

Seva Sadan College of Arts, Science and Commerce
Academic Year 2019-2020 Examinations Sept-Oct 2020 (First Half 2020)

Sample Questions

Class: T.Y.B.Com (Account and Financing) Semester VI

Subject : FA VI

Question Name	Option A	Option B	Option C	Option D	Correct Answer
Balance Sheet of a Electricity Company is presented in ____.	Schedule IV	Schedule V	Schedule III	Schedule I	C
_____ A/c shows the sources from which fixed capital is raised.	Original cost	Replacement price	Capital	Reserve	C
Balance on capital A/c is shown in the Balance Sheet on ____ side.	Finance Cost	Balance Sheet	Liability	General Account	C
Depreciation is shown in _____.	P & L statement	Fixed Assets	Finance Cost	General Account	A
Depreciation on fixed asset is credited to _____ A/c.	Fixed Assets	Original cost	Capital	liability	A
Fixed Assets are shown at cost in _____ A/c.	Balance Sheet	Replacement price	Original cost	Reserve A/c.	A
Interest on Debentures is shown as _____.	Finance Cost	Original cost	Replacement price	Reserve A/c.	A
_____ shows the operating result of the organisation.	Reserves & Surplus	P & L statement	General Balance Sheet	Trial Balance	B
Premium on issue of securities is retained as _____ item.	Original cost	Reserves & Surplus	Capital A/c	Asset	B
Expenses incurred are shown in _____.	Capital A/c	P & L statement	Reserves & Surplus	liability	B
Balance Sheet of Electricity Company is presented in	Schedule III Format	Three Parts	Four Parts	Five Parts	A
Fixed Assets are shown at cost in	Revenue A/c	Capital A/c	Net Revenue A/c	Balance Sheet	D
Premium on issue of securities is retained as	Reserves & Surplus	Revenue Item	Net Revenue Item	General Balance Sheet Item	A
Depreciation is shown as a depreciation in	Reserve A/c	P & L Statement	General Balance Sheet	Capital A/c	B
Depreciation on fixed asset is credited to	Depreciation Fund	Revenue A/c	Fixed Asset A/c	Capital A/c	A
Operating result is shown by	P & L Statement	Net Revenue A/c	Balance Sheet	Capital A/c	A
Preliminary Expenses are treated as	Reserve Expenditure	Other Current Assets	Deferred Revenue A/c	liability	B
Under Double A/c system old asset continues to appear at	Original cost	Replacement price	Market price	Revalued cost	A
Book value of old asset is w/off under	Double Account system	Single Account system	Double Entry system	Single Entry System.	B
Security Deposit is credited to	Security Deposit A/c	Customer's A/c	Electricity Co's A/c	Creditors A/c.	A
Customer's contribution for service line is disclosed in the balance sheet unde	Share Capital	Reserves & Surplus	Non-Current Liability	Current liability	B
For Capital expenditure purposes investment component has	Grant Component	Loan Component	Grant & Loans Component	Govt.Grant	C
In special category states 100% of the project cost is provided.	90% Grants & 10% Loan	60% Grants & 40% Loan	30% Grants & 70% Loan	50% of both	A

Depreciation is provided as per	Regulation 2009	Regulation 2003	Regulation 2004	Regulation 2020	A
Return on equity allowed is	0.14	0.1	0.2	0.15	A

Subject : Cost Accounting

The classification of fixed and variable cost has a special significance in the preparation of _____.	Flexible budget	cash budget	Capital budget	Zero based budget.	A
When a flexible budget is used, then increase in the actual production level within a relevant range would increase_____.	Total cost	Variable cost	Fixed cost	Semivariable cost.	D
A budget that gives a summary of all the functional budgets is known as _____.	Capital budget	Flexible budget	Master budget	Fixed budgets	C
A master budget comprises _____.	The budgeted profit and loss a/c	Budgeted cash flow,budgeted profit and loss,budgeted balance sheet	Budgeted cash flow	Entire sets of budgets prepared.	C
When preparing a production budget , the quantity to be produced equals :_____.	Sales quantity + opening stock + closing stock	Sales quantity – opening stock +closing stock	Sales quantity –opening stock –closing stock	Sales quantity +opening stock-closing stock.	B
Which one of the following items would NOT be included in a cash budget?	Capital repayments on loans	Depreciation charges	Dividend payments	a)) Proceeds of sale of fixed assets.	B
Production budget is expressed in _____.	Quantity	amount and quantity	quality	Price.	A
The scarce factor of production is known as _____.	Key factor	Limiting factor	) Critical factor	Cost factor	D
. Flexible budgets are useful for _____.	Planning purpose only	Planning,performance evaluation & feedback control.	Control of performance only	Feedback only.	B
A budget is expressed in _____.	Financial terms only	quantitative terms only	Both financial and quantitative terms	Financial and /or quantitative terms.	D
Which of the budget is prepared for a long period of time_____.	Production budget	Purchase budget	Cash budget	Capital expenditure budget.	D
A flexible budget takes into account _____.	Fixed cost only	variable cost only	semivariable cost	Fixed,variable and semivariable cost.	D
Master budget is a summary of _____.	Cash budget	Sales budget	Production budget	All functional budgets.	D
A budget is prepared for _____.	One year	One month	6month	A specified period.	D
Budget period depends on _____.	Type of budget	Management policy	) Government policy	Sales policy.	B
The object of budgetary control is _____.	planning	Organising	Forecasting	Coordinating.	A
Following is the benefit of budgetary control_____.	Facilitates control	) Increases cost	Brings down efficiency	Decreases cost.	A

Budgetary control system is costly for _____.	Large organization	Small organization	Public sector organization	Medium organization	B
Following is the essence of budgetary control_____.	Well defined objectives	Competent people	Small size	Large size	A
Budget manual is a _____.	Detailed information about plans,policies procedures and operations	Annual magazine	Note book	Budget prepared manually.	A
Performance of any organization depends on _____.	Political factors	Social factors	Critical factors	Historical factors.	C
Sales budget shows _____.	Estimate of future sales	Estimate of future production	Estimate of inventory	Estimate of future purchase	A
Capital expenditure budget is _____.	A budget for long term investment	budget for short term investment	A budget for future expenditure	A budget for personal expenditure	A
The budget which helps to plan and control cash is _____.	) Cash budget	Sales budget	Production budget	All functional budgets.	B
The budget which is dynamic is _____.	Fixed budget	Cash budget	Flexible budget	Sales budget	B