

## Examrace

### Competitive Exams: Commerce MCQs (Practice\_Test 64 of 99)

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1. Match List-I (Office Equipment) with List-II (Function and Utility) and select the correct answer using the code given below the Lists:

List-I	List-II
A. Pen Drive	1. Fixed data storage device
B. Hard Disc	2. Conversion of Hard copy of text/picture into soft copy
C. Administrative Manual	D. Scanner
D. Handbook	3. Mobile data storage device
	4. Weather forecasting.

**A B C D**

- a. 3 1 4 2
- b. 2 4 1 3
- c. 3 4 1 2
- d. 2 1 4 3

2. Match List-I (Manual/Handbook) with List-II (Activity) and select the correct answer using the code given below:

List-I	List-II
A. Policy Manual	1. Filing, correspondence and communication
B. Organization Manual	2. Selected aspects in combined form
C. Administrative Manual	3. Decisions and pronouncements of management
D. Handbook	4. Responsibility and authority of different positions

**A B C D**

- a. 3 2 1 4
- b. 1 4 3 2
- c. 3 4 1 2
- d. 1 2 3 4
3. Which one of the following is the correct statement? The most appropriate purpose of accounting standards is
- to facilitate auditing task of diverse nature
  - reduction of alternatives and bringing uniformity
  - to make adequate volume of information available to its end-users
  - to ensure better tax compliance including VAT
4. Which one of the following is the correct statement? The first Accounting Standard (AS-1) relates to
- information to be disclosed in financial statements
  - consolidated financial statements
  - disclosure of accounting policies
  - reporting of financial information by segments
5. Outstanding wages due for the month of March, 2005 and prepaid expenses and incomes are taken into account in determining profit or loss for the year ended on 31<sup>st</sup> March, 2005 Under which one of the following systems is the above practice carried out?
- Cash system of accounting
  - Accrual system of accounting
  - Hybrid system of accounting
  - Stock and debtor system
6. Which one of the following is the correct statement? According to the convention of conservatism, the stock in trade is valued at
- the market price

- b. the cost price
  - c. the market price or cost price whichever is more B
  - d. the market price or cost price whichever is less
7. On which one of the following concepts is determination of expenses for an accounting period based?
- a. Accounting period concept
  - b. Matching concept
  - c. Cost concept
  - d. Money measurement concept
8. Match List-I (Accounting Concept) with List-II (Assumption Involved) and select the correct answer using the code given below the Lists:

List-I	List-II
A. Accrual concept	1. Entity shall remain in operation long enough to carry out its existing commitments
B. Entity concept	2. Existence of business separate from its owners, creditors, employees and customers, etc.
C. Going concern concept	3. Method of identifying revenue and expenses with specific period of time
D. Consistency concept	4. Accounting principles and procedures should be followed uniformly from one period to another
	5. All material information should be disclosed in the financial statements

**A B C D**

- a. 4 2 1 5
- b. 3 1 2 4
- c. 4 1 2 5
- d. 3 2 1 4

9. Which one of the following is the correct statement? The revenue is generally considered as realized at the time of
- a. receipt of order
  - b. Agreement to sell
  - c. receipt of cash
  - d. sale
10. In XY partnership firm, X is to get 10 % commission on net profit before charging any commission, and Y is to get 10 % commission after commissions of both X and Y are charged. Net profit is ₹ 40,000. What is the value (approximate) of commission of Y?
- a. ₹ 3,272
  - b. ₹ 4,508
  - c. ₹ 4,896
  - d. ₹ 5,255

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