

EMPLOYEE BENEFITS

AS
15

1. Gratuity and Pension would be examples of:
 - a. Short-term employee benefits
 - b. Long-term employee benefits
 - c. Post-employment benefits.
 - d. None of the above.
2. Non-accumulating compensating absence is commonly referred to as:
 - a. Earned Leave
 - b. Sick Leave
 - c. Casual leave
 - d. All of the above
3. The plans that are established by legislation to cover all enterprises and are operated by Governments include:
 - a. Multi-Employer plans
 - b. State plans
 - c. Insured Benefits
 - d. Employee benefit plan
4. Best estimates of the variable to determine the eventual cost of post-employment benefits is referred to as:
 - a. Employer's contribution
 - b. Actuarial assumptions
 - c. Cost to Company
 - d. Employee's contribution
5. Actuarial gains / losses should be:
 - a. Recognised through reserves.
 - b. Charged over the expected life of employees.
 - c. Charged immediately to Profit and Loss Statement
 - d. Do not charged to Profit and Loss Statement
6. AS-15 is not applicable to?
 - a. Salary and Wages
 - b. Long-term service award
 - c. Employee Stock Options
 - d. Termination benefits.
7. Cost arising out of increase in the present value of the defined benefit obligation resulting from employee service in the current period is called?
 - a. Interest cost
 - b. Contribution to the plan
 - c. Current Service Cost
 - d. Past service cost
8. As per AS 15, which of the following is an example of short-term employee benefits?
 - a. Provident fund contributions
 - b. Gratuity
 - c. Long-term disability benefits
 - d. Bonus payable within 12 months

9. What is the primary objective of AS 15 regarding the disclosure of employee benefits?
 - a. To minimize the liability of the employer
 - b. To ensure compliance with tax laws
 - c. To provide information about the cost of employee benefits
 - d. To maximize employee satisfaction
10. XYZ Ltd. has a defined benefit plan. How should the plan assets be valued for the purpose of determining the net defined benefit liability?
 - a. Historical cost
 - b. Fair value
 - c. Present value of expected cash flows
 - d. Nominal value
11. Under AS 15, how should the cost of post-employment benefits be recognized?
 - a. In the period the benefits are paid
 - b. Over the vesting period
 - c. When the employee becomes eligible
 - d. Only when the employee retires
12. AS 15 Applies to
 - a. Part time employees
 - b. Full time employees
 - c. Casual employee
 - d. All of the above
13. B Ltd. is required to pay ₹ 5,00,000 salary to Mr X, But it only paid ₹ 4,50,000 till year ending 31st March 2023 and balance in April 2023.
How much salary needs to be recorded in the liability for year ended 31st March 2023?
 - a. ₹ 4,50,000
 - b. ₹ 5,00,000
 - c. ₹ 50,000
 - d. None of the above

Answers:

1. (c)
2. (c)
3. (b)
4. (b)
5. (c)
6. (c)
7. (c)
8. (d)
9. (c)
10. (b)
11. (b)
12. (d)
13. (c)