

S.S.R. DEGREE COLLEGE, (AUTONOMOUS) NIZAMABAD (C.C:5029)

II SEMESTER INTERNAL ASSESSMENT - II EXAMINATIONS

BCOM - FINANCIAL ACCOUNTING

QUESTION BANK

I. Multiple choice questions.

1. Joint venture account is in the nature of a []
a)real account b)Personal account c)normal account d)none of these
2. A joint venture is a []
a) a general partnership b)a particular partnership
c)not limited a particular venture d)none of these
3. A complete separate set of books of account is kept when the size of the venture is []
a)large b)small c)not known d)none of these
4. Joint Bank Account is []
a)Not like a cash book b)opened specifically for the venture
c)opened by one of the ventures d)none of these
5. Profit or loss on a joint venture is shared by the co-ventures []
a) equally b) in the capital ratio c) as per the agreement d)none of these
6. In a limited liability partnership liquidation, the final cash distribution to partners is made in accordance with the []
a) Partners income-sharing ratio b) Balances of partner capital accounts
c) Ratio of original investments by partners
d) Ratio of original investments less withdrawals by partners
7. The opening capital is ascertained by preparing: []
a) Cash book b) Creditors A/c c) Debtors A/c d) Opening statement of affairs
8. A single entry system it: []
a) Complete and scientific system b) Incomplete and unscientific
c) Incomplete and scientific d) Complete and unscientific
9. In single entry system, it is not possible to prepare: []
a) Receipts and payments A/c b) Trial balance c) Balance sheet d) Account sales
10. A single entry system is usually adopted by: []
a) Company b) Partnership c) Government d) None of above
11. Single entry system is must suited where: []
a) Cash transactions are many b) Credit transactions are many
c) Cash & credit transactions are more d) None of the above
12. Capital can be obtained by preparing []
a) Cash book b) Statement of affairs c)Debtors A/c d) Creditors A/c

13. The opening capital is ascertained by preparing []
 a)Cash book b)Creditors A/c c)Debtors A/c d)Opening statement of affairs
14. A single entry system it []
 a)Complete and scientific system b)Incomplete and unscientific
 c)Incomplete and scientific d)Complete and unscientific
15. In single entry system, it is not possible to prepare []
 a)Receipts and payment A/c b)Trial balance c)Balance sheet d)Account sales
16. A single entry system is usually adopted by []
 a)Company b)Partnership c)Government d)Account sales
17. Single entry system is must suited where []
 a) Cash transactions are many(T) b)Credit transactions are many
 c)Cash & credit transactions are more d)None of these

II. Fill in the Blanks.

1. Joint venture is a form of _____
2. Joint venture account is a _____ account
3. The value of unsold stock is _____ to the Joint Venture Account
4. In case of joint venture, discount on bill is charged to _____ account.
5. For calculating the _____ of the joint venture, abnormal losses are
6. Joint venture is a _____ partnership.
7. Parties involved in joint venture is called. _____
8. Joint venture business is limited to a _____
9. Memorandum joint venture account is prepared to ascertain profit or loss, i.e., the nature of _____
10. When purchases made for the joint venture out of joint bank account, the _____ account is debited.
11. Accounting records that are not maintained strictly on the basis of double entry book keeping system is termed as _____
12. Single entry system is usually maintained by _____

13. Generally, there will be no records relating to _____ and _____ accounts under this system.
14. _____ cannot be prepared under this system.
15. This system is never maintained by _____ on account of legal requirement.
16. Under this system _____ accounts are not maintained properly.
17. Ascertainment of profit/loss under this system can be made by preparing _____ and statement of profit or loss.
18. Statement of affairs method is also known as _____
19. A life membership fee is a _____
20. Income and expenditure account records transactions of _____ nature only.
21. Receipts and Payments account record transactions of _____ nature.
22. A debit balance in the income and Expenditure A/c denotes excess of _____ over _____
23. Receipts and payments account is a _____ account.
24. Income and expenditure account is a _____ account.
25. Not for profit organization prepares _____ and _____.
26. Legacy is an item of _____ nature.

III. Descriptive Questions.

1. Define Joint Venture and explain its features.
2. Distinguish between Joint Venture and Consignment.
3. What is the Single Entry System? Explain its features.
4. Distinguish between Single Entry and Double Entry System.
5. Explain differential between Receipts and Payments account and income and expenditure account?