

**FYBCom**  
**Subject: Accountancy and Financial Management. SEM II**  
**Objective Questions Bank 2020/21**

**Fill in the blanks with correct answer.**

**Accounting from incomplete records**

- 1 In single entry system , opening capital is ascertained by preparing \_\_\_\_\_
  - A Total debtors account
  - B Total creditors account
  - C cash account
  - D Opening statement of affairs
- 2 In single entry system , credit sales are ascertained by preparing \_\_\_\_\_
  - A Total creditors account
  - B Total debtors account
  - C Credit sales account
  - D Trading account
- 3 If the books are kept under single entry system , credit purchases are ascertained by preparing \_\_\_\_\_
  - A Total creditors account
  - B Total debtors account
  - C Credit purchases account
  - D Bills payable account
- 4 If the books are kept under single entry system , opening stock is ascertained by preparing \_\_\_\_\_
  - A Opening stock account
  - B Asset account
  - C Memorandum trading account
  - D Opening statement of affairs
- 5 Cash received from debtors for construction of cash account is ascertained from \_\_\_\_\_
  - A Total debtors account
  - B Balance sheet
  - C Pass book
  - D Total creditors account
- 6 An estimate of assets and liabilities as on a date is called \_\_\_\_\_
  - A Balance sheet
  - B Statement of Affairs
  - C Estimate of capital
  - D Trial balance
- 7 When goods are sold on credit basis , debtors account is debited and \_\_\_\_\_ account is credited .
  - A Purchases
  - B Sales
  - C cash
  - D Stock
- 8 For bills receivables honoured by debtors \_\_\_\_\_ account is debited and debtors account is credited .

- A Bills Receivable
- B Bills Payable
- C Creditors
- D Bank

9 For bills payables accepted by creditors , creditors account debited and \_\_\_\_\_ is credited

- A Bills payable account
- B Debtors account
- C Bills receivables account
- D Cash account

10 When goods are returned from customers , \_\_\_\_\_ account is debited .

- A Total Debtors
- B Total Creditors
- C Sales Return
- D Cash

11 Opening balance of debtors is Rs 21,500 , amount received from debtors is Rs 88,600 and closing balance of debtors is Rs 28,700 , then credit sales is \_\_\_\_\_

- A Rs 1,17,300
- B Rs 95,800
- C Rs 98,500
- D Rs 90,200

12 For outstanding expenses , \_\_\_\_\_ account is debited .

- A Expenses
- B Outstanding expenses
- C Cash
- D Bank

13 Opening balance of creditors is Rs 18,000 , amount paid to creditors is Rs 85,600 , closing balance of creditors is Rs 20,400 , then credit purchases is \_\_\_\_\_

- A Rs 1,06,000
- B Rs 98,000
- C Rs 88,000
- D Rs 89,000

14 For prepaid expenses , \_\_\_\_\_ account is debited .

- A Expenses
- B Prepaid expenses
- C Bank
- D Profit and loss

15 Opening balance of bills receivables account is Rs 8,000, bills received is Rs 27,000 and closing balance of bills receivables is Rs 6,000 , then bills drawn on debtors is \_\_\_\_\_

- A Rs 33000
- B Rs 27000
- C Rs 25000
- D Rs 35000

15 Cash sales Rs 38000 , credit sales Rs 72000 , sales return Rs 2000 , then net sales is \_\_\_\_\_

- A Rs 110000

- B Rs 108000  
C Rs Rs 100000  
D Rs 99000
- 16 When goods are returned to suppliers \_\_\_\_\_ account is credited .  
A Creditors  
B Debtors  
C Purchase returns  
D sales returns
- 17 When rent is received in advance \_\_\_\_\_ account is debited .  
A Rent  
B Cash  
C Bank  
D Advance rent
- 18 Cash purchases Rs 25500 , credit purchases Rs 78500 , purchase returns Rs 1500 , then net purchases is \_\_\_\_\_  
A Rs 102500  
B Rs 105000  
C Rs 98500  
D Rs 104000
- 19 When the goods are returned from customers \_\_\_\_\_ account is debited .  
A Debtors  
B Creditors  
C Return inwards  
D Return outwards
- 20 Unrecorded sales should be \_\_\_\_\_  
A added to purchases  
B added to sales  
C deducted from sales  
D deducted from purchases
- 21 If total assets are Rs 25,00,000 and total liabilities are Rs 10,00,000 , the capital will be \_\_\_\_\_  
A Rs 25,00,000  
B Rs 15.00.000  
C 10,00 ,000  
D Rs 35,00,000
- 22 Cash purchases can be calculated from \_\_\_\_\_ account  
A Total debtors  
B Total creditors  
C Cash  
D Bills payable
- 23 Opening balance of debtors Rs 50,000 , Closing balance of debtors Rs 70,000 , collection from debtors Rs 1,20,000 , sales returns Rs 10,000 , amount of credit sales will be \_\_\_\_\_  
A Rs 1,40,000  
B Rs 1,20,000  
C Rs 1,75,000

- D Rs 1,50,000
- 24 Unrecorded purchases should be \_\_\_\_\_
- A added to purchases
  - B added to sales
  - C deducted from sales
  - D deducted from purchases
- 25 Opening balance of creditors Rs 60,000 , Closing balance of creditors Rs 70,000 , payment to creditors Rs 1,20,000 , purchase returns Rs 10,000 , amount of credit purchases will be \_\_\_\_\_
- A Rs 1,40,000
  - B Rs 1,20,000
  - C Rs 1,30,000
  - D Rs 1,80, 000

### **Consignment accounts**

- 1 In consignment accounts , proforma invoice is prepared by \_\_\_\_\_
- A consigner
  - B consignee
  - C seller
  - D buyer
- 2 In consignment accounts , an account sales is prepared by \_\_\_\_\_
- A consigner
  - B consignee
  - C seller
  - D buyer
- 3 The relationship between consigner and consignee is that of \_\_\_\_\_
- A principal and agent
  - B Agent and principal
  - C Principal and principal
  - D agent and sub -agent
- 4 In consignment accounting , consigner is \_\_\_\_\_
- A principal
  - B agent
  - B debtor
  - C creditor
- 5 In consignment accounting , consignee is \_\_\_\_\_
- A principal
  - B agent
  - B debtor
  - C creditor
- 6 In consignment accounting , consignee account is \_\_\_\_\_
- A Real account
  - B Personal Account
  - C Nominal Account
  - D not an account
- 7 In consignment accounting , the balance of goods sent on consignment account is

transferred to \_\_\_\_\_ -

- A Profit and loss account
- B Trading account
- C Manufacturing statement
- D consignment account

8 When consigner sends goods to consignee , he prepares \_\_\_\_\_

- A Account sales
- B Proforma invoice
- C cash memo
- D Credit Memo

9 A periodic statement prepared by the consignee to consignor is \_\_\_\_\_

- A Account sales
- B Proforma invoice
- C Credit memo
- D Cash memo

10 Extra commission paid to the consignee, for making him responsible for bad debts is

\_\_\_\_\_

- A Commission
- B Del-credere commission
- C profit to consignee
- D over-riding commission

11 Del-credere commission is calculated on \_\_\_\_\_

- A Total sales
- B Cash sales
- C Credit sales
- D Net sales

12 If no Del-credere commission is paid to the consignee , \_\_\_\_\_ account should be debited for credit sales .

- A consignee account
- B consignment account
- C consignment debtors account
- D consignor account

13 If Del-credere commission is paid , then \_\_\_\_\_ should be debited for credit sales .

- A consignee account
- B consignment account
- C consignment debtors account
- D consignor account

14 Goods sent on consignment account is of the nature of \_\_\_\_\_

- A personal account
- B nominal account
- C real account
- D sales account

15 For recording closing stock held by consignee \_\_\_\_\_ account must be debited ,

- A consignment stock
- B sales

- C consignee  
D consignment
- 16 In consignment accounts , commission is shared by \_\_\_\_\_  
A consignor and consignee  
B only consignee  
C only consignor  
D consumer
- 17 Goods costing Rs 2,00,000 sent to consignee at cost + 25 % . The invoice price pf the goods will be \_\_\_\_\_  
A Rs 2,50,000  
B Rs 2,40,000  
C Rs 3,00,000  
D Rs 2.00,000
- 18 Goods costing Rs 1,80,000 sent to consignee at 20 % profit on invoice price . The invoice price pf the goods will be \_\_\_\_\_  
A Rs 2,16,000  
B Rs 2,25,000  
C Rs 2,10,000  
D Rs 2,00,000
- 19 The owner of consignment stock is \_\_\_\_\_  
A consignor  
B consignee  
C debtors  
D creditors
- 20 In consignment accounts, if advance is paid by consignee by cheque \_\_\_\_\_ account is debited in the books of consigner  
A Cash  
B Bank  
C Consignee  
D Consignor
- 21 Consignee account is prepared in the books of \_\_\_\_\_  
A consignor  
B consignee  
C Transporter  
D Agency
- 22 Goods of the invoice value Rs 2,40,000 are sent to consignee at 20 % profit on cost . The loading amount will be \_\_\_\_\_  
A Rs 40,000  
B Rs 48,000  
C Rs 50,000  
D Rs 60,000
- 23 Goods of the invoice value Rs 2,80,000 are sent to consignee at 20 % profit on invoice price . The loading amount will be \_\_\_\_\_  
A Rs 48,000  
B Rs 56,000  
C Rs 52,000

- D Rs 70,000
- 24 Consignment account is prepared in the books of \_\_\_\_\_  
A consignor  
B consignee  
C Transporter  
D Agency
- 25 \_\_\_\_\_ expenses is included in calculating consignment closing stock  
A Carriage  
B Go down rent  
C Discount  
D Bad debts
- 26 \_\_\_\_\_ expenses is excluded in calculating consignment closing stock  
A Insurance  
B Freight  
C Go down rent  
D Carriage
- 27 In consignment accounts, if advance is paid by consignee in cash \_\_\_\_\_ account is debited in the books of consigner  
A Cash  
B Bank  
C Consignee  
D Consignor
- 28 In consignment accounts, if advance is paid by consignee in the form of bills \_\_\_\_\_ account is debited in the books of consigner  
A Cash  
B Bank  
C Bills Receivables  
D Bills Payables

### III Branch Accounts

- 1 Branch account under debtors method is a \_\_\_\_\_  
A personal account  
B nominal account  
C real account  
D representative personal account
- 2 Branch account under stock and debtors method is a \_\_\_\_\_  
A real account  
B nominal account  
C personal account  
D representative personal account
- 3 Under debtors method , goods received from another branch at cost are debited to \_\_\_\_\_ account  
A Branch  
B Goods sent to branch  
C Branch stock  
D head office

4 Under debtors method , goods sent to branch account is closed by transferring the balance to \_\_\_\_\_

- A Trading
- B Profit and loss account
- C Sales account
- D Creditors account

5 Under debtors method , goods returned to head office is debited to \_\_\_\_\_account

- A Branch
- B Goods sent to branch
- C Purchases
- D Debtors

6 Under debtors method , expenses of the branch met by H O are credited to \_\_\_\_\_

- A Expenses account
- B cash / bank account
- C Branch account
- D Head office account

7 If the goods are sent at cost + 25 % , then loading is \_\_\_\_\_ of selling price .

- A 20%
- B 25 %
- C 30 %
- D 15 %

8 If the goods are sent at 20 % loading on cost , then loading is \_\_\_\_\_on selling price.

- A  $\frac{1}{6}$ th
- B  $\frac{1}{5}$ th
- C  $\frac{1}{3}$ rd
- D  $\frac{1}{4}$ th

9 If the goods are sent at 33.3 % loading on selling price , then loading is \_\_\_\_\_on cost price .

- A  $\frac{1}{2}$
- B  $\frac{1}{3}$ rd
- C  $\frac{1}{4}$ th
- D  $\frac{1}{5}$ th

10 Under debtors method ,when the goods are sent at invoice price , loading on opening stock is adjusted by debit to \_\_\_\_\_ account

- A Stock reserve
- B Branch
- C profit and loss
- D cash

11 Under stock and debtor method , goods received from another branch at cost are debited to \_\_\_\_\_ account .

- A Branch stock
- B Expenses
- C Goods sent to branch
- D Sales



- 12 Under stock and debtor method, expenses of the branch met by H O are debited to \_\_\_\_\_ Account .
- A Cash
  - B Bank
  - C Branch Expenses
  - D Branch
- 13 Under stock and debtor method , when the goods are sent at invoice price \_\_\_\_\_ account shows all loading entries shown in branch stock account .
- A Branch
  - B Branch Adjustment
  - C Expenses
  - D Debtors
- 14 Under stock and debtor method , credit sales are debited to \_\_\_\_\_ account
- A Branch
  - B Branch Creditors
  - C Branch Debtors
  - D Bank
- 15 Depreciation on branch assets under debtor method is \_\_\_\_\_
- A not shown separately in branch account
  - B shown in branch account
  - C not accounted
  - D shown in P and L account of H O
- 16 Under debtor method , when the goods are sent at invoice price , loading in goods sent is debited to \_\_\_\_\_ Account .
- A Branch
  - B Goods sent to branch
  - C Bank
  - D Debtors
- 17 If the goods sent to branch at invoice price is Rs 2,40, 000 at 20 % profit on selling price , then loading is \_\_\_\_\_
- A Rs 40,000
  - B Rs 48,000
  - C Rs 50,000
  - D Rs 60,000
- 18 Under debtors method ,when the goods are sent at invoice price , loading on closing stock is adjusted by credit to \_\_\_\_\_ account
- A Cash
  - B Branch
  - C profit and loss
  - D Stock reserve
- 19 If the goods sent to branch at invoice price is Rs 3,00, 000 at 25 % profit on cost price , then loading is \_\_\_\_\_
- A Rs 60,000
  - B Rs 75,000
  - C Rs 50,000
  - D Rs 25,000

- 20 Under stock and debtor method , Branch adjustment account shows \_\_\_\_\_  
A Net profit  
B Gross Profit  
C Branch Stock  
D Branch Expenses
- 21 Loading calculated ,on invoice price of goods returned to H O is adjusted by debiting to \_\_\_\_\_ account .  
A Goods sent to branch account  
B Branch  
C Stock reserve  
D Stock
- 22 If the goods sent to branch at cost price is Rs 1,90, 000 at 20 % profit on cost price , then invoice price of goods sent is \_\_\_\_\_  
A Rs 2,26,000  
B Rs 2,00,000  
C Rs 2,28,000  
D Rs 1,52,000
- 23 Under debtor method , when the amount received by branch is remitted to H O \_\_\_\_\_ Account is debited .  
A Branch  
B Goods sent to branch  
C Cash / Bank  
D Stock
- 24 If the goods sent to branch at cost price is Rs 1,50, 000 at 25 % profit on invoice price , then invoice price of goods sent is \_\_\_\_\_  
A Rs 2,00,000  
B Rs 1,87,500  
C Rs 1,80,000  
D Rs 2,10,000

#### **IV Fire insurance claims**

- 1 Fire insurance \_\_\_\_\_  
A covers the risk of loss  
B Prevents loss  
C increases loss  
D covers life insurance
- 2 In fire insurance compensation is \_\_\_\_\_  
A equal to policy amount  
B stock on the date of fire  
C actual loss incurred  
D more than policy amount
- 3 Salvage refers to stock \_\_\_\_\_  
A destroyed by fire  
B saved from fire  
C moving fast  
D moving slow

- 4 Stock for the purpose of claim should \_\_\_\_\_  
A at marginal price  
B at market value  
C at cost  
D at selling price
- 5 Unrecorded sales should be \_\_\_\_\_  
A added to purchase  
B Added to sales  
C added to profit  
D Ignored
- 6 Credit purchases should be ascertained from \_\_\_\_\_  
A Creditors account  
B Debtors account  
C Cash account  
D Bank Account
- 7 Total debtors account is prepared to find out \_\_\_\_\_  
A Cash sales  
B credit sales  
C cash purchases  
D credit purchases
- 8 Salvage is \_\_\_\_\_ stock on the date of fire  
A Added to  
B deducted from  
C ignored from  
D not adjusted
- 9 As per average clause , insurance company pays compensation \_\_\_\_\_  
A Proportionally  
B More than loss  
C Less than Loss  
D Equal to stock
- 10 Goods sent on consignment are \_\_\_\_\_ account  
A debited to Memorandum trading  
B credited to Memorandum trading  
C credited to profit and loss  
D debited to profit and loss
- 11 Unrecorded purchase of furniture should be \_\_\_\_\_  
A added to sales  
B added to purchases  
C added to cash  
D added to Furniture
- 12 The main objective of the average clause is to \_\_\_\_\_ insurance  
A encourage full  
B encourage under  
C discourage full  
D encourage equal
- 13 In case of average clause, the loss is suffered by both the insured and insurer \_\_\_\_\_

A in the ratio of risk covered

B in equal ratio

C only by insurer

D in agreed ratio

14 The value of closing stock on the date of fire can be ascertained by preparing \_\_\_\_\_ account

A Trading

B Memorandum Trading

C Memorandum P and L

D Profit and loss

15 Fire insurance provides cover for loss of \_\_\_\_\_

A Tangible assets

B Intangible assets

C Fictitious assets

D None of assets

16 To lodge the claim for loss of stock by fire , the value of \_\_\_\_\_ on the date fire has to be estimated .

A opening stock

B closing stock

C sales

D claim

17 The stock of goods destroyed by fire on the date of fire is Rs 78,000 , value of salvaged goods Rs 5,000 and the insurance policy is for Rs 1,00, 000, the amount of claim will be \_\_\_\_\_

A Rs 78,000

B Rs 73,000

C Rs 1,00,000

D Rs 22,000

18 A fire insurance policy usually includes an \_\_\_\_\_ to discourage under insurance of stock .

A Average clause

B Weighted clause

C closing stock

D opening stock

19 Goods recovered in good condition at the time of accident is called \_\_\_\_\_

A Salvaged goods

B saved goods

C Damaged goods

D Accident goods

20 If the good are sold for Rs 20,000 at 25 % profit on cost , the cost of goods sold is \_\_\_\_\_

A Rs 10,000

B Rs 16,000

C Rs 15,000

D Rs 18,000

21 Goods worth Rs 40,000 have been insured for Rs 30,000 , the loss on account of fire

is Rs 25,000 . Th amount of claim is \_\_\_\_\_

A Rs 30,000

B Rs 25,000

C Rs 18,750

D Rs 28,000

22 The loss of goods destroyed by fire on the date of fire is Rs 78,000 and the insurance policy is for Rs 1,00, 000, the amount of claim will be \_\_\_\_\_

A Rs 100000

B Rs 78000

C Rs 50000

D Rs 22000

23 If the sales are Rs 5,25,000 , the gross profit is Rs 1,26,000, the gross profit rate is \_\_\_\_\_ of sales .

A 25 %

B 28 %

C 24 %

D 30 %

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