

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