

SAMPLE QUESTION WITH ANSWERS

(PRACTICE QUESTIONS)

FINANCIAL

ACCOUNTING

BY

DR. VISHAL SAXENA



## Practice Questions with Answers:

Q1. Shri K. S. Aiyar became the first honorary principal of:

Ans. Sydenham College Of commerce in Bombay

Q2. Shri K.S. Aiyar Started his practice in:

Ans. 1897

Q3. As per Shri K.S Aiyar his firm is:

Ans. Educational Institutions

Q4. Accounting is referred to as:

Ans. The language of the business

Q5. On 31<sup>st</sup> march, 2020 Mahadev enterprises purchases a loader from Narain Motors for ₹175000. This is:

Ans. A transaction as well as event

Q6. Subject matter of financial accounting is:

Ans. Analysis, recording and classifying of financial transactions

Q7. System of financial accounting is:

Ans. Cash system, Single entry system and double entry system

Q8. SBI was established in the year?

Ans. 1<sup>st</sup> July 1955

Q9. How many mandatory accounting standards are there in India 2020?

Ans. 29

Q10. The accounting standards are compulsory for:

Ans. Companies

Q11. Which book contains all accounts permanently:

Ans. Ledger

Q12. Which ledger column links the entry with the journal:

Ans. J.F. column

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Q13. A trial proof the:

Ans. **Arithmetical accuracy of accounts**

Q14. In hire purchase system, before the payment of last instalment, the purchaser can:

Ans. **Use the asset in proper condition**

Q15. The cost of good sold on hire purchase is transferred to:

Ans. **Purchase account**

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Q16. In instalment system, the price of any goods is equal to the totals its:

Ans. Cash price and interest on outstanding amount

Q17. In order find out the amount of closing stock, we prepare:

Ans. Memorandum stock account

Q18. Branch adjustable account is prepared by:

Ans. Head office of dependent branch

Q19. Sales upto the date of loss by fire are recorded in which side of stocks by memorandum trading account:

Ans. Right side

Q20. Formula of cost of goods sold:

Ans. Sales – gross profit

Q21. A period which commence on the date of damage by fire and ends on the date when normally is restored is called:

Ans. Indemnity period



Q22. What items discuss while preparing memorandum trading account:

Ans. Opening stock, purchase and direct expenses

Q23. Usually, voyage account is credited with:

Ans. Passage money, Primage and closing stocks of stores provisions, Coal, fuel etc.

Q24. Amount due to local authority comes under:

Ans. Preferential creditors

Q25. Under the Provincial insolvency Act, 1920 rent due to the landlord is:

Ans. Unsecured claim

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