

MGT101 - Financial Accounting MCQ1 (Online quiz # 1)

Question # 1 of 20

What should be credited, if salary is paid to Sohail?

Select correct option:

- Sohail account
- Salaries account
- Cash account**
- Drawings account

Question # 2 of 20

Which of the following is NOT correct?

Select correct option:

- Decrease in Assets will be credit
- Decrease in Liabilities will be debit
- Decrease in Expenses will be debit**
- Decrease in Revenue will be debit



Question # 4 of 20

Which of the following is/are the example/s of Intangible Asset?

Select correct option:

- Copy rights
- Good will
- Patent rights

All of the given options



Question # 5 of 20

Which of the following is a FIRST product of accounting cycle?

Select correct option:

Voucher

- General Journal
- General Ledger
- Financial Statements

Question # 6 of 20

What will be debited, if Mohsin commenced business with cash?

Select correct option:

Cash account

- Capital account
- Drawings account
- Proprietor account

Question # 7 of 20

Assets are divided in which of the following categories in balance sheet.

Select correct option:

- Current assets, Long term assets and capital assets
- Current assets, Long term assets and fixed assets
- Current assets, Quick assets and business debts
- Current assets, Fixed assets and deferred cost**



Question # 8 of 20

Find out the missing value of an Accounting Equation with the help of given data: Cash Rs.100,000 Debtors Rs.10,000 Other Assets Rs. 1,000 Owner's equity Rs. 1,000 Liabilities ?

Select correct option:

- Rs. 12,000
- Rs. 11,000

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Rs. 110,000

Rs. 111,000

Question # 9 of 20

What will be debited, if business purchased Vehicle on cash?

Select correct option:

Vehicle account

Cash account

Business account

Bank account



Question # 10 of 20

Franchise rights, goodwill and patents are the examples of:

Select correct option:

Liquid assets

Tangible assets

Intangible assets

Current assets



Question # 11 of 20

Consider the following data: Particulars Rs. Assets ? Owner's equity 35,000 Liabilities 90,000

Select correct option:

Rs. 35,000

Rs. 55,000

Rs. 1, 25,000

Rs. 1, 05,000

Question # 12 of 20

What should be credited, if rent paid in cash?

Select correct option:

Landlord's account

Rent account

Cash account

Accounts receivable account

Question # 13 of 20

Consider the following data: Particulars Rs. Assets 75,500 Owner's equity ? Liabilities 40,200

Select correct option:

Rs. 35,300

Rs. 55,000

Rs. 125,000

Rs. 115,700



Question # 14 of 20

Find out the missing value of an Accounting Equation with the help of given data: Total Assets

Rs. 34,500 Accounts payable Rs. 1, 000 Other liabilities Rs. 11,500 Owner's equity ?

Select correct option:

Rs. 22,000

Rs.24, 000

Rs. 45,000

Rs. 46,000

Question # 15 of 20

Which of the following item is found in a Journal entry? (1) Date of each transaction (2) Rupee amount of each debit and credit (3) Explanation of each transaction

Select correct option:

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- 1 only
- 1 & 2 only
- 2 & 3 only

1, 2 & 3



Question # 16 of 20

Which one of the following will result in increase in revenues?

Select correct option:

Purchased fixed asset

Received discount

Payment to creditors

Return of goods, sold on credit

Question # 17 of 20

Amount generated from sales in a business is called:

Select correct option:

Income

Net Income

Gross Profit

Operating profit

Question # 18 of 20

The expenses which are NOT paid out of Gross Profit is classified as:

Select correct option:

Direct Expenses

General Expenses

Financial Expenses

Selling Expenses

Question # 19 of 20

The process of transferring journal entry information to the ledger is called:

Select correct option:

Journalizing

Posting

Balancing

Analyzing



Question # 20 of 20

Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be credit

Decrease in Liabilities will be credit

Decrease in Expenses will be credit

Decrease in Revenue will be debit

MGT101 - Financial Accounting MCQ2 (Online quiz # 1)

Question #◆◆1◆◆of 20

Find out the missing value of an Accounting Equation with the help of given data: Furniture Rs.

90,000 Cash Rs.100, 000 Debtors Rs.10, 000 Other Assets Rs. 1,000 Owner◆◆s equity Rs. 90,

000 Liabilities?

Select correct option:

Rs. 201,000

Rs. 111, 000

Rs. 290, 000

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Rs. 291, 000

Question #2 of 20

The expenses which are NOT paid out of Gross Profit is classified as:

Select correct option:

Direct Expenses

General Expenses

Financial Expenses

Selling Expenses

Question #3 of 20

Which of the following is NOT a characteristic of Joint Stock Company?

Select correct option:

Separate Legal Entity

Limited Liability of shareholders

Easy formation

Common Seal

◆◆

Question #4 of 20

Any expense that gives benefit for a period of less than twelve months is called _____.

Select correct option:

Capital Expense

Revenue Expense

Revenue Receipt

Deferred Expense

◆◆

Question #5 of 20

The process of transferring journal entry information to the ledger is called:

Select correct option:

Journalizing

Posting

Balancing

Analyzing

Question #6 of 20

Total assets - Total liabilities =?

Select correct option:

Owner's Equity

Expenses

Retained earnings

Retained earnings

◆◆

Question #7 of 20

Net profit = Gross profit - _____

Select correct option:

Operating Expenses

Product Cost

Deferred Expenses

Direct Cost

◆◆

Question #8 of 20

Debit signifies:

Select correct option:

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Increase in Asset account
Decrease in liability account
Decrease in capital account

All of the given options



Question # 9 of 20

The term "Debit" is derived from _____ language.

Select correct option:

Latin

English
French
Chinese

Question # 10 of 20

A book that keeps separate record for each account is known as:

Select correct option:

Trial Balance
Voucher
General Journal

General Ledger



Question # 11 of 20

Which one of the following is called the book of primary Entry?

Select correct option:

General Journal

General Ledger
Trial Balance
Profit and loss account



Question # 12 of 20

In an account if credit side > debit side, the balance is known as:

Select correct option:

Negative Balance
Debit Balance
Credit Balance
Positive Balance

Question # 13 of 20

Normally single entry book keeping is followed by the:

Select correct option:

Small businesses only

Governments only
Large scale businesses only
Both Small businesses and Governments



Question # 14 of 20

What will be debited, if business sold goods for Rs.10, 000 on credit?

Select correct option:

Cash account
Sales account
Accounts receivable account
Purchases account



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Question # 15 of 20

An expenditure whose benefit is finished or enjoyed immediately is called:

Select correct option:

Expense

Liability

Cost

Income

Question # 16 of 20

What should be debited, if Sales made to Mahmood for cash?

Select correct option:

Cash account

Mahood account

Sales account

Purchases account



Question # 17 of 20

Which of the following is NOT a characteristic of Journal?

Select correct option:

Transactions are recorded in chronological order

Transaction is first recorded in Journal from Voucher

It is also called "The original book of entry"

None of the given options



Question # 18 of 20

Consider the following data: Particulars Rs. Assets 1,05,000 Owner's equity 70,000 Liabilities ?

Select correct option:

Rs. 35,000

Rs. 1, 75,000

Rs. 7, 35,000

Rs. 1, 05,000

Question # 19 of 20

Which of the following is Not a part of General Ledger?

Select correct option:

Activity Book

Purchase Return Book

Purchase Book

Sales Book

Question # 20 of 20

What will be debited, if business bought goods on credit from Mr. Ali?

Select correct option:

Purchases account

Mr. Ali account

Cash account

Sales account

Find out the missing value of an Accounting Equation with the help of given data:

Total Assets Rs. 34,500 Accounts payable Rs. 1, 000 Other liabilities Rs. 11,500

Owner's equity ?

Select correct option:

Rs. 22,000

Rs.24, 000

Rs. 45,000

Rs. 46,000

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Consider the following data: Particulars Rs. Assets 99,500 Owner's equity 50,500 Liabilities ?

Select correct option:

Rs. 49,000

Rs. 55,000

Rs. 125,000

Rs. 115,700

Consider the following data: Particulars Rs. Assets 1,05,000 Owner's equity 70,000 Liabilities ?

Select correct option:

Rs. 35,000

Rs. 1, 75,000

Rs. 7, 35,000

Rs. 1, 05,000

Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be debit

Decrease in Liabilities will be debit

Decrease in Expenses will be credit

Decrease in Revenue will be debit

Which of the following is NOT considered a part of financial statements?

Select correct option:

General Journal

Balance Sheet

Profit and Loss account

None of the given options

Which one of the following will result in increase in revenues?

Select correct option:

Purchased fixed asset

Received discount

Payment to creditors

Return of goods, sold on credit

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The basic accounting principle/concept according to which business record must be kept separate from the personal records of the owner is known as:

Select correct option:

Going-concern concept

Separate entity principle

Realization principle

Objectivity principle

In an account if debit side > credit side, the balance is known as the:

Select correct option:

Negative Balance

Debit balance

Positive Balance

Credit balance

Find out the missing value of an Accounting Equation with the help of given data:

Cash Rs.100, 000 Debtors Rs.10, 000 Other Assets Rs. 1,000 Owner's equity

Rs. 1, 000 Liabilities ?

Select correct option:

Rs. 12,000

Rs. 11,000

Rs. 110,000

Rs. 111,000

Find out the missing value of an Accounting Equation with the help of given data:

Owner's equity Rs. 22,500 Total Liabilities Rs. 80, 385 Cash Rs. 1,000 Bank Rs.

2,000 Debtors Rs. 500

Select correct option:

Rs. 102,885 other assets

Rs. 102,885 current liabilities

Rs. 99,885 current liabilities

Rs. 99,385 other assets

If Gross profit Rs.16,500 and Cost of goods sold Rs.183,500, what will be the amount of Net Sales?

Select correct option:

Rs. 183, 500

Rs. 167, 000

Rs. 200, 000

Rs. 230, 000

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Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be credit

Decrease in Liabilities will be credit

Decrease in Expenses will be credit

Decrease in Revenue will be debit

Debit signifies:

Select correct option:

Increase in Asset account

Decrease in liability account

Decrease in capital account

All of the given options

When total liabilities are subtracted from total assets the remaining amount is known as:

Select correct option:

Equity or net assets

Net income or net loss

Total expenses

Total revenue

Find out the missing value of an Accounting Equation with the help of given data:

Cash Rs. 22,500 Debtors Rs. 500 Total Assets Rs. 80,385 Accounts payable

Rs. 1,000 Total liabilities Rs. 20,000

Select correct option:

Rs. 60,385 owner's equity

Rs. 61,385 owner's equity

Rs. 99,885 owner's equity

Rs. 99,385 owner's equity

Which one of the following cannot be classified as Revenue Income?

Select correct option:

Goods sold for cash

Goods sold on credit

Income from the sale of services

Income from the sale of fixed assets

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What will be debited, If Mr. "A" started business with Rs. 2, 00,000.

Select correct option:

Capital account

Cash account

Mr. A's account

Business account

If Salaries Rs. 12, 000, Rent Rs. 5,000, Gross profit Rs. 58,000 and Discount received Rs. 10, 000. What will be the amount of Net Profit?

Select correct option:

Rs. 41,000

Rs. 51,000

Rs. 61,000

Rs. 65,000

Which of the following is / are the particular/s of a cash book? (1) Date of transaction (2) Account title (3) Amount

Select correct option:

1 only

1 & 2 only

1 & 3 only

1, 2 & 3

Question # 1 of 20

Find out the missing value of an Accounting Equation with the help of given data: Furniture Rs. 90,000 Cash Rs.100, 000 Debtors Rs.10, 000 Other Assets Rs. 1,000 Owner's equity Rs. 90, 000 Liabilities?

Select correct option:

Rs. 201,000

Rs. 111, 000

Rs. 290, 000

Rs. 291, 000

Question # 3 of 20

Which of the following is NOT a characteristic of Joint Stock Company?

Select correct option:

Separate Legal Entity

Limited Liability of shareholders

Easy formation

Common Seal

Question # 4 of 20

Any expense that gives benefit for a period of less than twelve months is called _____.

Select correct option:

Capital Expense

Revenue Expense

Revenue Receipt

Deferred Expense

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Question # 5 of 20

The process of transferring journal entry information to the ledger is called:

Select correct option:

Journalizing

Posting

Balancing

Analyzing

Question # 6 of 20

Total assets - Total liabilities =?

Select correct option:

Owner's Equity

Expenses

Retained earnings

Retained earnings

Question # 8 of 20

Debit signifies:

Select correct option:

Increase in Asset account

Decrease in liability account

Decrease in capital account

All of the given options

Question # 9 of 20

The term "Debit" is derived from _____ language.

Select correct option:

Latin

English

French

Chinese

Question # 10 of 20

A book that keeps separate record for each account is known as:

Select correct option:

Trial Balance

Voucher

General Journal

General Ledger

Question # 11 of 20

Which one of the following is called the book of primary Entry?

Select correct option:

General Journal

General Ledger

Trial Balance

Profit and loss account

Question # 12 of 20

In an account if credit side > debit side, the balance is known as:

Select correct option:

Negative Balance

Debit Balance

Credit Balance

Positive Balance

Question # 13 of 20

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Normally single entry book keeping is followed by the:

Select correct option:

Small businesses only

Governments only

Large scale businesses only

Both Small businesses and Governments

Question # 14 of 20

What will be debited, if business sold goods for Rs.10, 000 on credit?

Select correct option:

Cash account

Sales account

Accounts receivable account

Purchases account

Question # 15 of 20

An expenditure whose benefit is finished or enjoyed immediately is called:

Select correct option:

Expense

Liability

Cost

Income

Question # 16 of 20

What should be debited, if Sales made to Mahmood for cash?

Select correct option:

Cash account

Mahood account

Sales account

Purchases account

Question # 17 of 20

Which of the following is NOT a characteristic of Journal?

Select correct option:

Transactions are recorded in chronological order

Transaction is first recorded in Journal from Voucher

It is also called "The original book of entry"

None of the given options

Question # 18 of 20

Consider the following data: Particulars Rs. Assets 1,05,000 Owner's equity 70,000 Liabilities ?

Select correct option:

Rs. 35,000

Rs. 1, 75,000

Rs. 7, 35,000

Rs. 1, 05,000

Question # 4 of 20

Which of the following is/are the example/s of Intangible Asset?

Select correct option:

Copy rights

Good will

Patent rights

All of the given options

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Question # 7 of 20

Assets are divided in which of the following categories in balance sheet.

Select correct option:

Current assets, Long term assets and capital assets

Current assets, Long term assets and fixed assets

Current assets, Quick assets and business debts

Current assets, Fixed assets and deferred cost

Question # 8 of 20

Find out the missing value of an Accounting Equation with the help of given data: Cash Rs.100, 000 Debtors Rs.10, 000 Other Assets Rs. 1,000 Owner's equity Rs. 1, 000 Liabilities ?

Select correct option:

Rs. 12,000

Rs. 11,000

Rs. 110,000

Rs. 111,000

Question # 9 of 20

What will be debited, if business purchased Vehicle on cash?

Select correct option:

Vehicle account

Cash account

Business account

Bank account

Question # 10 of 20

Franchise rights, goodwill and patents are the examples of:

Select correct option:

Liquid assets

Tangible assets

Intangible assets

Current assets

Question # 19 of 20

The process of transferring journal entry information to the ledger is called:

Select correct option:

Journalizing

Posting

Balancing

Analyzing

Question # 20 of 20

Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be credit

Decrease in Liabilities will be credit

Decrease in Expenses will be credit

Decrease in Revenue will be debit

Question # 1 of 20

While making Profit & Loss account, Excess of expenses over income in a specified accounting period is called:

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Select correct option:

Profit

Loss

Surplus

Deficit

Question # 2 of 20

An accounting system is used by a business to:

Select correct option:

Analyze transactions

Handle routine bookkeeping tasks

Structure information

All of the given options

Question # 3 of 20

Which of the following is NOT a characteristic of Joint Stock Company?

Select correct option:

Separate Legal Entity

Limited Liability of shareholders

Easy formation

Common Seal

Question # 4 of 20

What should be debited, if Sales made to Mahmood for cash?

Select correct option:

Cash account

Mahood account

Sales account

Purchases account

Question # 5 of 20

Consider the following data: Particulars Rs. Assets 99,500 Owner's equity 50,500 Liabilities ?

Select correct option:

Rs. 49,000

Rs. 55,000

Rs. 125,000

Rs. 115,700

Question # 6 of 20

When income is reduced or decreased, that amount is recorded on:

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Select correct option:

Right or debit side of the account

Left or debit side of the account

Left or credit side of the account

Right or credit side of the account

Question # 7 of 20

Which of the following expenses are called financial expenses?

Select correct option:

Payment of rent & Salary expense

Markup on loan & Bank Charges

Interest & advertisement expense

Wages and Depreciation expense

Question # 8 of 20

An expenditure whose benefit is finished or enjoyed immediately is called:

Select correct option:

Expense

Liability

Cost

Income

Question # 9 of 20

In which of the following all vouchers are first recorded _____.

Select correct option:

General Journal

General Ledger

Balance Sheet

Trial Balance

Question # 10 of 20

The main purpose of _____ is to ascertain true result of the business operation during particular period of time.

Select correct option:

Cost Accounting

Financial Accounting

Managerial Accounting

Tax Accounting

Question # 11 of 20

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Find out the missing value of an Accounting Equation with the help of given data: Bank Rs. 22,500 Other assets Rs. 1,000 Creditors Rs. 8,385 Other liabilities Rs. 9,000 Owner's equity ?

Select correct option:

Rs. 6,115

Rs. 31,885

Rs. 17,385

Rs. 14,115

Question # 12 of 20

Office salaries, advertising and sales commissions are the examples of:

Select correct option:

Financial Expenses

Operating Expenses

Marketing Expenses

Direct Expenses

Question # 13 of 20

What will be debited, if business purchased Vehicle on cash?

Select correct option:

Vehicle account

Cash account

Business account

Bank account

Question # 14 of 20

Which of the following is the example of current liability?

Select correct option:

Notes payable

Notes receivable

Accounts receivable

Prepaid expenses

Question # 15 of 20

What should be credited, if rent paid in cash?

Select correct option:

Landlord's account

Rent account

Cash account

Accounts receivable account

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Question # 16 of 20

Cash book is a part of _____ .

Select correct option:

Voucher

General Journal

General Ledger

Trial Balance

Question # 17 of 20

A book that keeps separate record for each account is known as:

Select correct option:

Trial Balance

Voucher

General Journal

General Ledger

Question # 18 of 20

Which of the following item is found in a Journal entry? (1) Date of each transaction (2) Rupee amount of each debit and credit (3) Explanation of each transaction

Select correct option:

1 only

1 & 2 only

2 & 3 only

1, 2 & 3

Question # 19 of 20

Find out the missing value of an Accounting Equation with the help of given data:
Owner's equity Rs. 22,500 Total Liabilities Rs. 80, 385 Cash Rs. 1,000 Bank Rs. 2,000 Debtors Rs. 500

Select correct option:

Rs. 102,885 other assets

Rs. 102,885 current liabilities

Rs. 99,885 current liabilities

Rs. 99,385 other assets

Question # 20 of 20

If Gross profit Rs.16,500 and Cost of goods sold Rs.183,500, what will be the amount of Net Sales?

Select correct option:

Rs. 183, 500

Rs. 167, 000

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Rs. 200, 000

Rs. 230, 000

MGT101 - Financial Accounting (Online quiz # 1) 1

(1) Find out the missing value of an Accounting Equation with the help of given data: Owner's equity Rs. 22,500 Total Liabilities Rs. 80, 385 Cash Rs. 1,000 Bank Rs. 2,000 Debtors Rs. 500

Rs. 102,885 other assets

Rs. 102,885 current liabilities

Rs. 99,885 current liabilities

Rs. 99,385 other assets

(2) What is the next step to Journalizing in Accounting cycle?

Recording

Posting

Balancing

Analyzing

(3) Which of the following is NOT a characteristic of Joint Stock Company?

Separate Legal Entity

Limited Liability of shareholders

Easy formation

Common Seal

(4) Which one of the following is NOT a feature of sole proprietorship business.

Easy Formation

Easy Dissolution

Unlimited Liability

Separate Legal Entity

(5) Which of the following is NOT considered a part of financial statements?

General Journal

Balance Sheet

Profit and Loss account

None of the given options

(6) Outsider's claim against the assets of the business is called

Capital

Liability

Expense

Income

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(7) An expenditure whose benefit is finished or enjoyed immediately is called:

Expense

Liability

Cost

Income

(8) Increase in an expense is recorded on the:

left or credit side of the account

Right or debit side of the account

Left or debit side of the account

Right or credit side of the account

(9) Which of the following is Not a part of General Ledger?

Activity Book

Purchase Return Book

Purchase Book

Sales Book

(10) What will be debited, if Mr. "A" started business with Rs. 2, 00,000.

Capital account

Cash account

Mr. A's account

Business account

(11) What will be debited, if Mohsin commenced business with cash?

Cash account

Capital account

Drawings account

Proprietor account

(12) Cash book is a part of _____ .

Voucher

General Journal

General Ledger

Trial Balance

(13) When income is reduced or decreased, that amount is recorded on:

Right or debit side of the account

Left or debit side of the account

Left or credit side of the account

Right or credit side of the account

(14) What will be debited, if business sold goods for Rs.10, 000 on credit?

Cash account

Sales account

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Accounts receivable account

Purchases account

(15) A company's merchandise, raw materials, and finished and unfinished products which have not yet been sold are known as:

Sales

Purchases

Inventory

Work in process

(16) What is the nature of Capital account?

Debit

Credit

Expenses

Loss

(17) The basic accounting principle/concept according to which business records must be kept separate from the personal records of the owner is known as:

Going-concern concept

Separate entity principle

Realization principle

Objectivity principle

(18) Which of the following is NOT correct?

Decrease in Assets will be credit

Decrease in Liabilities will be debit

Decrease in Expenses will be credit

Decrease in Revenue will be credit

(19) Find out the missing value of an Accounting Equation with the help of given data: Cash Rs. 22,500 Debtors Rs. 500 Total Assets Rs. 80,385 Accounts payable Rs. 1,000 Total liabilities Rs. 20,000

Rs. 60,385 owner's equity

Rs. 61,385 owner's equity

Rs. 99,885 owner's equity

Rs. 99,385 owner's equity

Question # 1 of 20

What will be debited, if business bought goods on credit from Mr. Ali?

Select correct option:

Purchases account

Mr. Ali account

Cash account

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Sales account

Question # 2 of 20

Total assets - Total liabilities =?

Select correct option:

Owner's Equity

Expenses

Retained earnings

Net profit

Question # 3 of 20

Any expense that gives benefit for a period of less than twelve months is called _____.

Select correct option:

Capital Expense

Revenue Expense

Revenue Receipt

Deferred Expense

Question # 4 of 20

What should be credited, if salary is paid to Sohail?

Select correct option:

Sohail account

Salaries account

Cash account

Drawings account

Question # 5 of 20

Net Profit = Income - _____

Select correct option:

Liabilities

Assets

Expenses

Capital

Question # 6 of 20

An accounting system is used by a business to:

Select correct option:

Analyze transactions

Handle routine bookkeeping tasks

Structure information

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All of the given options

Question # 7 of 20

Find out the missing value of an Accounting Equation with the help of given data:
Owner's equity Rs. 22,500 Total Liabilities Rs. 80,385 Cash Rs. 1,000 Bank Rs. 2,000
Debtors Rs. 500

Select correct option:

- Rs. 102,885 other assets
- Rs. 102,885 current liabilities
- Rs. 99,885 current liabilities

Rs. 99,385 other assets

Question # 8 of 20

Which of the following account summarizes the profitability of business for a specific accounting period?

Select correct option:

Profit & Loss account

- Cash flow statement
- Receipt & Payment account
- Balance Sheet

Question # 9 of 20

What will be debited, if Mohsin commenced business with cash?

Select correct option:

Cash account

- Capital account
- Drawings account
- Proprietor account

Question # 10 of 20

When total liabilities are subtracted from total assets the remaining amount is known as:

Select correct option:

- Equity or net assets
- Net income or net loss
- Total expenses

Total revenue

Question # 11 of 20

While making Profit & Loss account, Excess of expenses over income in a specified accounting period is called:

Select correct option:

Profit

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Loss

Surplus

Deficit

Question # 12 of 20

In which of the following all vouchers are first recorded_____.

Select correct option:

General Journal

General Ledger

Balance Sheet

Trial Balance

Question # 13 of 20

What should be credited, if rent paid in cash?

Select correct option:

Landlord's account

Rent account

Cash account

Accounts receivable account

Question # 14 of 20

What will be debited, If Mr. "A" started business with Rs. 2, 00,000.

Select correct option:

Capital account

Cash account

Mr. A's account

Business account

Question # 15 of 20

The term "Debit" is derived from_____ language.

Select correct option:

Latin

English

French

Chinese

Question # 16 of 20

A business event which can be measured in terms of money and must be recorded in books of accounts is called:

Select correct option:

Condition

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Transaction

Information

Record

Question # 17 of 20

Which of the following entry will be recorded, when land is purchased for cash?

Select correct option:

Cash a/c debit, and Land a/c credit .

Owner's Equity a/c debit, and Cash a/c credit.

Land a/c debit, and Cash a/c credit.

Land a/c debit, and Accounts Payables a/c credit.

Question # 18 of 20

Which of the following expenses are called financial expenses?

Select correct option:

Payment of rent & Salary expense

Markup on loan & Bank Charges

Interest & advertisement expense

Wages and Depreciation expense

Question # 19 of 20

A Balance Sheet discloses the financial position of a firm:

Select correct option:

For a certain given period

At a particular point of time

After the fixed date

None of the given options

Question # 20 of 20

What is the next step to Journalizing in Accounting cycle?

Select correct option:

Recording

Posting

Balancing

Analyzing

Question # 1 of 20

_____ = Gross profit < Operating Expenses

Select correct option:

Net Profit

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Gross Profit

Net Loss

Gross Loss

Question # 2 of 20

Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be credit

Decrease in Liabilities will be debit

Decrease in Expenses will be debit

Decrease in Revenue will be debit

Question # 3 of 20

The basic accounting principle/concept according to which business record must be kept separate from the personal records of the owner is known as:

Select correct option:

Going-concern concept

Separate entity principle

Realization principle

Objectivity principle

Question # 4 of 20

Which of the following is NOT considered a part of financial statements?

Select correct option:

General Journal

Balance Sheet

Profit and Loss account

None of the given options

Question # 5 of 20

Which of the following entry will be recorded, when land is purchased for cash?

Select correct option:

Cash a/c debit, and Land a/c credit .

Owner's Equity a/c debit, and Cash a/c credit.

Land a/c debit, and Cash a/c credit.

Land a/c debit, and Accounts Payables a/c credit.

Question # 6 of 20

Consider the following data: Particulars Rs. Assets 1,05,000 Owner's equity 70,000
Liabilities ?

Select correct option:

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Rs. 35,000

Rs. 1, 75,000

Rs. 7, 35,000

Rs. 1, 05,000

Question # 7 of 20

_____ is the art of recording, classifying and summarizing the transactions and events of a business and interpreting the results thereof.

Select correct option:

Book-keeping

Accounting

Management

Auditing

Question # 8 of 20

Which of the following are recorded in Cash Book?

Select correct option:

Receipts and payments

Profits and losses

Assets and liabilities

Capital and Expenditures

Question # 9 of 20

Office salaries, advertising and sales commissions are the examples of:

Select correct option:

Financial Expenses

Operating Expenses

Marketing Expenses

Direct Expenses

Question # 10 of 20

Cash book is a part of _____ .

Select correct option:

Voucher

General Journal

General Ledger

Trial Balance

Question # 11 of 20

The investment of Rs. 10,000 made by the owner in business will have an effect on which of the following accounts?

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Select correct option:

Cash Account & Capital Account

Cash Account & Expense Account

Capital Account & Revenue Account

Capital Account & Expense Account

Question # 12 of 20

A Balance Sheet discloses the financial position of a firm:

Select correct option:

For a certain given period

At a particular point of time

After the fixed date

None of the given options

Question # 13 of 20

What will be debited, If Mr. "A" started business with Rs. 2, 00,000.

Select correct option:

Capital account

Cash account

Mr. A's account

Business account

Question # 14 of 20

A business event which can be measured in terms of money and must be recorded in books of accounts is called:

Select correct option:

Condition

Transaction

Information

Record

Question # 15 of 20

Which one of the following will result in increase in revenues?

Select correct option:

Purchased fixed asset

Received discount

Payment to creditors

Return of goods, sold on credit

Question # 16 of 20

In which of the following all vouchers are first recorded_____.

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Select correct option:

General Journal

General Ledger

Balance Sheet

Trial Balance

Question # 17 of 20

Find out the missing value of an Accounting Equation with the help of given data:
Furniture Rs. 90,000 Cash Rs.100, 000 Debtors Rs.10, 000 Other Assets Rs. 1,000
Owner's equity Rs. 90, 000 Liabilities ?

Select correct option:

Rs. 201,000

Rs. 111, 000

Rs. 290, 000

Rs. 291, 000

Question # 18 of 20

Find out the missing value of an Accounting Equation with the help of given data: Cash
Rs.100, 000 Debtors Rs.10, 000 Other Assets Rs. 1,000 Owner's equity Rs. 1, 000
Liabilities ?

Select correct option:

Rs. 12,000

Rs. 11,000

Rs. 110,000

Rs. 111,000

Question # 19 of 20

Outsider's claim against the assets of the business is called:

Select correct option:

Capital

Liability

Expense

Income

Question # 20 of 20

Which of the following item is found in a Journal entry? (1) Date of each transaction (2)
Rupee amount of each debit and credit (3) Explanation of each transaction

Select correct option:

1 only

1 & 2 only

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2 & 3 only

1, 2 & 3

Question # 7 of 20

Net profit = Gross profit - _____

Select correct option:

Operating Expenses

Product Cost

Deferred Expenses

Direct Cost

Question # 19 of 20

Which of the following is Not a part of General Ledger?

Select correct option:

Activity Book

Purchase Return Book

Purchase Book

Sales Book

Question # 20 of 20

What will be debited, if business bought goods on credit from Mr. Ali?

Select correct option:

Purchases account

Mr. Ali account

Cash account

Sales account

Question # 1 of 20

What should be credited, if salary is paid to Sohail?

Select correct option:

Sohail account

Salaries account

Cash account

Drawings account

Question # 5 of 20

Which of the following is a FIRST product of accounting cycle?

Select correct option:

Voucher

General Journal

General Ledger

Financial Statements

Question # 6 of 20

What will be debited, if Mohsin commenced business with cash?

Select correct option:

Cash account

Capital account

Drawings account

Proprietor account

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Question # 11 of 20

Consider the following data: Particulars Rs. Assets ? Owner's equity

35,000 Liabilities 90,000

Select correct option:

Rs. 35,000

Rs. 55,000

Rs. 1, 25,000

Rs. 1, 05,000

Question # 12 of 20

What should be credited, if rent paid in cash?

Select correct option:

Landlord's account

Rent account

Cash account

Accounts receivable account

Question # 13 of 20

Consider the following data: Particulars Rs. Assets 75,500 Owner's

equity ? Liabilities 40,200

Select correct option:

Rs. 35,300

Rs. 55,000

Rs. 125,000

Rs. 115,700

Question # 14 of 20

Find out the missing value of an Accounting Equation with the help of given data: Total Assets Rs. 34,500 Accounts payable Rs. 1, 000 Other

liabilities Rs. 11,500 Owner's equity ?

Select correct option:

Rs. 22,000

Rs.24, 000

Rs. 45,000

Rs. 46,000

Question # 15 of 20

Which of the following item is found in a Journal entry? (1) Date of

each transaction (2) Rupee amount of each debit and credit (3)

Explanation of each transaction

Select correct option:

1 only

1 & 2 only

2 & 3 only

1, 2 & 3

Question # 16 of 20

Which one of the following will result in increase in revenues?

Select correct option:

Purchased fixed asset

Received discount

Payment to creditors

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Return of goods, sold on credit

Question # 17 of 20

Amount generated from sales in a business is called:

Select correct option:

Income

Net Income

Gross Profit

Operating profit

Question # 18 of 20

The expenses which are NOT paid out of Gross Profit is classified as:

Select correct option:

Direct Expenses

General Expenses

Financial Expenses

Selling Expenses

Question # 2 of 20

Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be credit

Decrease in Liabilities will be debit

Decrease in Expenses will be debit

Decrease in Revenue will be debit

Which of the following is(are) example(s) of accruals?

Select correct option:

Electricity bills payable

Water supply bills payable

Wages payable

All of the given options

Which of the following shows company's negative working capital?

Select correct option:

Current Asset > Current Liability

Current Asset < Current Liability

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Current Asset = Current Liability

None of the given options

_____ is the detail of transaction in one's account provided by the bank.

Select correct option:

Bank statement

Bank reconciliation statement

Income statement

Financial statement

Total Sales are calculated by adding:

Select correct option:

Cash sales and cash received from debtors

Credit sales and cash received from debtors

Cash sales and credit sales

Cash sales and credit purchases

The amount of owner's equity in a business is affected by which of the following?

Select correct option:

The profitability of the business

Investments made in the business by the owner

The amount of dividends paid to stockholders

All of the given options

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Expenses incurred for Salaries, heating and lighting are the examples of:

Select correct option:

Preliminary Expense

Deferred Expense

Revenue Expense

Capital Expense

Which of the following account balance/s is/are shown on credit side of Trial Balance? (It is assumed that all account balances are shown on normal balance)

Select correct option:

Capital account

Sundry creditors account

Accounts payable account

All of the given options

While making Profit & Loss account, Excess of expenses over income in a specified accounting period is called:

Select correct option:

Profit

Loss

Surplus

Deficit

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_____ is the art of recording, classifying and summarizing the transactions and events of a business and interpreting the results thereof.

Select correct option:

Book-keeping

Accounting

Management

Auditing

In balance sheet fixed assets are shown at:

Select correct option:

Written down value (WDV)

Cost price

Market value

Fair value

Assets are divided in which of the following categories in balance sheet.

Select correct option:

Current assets, Long term assets and capital assets

Current assets, Long term assets and fixed assets

Current assets, Quick assets and business debts

Current assets, Fixed assets and deferred cost

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In cost of goods sold statement the 'cost of goods manufactured' is equal to:

Select correct option:

Total factory cost + Opening work in process + Ending work in process

Total factory cost + Opening work in process – Ending work in process

Total factory cost - Opening work in process + Ending work in process

Ending work in process + Total factory cost – Opening work in process

Supervisor's salary and equipment repair cost are examples of:

Select correct option:

Factory overhead cost

Direct material cost

Direct labor cost

Finished goods cost

Bank Reconciliation Statement is:

Select correct option:

A memorandum statement

A ledger account

A part of cash book

A part of journal

Which of the following entry will be recorded for discount received in a control account?

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Select correct option:

Discount Received (Dr) and Creditors Control A/c (Cr)

Discount Received (Dr) and Creditors A/c (Cr)

Creditors Control A/c (Dr) and Discount Received (Cr)

Debtors A/c (Dr) and Discount Received (Cr)

A form that allows individuals to compare their personal bank account records to the bank's records of the individual's account balance in order to uncover any possible discrepancies is known as:

Select correct option:

Bank statement

Income statement

Financial statement

Bank Reconciliation statement

Bank Reconciliation Statement is prepared by:

Select correct option:

Bankers

Accountant of the business

Statutory auditor

Manger

Particulars Rs. Opening written down value of machine 3,75,000 Cost of machine 50,000 Depreciation during the year 11,500 Closing written down value (WDV) of the Machines ?

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Select correct option:

Rs. 4,13,5000

Rs. 4, 25,000

Rs. 3, 36,500

Rs. 61,500

Sales to Mr. "A" of Rs. 336 have been debited to Mr. "B" account, this will be rectified by:

Select correct option:

Debiting Mr. A's account and crediting Mr. B's account

Debiting Mr. B's account and crediting Mr. A's account

Crediting both accounts

Debiting both accounts

All the statements are correct about Journal voucher EXCEPT:

Select correct option:

Financial data is picked only from journal vouchers to Journal

These are used to record all transaction other than cash & bank

These are used to make corrections or adjustments to previous Receipt

Format of journal voucher is different from other vouchers

Which of the following contents are included in the Cost of goods sold?

Select correct option:

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Opening stock

Purchases

Freight in

All of the given options

Which of the following Journal entry will be recorded when the bad debts are recovered?

Select correct option:

Cash account (Dr.) & Bad Debts recovered account (Cr.)

Accounts Receivable (Dr.) & Bad Debts recovered account (Cr.)

Bad debts recovered account (Dr.) and profit & loss account (Cr.)

Provision for doubtful debts account (Dr.) & cash account (Cr.)

Which of the following is NOT correct?

Select correct option:

Decrease in Assets will be credit

Decrease in Liabilities will be credit

Decrease in Expenses will be credit

Decrease in Revenue will be debit

Particulars Rs. Opening written down value of machine 1,00,000 Cost of new machine purchased during the year 50,000 Depreciation during the year 20,000 Closing written down value (WDV) ?

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Select correct option:

Rs. 1,30,000

Rs. 1, 50,000

Rs. 1, 20,000

Rs. 70,000

An accounting system is used by a business to:

Select correct option:

Analyze transactions

Handle routine bookkeeping tasks

Structure information

All of the given options

In an account if debit side > credit side, the balance is known as the:

Select correct option:

Negative Balance

Debit balance

Positive Balance

Credit balance

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Details of individual accounts are kept in a separate register / ledger called:

Select correct option:

Control Account

Subsidiary Ledger

General Journal

All of the given options

which of the following statement/s closing stock is/are shown?

Select correct option:

Profit and loss account

Balance sheet

Income statement

All of the given options

Which of the following particular/s is/are included in payment voucher?

Select correct option:

Name of organization

Cash payment

Date

All of the given options

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Which of the following appears in both the Income Statement debit column and the Balance Sheet credit?

Select correct option:

Net income

Net loss

Dividends

Retained earnings

A book that keeps separate record for each account is known as:

Select correct option:

Trial Balance

Voucher

General Journal

General Ledger

Which of the following Organization converts raw material into finished goods?

Select correct option:

Trading concern

Manufacturing concern

Merchandising concern

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Service concern

Franchise rights, goodwill and patents are the examples of:

Select correct option:

Liquid assets

Tangible assets

Intangible assets

Current assets

Cost of goods sold + ending finished goods – opening finished goods=?

Select correct option:

Total factory cost

Cost of goods manufactured

Prime cost

Conversion cost

accounting, which of the following account will be credited if the bad debts are recovered in cash?

Select correct option:

Cash a/c

Bad debt recovered a/c

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Doubtful debts a/c

Provision for bad debts a/c

What should be credited, if rent paid in cash?

Select correct option:

Landlord's account

Rent account

Cash account

Accounts receivable account

Sales to Mr. "A" of Rs. 336 have been debited to Mr. "B" account, this will be rectified by:

Select correct option:

Debiting Mr. A's account and crediting Mr. B's account

Debiting Mr. B's account and crediting Mr. A's account

Crediting both accounts

Debiting both accounts

If cost of sales is Rs. 60,000, income from sales Rs. 95,000 and direct expenses Rs. 10,000. Calculate Net profit.

Select correct option:

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Rs. 15,000

Rs. 35,000

Rs. 55,000

Rs. 60,000

Particulars Rs. Opening written down value of machine 4,10,000 Cost of machine purchased during the year 50,000 Depreciation during the year 20,000 closing written down value (WDV) of the Machines ?

Select correct option:

Rs. 4, 40,000

Rs. 4, 30,000

Rs. 4, 80,000

Rs. 70,000

Which of the following voucher is used to record receipt of cash?

Select correct option:

Journal Voucher

Receipt Voucher

Payment Voucher

Nominal Voucher

In double entry system discount received is recorded as:

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Select correct option:

Creditors a/c (Dr.), Discount received a/c (Cr.)

Discount received a/c (Dr.), Creditors a/c (Cr.)

Debtor a/c (Dr.), Discount received a/c (Cr.)

Discount received a/c (Dr.), Debtor a/c (Cr.)

The expenses which are NOT paid out of Gross Profit is classified as:

Select correct option:

Direct Expenses

General Expenses

Financial Expenses

Selling Expenses

Which of the following account(s) would be decreased with a debit?

Select correct option:

Capital

Retained Earnings

Revenues

All of the given options

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Which of the following is fiscal Year of Government of Pakistan?

Select correct option:

1st January to 31st December

1st June to 31st May

1st July to 30th June

1st October to 30th September

Which of the following is/are inventory valuation method(s)?

Select correct option:

FIFO

LIFO

Weighted average

All of the given options

Which of the following particular/s is/are included in receipt voucher?

Select correct option:

Name of organization

Bank receipt

Date

All of the given options

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Which of the following assets is most likely to appreciate rather than depreciate?

Select correct option:

Land

Motor vehicles

Plant and machinery

Fixtures and fittings

Which of the following item needs to be entered in the Cash Book in order to bring it in line with the entries on the Bank Statement?

Select correct option:

A bank charges

An error on the Bank Statement

An uncredited deposit

An unpresented cheque

Wages paid to laborers working in the manufacturing department is treated as an expense of:

Select correct option:

Cost of goods sold

Administrative expenses

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Selling expenses

Marketing expenses

Bad debts written off (given in adjustment) always affect the:

Select correct option:

Debtors account

Creditors account

Cash account

Capital account

Carriage paid Rs. 50 for the newly purchased machinery if debited to carriage account will effect:

Select correct option:

Only carriage account

Only machinery account

Both carriage and machinery account

None of the given options

Cost of goods manufactured - opening work in process + ending work in process =?

Select correct option:

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Cost of goods sold

Prime cost

Conversion cost

Total factory cost

If cost of sales is Rs. 95,000, income from sales Rs. 200,000 and operating expenses Rs. 300,000. What will be net result?

Select correct option:

Rs. 1, 95,000 Losses

Rs. 1, 95,000 Profits

Rs 1, 05,000 Profits

Rs1, 05,000 Losses

What is the proper order of the following steps in the accounting process? I. Prepare and analyze the trial balance II. Record relevant transactions and events in a journal III. Analyze each transaction and event from source documents IV. Post journal information to ledger accounts

Select correct option:

III. IV. I. II.

I. II. III. IV.

III. II. IV. I.

III. II. I. IV.

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Sales to Mr. "A" of Rs. 336 have been debited to Mr. "B" account, this will be rectified by:

Select correct option:

Debiting Mr. A's account and crediting Mr. B's account

Debiting Mr. B's account and crediting Mr. A's account

Crediting both accounts

Debiting both accounts

Which of the following expenses are called financial expenses?

Select correct option:

Payment of rent & Salary expense

Markup on loan & Bank Charges

Interest & advertisement expense

Wages and Depreciation expense

Cash and other resources that are expected to turn to cash or to be used up within one year of the balance sheet date are called:

Select correct option:

Current liability

Current assets

Fixed assets

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Long-term assets

Money spent to acquire or upgrade physical assets is known as:

Select correct option:

Revenue Expense

Capital Expense

Administrative Expense

Operating Expense

Which of the following might be a reason, when a Bank Statement show greater balance then Cash Book balance at the end of specified period?

Select correct option:

Unpresented cheques

Unrecorded bank charges

Uncredited cheques

None of the given options

Which of the following particular is NOT included in journal voucher?

Select correct option:

Name of organization

Bank receipt number

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Debit amount

Credit amount

Consider the following data: Particulars Rs. Assets ? Owner's equity 35,000
Liabilities 90,000

Select correct option:

Rs. 35,000

Rs. 55,000

Rs. 1, 25,000

Rs. 1, 05,000

If, Cost of machine = Rs.400, 000 Useful life = 5 years Residual value = Rs.25, 000 Sale price = Rs.40, 000 Rate of depreciation = 40% What will be depreciation of machine after one years using diminishing balance method?

Select correct option:

Rs. 1, 60,000

Rs. 11,840

Rs. 34,560

Rs. 34,860

If, Cost of machine = Rs.400, 000 Useful life = 5 years Residual value = Rs.25, 000 Sale price = Rs.40, 000 Rate of depreciation = 40% What will be book value of machine after four years using straight line method?

Select correct option:

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Rs.35, 000

Rs.40, 000

Rs.55, 000

Rs.75, 000

Amount generated from sales in a business is called:

Select correct option:

Income

Net Income

Gross Profit

Operating profit

_____ = Gross profit < Operating Expenses

Select correct option:

Net Profit

Gross Profit

Net Loss

Gross Loss

Which of the following is an example of operating expense?

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Select correct option:

Purchasing operating equipment

Purchasing cleaning services

Purchasing an investment in another company

Purchasing a computer for the accounting office

Net profit = Gross profit - _____

Select correct option:

Operating Expenses

Product Cost

Deferred Expenses

Direct Cost

which of the following statement/s closing stock is/are shown?

Select correct option:

Profit and loss account

Balance sheet

Income statement

All of the given options

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If Gross profit Rs.16,500 and Cost of goods sold Rs.183,500, what will be the amount of Net Sales?

Select correct option:

Rs. 183, 500

Rs. 167, 000

Rs. 200, 000

Rs. 230, 000

Cost of goods manufactured + opening finished goods – ending finished goods =?

Select correct option:

Total factory cost

Cost of goods sold

Prime cost

Conversion cost

Goods sold to Mr. Salman for RS. 6,000 have been forgotten to enter in books of accounts, this is an example of:

Select correct option:

Error of Omission

Error of Commission

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Error of Principle

Error of Original entry

Which of the following account balance is shown on credit side of Trial Balance?
(It is assumed that all account balances are shown on normal balance)

Select correct option:

Cash account

Furniture account

Vehicle account

Capital account

A debit balance in the Bank Statement indicates:

Select correct option:

Cash at bank

Bank overdraft

Overpayment to creditors

Cash in hand

Increase in an expense is recorded on the:

Select correct option:

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Left or credit side of the account

Right or debit side of the account

Left or debit side of the account

Right or credit side of the account

Expense incurred for operating activities of the business in providing goods and services is known as:

Select correct option:

Revenue expense

Capital expense

Deferred expense

Preliminary expense

Which of the following is NOT considered a part of financial statements?

Select correct option:

General Journal

Balance Sheet

Profit and Loss account

None of the given options

MGT101 Solved Quiz

Dated 18.02.2010

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Question # 1 of 20 (Start time: 12:44:03 AM) Total Marks: 1

Which of the following is (are) item (s) of cost of goods sold statement?

Select correct option:

Purchase of raw material

Any tax/freight paid on purchases

Any expense incurred on carriage/transportation of raw material purchased items

All of the given options

Question # 2 of 20 (Start time: 12:44:52 AM) Total Marks: 1

Which of the following voucher is used to record transactions that do not affect bank & cash?

Select correct option:

Journal Voucher

Receipt Voucher

Payment Voucher

Nominal Voucher

Question # 3 of 20 (Start time: 12:45:48 AM) Total Marks: 1

If salaries are Rs. 2500, purchases Rs. 18,000 and rent Rs. 400; what will be administrative expenses? Select correct option:

Rs. 400

Rs. 2,500

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Rs. 2,900

Rs.20, 900

Question # 4 of 20 (Start time: 12:46:54 AM) Total Marks: 1

What would conversion costs if costs of raw materials, direct labor costs, and manufacturing overhead costs Rs.80,000, Rs.50,000, and Rs.60,000, respectively?

Select correct option:

Rs.130, 000

Rs.110, 000

Rs.140, 000

Rs.190, 000

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Question # 5 of 20 (Start time: 12:47:57 AM) Total Marks: 1

A form that allows individuals to compare their personal bank account records to the bank's records of the individual's account balance in order to uncover any possible discrepancies is known as:

Select correct option:

Bank statement

Income statement

Financial statement

Bank Reconciliation statement

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Question # 6 of 20 (Start time: 12:49:23 AM) Total Marks: 1

Cash and other resources that are expected to turn to cash or to be used up within one year of the balance sheet date are called:

Select correct option:

Current liability

Current assets

Fixed assets

Long-term assets

Question # 7 of 20 (Start time: 12:50:15 AM) Total Marks: 1

An accounting system is used by a business to:

Select correct option:

Analyze transactions

Handle routine bookkeeping tasks

Structure information

All of the given options

Question # 8 of 20 (Start time: 12:51:02 AM) Total Marks: 1

Particulars Rs. Opening written down value of machine 3,75,000 Cost of machine 50,000 Depreciation during the year 11,500 Closing written down value (WDV) of the Machines ?

Select correct option:

Rs. 4,13,500

Rs. 4, 25,000

Rs. 3, 36,500

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Rs. 61,500

Question # 9 of 20 (Start time: 12:52:03 AM) Total Marks: 1 What will be debited, if business purchased Furniture on cash?

Select correct option:

Furniture account

Cash account

Business account

Bank account

Question # 10 of 20 (Start time: 12:52:44 AM) Total Marks: 1

Expenditure incurred in acquiring the patent right for the business is an example of:

Select correct option:

Revenue expenditure

Capital expenditure

Deferred revenue expenditure

Administrative expenditure

Question # 11 of 20 (Start time: 12:52:44 AM) Total Marks: 1

Total assets - Total liabilities =?

Select correct option:

Owner's Equity

Expenses

Retained earnings

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Net profit

Question # 12 of 20 (Start time: 12:54:06 AM) Total Marks: 1

What will be debited, if business bought goods on credit from Mr. Ali?

Select correct option:

Purchases account

Mr. Ali account

Cash account

Sales account

Question # 13 of 20 (Start time: 01:00:12 AM) Total Marks: 1

Prepaid rent given in the Trial Balance will be treated as a (an):

Select correct option:

Asset

Liability

Revenue

Deferred expense

Question # 14 of 20 (Start time: 01:00:51 AM) Total Marks: 1

A business event which can be measured in terms of money and must be recorded in books of accounts is called:

Select correct option:

Condition

Transaction

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Information

Record

Question # 15 of 20 (Start time: 01:01:19 AM) Total Marks: 1

Which one of the following is NOT a feature of sole proprietorship business.

Select correct option:

Easy Formation

Easy Dissolution

Unlimited Liability

Separate Legal Entity

Question # 16 of 20 (Start time: 01:02:31 AM) Total Marks: 1

In which of the following statement opening stock is shown?

Select correct option:

Profit and loss account

Balance sheet

Cash flow statement

Owner's equity

Question # 17 of 20 (Start time: 01:03:27 AM) Total Marks: 1

The primary purpose of preparing a cash flow statement for an entity is to provide information about: Select correct option:

The profitability of its business operations for a period of time

Its financial position at the end of an accounting period

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Its cash receipts and cash payments during an accounting period (Not Sure)

None of the given options

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Question # 18 of 20 (Start time: 01:04:47 AM) Total Marks: 1

Which of the following is (are) example(s) of non distributable profit?

Select correct option:

General reserve

Accumulated profit and loss (credit balance)

Revaluation reserves

None of the given options (Not sure)

Question # 19 of 20 (Start time: 01:06:10 AM) Total Marks: 1

Which of the following Organization converts raw material into finished goods?

Select correct option:

Trading concern

Manufacturing concern

Merchandising concern

Service concern

Question # 20 of 20 (Start time: 01:06:30 AM) Total Marks: 1

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In firms cash flow statements, which of the following would appear as a cash outflow?

Select correct option:

The payments for share in a company whose shares are treated on a stock exchange

A decrease in trade debtors over the course of an accounting period

Money received as a result of issuing new shares

Money received as result of selling fixed assets (Not sure)

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