

INTERNATIONAL COMMERCE OLYMPIAD -2016

CLASS XI

ACCOUNTANCY ASSIGNMENT

TOPIC - 1: THEORY BASE OF ACCOUNTING

Q.1. The last step in the process of accounting is:

- a) Analysis
- b) Interpretation
- c) Communicating the results to users
- d) Classifying

Q.2. Reliability of accounting information depends upon:

- a) Neutrality
- b) Verifiability
- c) Understandability
- d) Comparability

Q.3. Which of the following is the NOT sub field of accounting?

- a) Book Keeping
- b) Cost Accounting
- c) Financial Accounting
- d) Management Accounting

Q.4. Which one of the following is NOT the qualitative characteristic of accounting?

- a) Reliability
- b) Understandability
- c) Relevance
- d) Completeness

Q.5. Which of the following user needs accounting information to ensure the safety and recovery of the loan advanced?

- a) Government
- b) Banks & financial institution
- c) Employees
- d) Owners

Q.6. Among the following assets, which one is fictitious asset?

- a) Patents
- b) Oil wells
- c) Debit balance of Profit & loss A/c
- d) Goodwill

Q.7. The term purchase is used only for the purchase of í í í and is never used for the purchase of í í í

- A) Assets, Investment
- b) Assets, Goods
- c) Intangible Assets, Goods
- d) Goods, Assets.

Q.8. Return Inward is the term used for:

- a) Purchase Return
- b) Sales Return
- c) Credit Sales
- d) Credit purchase

Q.9. Out of the following transaction which of the following will not be recorded in books of account:

- a) Purchase of goods for resale amounting of Rs.10,000
- b) Paid salaries and wages amounting to Rs. 20,000
- c) Paid rent for office premises Rs. 1000
- d) Purchase an LCD for owner's personal use.

Q.10. Which of the following limitations of accounting states that accounts may be manipulated to conceal vital information?

- a) Accounting is not fully exact
- b) Accounting leads to window dressing
- c) Accounting ignores price level changes.
- d) Accounting ignores qualitative concepts.

- Q.11. Which of the following advantages of accounting states that accounting helps in decision making and facilitates control?
- Facilitates sale of business.
 - Facilitates comparison
 - Assistance to management.
 - Facilitates loans.
- Q.12 Which one of the following statement is correct?
- Income = Revenue - Expenses.
 - Income = Expenses ó Revenue.
 - Expenses = Income ó Revenue.
 - Income= Profits ó Expenses.
- Q.13 A liability arises because of:
- Cash transaction
 - Cash and credit transaction
 - Credit transaction
 - None of the above
- Q.14 IASB (International Accounting Standards Board) upon coming into existence has adopted:
- All IAS and SIC (Standing Interpretation Board)
 - some IAS and SIC
 - None of the IAS and SIC
 - none of the above.
- Q.15 IAS adopted by IASB and still in force are:
- 29
 - 41
 - 9
 - 10
- Q.16 IFRS are:
- Rule based accounting standards
 - Principles based accounting standards
 - Partially rule and partially principles
 - None of the above.
- Q.17 IFRS (International Financial reporting standards) are based on:
- Historical cost
 - Both historical cost and fair value.
 - fair value
 - none of the above.
- Q.18 Which of the following statements is correct:
- Accounting is a part of book-keeping.
 - The term book-keeping and accounting can be used interchangeably.
 - Book Keeping is a part of Accounting.
 - Book keeping is not a part of accounting.
- Q.19 Identified and measured economic events should be recorded in _____ order.
- Financial
 - Monetary
 - chronological
 - proper
- Q.20 The Trading and Profit and Loss Account is prepared under which attribute of accounting:
- Recording
 - Analysis and Interpretation
 - Summarising
 - Classifying
- Q.21 Which of the following categories of information is NOT provided by Financial Accounting?
- Profit or Surplus
 - Overheads
 - Financial Position
 - Cash Flow

Key to answers

Q.1. c.	Q.2. b	Q.3. a	Q.4. d	Q.5. b	Q.6. c	Q.7. d
Q.8. b	Q.9. d	Q.10. b	Q.11. c	Q.12. a	Q.13. b	Q.14. a
Q.15. a	Q.16. b	Q.17. b	Q.18. c	Q.19. b	Q.20. b	Q.21. c

TOPIC - 2: PRINCIPLES OF ACCOUNTING

Q.1. Rahul, the proprietor of M/s. R. K. & Co. purchased an air conditioner and installed it at his residence. The payment was made by issuing a cheque from the account of M/s. R. K. & Co. The accountant debited the Drawings account. Which principle of accounting did he apply?

- | | |
|----------------------------|------------------------------|
| a) Business Entity Concept | c) Going Concern Concept |
| b) Materiality Concept | d) Money Measurement Concept |

Q.2. Production of a factory had to stop for a week due to a labour strike. The owner estimated the loss of production and the likely loss of profit arising out of the situation. He directed the accountant to record the loss in the books of accounts. The accountant did not agree. Which principle directed him?

- | | |
|------------------------------|---------------------------------|
| a) Money Measurement Concept | c) Verifiable Objective Concept |
| b) Business Entity Concept | d) Both a) and c) |

Q.3. Which accounting principle requires that life of a business be broken into smaller parts?

- | | |
|------------------------------|----------------------------|
| a) Accounting Period Concept | c) Business Entity Concept |
| b) Going Concern Concept | d) Consistency Concept |

Q.4. Guneet purchased 1000 sq. yards land to build a factory and paid Rs. 15 lakhs towards its cost including registration charges. At the end of the financial year, the value of the land came down to RS. 13 lakhs. Guneet recorded the land at Rs. 13 lakhs and booked a loss of Rs. 2 lakhs. Which principle has been violated?

- | | |
|------------------------------|------------------------|
| a) Money Measurement Concept | c) Cost Concept |
| b) Materiality Concept | d) Consistency Concept |

Q.5. Under which concept if advance is received against sale of goods, the advance received is recorded as Advance against Sale and not Sales?

- | | |
|--------------------------------|------------------------|
| a) Revenue Recognition Concept | c) Dual Aspect Concept |
| b) Accrual Concept | d) Both a) and b) |

Q.6. Rent for the month of March 2011 is not paid. Under which accounting concept it should be recorded as expense for the year ended March 31, 2011?

- | | |
|--------------------------------|------------------------|
| a) Revenue Recognition Concept | c) Dual Aspect Concept |
| b) Accrual Concept | d) Both a) and b) |

Q.7. Capital is a liability for the business. This statement is true because of which principle?

- | | |
|----------------------------|------------------------------|
| a) Business Entity Concept | c) Accounting Period Concept |
| b) Materiality Concept | d) Consistency Concept |

Q.8. A Company lost vital machinery in an accident on 2nd March, 2011 which will have adverse impact on its production capacity. As a result, it is likely to lose business to its competitors. The company needs to disclose this fact in its annual report for the year ended March 31, 2011 because of which principle?

- | | |
|------------------------------|----------------------------|
| a) Money Measurement Concept | c) Full Disclosure Concept |
|------------------------------|----------------------------|

b) Materiality Concept

d) Both b) and c)

Q.9. An investment company has valued its inventory at its current market price, which is higher than its cost. Which accounting principle is violated?

a) Materiality Concept

c) Cost Concept

b) Prudence Concept

d) Full disclosure Concept

Q.10. According to which of the following concepts, in determining the net income from business, all costs which are applicable to the revenue of the period should be charged against that revenue?

a) Matching Concept

c) Money Measurement Concept

b) Cost Concept

d) Dual Aspect Concept

Q.11. Abacus Ltd. follows Written down value Method of depreciating machinery year after year due to

a) Comparability

c) Convenience

b) Consistency

d) All the above

Q.12 The convention of Conservatism takes into account

a) All prospective profits and prospective losses.

b) All prospective profits and leaves out prospective losses.

c) All prospective losses but leaves out prospective profits.

d) None of these.

Q.13 International Accounting Standards adopted by International Accounting Standards Board and still in force are-

a) 29

c) 41

b) 9

d) 10

Q.14. When goods are sold on credit to Ramesh Ramesh's account is debited and Sales account is credited. Which accounting concept is involved?

a) Dual Aspect Concept

c) Cost Concept

b) Accounting Period Concept

d) Materiality Concept

Q.15 Valuation of stock at lower of cost or net realizable value is an example of:

a) Matching concept

b) Conservatism

c) Consistency

d) Realization Concept.

Q.16 Which of the following accounting concept says that asset is to be recorded at their original cost and depreciated in a systematic manner without reference to its market value?

a) Going Concern concept

b) Cost Concept

c) Accrual Assumption

d) Consistency Concept

Q.17 According to which concept, the proprietor of the business is treated as the creditor to the extent of his capital?

a) Cost Concept

b) Business Entity Concept

c) Accounting period concept

d) Money measurement concept

Q.18 Which of the following is NOT a utility of Accounting Standards?

a) Provide the norms

b) Ensure uniformity

c) Help auditors

d) None of the above

Q.19 Which of the following is the title of AS-3 (Revised)?

a) Valuation of Inventories

b) Cash Flow Statement

c) Revenue Recognition

d) Intangible Assets

Q.20 Which of the following is the International Accounting Standard for Intangible Assets?

a) IAS 33

b) IAS 38

c) IAS 18

d) IAS 12

Key to answers-

Q.1.	a	Q.2.	a	Q.3.	a	Q.4.	C	Q.5.	d	Q.6.	b	Q.7.a
Q.8.	b	Q.9.	b	Q.10.	a	Q.11.	b	Q.12.	c	Q.13.	a	Q.14.a
Q.15.	b	Q.16.	a	Q.17.	b	Q.18.	d	Q.19.	b	Q.20.	b	

TOPIC 3: RECORDING OF TRANSACTIONS

- Q.1. A ledger is called a book ofí ..
- a) Primary entry
 - b) secondary entry
 - c) Final entry
 - d) none of the above.
- Q.2 A ledger is prepared fromí .
- a) Events
 - b) transactions
 - c) Journal
 - d) None of the above.
- Q.3. In Journal Proper, only _____ discount is recorded.
- a) Cash
 - b) Trade
 - c) Both Cash and Trade
 - d) None
- Q.4. A compound Journal entryí ..
- a) Has equal debits and credits
 - b) only credit balances
 - c) Only credit balances
 - d) None of the above.
- Q.5. Which of the following account will be credited on giving cash donations?
- a) Cash A/c
 - b) Donation A/c
 - c) Purchases A/c
 - d) Bank A/c
- Q.6. The bad debts written off as bad, if recovered subsequently, should be credited toí .
- a) Bad Debt A/c
 - b) Bad debt recovered A/c
 - c) Cash A/c
 - d) Debtors A/c
- Q.7. Cash Book cannot have negative balance, i.e., payments cannot beí í .. Cash in hand?
- a) Less than
 - b) More than
 - c) Equal to
 - d) Twice
- Q.8. Name an asset which is also a liability?
- a) Cash in hand
 - b) Cash at bank
 - c) Furniture
 - d) machinery
- Q.9. The balance in Petty Cash Book isí ..
- a) An expense
 - b) a profit
 - c) An asset
 - d) a liability
- Q.10. A credit balance in Bank column of cash book indicatesí í .
- a) Profit
 - b) loss
 - c) Overdraft
 - d) Expense.
- Q.11. The weekly or monthly total of purchase book is recorded to the í ...
- a) Debit side of Purchase Account
 - b) Credit side of Purchase Book
 - c) Credit side of Cash book
 - d) Debit side of Cash book.
- Q.12. Purchase of machinery on credit is recorded iní .

- a) Purchase book
c) Cash book
- b) sales Book
d) Journal proper
- Q.13. Journal proper includes entries related to ..
a) Sale of asset for cash
c) Sale of goods for cash
- b) Sale of asset on credit
d) Sale of goods on credit
- Q.14. The Sales Return Book always has .. balance
a) Debit
c) Either debit or credit
- b) Credit
d) None of the above
- Q.15. All the indirect expenses are closed to ..
a) Trading A/c
c) Balance sheet
- b) Profit and loss A/c
d) Cash Flow Statement
- Q.16. Name the transaction that is recorded in both sides of Cash book simultaneously.
a) Dual entry
c) Contra Entry
- b) Double entry
d) Single entry
- Q.17. What are total number of subsidiary books available to record financial transactions?
a) 6
c) 7
- b) 8
d) 12
- Q.18. Which account will be debited in case wages are paid for installation of machinery?
a) Wages A/c
c) Cash A/c
- b) Machinery A/c
d) Installation A/c
- Q.19. While passing an opening entry, all the assets are .. while all the liabilities are ..
a) Debited, credited
c) Credited, Credited
- b) Credited, Debited
d) None of the above.
- Q.20. Which account will be debited in case Life insurance premium is paid by proprietor from business cash?
a) Cash A/c
c) Insurance A/c
- b) Drawings A/c
d) Capital A/c
- Q.21. The Sales Book is a part of:
a) Journal
c) Balance Sheet
- b) Ledger
d) Trading A/c
- Q.22. It is system of paying advance in the beginning and reimbursing the amount spent from time to time to the petty cashier.
a) Ordinary System
c) Financial System
- b) Imprest System
d) Analytical System
- Q.23. Anil, the Petty Cashier of Ebony, has an imprest of Rs.5,000 out of which he pays for petty expenses. He submits the details of payments every 15 days which is reimbursed to him. He submitted the details for 15 days that ended on 15th April, 2012 amounting to Rs. 4,900. He has with him unpaid expense vouchers amounting to Rs.2,200. How much amount should be paid to him?
a) Rs.2,200
c) Rs.4,900
- b) Rs.7,100
d) Rs.5,000

Key to answers

Q.1. b.	Q.2. c	Q.3. a	Q.4. a	Q.5. a	Q.6. b	Q.7. b	Q.8. b
Q.9. c	Q.10. c	Q.11. a	Q.12. d	Q.13. b	Q.14. a	Q.15. b	Q.16. c
Q.17. b	Q.18. b	Q.19. a	Q.20. b	Q.21. a	Q.22. b	Q.23. c	

TOPIC - 4: DEPRECIATION, RESERVES AND PROVISIONS

Q.1. According to which Accounting Standard, companies are liable to make provision for depreciation?

- | | |
|-------------------|-------------------|
| a) AS-3 (Revised) | b) AS-6 (Revised) |
| c) AS-10 | d) AS-4 (Revised) |

Q.2. The term í í í is used to show loss in the value of intangible assets.

- | | |
|-----------------|-----------------|
| a) Depreciation | b) Depletion |
| c) Amortization | d) Obsolescence |

Q.3. Which of the following is the cause of depreciation?

- | | |
|--------------------------------|----------------------|
| a) By permanent fall in prices | b) By constant use |
| c) By Expiry of time | d) All of the above. |

Q.4. Which of the following factor **DOES NOT** affect the amount of depreciation?

- | | |
|------------------------|-----------------------------------|
| a) Total cost of asset | b) Market value of asset |
| c) Scrap value | d) Estimated useful life of asset |

Q.5. As per the Original Cost method which is the correct formula for calculating Annual depreciation?

- a) Depreciation = Cost of asset - Scrap value/ Estimated life of asset
- b) Depreciation = Scrap value - Cost of asset / Estimated life of asset
- c) Depreciation = Cost of asset - Market value / Estimated life of asset
- d) Depreciation = Cost of asset - Scrap value/ Market value of asset

Q.6. Under which method of depreciation asset can be completely written off?

- | | |
|-----------------------------|----------------------------|
| a) Fixed Installment Method | b) Reducing Balance Method |
| c) Annuity method | d) Depletion Method |

Q.7. On 30th June 06, half of the machinery purchased on 1st July,03 for Rs. 40,000 was sold for Rs. 9500. The amount of loss will be Rsí í The rate of depreciation is 10% p.a. on original cost.

- | | |
|---------|---------|
| a) 4800 | b) 4500 |
| c) 4200 | d) 4000 |

Q.8. Which method of depreciation suffers from the limitation of unequal burden on profit and loss account?

- | | |
|-----------------------------|----------------------------|
| a) Fixed Installment Method | b) Reducing Balance Method |
| c) Annuity method | d) Depletion Method |

Q.9. What will be the amount of loss suffered on machinery purchased for Rs. 10,000 on 1-1-2010 and sold for Rs. 5000 on 30-6-12. The rate of depreciation charged 10% p.a. on written down method.

- a) 1925
- c) 1927

- b) 1926
- d) 1928

Q.10. What Journal Entry will be passed: Value of asset being sold transferred to Asset Disposal Account?

- a) Asset Disposal A/c í . Dr
 To Assets A/c
- b) Asset A/c í . Dr
 To Asset Disposal A/c
- c) Asset A/c í í í í í .Dr.
 To Asset sale A/c
- d) Asset Sale A/c í . Dr.
 To Asset A/c

Q.11. Provision is a í í . against profits to meet í í liabilities.

- a) Charge & Known
- b) Appropriation & Known
- c) Charge & unknown
- d) Appropriation & unknown.

Q.12 Under which method the amount of depreciation remains same year after year?

- a) Fixed Installment Method
- b) Reducing Balance Method
- c) Annuity method
- d) Depletion Method

Q.13.If the amount of any known liability cannot be determined with substantial accuracy:

- a) A definite liability should be created.
- b) A provision should be created.
- c) A reserve should be created.
- d) A Contingent liability should be created.

Q.14 Which account will be debited in the Journal entry for transfer of accumulated depreciation on asset disposed off?

- a) Provision for Depreciation A/c
- b) Asset disposal A/c
- c) Asset A/c
- d) Depreciation A/c.

Q.15.The reserve created out of Profit on reissue of forfeited shares is known as í í

- a) General Reserve
- b) Capital Reserve
- c) Revenue reserve
- d) Secret reserve.

Q.16. Any reserve which is not apparent on the face of Balance sheet is known as í í ..

- a) General Reserve
- b) Capital Reserve
- c) Revenue reserve
- d) Secret reserve.

Q.17. Which of the following statements is **NOT** true about Reserves?

- a) It is a charge against profits.
- b) It is an appropriation of profit.
- c) It is shown on the liability side of Balance sheet.
- d) It is discretionary as a matter of financial prudence.

Q.18. Which of the following statements is **NOT** true about Provisions?

- a) It is a charge against profits.

- b) It is an appropriation of profit.
- c) It is shown on the liability side of Balance sheet.
- d) It is discretionary as a matter of financial prudence.

Q.19 Dividend Equalization Reserve and Debenture Redemption reserve are examples of

- a) General Reserve
- b) Capital Reserve
- c) Revenue Reserve
- d) Secret Reserve.

Q.20. According to Companies Act, creation of secret reserve is prohibited except in case of

- a) Commercial undertakings
- b) Industrial undertakings
- c) Banking, Insurance and Financial companies
- d) NGOs.

Q.21. Depreciation is which of the following expenditure:

- a) Cash
- b) Non-cash
- c) Both cash and non-cash
- d) None of the above

Q.22 Depreciation is a process of:

- a) Valuation of asset
- b) Allocation of cost
- c) Both valuation of asset and allocation of cost
- d) None of the above

Q.23 Which method of charging depreciation is accepted by Income Tax Act?

- a) Written down value method
- b) Straight Line method
- c) Both a) and b)
- d) None of the above

Key to answers

Q.1. b	Q.2. c	Q.3. d	Q.4. b	Q.5. a	Q.6. a	Q.7. b	Q.8. a
Q.9. a	Q.10. a	Q.11. c	Q.12. a	Q.13. b	Q.14. a	Q.15. b	Q.16. d
Q.17. a	Q.18. b	Q.19. c	Q.20. c	Q.21. b	Q.22. b	Q.23. a	

TOPIC – 5: BILLS OF EXCHANGE

- Q.1. Bills of Exchange contains an unconditional _____, and Promissory note contains an unconditional _____.
- | | |
|-------------------|---------------------|
| a) Promise, order | c) order, promise |
| b) Payment, order | d) Payment, promise |
- Q.2. Noting charges are ultimately borne by ó
- | | |
|-----------|-----------|
| a) Drawer | c) Drawee |
| b) Payee | d) Maker |
- Q.3. A Promissory note _____ the acceptance.
- | | |
|-------------|---------------------|
| a) Requires | c) does not require |
| b) Makes | d) arranges |
- Q.4. B has accepted the bill drawn on him by A. Which of the following statements is correct?
- | | |
|---------------------------|------------------------------|
| a) B can endorse the bill | c) B cannot endorse the bill |
| b) A can endorse the bill | d) Both b) and c) |
- Q.5. At the time of renewal of a bill, _____ account is debited in the books of the drawee.
- | | |
|-------------|------------------|
| a) Discount | c) Interest |
| b) Rebate | d) none of these |
- Q.6. A bill of Rs. 5,000 is discounted with the banker for RS. 4,750. The bill is dishonored at maturity. The drawee pays 60% of his acceptance. What is the amount of bad debts?
- | | |
|------------|--------------|
| a)Rs. 1900 | c) Rs. 2,000 |
| b)Rs. 1800 | d) Rs. 2100 |
- Q.7. Refusal by the acceptor to pay the bill on the maturity date is called ó
- | | |
|-----------------------|------------------------|
| a) Retirement of bill | c) Dishonor of bill |
| b) Rebate on bill | d) Discounting of bill |
- Q.8. Find the due date of a bill of exchange dated 9th December, 2007, payable after 45 days.
- | | |
|-----------------------------------|------------------------------------|
| a) 26 th January, 2008 | c) 25 th January, 2008 |
| b) 24 th January, 2008 | d) 27 th January, 20008 |
- Q.9. The party which is ordered to pay the amount is known as ó
- | | |
|-----------|------------------|
| a) Drawer | c) Drawee |
| b) Payee | d) None of these |
- Q.10. Three days are added for ascertaining the date of maturity. These are known as days of ó
- | | |
|-------------|------------------|
| a) Maturity | c) Grace |
| b) Payment | d) None of these |
- Q.11. A bill of exchange cannot be ó
- | | |
|-------------|------------------|
| a) Endorsed | c) Crossed |
| b) Accepted | d) None of these |
- Q.12. If Ram's acceptance which was endorsed by us in favor of Saleem is dishonored, then the amount will be debited in our books to ó
- | | |
|---------------------|------------------|
| a) Saleem | c) Ram |
| b) Bills Receivable | d) None of these |

TOPIC – 6: RECTIFICATION OF ERRORS

- Q.1 Which of the following is true about compensating error ó
- (a) It is not disclosed in the trial balance.
 - (b) One error is nullified by the other.
 - (c) Both a) and b)
 - (d) None of the above.
- Q.2 Wages paid to a worker making additions to machinery amounting to Rs. 5,000 were debited to the Wages account. Identify the type of error.
- (a) Compensating error
 - (b) Error of omission
 - (c) Error of principle
 - (d) Error of commission
- Q.3 Rs. 2,000 paid as wages for erecting a machine should be debited to ó
- (a) Wages Account
 - (b) Capital Account
 - (c) Machinery Account
 - (d) None of these
- Q.4 On purchase of old furniture, the amount of Rs. 1,000 spent on its repairs should be debited to ó
- (a) Repairs Account
 - (b) Cash Account
 - (c) Furniture Account
 - (d) None of these
- Q.5 Goods worth Rs. 100 given as charity should be credited to ó
- (a) Sales Account
 - (b) Purchase Account
 - (c) Charity Account
 - (d) None of these
- Q.6 Errors of complete omission permit
- (a) Correct totaling of B/S
 - (b) The Trial balance to agree
 - (c) Correct totaling of Trial Balance
 - (d) All the above
- Q.7 A Trial Balance is prepared to
- (a) Locate Errors of Principle
 - (b) Locate Errors of commission
 - (c) Locate Errors of omission
 - (d) Ensure Arithmetical accuracy
- Q.8 Rs. 2000 received from Smith whose account was previously written off as bad debt should be credited to ó
- (a) Smith's Account
 - (b) Bad debts recovered Account
 - (c) Cash Account
 - (d) None of these
- Q.9 Purchase of office furniture worth Rs. 5,000 has been debited to General expenses account. Identify the error.
- (a) Clerical error
 - (b) Error of Principle
 - (c) Error of omission
 - (d) none of these

- Q.10 A Suspense Account will give the
 (a) Debit balance (c) Credit balance
 (b) Debit or Credit balance (d) None of these
- Q.11 Under casting of Sales book is corrected by _____ Sales Account.
 (a) Debiting (c) Crediting
 (b) Balancing (d) Ignoring
- Q.12 Rectification entries are passed in ó
 (a) Purchase Book (c) Journal Proper
 (b) Sales Book (d) None of these
- Q.13 Compensating errors are of a _____ nature.
 (a) Consistent (c) neutralizing
 (b) Concealing (d) accommodating
- Q.14 Trial Balance might match in spite of presence of:
 (a) Errors of complete omission (c) Errors of principle
 (b) Errors of commission (d) Both a) and c)
- Q.15 Sales of Rs.10,000 recorded as Rs. 1,000 is an example of:
 (a) Errors of omission (c) Errors of principle
 (b) Errors of commission (d) Compensating Error
- Q.16 Goods lost by fire should be credited to:
 (a) Trading A/c (c) Profit & Loss A/c
 (b) Loss by Fire A/c (d) Sales A/c

Key to answers:-

- | | | | | | | |
|----------|----------|----------|-----------|----------|----------|----------|
| Q.1. c) | Q.2. c) | Q.3. c) | Q.4. c) | Q.5. b) | Q. 6. d) | Q.7. d) |
| Q.8. b) | Q.9. b) | Q.10. b) | Q. 11. c) | Q.12. c) | Q.13. c) | Q.14. d) |
| Q.15. d) | Q.16. a) | | | | | |