
  - D. ₹ 51,050
438. If trial a balance does not tally inspite of through scrutiny and the difference is substantial, then which one of the following courses would be accountant adopt?
- A. Defer preparation of financial statements
  - B. Open suspense A/c
  - C. Write off the difference to profit and loss A/c
  - D. Ignore the difference and prepare financial statements

439. Given, subscription received in 1990:

For the year 1989 – ₹ 500  
For the year 1990 – ₹ 7,000  
For the year 1991 – ₹ 400

1990 – subscription outstanding on 31st December,  
1990 : ₹ 250

The amount of subscription to be posted to income  
and expenditure account of 1990 is:

- A. ₹ 7,000                      B. ₹ 7,250  
C. ₹ 7,900                      D. ₹ 8,150

440. **Assertion (A)** : The matching concept requires that costs should be recognised as expenses in the period in which revenue is realised

**Reason (R)** : There may not be a matching between expenditure and expense over a short period

In the context given above, which one of the following is correct ?

- A. Both A and R are true, and R is the correct explanation of A  
B. Both A and R are true, but R is not a correct explanation of A  
C. A is true, but R is false  
D. A is false, but R is true

441. In financial statements, adequate disclosure is ensured by companies as per the requirements of:

- I. management policies  
II. materiality concept  
III. disclosure concept  
IV. relevant provision of the Companies Act  
V. internal control

Of these statements:

- A. I and III are correct  
B. I, II and III are correct  
C. II, III and V are correct  
D. II, III and IV are correct

442. The proprietor of a business is treated as a creditor for capital introduced by him according to:

- A. money measurement concept  
B. cost concept  
C. business entity concept  
D. dual aspect concept

443. Which one of the following statements is correct?

- A. Capital of a firm is reduced by borrowing  
B. When there is no change in proprietor's capital it is an indication of loss in business  
C. Nominal accounts refer to false transactions  
D. Real accounts relate to assets of a business

444. Trade discount allowed on sales is:

- A. debited to customer's account  
B. credited to customer's account  
C. debited to profit and loss account  
D. None of these

445. Accounting principles represent:

- A. a consensus at a particular time to the recording of accounting transactions  
B. inviolable laws fixed by the legal boards  
C. laws fixed by accounting experts  
D. laws fixed by the respective governments

446. How does an over costing of purchase day book affect the cost of sales and profit?

- A. Cost of sales is decreased while profit is increased  
B. Cost of sales is increased while profit is decreased  
C. Both cost of sales and profit are increased  
D. Cost of sales is increased, gross profit is decreased, but net profit remains unaffected

447. Consistency with reference to application of accounting principles refers to the fact that:

- A. Companies in the same industry use identical accounting procedures and methods, and are consistent  
B. Income and assets have not been over stated  
C. Accounting methods and procedures used have been consistently applied from year to year  
D. All methods and procedures have been utilised

448. What is the correct sequence of the following in the preparation of periodical financial statements?

- I. preparation of Balancesheet  
II. preparation of Funds flow statement  
III. preparation of Trial balance  
IV. preparation of Profit/Loss statement

Select the correct answer from the codes given below and mark your answer sheet accordingly.

**Codes:**

- A. IV, II, I, III                      B. III, IV, I, II  
C. II, IV, III, I                      D. I, III, II, IV

449. Depreciation is:

- A. A source of fund  
B. A use of fund  
C. Neither a source nor a use of fund  
D. Partly a source and partly an application of fund

450. The following are the figures relating to a trader:

Opening stock – ₹ 10,000  
Closing stock – ₹ 11,000  
Purchase – ₹ 70,000

The goods are sold at a profit of 30% on cost. The amount of sales will be:

- A. ₹ 1,04,000                      B. ₹ 91,000  
C. ₹ 89,700                      D. ₹ 21,000

- 451.** Subscriptions amounting to ₹ 7,500 appear on the credit side of income and expenditure account after adjusting subscriptions out standing ₹ 600 and subscriptions received in advance ₹ 450. The amount of subscriptions to be shown in the receipts and payments account for the same year will be:
- A. ₹ 6,450                      B. ₹ 7,350  
C. ₹ 7,650                      D. ₹ 8,550

- 452.** Which of the following item/items will be included in income and expenditure account?
- I. Accrued expenses  
II. Credit purchases  
III. Prepaid expenses  
IV. Opening cash balance

Select the correct answer from the codes given below and mark your answer sheet accordingly.

**Codes:**

- A. I                                      B. I and II  
C. II and III                      D. III and IV

- 453.** If,
- |                    |   |          |
|--------------------|---|----------|
| Capital at the end | = | ₹ 7,000  |
| Capital introduced | = | ₹ 5,000  |
| Drawings           | = | ₹ 8,000  |
| Loss               | = | ₹ 10,000 |

Then capital in the beginning is equal to:

- A. ₹ 12,000                      B. ₹ 16,000  
C. ₹ 20,000                      D. ₹ 30,000

- 454.** Company accounting conforms more to dual aspect concept than to incomplete recording system because:
- I. Companies Act insists upon the adoption of double entry systems of book keeping  
II. Balance sheet could not be prepared under sec. 211 of Company's Act according to the incomplete recording system  
III. To show true and fair view of the affairs of the company  
IV. To ensure adequate disclosure

Select the correct answer from the codes given below and mark your answer sheet accordingly.

**Codes:**

- A. I and II  
B. II and III  
C. II, III and IV  
D. I, II and III

- 455.** The purpose of depreciation is to:
- A. reduce fixed assets to market value each year  
B. save income tax and wealth tax  
C. reduce fixed assets to nil as soon as possible assets top expense over their working lives  
D. allocate the cost of fixed

- 456.** The amount of depreciation under straight line method vis-a-vis written down value method, when the rate of depreciation is same, would be:

- A. equal in all years  
B. equal in the first year but higher in subsequent years  
C. equal in the first year but lower in subsequent years  
D. lower in the first year but equal in subsequent years

- 457.** If on January 1, 1983 a plant is purchased for ₹ 1,20,000, its estimated life is ten years and its salvage value is ₹ 10,000 under which one of the following method would the 1983 depreciation be the largest?

- A. Straight line method  
B. Double-declining balance method  
C. Sum of the year's digits method  
D. 15% on original cost

- 458.** Accumulated depreciation account is shown in the final accounts:

- A. on the liability side of the balance sheet  
B. on the debit side of the profit and loss account  
C. by deducting from the related asset account in the balance sheet  
D. on the credit side of the profit and loss account

- 459.** A particular firm provided the following data for an accounting year

Current ratio ..... 2.5 : 1

Liquid ratio ..... 1.5 : 1

Net working capital ..... ₹ 6,00,000

Current assets and current liabilities of the firm are, respectively:

- A. ₹ 9,00,000 and ₹ 3,00,000  
B. ₹ 10,00,000 and ₹ 4,00,000  
C. ₹ 8,50,000 and ₹ 2,50,000  
D. ₹ 7,50,000 and ₹ 1,50,000

- 460.** When shares are forfeited, the share capital account is debited by:

- A. Paid-up amount  
B. Called-up amount  
C. Nominal value of the shares  
D. Market value of the shares

- 461.** When one of the following reflects the over all efficiency with which capital is used?

- A. Return on shareholders funds  
B. Investment turnover ratio  
C. Earning per share  
D. Operating ratio

- 462.** A company pays dividend out of:

- A. Profits of the company for year for which dividends are to be paid  
B. Undistributed profit of the previous financial years

- C. Money provided by the central and state governments for the payment of dividends in pursuance of their guaranters  
D. All of these

**463.** A limited company has to redeem redeemable preference shares of the value of ₹ 1,00,000 for which the company has issued 3000 equity shares of ₹ 10 each at a premium of 10 %. The amount to be transferred to capital redemption reserve account will be:

- A. ₹ 1,00,000                      B. ₹ 97,000  
C. ₹ 70,000                        D. ₹ 67,000

**464.** To test the liquidity of a concern, which of the following ratios are useful?

- I. Acid test ratio  
II. Capital turnover ratio  
III. Bad debts to sales ratio  
IV. Inventory turnover ratio

Select the correct answer using the codes given below:

- A. I and III                          B. I and IV  
C. II and IV                        D. II and III

**465.** The following figures are taken from a balance sheet:

|                                | (₹)      |
|--------------------------------|----------|
| Equity share capital.....      | 1,10,000 |
| 6% preference share capital... | 30,000   |
| General reserve.....           | 50,000   |
| Reserve for contingencies..... | 20,000   |
| 6% mortgage debentures.....    | 50,000   |
| Sundry creditors.....          | 20,000   |
| Preliminary expenses.....      | 5,000    |
| Prepaid expenses.....          | 4,000    |

In this case, the debt equity ratio is:

- A. 1 : 2                                B. 2 : 1  
C. 24 : 1                              D. None of these

**466.** Who among the following is a bear operator?

- A. A stock broker who sells shares now and buys the same shares later  
B. An investor who expects the price of a security or that of the whole securities market to rise  
C. An investor who sells securities anticipation of being able to repurchase them later at a lower price  
D. A broker who indulges in rigging of share prices

**467.** Match List-I with List-II and select the correct answer using the codes given below the lists:

| List-I                | List-II           |
|-----------------------|-------------------|
| I. Financial leverage | (a) Efficiency    |
| II. Quick ratio       | (b) Profitability |
| III. Stock turnover   | (c) Liquidity     |
| IV. Margin on sales   | (d) Risk          |

**Codes:**

- A. I-(d), II-(c), III-(a), IV-(b)  
B. I-(a), II-(b), III-(d), IV-(c)  
C. I-(d), II-(b), III-(a), IV-(c)  
D. I-(a), II-(c), III-(d), IV-(b)

**468.** In a partnership business if there is no specific agreement among partners, profit is distributed in the:

- A. ratio of capital contributions  
B. ratio of time spent in the business  
C. ratio to be decided by the court  
D. equal ratio

**469.** Consider the following statements:

- I. In case of the marine insurance, the insurable interest must exist at the time the loss occurs  
II. In case of fire insurance, insurable interest must exist both at the time of the contract and at the time of loss

Which of the statements given above is/are correct?

- A. I only                              B. II only  
C. Both I and II                    D. Neither I nor II

**470.** Consider the following statements:

- I. Workmen's compensation and third party insurance are examples of guarantee insurance  
II. Re-insurance is more common under fire and marine insurance

Which of the statements given above is/are correct ?

- A. I only                              B. II only  
C. Both I and II                    D. Neither I nor II

**471.** The dividend per share in a company is ₹ 2, earning per share is ₹ 5, and the market value is ₹ 25. What will be its yield?

- A. 20 per cent                      B. 12.5 per cent  
C. 8 per cent                        D. 25 per cent

**472.** When an incoming partner purchases his share from any one of the existing partners, then:

- A. total assets of the firm do not change  
B. total assets of the firm will be augmented to the extent of payment received from the new partner  
C. total assets of the firm will be reduced to the extent of payment received from the new partner  
D. change in total assets of the firm will depend upon the new profit sharing ratio of the partners

**473.** If the good will raised at the time of retirement of a partner is to be written off, then the capital accounts of the remaining partners are debited in:

- A. New profit sharing ratio  
B. Capital ratio  
C. Old profit sharing ratio  
D. Sacrificing ratio

474. Match List-I with List-II and select the correct answer using the codes given below the Lists:

| List-I                          | List-II  |
|---------------------------------|--|
| I. Partner's current accounts   | (a) Dissolution of partnership                     |
| II. Goodwill account            | (b) Admission of a partner                         |
| III. Partner's drawings account | (c) Fixed capital of partners                      |
| IV. Realisation account         | (d) Goods taken by a partner for self- consumption |

**Codes:**

- A. I-(a), II-(d), III-(b), IV-(c)  
 B. I-(c), II-(b), III-(d), IV-(a)  
 C. I-(a), II-(b), III-(d), IV-(c)  
 D. I-(c), II-(d), III-(b), IV-(a)

475. Which one of the following securities cannot be issued by a public limited company in India?

- A. Participating preference shares  
 B. Redeemable preference shares  
 C. Deferred shares  
 D. Debentures

476. Match List-I with List-II and select the correct answer using the codes given below the lists:

| List-I                                       | List-II             |
|--|---------------------|
| I. Receipts and payments account             | (a) Revenue         |
| II. Income and expenditure account           | (b) Cash            |
| III. Dividend equalization reserve           | (c) Liability       |
| IV. Subscription received in advance account | (d) General reserve |

**Codes:**

- A. I-(b), II-(a), III-(d), IV-(c)  
 B. I-(c), II-(d), III-(a), IV-(b)  
 C. I-(b), II-(d), III-(a), IV-(c)  
 D. I-(c), II-(a), III-(d), IV-(b)

477. Which one of the following is not a valid observation with reference to the declaration or payment of dividend for any financial year?

- (a) Depreciation for the current financial year must be provided  
 (b) Arrears of depreciation must be provided  
 (c) Losses incurred in previous year(s) must be set off  
 (d) 10% of the profit must be transferred to the reserves in all cases

**Codes:**

- A. I-(b), II-(a), III-(d), IV-(c)  
 B. I-(c), II-(d), III-(a), IV-(b)  
 C. I-(b), II-(d), III-(a), IV-(c)  
 D. I-(c), II-(a), III-(d), IV-(b)

478. Which of the following amounts shall be credited to Investor Education and Protection Fund, if they remain unpaid/unclaimed for seven years from the date they become due?

- A. Matured debentures of a company  
 B. Tax arrears  
 C. Proceeds of sale of property  
 D. Provision for doubtful debts

479. Match List-I with List-II and select the correct answer using the codes given below the lists:

| List-I  | List-II                      |
|---|------------------------------|
| I. Uncertain liability                            | (a) Amortisation             |
| II. Expiry of tangible asset                      | (b) Long-term liability      |
| III. Basis for all valuations in the balancesheet | (c) Research and development |
| IV. Accounting standard-As-8                      | (d) Estimated obligation     |
|   | (e) Conservatism convention  |

**Codes:**

- A. I-(e), II-(a), III-(b), IV-(c)  
 B. I-(d), II-(c), III-(e), IV-(a)  
 C. I-(e), II-(c), III-(d), IV-(a)  
 D. I-(d), II-(a), III-(e), IV-(c)

480. Consistency with reference to application of accounting principles refer to the fact that:

- A. Companies in the same industry use identical accounting procedures and methods  
 B. Income and assets have not been over stated  
 C. Accounting methods and procedures used have been consistently applied from year to year  
 D. All the methods and procedures have been utilised

481. A company purchased the following assets and paid through 1,00,000 fully paid equity shares of ₹ 10 at a premium of ₹ 2:

|                |       |            |
|----------------|-------|------------|
| Building       | _____ | ₹ 5,00,000 |
| Machinery      | _____ | ₹ 4,00,000 |
| Stock in trade | _____ | ₹ 1,00,000 |

In the context of funds flow statement, this transaction will result in:

- A. Funds in flow of ₹ 10,00,000  
 B. Funds in flow of ₹ 12,00,000  
 C. Funds in flow of ₹ 1,00,000  
 D. Funds in flow of ₹ 9,00,000

482. Call option is:

- A. a contract to buy a certain number of shares at a stated price within a specified period of time  
 B. a contract to sell a certain number of shares at a stated price within a specified period of time  
 C. the option of the issuing company to demand the shareholders to pay for the partly paid shares  
 D. the option available to the convertible debenture holders to demand equity shares in conversion of debentures

**Directions (Q. 483-485):** The questions consist of two statements, one labelled as (Assertion (A)) and the other labelled as 'Reason (R)'. You are to examine these two statements carefully and select the answers to these items using the codes.

**483. Assertion (A) :** Holding company is a partial consolidation

**Reason (R) :** If company C is the subsidiary of B, and B is a subsidiary of A, then C will be deemed to be a subsidiary of A through the medium of B

**Codes:**

- A. Both A and R are true, and R is the correct explanation of A
- B. Both A and R are true, but R is not a correct explanation of A
- C. A is true, but R is false
- D. A is false, but R is true

**484. Assertion (A) :** While preparing trading and profit and loss A/c and balancesheet, the adjustments given out side the trial balance are to be shown in final accounts at two places, if treated directly

**Reason (R) :** Adjustment are to be made to comply with the matching principle.

**Codes:**

- A. Both A and R are true, and R is the correct explanation of A
- B. Both A and R are true, but R is not a correct explanation of A
- C. A is true, but R is false
- D. A is false, but R is true

**485. Assertion (A) :** Current ratio shows the ability of the firm to meet its short-term obligations.

**Reason (R) :** Current ratio is also used in inventory valuation.

**Codes:**

- A. Both A and R are true, and R is the correct explanation of A
- B. Both A and R are true, but R is not a correct explanation of A
- C. A is true, but R is false
- D. A is false, but R is true

**486. Making the provision for bad and doubtful debts in anticipation of actual bad debts is on basis of:**

- A. Convention of disclosure
- B. Convention of consistency
- C. Convention of conservatism
- D. Conventions of disclosures and consistency

**487. Following data appear in the books of XY & Co. as on 31-03-2003**

|                             |             |
|-----------------------------|-------------|
| Capital account.....        | ₹ 13,00,000 |
| Drawings account.....       | ₹ 12,000    |
| Land & building account.... | ₹ 10,00,000 |
| Goodwill account.....       | ₹ 3,50,000  |
| Suspense account (Dr).....  | ₹ 50,000    |
| Loss by theft account.....  | ₹ 20,000    |
| Business loss.....          | ₹ 50,000    |
| Loan given to AB & Co.....  | ₹ 60,000    |

What will be the amount of sundry creditors?

- A. ₹ 2,30,000
- B. ₹ 1,72,000
- C. ₹ 3,42,000
- D. ₹ 2,42,000

**488. Under the accrual concept, which one of the following will not be shown as an asset/liability in the balancesheet of an entity?**

- A. Interest due but not paid
- B. Interest due but not received
- C. Interest due and paid
- D. Interest paid but not due

**489. A Company purchased 8% bonds at a cost of ₹12,00,000 (face value ₹10,00,000) on January 1, 2003. Half yearly interest is payable on this investment on June 30 and December 31st each year. The company closes its accounts on 31-3-2003. The amount of accrued interest shown in profit and loss account for the year ended is:**

- A. ₹ 40,000
- B. ₹ 60,000
- C. ₹ 20,000
- D. ₹ 80,000

**490. Goods worth ₹ 24,000 were returned by X. The accountant, however, credited the sales returns account by ₹ 42,000. In order to rectify this error, what should be done?**

- A. Debit the sales return account by ₹ 42,000
- B. Credit the sales return account by ₹ 24,000
- C. Debit the sales return account by ₹ 66,000
- D. Debit the sales return account by ₹ 18,000

**491. A machine with a written down value of ₹ 10,000 has been sold for ₹ 13,000. The amount realized is a:**

- A. Capital receipt and profit involved should be transferred to capital reserve
- B. Revenue receipt
- C. Capital receipt and profit involved should be transferred to General Reserve
- D. Capital receipt and profit involved should be transferred to profit and loss A/c

**492. ₹ 10,000 spent on the replacement of worn-out parts of an electronic machinery is treated as:**

- A. Capital expenditure
- B. Revenue expenditure
- C. Deferred revenue expenditure
- D. Capital loss



493. Preliminary expenses are an example of:

- A. Revenue expenditure
- B. Capital expenditure
- C. Deferred revenue expenditure
- D. All of these

494. Which of the following is/are capitalised along with the purchase price a fixed asset?

- I. Import duty
- II. Delivery and handling cost
- III. Cash discount
- IV. Cost of installation

Select the correct answer using the codes given below:

- A. III only
- B. II and III
- C. I, II and IV
- D. I, II, III and IV

495. Match List-I (Items) with List-II (Standards) and select the correct answer using the codes given below the lists:

| List-I<br>(Items)              | List-II<br>(Standards) |
|--------------------------------|------------------------|
| I. Accounting for fixed assets | (a) AS-9               |
| II. Revenue recognition        | (b) AS-10              |
| III. Depreciation accounting   | (c) AS-3               |
| IV. Cash flow statement        | (d) AS-6               |

**Codes:**

- A. I-(b), II-(c), III-(d), IV-(a)
- B. I-(d), II-(a), III-(b), IV-(c)
- C. I-(b), II-(a), III-(d), IV-(c)
- D. I-(d), II-(c), III-(b), IV-(a)

496. Accounting standard-AS-2 provides that inventories should be valued at

- A. lower of historical cost and net realisable value
- B. lower of historical cost and market value
- C. only estimated selling price
- D. All of these

497. While making an adjustment entry in respect of interest on capital, credit is made to:

- A. Capital account
- B. Interest on capital account
- C. Profit & loss account
- D. Interest account

498. Given the following data extracted from the book of Abdul traders:

|                        | (₹)      |
|------------------------|----------|
| Opening stock.....     | 30,000   |
| Closing stock.....     | 40,000   |
| Purchases.....         | 1,25,000 |
| Carriage inwards.....  | 2,000    |
| Carriage outwards..... | 3,000    |
| Return outwards.....   | 5,000    |
| Sales.....             | 1,50,000 |

The cost of goods sold will be

- A. ₹ 1,30,000
- B. ₹ 1,12,000
- C. ₹ 1,20,000
- D. ₹ 1,15,000

499. Consider the following statements:

A credit purchase during the accounting year which was not recorded in the books of account but included in the closing stock is to be:

- I. added to the credit purchases account
- II. added to the creditors account
- III. subtracted from the closing stock
- IV. added to the opening stock

Which of the statements given above is/are correct?

- A. III only
- B. I and II
- C. II and III
- D. II, III and IV

500. Match List-I (Items) with List-II (Headings) and select the correct answer using the codes given below the lists:

| List-I<br>(Items)            | List-II<br>(Headings)                      |
|------------------------------|--|
| I. Provision for income tax  | (a) Miscellaneous expenses not written off |
| II. Share premium            | (b) Current liabilities                    |
| III. Unclaimed dividend      | (c) Reserves and surplus                   |
| IV. Discount issue of shares | (d) Profit and loss account                |

**Codes:**

- A. I-(d), II-(c), III-(b), IV-(a)
- B. I-(b), II-(c), III-(d), IV-(a)
- C. I-(d), II-(a), III-(b), IV-(c)
- D. I-(b), II-(a), III-(d), IV-(c)

## ANSWERS

|    |    |    |    |    |    |    |    |    |    |
|----|----|----|----|----|----|----|----|----|----|
| 1  | 2  | 3  | 4  | 5  | 6  | 7  | 8  | 9  | 10 |
| C  | B  | B  | C  | B  | A  | C  | C  | C  | A  |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| A  | C  | A  | A  | B  | B  | B  | D  | D  | B  |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| A  | B  | A  | C  | A  | A  | B  | C  | A  | C  |

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 31  | 32  | 33  | 34  | 35  | 36  | 37  | 38  | 39  | 40  |
| C   | C   | A   | C   | B   | A   | C   | D   | D   | B   |
| 41  | 42  | 43  | 44  | 45  | 46  | 47  | 48  | 49  | 50  |
| C   | B   | D   | C   | A   | A   | A   | C   | C   | C   |
| 51  | 52  | 53  | 54  | 55  | 56  | 57  | 58  | 59  | 60  |
| A   | A   | B   | D   | A   | D   | B   | D   | A   | B   |
| 61  | 62  | 63  | 64  | 65  | 66  | 67  | 68  | 69  | 70  |
| A   | D   | A   | C   | C   | B   | D   | D   | B   | A   |
| 71  | 72  | 73  | 74  | 75  | 76  | 77  | 78  | 79  | 80  |
| B   | A   | A   | A   | C   | D   | B   | A   | C   | D   |
| 81  | 82  | 83  | 84  | 85  | 86  | 87  | 88  | 89  | 90  |
| A   | C   | D   | C   | B   | A   | B   | B   | B   | A   |
| 91  | 92  | 93  | 94  | 95  | 96  | 97  | 98  | 99  | 100 |
| B   | A   | B   | A   | C   | C   | B   | B   | A   | C   |
| 101 | 102 | 103 | 104 | 105 | 106 | 107 | 108 | 109 | 110 |
| B   | B   | B   | C   | C   | C   | C   | B   | C   | B   |
| 111 | 112 | 113 | 114 | 115 | 116 | 117 | 118 | 119 | 120 |
| B   | A   | B   | A   | B   | D   | A   | C   | B   | A   |
| 121 | 122 | 123 | 124 | 125 | 126 | 127 | 128 | 129 | 130 |
| C   | B   | B   | B   | A   | A   | C   | A   | C   | B   |
| 131 | 132 | 133 | 134 | 135 | 136 | 137 | 138 | 139 | 140 |
| A   | B   | B   | B   | A   | C   | B   | D   | B   | B   |
| 141 | 142 | 143 | 144 | 145 | 146 | 147 | 148 | 149 | 150 |
| C   | A   | A   | C   | B   | C   | A   | C   | A   | C   |
| 151 | 152 | 153 | 154 | 155 | 156 | 157 | 158 | 159 | 160 |
| B   | B   | C   | A   | A   | A   | B   | A   | A   | A   |
| 161 | 162 | 163 | 164 | 165 | 166 | 167 | 168 | 169 | 170 |
| D   | A   | D   | A   | A   | D   | A   | B   | A   | B   |
| 171 | 172 | 173 | 174 | 175 | 176 | 177 | 178 | 179 | 180 |
| A   | B   | B   | A   | B   | B   | A   | C   | D   | B   |
| 181 | 182 | 183 | 184 | 185 | 186 | 187 | 188 | 189 | 190 |
| B   | A   | C   | A   | A   | C   | C   | A   | B   | C   |
| 191 | 192 | 193 | 194 | 195 | 196 | 197 | 198 | 199 | 200 |
| A   | A   | B   | A   | A   | A   | A   | C   | A   | A   |
| 201 | 202 | 203 | 204 | 205 | 206 | 207 | 208 | 209 | 210 |
| A   | B   | B   | B   | B   | B   | A   | C   | C   | B   |
| 211 | 212 | 213 | 214 | 215 | 216 | 217 | 218 | 219 | 220 |
| C   | C   | C   | A   | D   | B   | A   | B   | B   | A   |
| 221 | 222 | 223 | 224 | 225 | 226 | 227 | 228 | 229 | 230 |
| B   | B   | A   | B   | C   | A   | C   | A   | A   | C   |
| 231 | 232 | 233 | 234 | 235 | 236 | 237 | 238 | 239 | 240 |
| B   | B   | C   | A   | C   | C   | C   | B   | C   | A   |
| 241 | 242 | 243 | 244 | 245 | 246 | 247 | 248 | 249 | 250 |
| A   | D   | C   | A   | A   | B   | A   | A   | C   | C   |
| 251 | 252 | 253 | 254 | 255 | 256 | 257 | 258 | 259 | 260 |
| D   | A   | B   | B   | C   | B   | A   | C   | B   | B   |
| 261 | 262 | 263 | 264 | 265 | 266 | 267 | 268 | 269 | 270 |
| A   | C   | A   | C   | D   | B   | B   | B   | B   | A   |

|     |     |     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 271 | 272 | 273 | 274 | 275 | 276 | 277 | 278 | 279 | 280 |
| B   | A   | C   | C   | B   | A   | A   | C   | A   | A   |
| 281 | 282 | 283 | 284 | 285 | 286 | 287 | 288 | 289 | 290 |
| C   | C   | B   | D   | A   | B   | B   | B   | D   | D   |
| 291 | 292 | 293 | 294 | 295 | 296 | 297 | 298 | 299 | 300 |
| B   | A   | C   | A   | D   | A   | C   | B   | B   | B   |
| 301 | 302 | 303 | 304 | 305 | 306 | 307 | 308 | 309 | 310 |
| B   | B   | D   | C   | C   | C   | D   | C   | B   | C   |
| 311 | 312 | 313 | 314 | 315 | 316 | 317 | 318 | 319 | 320 |
| A   | D   | D   | B   | D   | B   | D   | D   | C   | D   |
| 321 | 322 | 323 | 324 | 325 | 326 | 327 | 328 | 329 | 330 |
| A   | B   | B   | B   | D   | B   | D   | A   | D   | C   |
| 331 | 332 | 333 | 334 | 335 | 336 | 337 | 338 | 339 | 340 |
| D   | A   | A   | D   | C   | B   | B   | A   | B   | C   |
| 341 | 342 | 343 | 344 | 345 | 346 | 347 | 348 | 349 | 350 |
| C   | C   | C   | C   | B   | C   | D   | B   | A   | D   |
| 351 | 352 | 353 | 354 | 355 | 356 | 357 | 358 | 359 | 360 |
| B   | D   | C   | C   | B   | A   | D   | A   | C   | C   |
| 361 | 362 | 363 | 364 | 365 | 366 | 367 | 368 | 369 | 370 |
| D   | C   | B   | C   | B   | D   | B   | C   | C   | B   |
| 371 | 372 | 373 | 374 | 375 | 376 | 377 | 378 | 379 | 380 |
| A   | A   | A   | C   | C   | C   | A   | A   | A   | B   |
| 381 | 382 | 383 | 384 | 385 | 386 | 387 | 388 | 389 | 390 |
| B   | B   | A   | D   | A   | B   | C   | B   | A   | D   |
| 391 | 392 | 393 | 394 | 395 | 396 | 397 | 398 | 399 | 400 |
| C   | A   | C   | D   | A   | C   | D   | A   | A   | C   |
| 401 | 402 | 403 | 404 | 405 | 406 | 407 | 408 | 409 | 410 |
| B   | A   | D   | A   | B   | D   | B   | D   | A   | B   |
| 411 | 412 | 413 | 414 | 415 | 416 | 417 | 418 | 419 | 420 |
| B   | B   | A   | B   | B   | D   | B   | C   | A   | B   |
| 421 | 422 | 423 | 424 | 425 | 426 | 427 | 428 | 429 | 430 |
| A   | C   | B   | B   | A   | C   | A   | C   | D   | A   |
| 431 | 432 | 433 | 434 | 435 | 436 | 437 | 438 | 439 | 440 |
| D   | C   | B   | A   | C   | B   | C   | B   | B   | B   |
| 441 | 442 | 443 | 444 | 445 | 446 | 447 | 448 | 449 | 450 |
| D   | C   | D   | C   | A   | B   | C   | B   | A   | C   |
| 451 | 452 | 453 | 454 | 455 | 456 | 457 | 458 | 459 | 460 |
| B   | B   | C   | D   | D   | B   | C   | A   | B   | B   |
| 461 | 462 | 463 | 464 | 465 | 466 | 467 | 468 | 469 | 470 |
| A   | D   | C   | B   | D   | C   | A   | D   | C   | C   |
| 471 | 472 | 473 | 474 | 475 | 476 | 477 | 478 | 479 | 480 |
| A   | A   | C   | B   | C   | A   | D   | A   | D   | C   |
| 481 | 482 | 483 | 484 | 485 | 486 | 487 | 488 | 489 | 490 |
| C   | A   | D   | C   | C   | C   | D   | C   | C   | C   |
| 491 | 492 | 493 | 494 | 495 | 496 | 497 | 498 | 499 | 500 |
| A   | B   | C   | C   | C   | A   | A   | B   | B   | A   |