

SAMPLE MCQ

Q1. Opening Balance under Sundry Creditors Account normally appears under\_\_\_\_\_

- A. Credit Side
- B. Debit Side
- C. Liability Side
- D. No Opening Balance

Q2. As per Schedule III, Sales are classified as\_\_\_\_\_

- A. Revenue from Operations
- B. Other Income
- C. Revenue from Production
- D. Income from Revenue

Q3. Auditor should verify whether "Return Outward Account" is deducted from\_\_\_\_\_

- A. Gross Sales
- B. Gross Purchases
- C. Interest
- D. Direct Expenses

Q4. Financial Statements must be laid by the Board of Directors before every\_\_\_\_\_

- A. Special General Meeting
- B. Annual General Meeting
- C. Debenture holder Meeting
- D. Meeting of Suppliers

Q5. The fundamental objective of the audit of a company is to\_\_\_\_\_

- A. Detect and prevent errors and fraud
- B. Assess the effectiveness of the company's performance
- C. Attest to the credibility of the company's accounts
- D. Make assumptions about future prospects

Q6. As per Schedule III, Financial Statements are to be prepared in\_\_\_\_\_format

- A. Vertical
- B. Horizontal
- C. Straight
- D. Optional

Q7. Following is not a type of Banking Institutions in India\_\_\_\_\_

- A. Commercial Bank
- B. Regional Rural Bank
- C. Co-operative Bank
- D. Technical Bank

Q8. The reporting format of Financial Statements for a Sole Proprietor is\_\_\_\_\_

- A. As per Companies Act
- B. As per Banking Regulation Act
- C. As per Auditor
- D. Not prescribed

Q9. For verification of revenue of a club,\_\_\_\_\_ will not be considered by the auditor.

- A. Entrance Fees
- B. Subscription of Members
- C. Interest Income
- D. Fees from Patients

Q10. While preparation of Financial Statements, accounting policies should be \_\_\_\_\_ followed

- A. occasionally
- B. consistently
- C. periodically
- D. not required