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Courses » Financial Statement Analysis and Reporting

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Unit 2 - Week-1

Register for
Certification exam

Course outline

How to access the portal

Week-1

- Introduction
- Accounting Process
- Accounting Concepts
- Trial Balance & its Relevance
- Relevant Accounting Statements
- Quiz : Week-1 Assignment-1
- Answer Key Assignment-1

Week-2

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Week-1 Assignment-1

The due date for submitting this assignment has passed.

As per our records you have not submitted this assignment. **Due on 2019-02-13, 23:59 IST.**

1) What is the underlying convention that supports the immediate recognition of an estimated loss? **1 point**

- Disclosure
- Consistency
- Materiality
- Prudence

No, the answer is incorrect.

Score: 0

Accepted Answers:
Prudence

2) Liabilities of a business are Rs. 40, 220 and owner's equity is Rs. 50, 000. The assets of the business will be **1 point**

- Rs. 61,220
- Rs. 73,780
- Rs. 85, 000
- Rs. 90,220

No, the answer is incorrect.

Score: 0

Accepted Answers:
Rs. 90,220

3) Accounting has been defined as "The art of recording, classifying, summarising, analysing and interpreting the business transactions systematically and communicating business results to interested users is accounting" by: **1 point**

- AICPA

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Accepted Answers:

AICPA

4) Which of these is/are the objectives of accounting? **1 point**

- Communicating information to all interested users
- Providing relevant data to make appropriate decisions concerning use of limited resources
- Facilitating social functions and control
- All of the above

No, the answer is incorrect.**Score: 0**

Accepted Answers:

All of the above

5) Ms. Z started business investing Rs. 1, 00,000. She purchased goods for Rs. 40,000; Furniture for Rs. 20,000 and plant & machinery of Rs. 30,000; Rs. 10,000 remains in hand. According to the accounting concept Rs. 1, 00,000 will be treated by business as capital i.e. a liability of business towards the owner of the business **1 point**

- Accrual concept
- Business Entity
- Matching
- Money Measurement

No, the answer is incorrect.**Score: 0**

Accepted Answers:

Business Entity

6) Assets and Expenses Accounts are debited if there is _____ and credited if there is _____ : **1 point**

- Decrease/increase
- Decrease/decrease
- Increase/decrease
- Increase/increase

No, the answer is incorrect.**Score: 0**

Accepted Answers:

Increase/decrease

7) Liability, Capital and Revenue Accounts are _____ if there is decrease and _____ if there is increase: **1 point**

- Debited/credited
- Debited/debited
- Credited/credited
- Credited/debited

No, the answer is incorrect.**Score: 0**

Accepted Answers:

Debited/credited

8) Goods sold to S for Rs. 4200 was recorded in the Sales Book as Rs. 2400. The **1 point**

above error will be reflected in the Trial Balance as:

- Error of omission
- Error of commission
- Error of principle
- None of the above

No, the answer is incorrect.

Score: 0

Accepted Answers:

Error of commission

9) Rs. 5000 spent on the repairs of building is debited to Building A/c. The above error will be reflected in the Trial Balance as: **1 point**

- Error of omission
- Error of commission
- Error of principle
- None of the above

No, the answer is incorrect.

Score: 0

Accepted Answers:

Error of principle

10) Total of the credit column of trading Account – total of the debit column of trading A/c is equal to **1 point**

- Gross Profit
- Net Profit
- Cost of Goods Sold
- None of the above

No, the answer is incorrect.

Score: 0

Accepted Answers:

Gross Profit

11) If the totals of the two columns of the Trial Balance do not tally, the difference will be transferred to: **1 point**

- Secret A/C
- Suspense A/C
- Suspicious A/C
- Doubtful A/C

No, the answer is incorrect.

Score: 0

Accepted Answers:

Suspense A/C

12) Which of the following is/are the objective(s) of preparing Balance Sheet? **1 point**

- To measure the true financial position of a business entity at a particular point of time
- To systematically present what a business unit owns and what it owes
- To help different stakeholders in decision making

All of the above

No, the answer is incorrect.

Score: 0

Accepted Answers:

All of the above

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