

**TELANGANA UNIVERSITY**  
**S.S.R. DEGREE COLLEGE, NIZAMABAD (C.C:5029)**  
**VI SEMESTER INTERNAL ASSESSMENT I EXAMINATIONS**  
**ACCOUNTING STANDARDS QUESTION BANK**

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I. Multiple choice questions.

1. Accounting is an act of, [d]  
(a) Recording (b) Classifying (c) Summarizing (d) All the above
2. The concept which emphasizes on continuity of the business is, [a]  
(a) Going concern concept (b) Cost concept  
(c) Dual aspect concept (d) Money measurement concept
3. In \_\_\_\_\_ the accountant must consider material details for avoiding unnecessary burden [b]  
(a) Convention of consistency (b) Convention of materiality  
(c) Realization concept (d) Accounting period concept
4. The standard which lays down the proformas and sequence for presenting information in financial statements is [a]  
(a) Presentation standards (b) Content standards  
(c) Disclosure standards (d) None of the above
5. Accounting standards are intended to apply only to items which are [a]  
(a) Material (b) Non-material (c) Both (a) and (b) (d) None of the above
6. Accounting standards acts as [d]  
(a) Guide (b) Dictator (c) Service provider (d) All the above
7. The standards which are universally accepted and followed on voluntary basis are developed [a]  
(a) Over a period of time (b) By government  
(c) By private organization (d) None of the above
8. Accounting standard board was established by ICAI on \_\_\_\_\_ [b]  
(a) 20 Jan. 1966 (b) 21 April 1977 (c) 15 Feb. 1955 (d) 25 April 1966
9. Accounting theory deals with the explanation of accounting methods like \_\_\_\_\_ [d]  
(a) LIFO and FIFO (b) Cash flow and funds flow analysis (c) Ratio analysis (d) All the above
10. The accounting theory is classified into \_\_\_\_\_ categories. [b]  
(a) 2 (b) 3 (c) 4 (d) 5
11. Ind AS-101 deals with \_\_\_\_\_ [a]  
(a) First time adoption of accounting (b) Operating segment standards  
(c) Interim financial reporting (d) Related party disclosure
12. The components of financial statement are \_\_\_\_\_ [d]  
(a) Balance sheet (b) Statement of profit and loss  
(c) Statement of cash flow (d) All the above
13. The statement of change in equity is part of \_\_\_\_\_ [c]  
(a) Profit and loss (b) Cash flow (c) Balance sheet (d) Both (a) and (b)

14. The presentation of statement of cash flow is classified into \_\_\_\_\_ [a]  
 (a) Operating activities (b) Investing activities (c) Financing activities (d) All the above
15. \_\_\_\_\_ are the prediction or estimation of value of items which are not accurately measured in financial statements. [b]  
 (a) Accounting standard (b) Accounting Estimates (c) Statement of change (d) Error
16. The events are classified into \_\_\_\_\_ [c]  
 (a) Adjusting events (b) Non-adjusting events (c) Both (a) and (b) (d) Accounting events
17. Ind AS-24 defined related party as a person or a business who prepares financial statement of an organization \_\_\_\_\_ [c]  
 (a) Ind AS-101 (b) Ind AS-10 (c) Ind AS-24 (d) Ind AS-34
18. \_\_\_\_\_ considers interim report as a part of financial year report. [b]  
 (a) Discrete approach (b) Integral approach (c) Relative approach (d) Both (a) and (b)
- 19 The non-current assets which the company intends to sell is known as \_\_\_\_\_ [c]  
 (a) Disposal group (b) Discontinued operations (c) Assets held for sale (d) Impairment
20. The operating segment report consists of information related to \_\_\_\_\_ [d]  
 (a) Performance (b) Returns earned (c) Judgment (d) All the above

## II. Fill in the blanks

1. Accounting is regarded as the language of business.
2. Money measurement concept considers only monetary transactions while preparing accounting records.
3. Accounting standards are written statements, which are issued by professional body and contains uniform rules which acts as the basis for preparing financial statements.
4. Disclosure standards states that it is compulsory for every company to disclose methods and concepts that are followed in preparation of financial statements.
5. ICAI stands for Institute of Chartered Accountants of India
6. Accounting standards are not applicable to Purely charitable entities
7. Indian Accounting standards are abbreviated as Ind As
8. The theory which explains about the complete system, processes, polices or practices of accounting is know as Accounting theory
9. Accounting structure theory is directly concerned with the data collection process i.e., accounting of business transactions and financial reporting.
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### III. Short Answers.

1. Define accounting theory?
2. What is deductive approach?
3. What is inductive approach?
4. What is Ind AS-1?
5. What is cash flow statement?
6. What are accounting policies?
7. Define inventories (Ind, AS-2)?
8. What is property, plant and equipment?
9. Define leage?
10. What is construction contract?