Unit 1 - How to access the portal

Assignment 0

The due date for submitting this assignment has passed.
As per our records you have not submitted this assignment.

1) Double entry accounting system means

- Every business transaction has two fold effects
- Every business transaction is recorded in journal & ledger
- Every business transaction is taken to trial balance
- All of the above

No, the answer is incorrect.
Score: 0
Accepted Answers:
Every business transaction has two fold effects

2) Drawings account of the proprietor is a

- Personal account
- Real account
- Nominal account
- None of the above

No, the answer is incorrect.
Score: 0
Accepted Answers:
Personal account

3) Which of the following accounts have only credit balance?

- Reserve Fund account
- Capital account
- Accounts payable


4) Miscellaneous expenses account is likely to have
- Only debit balance
- Only credit entries
- Both debit and credit entries
- None of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: Only debit balance

5) Bank overdraft should be classified as
- Current asset
- Current Liability
- Fixed asset
- None of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: Current Liability

6) Which of the following is correct?
- Closing stock + Purchases - Opening stock + Cost of goods sold = Zero
- Opening stock - Closing stock - Purchases + Cost of goods sold = Zero
- Purchases + Opening Stock - Closing Stock - Cost of goods sold = Zero
- Cost of goods sold - Closing stock - Purchases - Opening stock = Zero

No, the answer is incorrect.
Score: 0
Accepted Answers: Purchases + Opening Stock - Closing Stock - Cost of goods sold = Zero

7) The income statement of a limited company is known as
- Manufacturing account
- Trading and Profit and Loss account
- Profit and Loss account
- Profit and Loss Appropriation account

No, the answer is incorrect.
Score: 0
Accepted Answers: Profit and Loss account

8) Which of the following is not taken into account while computing current ratio?
- Sundry creditors
- Sundry debtors
- Investments
- Bank overdraft

No, the answer is incorrect.
9) The most rigorous test of liquidity is **1 point**
- Current ratio
- Acid test ratio
- Super quick ratio
- Stock turnover ratio

No, the answer is incorrect.

10) The basic objective of making the cash flow statement as statutory statement is **1 point**
- To know the extent of cash profits in the firm
- To know the funds position in the firm
- To know the liquidity position in the firm
- To know the financial position of the firm

No, the answer is incorrect.

11) Collection of accounts receivable will cause the current ratio to **1 point**
- Increase
- Decrease
- Remain unchanged
- None of the above

No, the answer is incorrect.

12) The Profit and loss account of a company **1 point**
- Must be prepared in the form set out by the Companies Act
- May be prepared in form
- Should be prepared in any form so as to give a true and fair picture of the operations of the company
- Any of the above

No, the answer is incorrect.