

# QB365 Question Bank Software Study Materials

## Accounts From Incomplete Records 50 Important 1 Marks Questions With Answers (Book Back and Creative)

12th Standard

Accountancy

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) Incomplete records are generally maintained by  
 (a) A company (b) Government **(c) Small sized sole trader business** (d) Multinational enterprises
- 2) Statement of affairs is a  
 (a) Statement of income and expenditure **(b) Statement of assets and liabilities** (c) Summary of cash transactions  
 (d) Summary of credit transactions
- 3) Opening statement of affairs is usually prepared to find out the  
**(a) Capital in the beginning of the year** (b) Capital at the end of the year (c) Profit made during the year  
 (d) Loss occurred during the year
- 4) The excess of assets over liabilities is  
 (a) Loss (b) Cash **(c) Capital** (d) Profit
- 5) Which of the following items relating to bills payable is transferred to total creditors account?  
 (a) Opening balance of bills payable (b) Closing balance of bills payable **(c) Bills payable accepted during the year**  
 (d) Cash paid for bills payable
- 6) The amount of credit sales can be computed from  
**(a) Total debtors account** (b) Total creditors account (c) Bills receivable account (d) Bills payable account
- 7) Which one of the following statements is not true in relation to incomplete records?  
 (a) It is an unscientific method of recording transactions (b) Records are maintained only for cash and personal accounts  
**(c) It is suitable for all types of organisations** (d) Tax authorities do not accept
- 8) What is the amount of capital of the proprietor, if his assets are Rs. 85,000 and liabilities are Rs. 21,000?  
 (a) Rs. 85,000 (b) Rs. 1,06,000 (c) Rs. 21,000 **(d) Rs. 64,000**
- 9) When capital in the beginning is Rs. 10,000, drawings during the year is Rs. 6,000, profit made during the year is Rs. 2,000 and the additional capital introduced is 3,000, find out the amount of capital at the end  
**(a) Rs. 9,000** (b) Rs. 11,000 (c) Rs. 21,000 (d) Rs. 3,000
- 10) Opening balance of debtors: Rs. 30,000, cash received: Rs. 1,00,000, credit sales: Rs. 90,000; closing balance of debtors is  
 (a) Rs. 30,000 (b) Rs. 1,30,000 (c) Rs. 40,000 **(d) Rs. 20,000**
- 11) The different between the total of assets and total of liabilities is taken as \_\_\_\_\_  
 (a) drawings **(b) capital** (c) profit (d) loss
- 12) A firm has assets worth Rs. 60,000 and capital Rs. 45,000. Then its liabilities is \_\_\_\_\_

- (a) Rs. 45,000 (b) Rs. 1,05,000 (c) Rs. 60,000 **(d) Rs. 15,000**
- 13) Under the net worth method, the basis for ascertaining the profit is \_\_\_\_\_  
**(a) the difference between the capital on two dates** (b) the difference between the liabilities on two dates  
(c) the different between the gross assets on two dates (d) the difference between the gross profit on two dates
- 14) The capital of a business is ascertained by preparing \_\_\_\_\_  
(a) Trading account (b) Statement of profit or loss (c) Balance sheet **(d) Statement of affairs**
- 15) Credit purchase is obtained from \_\_\_\_\_  
(a) Bills receivable account (b) Bills payable account (c) Total debtors account **(d) Total creditors account**
- 16) Debtors on 1.4.2018 was Rs. 1,00,000 and on 31.3.2019 was Rs. 80,000 cash received from debtors during the year is Rs. 1,60,000. Then the credit sales during the year is \_\_\_\_\_  
(a) Rs. 3,40,000 (b) Rs. 2,40,000 **(c) Rs. 1,40,000** (d) Rs. 1,60,000
- 17) Companies cannot keep books on single entry system because of \_\_\_\_\_  
(a) tax properties **(b) legal provisions** (c) both (a) and (b) (d) None of these
- 18) \_\_\_\_\_ is an unscientific and unsystematic way of recording transactions.  
**(a) Incomplete records** (b) Complete records (c) Single entry system (d) Double entry system
- 19) \_\_\_\_\_ capital can be found by preparing a statement of affairs at the beginning of the year.  
**(a) Opening capital** (b) Closing capital (c) Both (a) and (b) (d) None of these
- 20) In \_\_\_\_\_ system, only personal and cash accounts are opened.  
**(a) Single entry** (b) Double entry (c) Trial balance (d) Balance Sheet
- 21) Creditors on 1.4.2016 was Rs. 80,000 and on 31.3.2017 was Rs. 65,000 cash paid to creditors during the year is Rs. 10,000. Then the credit purchases during the year is \_\_\_\_\_  
**(a) Rs. 95,000** (b) Rs. 1,75,000 (c) Rs. 1,95,000 (d) Rs. 1,50,000
- 22) \_\_\_\_\_ is suitable only for sole traders and partnership firms.  
(a) Double entry system **(b) Single entry system** (c) Both (a) and (b) (d) None of these
- 23) If it is desired to calculate profit by preparing trading and profit and loss account under single entry then it is called \_\_\_\_\_ method.  
(a) Networth (b) Statement of affairs **(c) Conversion** (d) None of these
- 24) Statement of financial position from incomplete accounting record is commonly known as \_\_\_\_\_  
(a) Balance sheet (b) Cash flow statement **(c) Statement of affairs** (d) Statement of financial operations
- 25) If opening capital Rs. 1,000 and closing capital Rs. 2000. Assuming no drawings during the accounting period, calculated the net income or loss for the period \_\_\_\_\_  
**(a) Rs.1,000 net income** (b) Rs.1,000 net loss (c) Rs.2,000 net income (d) Rs.2,000 net loss
- 26) Total opening balances of assets and liabilities are Rs. 10,000 and Rs. 5,000 respectively. Find out the opening capital of the business \_\_\_\_\_  
(a) Rs. 10,000 **(b) Rs. 5,000** (c) Rs. 15,000 (d) Rs. 50,00,000
- 27) A method wherein omitted information is determined in the first place and by using this information net income or net loss is ascertained is known as \_\_\_\_\_  
(a) Nominal method (b) Cash method **(c) Conversion method** (d) Net profit method

- 28) Single entry system has effect \_\_\_\_\_  
**(a) One effect** (b) Two effect (c) Three effect (d) None of the above
- 29) In single entry system, is not possible to prepare \_\_\_\_\_  
 (a) Receipts and payments Account **(b) Trial Balance** (c) Balance Sheet (d) Account sales
- 30) In single entry system must suited where \_\_\_\_\_  
**(a) Cash transactions are many** (b) Cash transactions are many (c) Cash & Credit transactions are many  
 (d) None of the above
- 31) Capital can be obtained by preparing \_\_\_\_\_  
 (a) Cash Book **(b) Statement of Affairs** (c) Debtors Account (d) Creditors account
- 32) In single entry system only accounts are opened \_\_\_\_\_  
**(a) Personal & cash A/c** (b) Real A/c (c) Nominal A/c (d) Real & Nominal A/c
- 33) Net worth of an organization means the excess of its total assets over total \_\_\_\_\_  
 (a) Expenses (b) Incomes **(c) Liabilities** (d) Both (a) & (b)
- 34) Statement of assets & liabilities prepared under Single entry system is called \_\_\_\_\_  
 (a) Balance sheet (b) Profit & Loss Statement **(c) Statement of affairs** (d) Income Statement
- 35) More accurate profit and loss account can be prepared in \_\_\_\_\_  
 (a) Modern accounting system (b) Single entry system **(c) Double entry system** (d) None of these
- 36) If building (Closing) Rs. 1,00,000, Land (Opening) Rs. 1,00,000, Creditors (Opening) Rs. 10,000 the opening capital:  
 (a) Rs. 1,90,000 (b) Rs. 2,10,000 **(c) Rs. 90,000** (d) None of these
- 37) In single entry two-fold aspects of transaction are not recorded, so it is \_\_\_\_\_  
 (a) Complete & Scientific **(b) Incomplete & Unscientific** (c) Complete & Unscientific (d) Incomplete & Scientific
- 38) Single entry system is not possible for:  
 (a) Sole Trader (b) Partnership **(c) Joint Stock Company** (d) None of these
- 39) Effects of dishonour of B/R is given \_\_\_\_\_  
 (a) Only in the B/R account (b) Only in the debtors A/c **(c) In debtor A/c and B/R A/c** (d) Only in the B/P account
- 40) Interest on capital is calculate on which capital  
**(a) Opening capital** (b) Closing capital (c) Opening Stock (d) Closing Stock
- 41) Which of the following equation(s) is (are) true  
 (a) Assets = Liabilities + Capital (b) Assets - Capital = Liabilities **(c) Both (a) & (b)** (d) None of these
- 42) Debtors on 31.12.2014 is Rs. 2,00,000. Cash received from debtors during the year is Rs. 3,00,000. Then the credit sales during the year is \_\_\_\_\_  
 (a) Rs. 1,00,000 (b) Rs. 2,00,000 (c) Rs. 3,00,000 **(d) Rs. 5,00,000**
- 43) Creditors on 1.1.2014 is Rs. 1,21,000 and on 31.12.2014 Rs. 1,30,000. Cash paid to creditors during the year is Rs. 2,09,000. Then the credit purchase during the year is \_\_\_\_\_  
 (a) Rs. 2,00,000 (b) Rs. 2,09,000 **(c) Rs. 2,18,000** (d) Rs. 2,08,000
- 44) If adjusted closing capital is more than the opening capital, it denotes \_\_\_\_\_

(a) Profit (b) Loss (c) Opening Capital (d) Expenses

45) Capital at the end - net profit + drawings =

(a) Capital in Beginning (b) Gross profit (c) Interest on capital (d) Interest on drawings

46) A business is said to be used \_\_\_\_\_ system. It is not following the complete the principles of book keeping of \_\_\_\_\_ system.

(a) Double Entry - Single Entry (b) Single Entry - Double Entry (c) Double Entry - Double Entry  
(d) Single Entry - Single Entry

47) Single Entry System will not be accepted by\_\_\_\_\_.

(a) Proprietor (b) partners (c) Tax authorities (d) All the above

48) Credit purchase is obtained from\_\_\_\_\_.

(a) Total Debtors Account (b) Total creditors Account (c) Statement of affairs (d) All the above

49) From incomplete records it is possible to prepare\_\_\_\_\_.

(a) Ledger Accounts (b) Trial balance (c) Statement of affairs (d) Balance sheet

50) Companies cannot keep books on single entry system because of \_\_\_\_\_

(a) Tax Properties (b) Legal Provisions (c) Both (a) & (b) (d) None of these