1) Incomplete records are generally maintained by
   a) A company  b) A Government  c) Small sized sole trader business  d) Multinational enterprises

2) Statement of affairs is a
   a) Statement of income  b) Statement of assets and expenditure  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
   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 account  c) It is suitable for all types of organizations  d) Tax authorities do not accept

8) What is the amount of capital of the proprietors, if his assets are Rs.85,000 and liabilities are Rs.21,000?
   a) Rs.85,000  b) Rs.106,000  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 Rs.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) In single entry system of accounting
    a) Duel aspects of a transaction is recorded  b) Single aspect of a transaction is recorded  c) Important transactions are recorded  d) All of them

12) 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

13) In which of the following systems of recording the financial statements reflect true and fair view of an entity and accounting records are considered to be more accurate?
    a) Single entry system  b) Double entry system  c) Cash based system  d) All of them

14) Identify the correct formula used to ascertain the closing capital

15) Which of the following formulas is used to calculated the net income for an accounting period?
    a) Net income = Opening capital + Drawings + Ending capital  b) Net income = - Opening capital + Drawings - Ending capital  c) Net income = - Opening capital + Drawings + Ending capital  d) Net income = Opening capital – Total assets

16) If opening capital Rs.1,000 and Closing capital Rs.2,000. 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

17) 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.50,000
18) Which one of the following accounts is supposed to be used to get the figure of credit purchase made during the current accounting period?
   a) Debtors account    b) Revenue account    c) Creditors account    d) Expenses account

19) 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

20) If creditors balance was Rs.1,000 at 1st Jan. 2017, ending balance of creditors was Rs.2,000 on 31st Dec. 2017 and a payment of Rs.500 was made to creditors, which of the following is the amount of purchase made during the year 2017?
   a) Rs.2,500    b) Rs.500    c) Rs.1,500    d) Rs.2,000

21) If debtors balance was Rs.2,000 at 1st Jan. 2017, credit sales made during the year were Rs.1,000 and Rs.1,500 were received from debtors, which of the following is the debtors account balance at 31st Dec. 2017?
   a) Rs.1,000    b) Rs.2,000    c) Rs.1,500    d) Rs.500

22) Calculate the amount of net income or loss if the capital has been increased by Rs.1,000 during this accounting period drawings Rs.5,000 and Rs.1,000 fresh capital was introduced in the business
   a) Rs.5,000 net loss    b) Rs.5,000 net profit    c) Rs.6,000 net loss    d) Rs.6,000 net profit

23) Single entry system has effect
   a) One effect    b) Two effect    c) Three effect    d) None of the above

24) In single entry system, is not possible to prepare
   a) Receipts and Payments Account    b) Trial Balance    c) Balance Sheet    d) Account Sales

25) 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

26) Capital can be obtained by preparing
   a) Cash Book    b) Statement of Affairs    c) Debtors Account    d) Creditors Account

27) In single entry system only accounts are opened:
   a) Personal and Cash A/c    b) Real A/c    c) Nominal A/c    d) Real & Nominal A/c

28) In single entry system profit is calculated as follows:
   a) Opening Capital + Drawings + Fresh Capital + Ending capital
   b) Capital at the end – Drawings – Fresh Capital – Opening Capital
   c) Capital at the end + Drawings – Fresh Capital – Opening Capital
   d) None of the above

29) A statement of assets and liabilities prepared under the single entry system is called
   a) Balance sheet    b) Financial Statement    c) Cash Statement    d) Statement of affairs

30) Net worth of an organization means the excess of its total assets over total
   a) Expenses    b) Incomes    c) Liabilities    d) Both (a) & (b)

31) 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

32) Statement of assets & liabilities prepared under double entry system is called:
   a) Balance Sheet    b) Profit & Loss Statement    c) Statement of affairs    d) Income Statement

33) 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

34) Opening capital is obtained by preparing
   a) Debtors A/c    b) Creditors A/c    c) Opening Statement of affairs    d) Cash A/c

35) If opening capital is Rs.10,000 & Closing capital is Rs.15,000 then profit or loss
   a) Loss of Rs.5,000    b) Profit of Rs.2,500    c) Profit of Rs.5,000    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) Trial balance is not obtained in:
   a) Double entry system    b) Modern entry system    c) Single entry system    d) None of these

38) 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

39) Single entry system is not possible for:
   a) Sole Trader    b) Partnership    c) Joint Stock Company    d) None of these

40) Balance sheet is prepared under
   a) Single entry system    b) Double entry system    c) Both (a) & (b)    d) None of these
41) In net worth method of single entry, net profit or net loss is ascertained by 
   a) Preparing trading and profit and loss account  
   b) Comparing opening and closing balance of capital 
   c) Adopting any other method  
   d) None of these 

42) Generally depreciation on fixed assets is calculated on which balance? 
   a) Opening Balance  
   b) Closing Balance 
   c) Only on additional 
   d) Amount realized on asset sole 

43) When B/R dishonoured is shown in the ................. A/Cs 
   a) Debtors A/c is debited and Creditors A/c is credited 
   b) Creditors A/c is debited and Debtors A/c is credited 
   c) B/R account is debited and Creditors A/c is credited 
   d) Debtors A/c is debited and B/R A/c is credited 

44) Effects of dishonor of B/R is given - 
   a) Only in the B/R account  
   b) In debtor A/c and B/R A/c 
   c) Only in the debtors A/c  
   d) Only in the B/P account 

45) Interest on capital is calculate on which capital 
   a) Opening Capital 
   b) Closing Capital 
   c) Opening Stock 
   d) Closing Stock 

46) Closing capital can be found by preparing a statement of affairs at the .............. of the year. 
   a) Opening 
   b) End 
   c) Centre 
   d) All of these 

47) A Firm has liabilities is Rs.50,000 and Capital is Rs.25,000. Then its assets is ........... 
   a) Rs.1,00,000 
   b) Rs.25,000 
   c) Rs.50,000 
   d) Rs.75,000 

48) Single entry system keeps one cash book which mixes up business as well as ................. transactions 
   a) Private 
   b) Public 
   c) Own 
   d) All of these 

49) ................. is not based on dual aspect concept 
   a) Single entry system 
   b) Double entry system 
   c) Balance Sheet 
   d) Statement of Affairs 

50) Trial balance shows machinery of Rs.2,00,000. Depreciation is provided at 10%. The depreciation on machinery will be ................. 
   a) Rs.20,000 
   b) Rs.1,80,000 
   c) Rs.2,20,000 
   d) Rs.1,50,000 

51) Which of the following equation(s) is (are) true 
   a) Assets = Liabilities + Capital  
   b) Assets – Capital = Liabilities 
   c) Both (a) & (b)  
   d) None of the these 

52) Which one is correct 
   a) Adjusted Closing Capital = Closing Capital + Drawings – Additional Capital 
   b) Adjusted Closing Capital = Closing Capital - Drawings – Additional Capital 
   c) Adjusted Closing Capital = Additional Capital + Drawings – Closing Capital 
   d) None of these 

53) A firm’s total sales is Rs.80,000 and its credit sales is Rs.60,000, then its cash sales is - 
   a) Rs.20,000 
   b) Rs.1,40,000 
   c) Rs.70,000 
   d) Rs.25,000 

54) 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 

55) 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 

56) If adjusted closing capital is more than the opening capital, it denotes --- 
   a) Profit 
   b) Loss 
   c) Opening capital 
   d) Expenses 

57) Companies cannot keep books on single entry system because of .................. 
   a) Tax Properties 
   b) Legal Provisions 
   c) Both (a) & (b) 
   d) None of these 

58) Following are the limitations of incomplete records except... 
   a) Lack of proper maintenance of records 
   b) Difficulty in preparing trial balance 
   c) Difficulty in ascertaining true profitability of the business 
   d) Suitability 

59) capital at the end - net profit + drawings = 
   a) Capital in Beginning 
   b) Gross profit 
   c) Interest on capital 
   d) Interest on drawings 

60) A business is said is 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 

***** All the Best *****
<table>
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<tr>
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<td>D</td>
<td>Debtors A/c is debited and B/R A/c is credited</td>
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<td>Closing capital = Opening capital + Net income - Drawings</td>
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<td>22</td>
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<td>Profit</td>
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