

**JMS COLLEGE, MUNGER, BIHAR
(MUNGER UNIVERSITY)
Department of Commerce**

**B.Com Part-I (Payments & Investments)
Multiple Choice Questions (MCQs)**

1. “ Auditor is not valuer” was stated in

- a) Kingston Cotton Mills case
- b) London & General Bank case
- c) Lee . V . Neuchatel Co. Ltd case
- d) London oil Storage Co. case

2. Vouching implies

- a) Inspection of receipts
- b) Examination of vouchers to check authenticity of records
- c) Surprise checking of accounting records
- d) Examining the various assets

3. Payment for goods purchased should be vouched with the help of

- a) Creditors statement
- b) Correspondence with suppliers
- c) Cash memos
- d) Ledger accounts

4. Payment for wages should be vouched with the help of

- a) Piece work statement
- b) Wage sheets
- c) Minute book
- d) Bank pass book

5. Payment for building purchased should be vouched with the help of

- a) Title deed
- b) Correspondence with Brokers
- c) Building account

d) Cash book

6. Investment should be vouched with the help of

- a) Commission book
- b) Brokers book
- c) Sales deeds
- d) Minute book

7. Receipt from debtors should be vouched with the help of

- a) Counterfoil Receipts cash book
- b) Suppliers statement
- c) Sales Deeds
- d) General Ledger

8. Receipt from sale of investment should be vouched with the help of

- a) Brokers Budget Notes
- b) Brokers Sold Notes
- c) Minute Book
- d) Inventory of investment

9. Purchases returns should be vouched with the help of

- a) Bought Notes
- b) Credit Notes
- c) Goods inward Book
- d) Cash Book

10. Verification refers to

- a) Examination of journal and ledger
- b) Examination of vouchers related to assets
- c) Examining the physical existence and valuation of assets
- d) Calculation of value of assets

11. Object of verification of assets

- a) Physical verification of assets
- b) Checking value of assets
- c) Examining the authority of their acquisition
- d) All of the above

12. Which of the following statements is correct?

- a) Valuation is a part of verification
- b) Verification is a part of valuation
- c) Valuation has nothing to do with verification
- d) Auditor is a valuer

13. Stock should be valued at

- a) Cost
- b) Market price
- c) Cost price or market price whichever is lower
- d) Cost less depreciation

14. Valuation of Fixed Assets is based on the concept

- a) Going concern
- b) Conservation
- c) Money measurement
- d) Dual aspect

15. Valuation means

- a) Calculating value of assets
- b) Checking the value of assets
- c) Checking the physical existence of assets
- d) Examining the authenticity of assets

Note : Dear students, for any doubt or clarification, send your query at madhulika.kvs@gmail.com