

MULTIPLE CHOICE QUESTIONS

1. Which of the following will not covered under finance cost?
 - (a) Discount on issue of debentures written off
 - (b) Interest paid on bank overdraft
 - (c) Bank charges
 - (d) Premium payable on redemption of debentures written off
2. Loose tools will be covered under main head and sub head (fill in the blanks)
3. Earmarked balances with bank like unpaid dividend will be shown under sub head cash and cash equivalents. (True or false with reason).
4. Long term provisions does not include:
 - (a) Provision for Gratuity
 - (b) Provision for earned leave
 - (c) Provision for employees benefit
 - (d) Provision for warrenty
5. Forfeited share account will be covered under main head and sub head

Answers:

1. C
2. Current, Assets, Inventories
3. True
4. C
5. Shareholder's Fund, Subscribed Capital (Shown by way of Addition)