Question # 1 of 30 (Start time: 01:06:52 AM, 09 July 2020)

Which of the following account will be DEBITED when we acquire building on Cash of Rs. 500,000?

Select the correct option

- ○ Cash Account
- ● Building Account
- ○ Bank Account
- ○ Capital Account

Question # 2 of 30 (Start time: 01:07:39 AM, 09 July 2020)

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

Select the correct option

- Capital Expense
- Revenue Expense
- Revenue Receipt
- Deferred Expense

Question # 3 of 30 (Start time: 01:08:24 AM, 09 July 2020)

The fees earned account will fall under which of the following classification of account:

Select the correct option

- ○ Assets
- ○ Liabilities
- ● Revenues
- ○ Expenses

Question # 4 of 30 (Start time: 01:09:45 AM, 09 July 2020)

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

Select the correct option

- (●) Factory overhead cost
- ( ) Direct material cost
- ( ) Direct labor cost
- ( ) Finished goods cost

Question # 5 of 30 (Start time: 01:10:24 AM, 09 July 2020)

Which of the following Accounting system is associated with “Double entry book keeping”?

Select the correct option

- ○ Cash Accounting
- ○ Single Entry Accounting
- ○ Commercial Accounting
- ● All of given options

Question # 6 of 30 (Start time: 01:10:50 AM, 09 July 2020)

Cash invested by the owner in his business is known as:

Select the correct option

○	Budget
●	Capital
○	Bank balance
○	Liability

Question # 7 of 30 (Start time: 01:11:27 AM, 09 July 2020)

If capital expenditure is treated as revenue expenditure, it will result in:

Select the correct option

●	Overstated net profit and net assets
○	Understated net profit and net assets
○	Understated net profit only
○	No effect on net profit and net assets

Question # 8 of 30 (Start time: 01:12:50 AM, 09 July 2020)

Cotton thread to make fabric in manufacturing concern is:

Select the correct option

- (selected) Raw material
- Work in process
- Finished goods
- Stock in trade

Question # 9 of 30 (Start time: 01:13:26 AM, 09 July 2020)

Partial Payment of loan from bank is made Rs. 50,000. The effects of this transaction are:

Select the correct option

- Decrease in Asset Increase in Asset
- Decrease in Liability Increase in Asset
- Decrease in Liability Decrease in Asset
- Decrease in Liability Increase in Expense

Question # 10 of 30 (Start time: 01:14:55 AM, 09 July 2020)

Cash received from sale is recorded in cash register only is an example of which of following?

Select the correct option

- ○ Accrual Accounting
- ○ Double Entry Book Keeping
- ○ Commercial Accounting
- ● Single Entry Book Keeping

Question # 11 of 30 (Start time: 01:15:40 AM, 09 July 2020)

If debit side of a ledger is greater than credit side, the balance will be called as:

Select the correct option

●	Debit Balance
○	Credit Balance
○	Excess Balance
○	None of the above

Question # 12 of 30 (Start time: 01:16:47 AM, 09 July 2020)

When a business purchases goods from ABC & Co. and promises to pay the amount at certain future time period, we will call ABC & Co. as:

Select the correct option

- Debtors of the business
- Creditors of the business
- Assets of the business
- Equity of the business

Question # 13 of 30 (Start time: 01:17:31 AM, 09 July 2020)

Which of the following should be considered as ready for sales in trading concern?

Select the correct option

- Raw material
- Work in process
- Finished goods
- Stock in trade

Question # 14 of 30 (Start time: 01:18:41 AM, 09 July 2020)

Which of the following can become the part of cost of goods sold?

Select the correct option

- [x] Opening stock
- [ ] Sales
- [ ] Carriage on sales
- [ ] All of the given options

MGT101:Grand Quiz

Question # 15 of 30 (Start time: 01:19:46 AM, 09 July 2020)

Which of the following is the first book to record a transaction?

Select the correct option

- ○ Trial Balance
- ● Journal
- ○ Income Statement
- ○ Balance Sheet

Question # 16 of 30 (Start time: 01:20:58 AM, 09 July 2020)

In which of the following Gross Profit is calculated?

Select the correct option

- Balance Sheet
- Trading Account
- Appropriation Account
- Receipt and Payment Account

Question # 17 of 30 (Start time: 01:21:31 AM, 09 July 2020)

Which of the following should be debited on return of raw material to supplier in manufacturing concern?

Select the correct option

- ○ Material account
- ○ Purchase account
- ○ Debtors account
- ● Voucher payable account

Question # 18 of 30 (Start time: 01:22:16 AM, 09 July 2020)

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

Select the correct option

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

Question # 19 of 30 (Start time: 01:23:40 AM, 09 July 2020)

ABC & Co. purchased a typewriter for Rs. 5,000 and paid by cheque. Which of the following accounts would be affected from this transaction?

I) Assets II) Liabilities
III) Expenses IV) Revenues

Select the correct option

- ○ I and IV
- ○ I and II
- ○ II and III
- ● I only

Question # 20 of 30 (Start time: 01:24:57 AM, 09 July 2020)

Which of the following should be credited on purchase of raw material on cash basis in manufacturing concern?

Select the correct option

○	Material account
○	Purchases account
○	Finished goods account
●	Cash account

Question # 21 of 30 (Start time: 01:25:18 AM, 09 July 2020)

Which of the following is NOT a fixed tangible asset?

Select the correct option

- ( ) Furniture
- ( ) Machinery
- ( ) Building
- (●) Goodwill

Question # 22 of 30 (Start time: 01:25:33 AM, 09 July 2020) Total Ma

Opening book value of furniture is Rs. 410,000. Furniture bought during the year is Rs. 50,000. Depreciation expense for the period is Rs. 20,000. What will be the ending written down value of furniture?

Select the correct option

- (selected) Rs. 440,000
- Rs. 430,000
- Rs. 480,000
- Rs. 70,000

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Question # 23 of 30 (Start time: 01:26:41 AM, 09 July 2020)

Which of the following should become the part of working capital?

Select the correct option

- ○ Current assets
- ○ Liabilities
- ○ Fixed assets
- ● Capital

Question # 24 of 30 (Start time: 01:28:10 AM, 09 July 2020) **Total Marks: 1**

Book value of machine at the start of the period is Rs. 350,000. Cost of machine purchased during the year is Rs. 40,000. Periodic depreciation charged to profit and loss account is Rs. 13,000. What will be the written down value of machines at the end of the period?

Select the correct option

- [x] Rs. 377,000
- [ ] Rs. 390,000
- [ ] Rs. 412,000
- [ ] Rs. 63,000

Question # 25 of 30 (Start time: 01:29:19 AM, 09 July 2020)

Which of the following is an example of direct materials cost?

Select the correct option

- Production worker's wages
- Depreciation expenses
- A piece of wood for the production of chair
- Polish and finishing material for chair

Question # 26 of 30 (Start time: 01:30:03 AM, 09 July 2020)

Which of the following is used to determine the cost of goods sold?

Select the correct option

- Beginning inventory + Purchases - Work in Process
- Beginning inventory + Purchases - Sales
- Beginning inventory + Purchases - Ending inventory
- Ending inventory + Purchases - Beginning Inventory

Question # 27 of 30 (Start time: 01:31:11 AM, 09 July 2020)

Which of the following is an intangible asset?

Select the correct option

●	Goodwill
○	Furniture
○	Cash in hand
○	Cash at bank

Question # 28 of 30 (Start time: 01:31:26 AM, 09 July 2020)

Which of the following statement is also called "Statement of financial position"?

Select the correct option

- Income Statement
- Cost of Goods sold
- Statement of owner's equity
- Balance Sheet

Question # 29 of 30 (Start time: 01:32:16 AM, 09 July 2020)

The balance carried down shown on debit side of ledger account to balance a particular account is called:

Select the correct option

- ○ Debit balance
- ● Credit balance
- ○ Opening balance
- ○ Estimated balance

Question # 30 of 30 (Start time: 01:33:22 AM, 09 July 2020)

Which of the following should be shown on receipt side of cash book?

Select the correct option

●	Sales on cash basis
○	Sales on credit basis
○	Purchases on cash basis
○	Purchases on credit basis

Question # 1 of 30 (Start time: 01:40:38 AM, 09 July 2020)

Which of the following is used as source document to record the transaction?

Select the correct option

- [x] Voucher
- [ ] Balance sheet
- [ ] Ledger
- [ ] Trial Balance

Question # 2 of 30 (Start time: 01:40:49 AM, 09 July 2020)

Normally single entry book keeping is followed by:

Select the correct option

●	Small businesses only
○	Governments only
○	Large scale businesses only
○	Both small businesses and governments

Question # 3 of 30 (Start time: 01:42:06 AM, 09 July 2020)

Which of the following is Not an Asset Account?

Select the correct option

- ○ Plant & Machinery
- ○ Loan to XYZ co.
- ○ Cash at Bank
- ● Loan from ABC co.

Question # 4 of 30 (Start time: 01:42:49 AM, 09 July 2020)

The total cost of an asset minus accumulated depreciation is equal to:

Select the correct option

- ○ Current Market Value
- ○ Historical Cost
- ● Book Value
- ○ Replacement Cost

Question # 5 of 30 (Start time: 01:43:17 AM, 09 July 2020)

Which one of the following accounts normally does NOT exist in the balance sheet of a manufacturing concern?

Select the correct option

- ○ Work in Process Inventory
- ○ Raw Materials Inventory
- ● Merchandise Inventory
- ○ Finished Goods Inventory

Question # 6 of 30 (Start time: 01:44:09 AM, 09 July 2020)

Which of the following should be debited on sale of completed goods on credit basis in manufacturing concern?

Select the correct option

- (●) Debtors account
- ( ) Sales account
- ( ) Creditors account
- ( ) Cash account

Question # 7 of 30 (Start time: 01:44:51 AM, 09 July 2020)

Which of the following words have Latin roots used in accounting as a rule of recording business transaction?

Select the correct option

●	Credit
○	Liability
○	Asset
○	Capital

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Question # 8 of 30 (Start time: 01:45:53 AM, 09 July 2020)

Which of the following would be compared with sale price to find the loss on sale of fixed asset?

Select the correct option

- ○ Cost - Periodic depreciation
- ○ Cost + Periodic depreciation
- ● Cost - Accumulated depreciation
- ○ Cost + Accumulated depreciation

Question # 9 of 30 (Start time: 01:46:40 AM, 09 July 2020)

If Current Assets Rs. 100,000, Current Liability Rs. 50,000 and Fixed Assets Rs. 200,000. What is working capital?

Select the correct option

- (selected) Rs. 50,000
- Rs. 100,000
- Rs. 150,000
- Rs. 300,000

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Question # 10 of 30 (Start time: 01:47:51 AM, 09 July 2020)

A sum of Rs. 50,000 was paid for customs duty and freight on machinery purchased from Japan. It is classified as:

Select the correct option

- [x] Capital expenditure
- [ ] Revenue expenditure
- [ ] Deferred revenue expenditure
- [ ] Capital receipt

Question # 11 of 30 (Start time: 01:48:26 AM, 09 July 2020)

Which of the following is NOT a fixed tangible asset?

Select the correct option

- ○ Furniture
- ○ Machinery
- ○ Building
- ● Goodwill

Question # 12 of 30 (Start time: 01:48:38 AM, 09 July 2020)

Unfinished goods are called:

Select the correct option

- ○ Raw material
- ● Work in process
- ○ Stock in trade
- ○ None of the given options

Question # 13 of 30 (Start time: 01:48:51 AM, 09 July 2020)

Which of the following should be credited when production is completed in manufacturing concern?

Select the correct option

○	Material account
●	Work in process account
○	Finished goods account
○	FOH account

Question # 14 of 30 (Start time: 01:49:49 AM, 09 July 2020)

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

Select the correct option

	Purchases account
	Mr. Ali account
	Cash account
	Sales account

Question # 15 of 30 (Start time: 01:50:14 AM, 09 July 2020)

Which of the following represents the profit?

Select the correct option

- (Cash sales + Cash payments) + (Credit sale - Credit expense)
- (Cash sales - Cash payments) - (Credit sale - Credit expense)
- (Cash sales - Cash payments) + (Credit Sale - Credit Expense)
- (Cash sales - Cash payments) + (Credit sale + Credit expense)

Question # 16 of 30 (Start time: 01:51:06 AM, 09 July 2020)

Which of the following would be credited for incurred expenses to complete the fixed asset whose payment is made through cash?

Select the correct option

- ○ Relevant fixed asset account
- ● Cash account
- ○ Capital work in progress account
- ○ Incomplete fixed asset account

Question # 17 of 30 (Start time: 01:52:35 AM, 09 July 2020)

Which of the following words have Latin roots used in accounting as a rule of recording business transaction?

Select the correct option

- Debit
- Revenue
- Cost
- Expense

Question # 19 of 30 (Start time: 01:54:22 AM, 09 July 2020)

Which of the following is NOT a rule for revaluation of fixed assets?

Select the correct option

- [ ] The change in the value should be permanent
- [ ] Revaluation has to be carried out at regular intervals
- [ ] Whole class of asset has to be revalued
- [x] The change in the value should be provisional

Question # 20 of 30 (Start time: 01:55:41 AM, 09 July 2020)

Which of the following should be shown on debit column of Trial Balance by considering the balance as normal?

Select the correct option

- (●) Cash in hand
- ( ) Capital
- ( ) Liabilities
- ( ) Income

Question # 21 of 30 (Start time: 01:56:39 AM, 09 July 2020)

Which of the following is an example of current liability?

Select the correct option

●	Notes payable
○	Notes receivable
○	Accounts receivable
○	Prepaid expenses

Question # 22 of 30 (Start time: 01:57:14 AM, 09 July 2020)

Which of the following is classified as a fixed tangible asset?

Select the correct option

- (●) Fixtures
- ( ) Goodwill
- ( ) Loan given
- ( ) Capital

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Question # 23 of 30 (Start time: 01:57:50 AM, 09 July 2020)

Which of the following is an important aspect of planning to forecast the financial affairs of business?

Select the correct option

●	Budgeting
○	Capital
○	Purchase
○	Sale

Question # 24 of 30 (Start time: 01:58:05 AM, 09 July 2020)

A manufacturing concern has Raw material of worth Rs. 100,000, Direct Labor Rs. 75,000 and Factory Overhead Rs. 50,000. The amount of Prime cost will be:

Select the correct option

- ○ Rs. 150,000
- ● Rs. 175,000
- ○ Rs. 125,000
- ○ Rs. 225,000

Question # 25 of 30 (Start time: 01:59:18 AM, 09 July 2020)

In which depreciation method, Depreciation remains constant?

Select the correct option

- Reducing balance method
- Units of production
- Straight line method
- None of the given options

Question # 26 of 30 (Start time: 02:00:08 AM, 09 July 2020)

Which of the following is NOT a characteristic of Cash Book?

Select the correct option

- It has two identical sides—left hand side, the debit side and right hand side, the credit side
- It verifies the arithmetic accuracy of posting of entries from the Journal to the Ledger
- The difference between the total of two sides of cash book shows cash in hand
- It always shows debit balance. It can never show credit balance

Question # 27 of 30 (Start time: 02:01:32 AM, 09 July 2020)

The normal balance of revenue account is similar to:

Select the correct option

- ○ Expense Account
- ○ Asset Account
- ● Liability Account
- ○ Drawings Account

Question # 28 of 30 (Start time: 02:02:03 AM, 09 July 2020)

Which of the following account will be CREDITED when we acquire building on Cash of Rs. 500,000?

Select the correct option

- (selected) Cash Account
- Building Account
- Bank Account
- Capital Account

Question # 29 of 30 (Start time: 02:03:02 AM, 09 July 2020)

Which of the following is NOT correct?

Select the correct option

○	Decrease in Assets will be credited
○	Decrease in Liabilities will be debited
○	Increase in Expenses will be debited
●	Decrease in Revenue will be credited

Question # 30 of 30 (Start time: 02:03:21 AM, 09 July 2020)

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

Select the correct option

- Cash account
- Sales account
- Accounts receivable account
- Purchases account

Question # 1 of 30 (Start time: 02:19:22 AM, 09 July 2020)

Which of the following represents the cost spent by the business to generate income?

Select the correct option

- Income
- Profit
- Liability
- Expense

Question # 2 of 30 (Start time: 02:19:59 AM, 09 July 2020)

Which of the following is NOT correct?

Select the correct option

○	Decrease in Assets will be credited
○	Decrease in Liabilities will be debited
○	Increase in Expenses will be debited
●	Decrease in Revenue will be credited

Question # 3 of 30 (Start time: 02:20:16 AM, 09 July 2020)

An accounting system in which there is a partial or no record of some of the transactions is called as:

Select the correct option

- Double Entry Accounting
- Single Entry Accounting
- Commercial Accounting
- Accrual Accounting

Question # 4 of 30 (Start time: 02:20:29 AM, 09 July 2020)

Net profit = Gross profit - _________

Select the correct option

○	Selling expenses only
○	Administration expenses only
○	Financial expenses only
●	All of the given options

Question # 6 of 30 (Start time: 02:21:11 AM, 09 July 2020)

Which of the following should be considered as ready for sales in manufacturing concern?

Select the correct option

- ○ Raw material
- ○ Work in process
- ○ Finished goods
- ● Stock in trade

Question # 5 of 30 (Start time: 02:20:43 AM, 09 July 2020)

Which of the following produces loss on disposal of fixed asset?

Select the correct option

- (●) Book value > Sale price
- ( ) Book value < Sale price
- ( ) Cost value > Sale price
- ( ) Cost value < Sale price

Question # 7 of 30 (Start time: 02:21:27 AM, 09 July 2020)

The total cost of an asset minus accumulated depreciation is equal to:

Select the correct option

○	Current Market Value
○	Historical Cost
●	Book Value
○	Replacement Cost

Question # 8 of 30 (Start time: 02:22:22 AM, 09 July 2020)

Which of the following should be included in sales account?

Select the correct option

- Sales on cash basis only
- Sales on credit basis only
- Both cash and credit sales
- Sales of all assets

Question # 9 of 30 (Start time: 02:23:09 AM, 09 July 2020)

A Balance Sheet discloses the financial position of a firm:

Select the correct option

- [x] For a certain given period
- [ ] At a particular point of time
- [ ] After the fixed date
- [ ] None of the given options

Question # 10 of 30 (Start time: 02:24:10 AM, 09 July 2020)

If resources in business are supplied by the outsiders (other than the owner) only then accounting equation looks like as:

Select the correct option

○	Assets = Capital
○	Assets = Liabilities
●	Assets = Liabilities + Capital
○	Assets = Liabilities - Capital

Question # 11 of 30 (Start time: 02:25:07 AM, 09 July 2020)

If debit side of a ledger is greater than credit side, the balance will be called as:

Select the correct option

●	Debit Balance
○	Credit Balance
○	Excess Balance
○	None of the above

Question # 12 of 30 (Start time: 02:25:25 AM, 09 July 2020)

Which of the following statement is TRUE about the positive working capital of company.

Select the correct option

- ○ It shows that non-current assets are greater than non-current liability
- ○ It shows that current assets are greater than non-current liability
- ● It shows that current assets are greater than current liability
- ○ It shows that current liabilities are greater than current assets

Question # 13 of 30 (Start time: 02:25:50 AM, 09 July 2020)

The cost of goods sold account will fall under which of the following classification of account:

Select the correct option

- Assets
- Expenses
- Liabilities
- Revenues

Question # 14 of 30 (Start time: 02:26:01 AM, 09 July 2020)

At the end of accounting period a list of all ledger balances is prepared. This list is called _____________.

Select the correct option

- ○ Journal
- ○ Ledger
- ○ Cash Book
- ● Trial Balance

Question # 16 of 30 (Start time: 02:27:23 AM, 09 July 2020)

Increase in an expense is recorded on the:

Select the correct option

- 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

Question # 17 of 30 (Start time: 02:27:59 AM, 09 July 2020)

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

Select the correct option

- ○ Trial Balance
- ○ Voucher
- ○ General Journal
- ● General Ledger

Question # 18 of 30 (Start time: 02:28:33 AM, 09 July 2020)

Which of the following should be shown on debit column of Trial Balance by considering the balance as normal?

Select the correct option

- ○ Capital
- ○ Sales
- ● Debtor
- ○ Creditor

Question # 19 of 30 (Start time: 02:28:58 AM, 09 July 2020)

Which of the following changes the financial position of a business?

Select the correct option

●	Monetary events
○	All Events
○	Non-monetary events
○	None of the given options

Question # 20 of 30 (Start time: 02:29:31 AM, 09 July 2020)

Which of the following should be debited for issue of raw material to production department in manufacturing concern?

Select the correct option

- ○ Material account
- ● Work in process account
- ○ Finished goods account
- ○ Cash account

Question # 21 of 30 (Start time: 02:30:40 AM, 09 July 2020)

Which one of the following accounts normally does NOT exist in the balance sheet of a manufacturing concern?

Select the correct option

- ○ Work in Process Inventory
- ○ Raw Materials Inventory
- ● Merchandise Inventory
- ○ Finished Goods Inventory

Question # 22 of 30 (Start time: 02:31:18 AM, 09 July 2020)

Under the straight line method of depreciation:

Select the correct option

- ○ Amount of depreciation increases every year
- ● Amount of depreciation remains constant for every year
- ○ Amount of depreciation decreases every year
- ○ None of the given options

Question # 23 of 30 (Start time: 02:32:18 AM, 09 July 2020)

Which one of the following is INCORRECT about closing stock?

Select the correct option

- ○ It is added into current assets
- ○ It is deducted from material available for use
- ○ It becomes opening stock of next year
- ● It reduces the resources of business

Question # 24 of 30 (Start time: 02:32:59 AM, 09 July 2020)

Payable amount of the business represents:

Select the correct option

- ○ Loan given
- ○ Drawings
- ○ Assets
- ● Liabilities

Question # 25 of 30 (Start time: 02:33:11 AM, 09 July 2020)

Revenues, expenses and net profit are found on a/an:

Select the correct option

- ○ Statement of Cash Flows
- ● Income Statement
- ○ Statement of Owner's Equity
- ○ Balance Sheet

Question # 26 of 30 (Start time: 02:33:26 AM, 09 July 2020)

Which of the following is an example of direct materials cost?

Select the correct option

- ○ Production worker's wages
- ○ Depreciation expenses
- ● A piece of wood for the production of chair
- ○ Polish and finishing material for chair

Question # 27 of 30 (Start time: 02:33:40 AM, 09 July 2020)

If Current Assets Rs. 100,000, Current Liability Rs. 50,000 and Fixed Assets Rs. 200,000. What is working capital?

Select the correct option

●	Rs. 50,000
○	Rs. 100,000
○	Rs. 150,000
○	Rs. 300,000

Question # 28 of 30 (Start time: 02:34:07 AM, 09 July 2020)

The amount of depreciation charged on Furniture will be debited to:

Select the correct option

○	Furniture Account
●	Depreciation Account
○	Accumulated Depreciation Account
○	Cash Account

Question # 29 of 30 (Start time: 02:34:28 AM, 09 July 2020)

Which of the following is used to determine the cost of goods sold?

Select the correct option

- Beginning inventory + Purchases - Work in Process
- Beginning inventory + Purchases - Sales
- Beginning inventory + Purchases - Ending inventory
- Ending inventory + Purchases - Beginning Inventory

Question # 30 of 30 (Start time: 02:34:41 AM, 09 July 2020)

Which of the following should be shown on credit column of Trial Balance by considering the balance as normal?

Select the correct option

- ○ Cash in hand
- ○ Purchases
- ○ Debtor
- ● Creditor