

## Objective Type Questions

Read the following statements and select the correct answer:

- (i) Shares on which the company has not called the entire nominal value is shown in the Note to Accounts on Share Capital under Subscribed Capital as:
- (a) Subscribed and fully paid-up; (b) Subscribed but not fully paid-up;  
(c) None of the above; (d) Any of the above.
- (ii) Shares on which the company has called the entire nominal value and has also received it is shown in the Notes to Accounts on Share Capital under Subscribed Capital as:
- (a) Subscribed and fully paid-up; (b) Subscribed but not fully paid-up;  
(c) None of the above; (d) Any of the above.
- (iii) Shares on which the company has called the entire nominal value but has not received final call of ₹ 2 on 500 shares, the shares on which the final call is not received are shown in the Note to Accounts on Share Capital under Subscribed Capital as:
- (a) Subscribed and fully paid-up; (b) Subscribed but not fully paid-up;  
(c) None of the above; (d) Any of the above.
- (iv) A company has issued 1,00,000 Equity Shares of ₹ 10 each. It has called the entire nominal value of the share. It has received the calls made except the final call of ₹ 3 on 1,000 shares. Subscribed Capital will be shown as follows:

(a) Subscribed but not fully paid-up;

(b) Subscribed and fully paid-up  
1,00,000 Equity Shares of ₹ 10 each  
Less: Calls-in-Arrears

	₹	₹
10,00,000	10,00,000	
<u>3,000</u>	<u>3,000</u>	<u>9,97,000</u>

(c) Subscribed and fully paid-up  
99,000 Equity Shares of ₹ 10 each  
Subscribed but not fully paid-up  
1,000 Equity Shares of ₹ 10 each  
Less: Calls-in-Arrears

		9,90,000
10,000		
<u>3,000</u>		<u>7,000</u>
		<u>9,97,000</u>

(d) Can be shown as (b) or as (c).

(v) Debentures redeemable after 10 years of issue are shown as:

- (a) Long-term Borrowings; (b) Other Long-term Liabilities;  
(c) Short-term Borrowings; (d) Other Short-term Liabilities.

(vi) 1,000; 10% Debentures of ₹ 100 each out of 10,000, 10% Debentures are redeemable within the 12 months of the date of Balance Sheet. They will be shown in the Current Liabilities as:

- (a) Short-term Borrowings; (b) Other Current Liabilities;  
(c) Trade Payables; (d) Short-term Provisions.

(vii) Securities Premium Reserve is shown on the Equity and Liabilities part of the Balance Sheet under the head:

- (a) Reserves and Surplus; (b) Current Liabilities;  
(c) Share Capital; (d) None of the above.



- (viii) Indicate the item which appears as Short-term Provision:
- (a) Provision for Expenses; (b) Interest Accrued but not Due;  
(c) Employees' Provident Fund; (d) None of the above.
- (ix) Dividend is paid on:
- (a) Authorised Capital; (b) Issued Capital;  
(c) Subscribed Capital that is Paid-up; (d) None of the above.
- (x) Debentures are shown in the Balance Sheet under the head of:
- (a) Other Long-term Liabilities; (b) Current Liabilities;  
(c) Long-term Borrowings; (d) Long-term Provisions.
- (xi) Revenue from sale of goods manufactured is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xii) Revenue from sale of Stock-in-Trade is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xiii) Revenue from sale of scrap from goods manufactured is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xiv) Interest income of a non-financial company is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xv) Gain (Profit) on sale of fixed assets by a non-financial company is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xvi) Gain (Profit) on sale of fixed assets by a financial company is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xvii) Dividend earned by a financial company is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xviii) Interest on loans given by a financial company is shown in the Statement of Profit and Loss as:
- (a) Revenue from Operations; (b) Other Income;  
(c) Any of the above; (d) None of the above.
- (xix) Raw materials purchased is shown in the Statement of Profit and Loss as:
- (a) Purchases of Stock-in-Trade; (b) Cost of Materials Consumed;  
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade;  
(d) None of the above.

- (xx) Purchase of goods for reselling is shown in the Statement of Profit and Loss under:
- (a) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade;
  - (b) Cost of Materials Consumed;
  - (c) Purchases of Stock-in-Trade;
  - (d) None of the above.
- (xxi) Wages paid to workers is shown in the Statement of Profit and Loss under:
- (a) Cost of Materials Consumed;
  - (b) Other Expenses;
  - (c) Employees Benefit Expenses;
  - (d) Any of the above.
- (xxii) Salaries paid to office staff is shown in the Statement of Profit and Loss under:
- (a) Cost of Materials Consumed;
  - (b) Other Expenses;
  - (c) Employees Benefit Expenses;
  - (d) Any of the above.
- (xxiii) Electricity expenses are shown in the Statement of Profit and Loss under:
- (a) Cost of Materials Consumed;
  - (b) Other Expenses;
  - (c) Employees Benefit Expenses;
  - (d) Any of the above.
- (xxiv) Carriage Inwards is shown in the Statement of Profit and Loss under:
- (a) Cost of Materials Consumed;
  - (b) Other Expenses;
  - (c) Employees Benefit Expenses;
  - (d) Any of the above.