Week-3 Assignment-3

The due date for submitting this assignment has passed. As per our records you have not submitted this assignment. Due on 2019-02-20, 23:59 IST.

1) What should be the correct arrangement of following assets in the balance sheet in the order of permanency?
   1. Land & Building
   2. Closing Stock
   3. Sundry Debtors
   4. Plant & Machinery

   - 1, 4, 3, 2
   - 1, 4, 2, 3
   - 4, 1, 3, 2
   - 4, 1, 2, 3

   No, the answer is incorrect.
   Score: 0
   Accepted Answers: 1, 4, 2, 3

2) A Ltd. has sold a machine for Rs. 1, 20,000. The cost and accumulated depreciation of the same, at the time of sale were Rs. 1, 00,000 and Rs. 80,000 respectively. In computing profit for managerial remuneration, credit should be taken for:

   - Rs. 1,00,000
   - Rs. 20,000
   - Rs. 80,000
   - Rs. 40,000

   No, the answer is incorrect.
   Score: 0
   Accepted Answers: Rs. 1,00,000
4) What should be the treatment for adjusting accrued income and income in advance respectively in the credit side of Profit and Loss A/C?

- Added / Deducted
- Added / Added
- Deducted / Deducted
- Deducted / Added

No, the answer is incorrect.
Score: 0

Accepted Answers:
Added / Deducted

5) Given are the balances from the Trial Balance of a trader as on 31st Dec., 2018.

- Sundry Debtors
- Provision for Bad and Doubtful Debts
- Bad Debts

Rs. 24600
Rs. 1000
Rs. 700

Additional Information:
Further bad debts amounted to Rs 600. Make a provision for Bad and Doubtful debts on Debtors @5%.
What should be the final amount of Bad debts appearing on the debit side of the Profit & Loss A/C?

- Rs. 2,500
- Rs. 1,200
- Rs. 2,000
- Rs. 1,500

No, the answer is incorrect.
Score: 0

Accepted Answers:
Rs. 1,500

6) Using the information given in Q.5, find the amount of Debtors in the Balance sheet of the trader as on 31st Dec, 2018:

- Rs. 22,400
- Rs. 22,800
- Rs. 25,600
- Rs. 22,900

No, the answer is incorrect.
Score: 0

Accepted Answers:
Rs. 22,800

7) Closing stock given in the trial balance is treated in the:

- Shown on the liabilities and assets side respectively
- Shown on the assets and liabilities side respectively
8) Complete the journal entry for Interest on capital allowed:

Interest on capital A/c Dr.
To ____________

- Interest A/C
- Profit & Loss A/C
- Capital A/C
- None of these

No, the answer is incorrect.
Score: 0
Accepted Answers:
- Balance sheet

9) Prepaid insurance account is

- An expense
- Revenue
- An asset
- A liability

No, the answer is incorrect.
Score: 0
Accepted Answers:
- An asset

10) Current liabilities do not include

- Unpaid dividends
- Sundry Creditors
- Prepaid insurance
- Bank overdraft

No, the answer is incorrect.
Score: 0
Accepted Answers:
- Prepaid insurance

11) The decrease in the value of fixed assets such as Plant & Machinery, Furniture & Fixtures, Land & Building, Motor Vehicles etc. due to wear and tear is called as:

- Amortization
- Depreciation
- Obsolescence
- Any of the above
12. Debit signifies

- [ ] Increase
- [ ] Decrease
- [ ] Either an increase or a decrease
- [x] None of the above

*No, the answer is incorrect.*

Score: 0

Accepted Answers:

- [ ] Depreciation

*Either an increase or a decrease*