

Sample Question Paper

Subject- Financial Accounting

Subject code 139

Note – This is a sample Question paper for student's exam reference only, might be pattern of paper can be change in actual examination.

Q.1 The basic financial statements required by US GAAP include:-

1. Income statement
2. Statements of cash flows
3. Statements of retained earnings
4. All of these

Correct Answer :-

All of these

Q.2 A company in India, is one which is registered under the Companies Act, 1956.

1. TRUE
2. FALSE

Correct Answer :-

TRUE

Q.3 In India, a partnership firms are governed by the provisions of:-

1. The Indian Proprietorship Act, 1932
2. The Indian Partnership Act, 1930
3. The Indian Partnership Act, 1932
4. None of these

Correct Answer :-

The Indian Partnership Act, 1932

Q.4 The Journal is called as:-

1. Book of Prime Entry
2. Book of Notes
3. Book of Double Entry

4. None of these

Correct Answer :-

Book of Prime Entry

Q.5 Withdraw cash of Rs. 10,000/- from bank for personal use, you will:-

1. Debit Cash A/c for Rs. 10,000/- and credit Bank A/c by Rs. 10,000/-
2. Debit Bank A/c by Rs. 10,000/- and credit Cash A/c for Rs. 10,000/-
3. Debit Drawing A/c by Rs. 10,000/- and Bank A/c by Rs. 10,000/-
4. None of these

Correct Answer :-

Debit Drawing A/c by Rs. 10,000/- and Bank A/c by Rs. 10,000/-

Q.6 Supplies is the example of Accrued expenses.

1. TRUE
2. FALSE

Correct Answer :-

FALSE

Q.7 Purchase goods for cash worth Rs. 10,000/- at 15% discount, you will:-

1. Debit Goods A/c for Rs. 8,500/- and credit Cash A/c for Rs. 8,500/-
2. Credit Cash A/c for Rs. 8,500/- and Discount A/c for Rs. 1,500/- and debit Goods A/c for Rs. 10,000/-
3. Credit Cash A/c for Rs. 10,000/- and debit Goods A/c for Rs. 10,000/-
4. None of these

Correct Answer :-

Credit Cash A/c for Rs. 8,500/- and Discount A/c for Rs. 1,500/- and debit Goods A/c for Rs. 10,000/-

Q.8 Nominal Accounts relate to:-

1. Expenses, Losses gains and Revenue
2. Persons, Debtors or Creditors
3. Plant & Machinery a/c, Cash a/c
4. None of these

Correct Answer :-

Expenses, Losses gains and Revenue

Q.9 Permanent account includes:-

1. a) Assets
2. b) Liabilities
3. c) Dividends
4. d)Both (a) & (b)

Correct Answer :-

d)Both (a) & (b)

Q.10 Prepaid expenses is an example of:-

1. Deferral
2. Accrual adjustment
3. Depreciation
4. None of these

Correct Answer :-

Deferral

Q.11 Non-current liabilities are those obligations that will become due & payable in coming year:-

1. TRUE
2. FALSE

Correct Answer :-

TRUE

Q.12 Some of the common uses of funds from term loan include:-

1. a) Permanent Working capital
2. b) Fixed Assets
3. c)Both (a) & (b)
4. d)None of these

Correct Answer :-

c)Both (a) & (b)

Q.13 Liabilities represent:-

1. Company's use of funds
2. Company's obligations to creditors

- 3. Owner's investment in company
- 4. None of these]

Correct Answer :-

Company's obligations to creditors

Q.14 Equity share is:-

- 1. a) The least nervous, last to be paid source of funds
- 2. b) Top priority payable source of fund
- 3. c)Both (a) & (b)
- 4. d)All of these

Correct Answer :-

a) The least nervous, last to be paid source of funds

Q.15 Current assets include:-

- 1. Accounts receivables
- 2. Prepaid expenses
- 3. Inventory
- 4. All of these

Correct Answer :-

All of these