

SAMPLE QUESTIONS

CLASS: TY BAF

SUBJECT: FA –V(ATKT)

SEM: V

1.The applications which has stamp of underwriters is called as.....

a) Unmarked Applications b) Marked Applications c) Stamped Applications d) None of the above

2. Under Purchase Method any excess of the amount of P.C over the Net acquired assets of the transferor company should be recognized as.....

a) Capital Reserve b) Goodwill c) Profit & Loss A/c d) Non of the above

3. AS 14 recommends that GOODWILL arising on amalgamation should be written off within.....

a) 4 Years b) 3 Years c) 5 Years d) 6 Years

4. Free reserves is not used for the purpose of buy back of shares

(a) Profit and loss account (b) General reserves (c) Dividend Equalization reserves (d) Revaluation reserves

5. When winding up of companies takes place, shareholders are described as

a) Liquidators b) Contributory c) Creditors d) Owner

6. Increase in value of Buildingto Capital Reduction A/c

a) Debited (b) Credited (c) No Effect (d) Discounted

7.When a company is wound-up, all persons who ceased to be shareholders within a year before the winding-up are placed in the.....

a) List of Contributories b) List of Contributories c) List of Contributories d) List of Contributories

8. Reserve for Doubtful Debts (RDD) is recorded on.....

a) Debit Side of Realisation A/c b) Credit side of Realisation A/c c) Debit side of Equity Shareholders A/c d) Credit Side of Equity Shareholders A/c

9. If amalgamation is in the, the General Reserve or Profit and Loss A/c balance will not be shown in the balance sheet.

(a) Form of Merger (b) Form of purchase (c) Net assets method (d) Consideration method

10.Co.has 6,000 10% Cumulative Preference shares of Rs.100 each, arrears of preference divided for two years is.....

(a) Rs.60000 (b) Rs.30000 (c) Rs.120000 (d) Rs.12000

11. Investment Allowance Reserve is

(a) Capital Reserve (b) Statutory Reserve (c) Revenue Reserve (d) All of the above

12. Amrin Ltd. issued shares of Rs.1000 each @ Rs.950/. The underwriting commission will be paid on.....

a)1000 b)950 c)1950 d)50

13. Surrender of fully paid shares amounts to

a) Reduction of share capital b) Alteration of share capital c) variation of shareholders' rights
d) Compromise/Arrangements

14. The asset which is not taken under the Net assets method of calculating purchase consideration is.....

a) loose tools b) Bills Receivables c) Machinery d) Share issue expenses

15. The existing 1000 shares of Rs. 100 each are altered to 10000 shares of Rs.10 each . This is known as.....

a) Consolidation b) Sub-division c) Conversion in stock d) Surrender