



XLRI Jamshedpur
School of Business & Human Resources

Course: "Executive Management Programme"

Each correct answer carries 0.5 marks

Duration

Name

Roll No.

Quiz # 1

1. The assets of a _____ may also be sold to some other firm, at which time the _____ ceases to exist.
 - a) Sole Proprietorship, Sole Proprietorship
 - b) Limited Liability Partnership, Limited Liability Partnership
 - c) Partnership, Partnership
 - d) Company, Company
2. Each general partner is personally and individually liable for the _____ of the business, even if those _____ were contracted by other partners.
 - a) Security, Security
 - b) Debt, Debt
 - c) Assets owned, Assets owned
 - d) None of these
3. Directors who are also employees of the company are called _____ and those who have no other position within the company are called _____.
 - a) Insider directors, independent directors
 - b) Independent directors, Insider directors
 - c) Whole-time directors, independent directors
 - d) Part-time directors, Insider directors
4. Which of the following does not describe accounting?
 - a) Language of business.
 - b) Used by business, government, nonprofit organization, and individuals.
 - c) Is an end rather than a means to an end.
 - d) Useful for decision making.
5. The financial statements that report assets, liabilities, and stockholders' equity is the:
 - a) Statement of cash flows
 - b) Income statement
 - c) Retained earnings statement
 - d) Balance sheet

6. Fill up the blanks:
- Closing stock is an example of assets.
 - Loan from bank is liability.
 - Going concern concept assumes that business will be carried on for Period.
7. The comparison of one accounting period with that in the past is possible only when the concept is followed. It is:
- Cost concept.
 - Consistency concept.
 - Going concern concept.
 - Money concern concept.
8. Assets are depreciated on the basis of expected life rather than on the basis of market value according to:
- Cost concept.
 - Consistency concept.
 - Going concern concept.
 - Money concern concept.
9. Dual aspect concept results in the accounting equation
- Capital + Liabilities = Assets
 - Capital = Assets
 - Revenue = Expenses
 - Capital + Profit = Assets + Expenses
10. Cost concept requires the recording of the following in the books of account
- Skills and knowledge acquired by business manager.
 - An asset at its cost
 - Quality control in the firm
 - None of these
11. Prepare the balance sheet according to the following assets and liabilities and answer the questions

	Rs		Rs
Stock	1,50,000	Machinery	2,00,000
Cash at bank	25,000	Debtors	75,000
Cash in hand	2,500	Fixtures and fittings	40,000
Trade creditors	1,22,500	Motor vehicles	80,000

- The balance sheet total is Rs _____
- The total capital is Rs _____
- Current liabilities are Rs _____
- Fixed asset are Rs _____
- Current asset are Rs _____
- Net working capital _____

Answers

1. a
2. b
3. a
4. c
5. d
6. a) Current, b) Long-term, c) Indefinite
7. b
8. c
9. a
10. b
11. a) 5,72,500 ; b) 4,50,000 ; c) 1,22,500 ; d) 3,20,000 ; e) 2,52,500; f) 1,30,000