

NAT II Management Science Finance & Accounting

Sr	Questions	Answers Choice
1	Accounts which are related with properties are known as	A. Real accounts B. Nominal accounts C. Property accounts D. A and C are correct Accounting principles:
2	Outstanding expenses are also known as	A. Prepared expenses B. Accrued expenses C. Un-earned income D. None
3	The cost flow must watch the	A. Output B. Outflow C. Inflow D. Workflow
4	Hypothetical cost which are specially computed outside the accounting system for the purpose of decision making is called	A. Future cost B. Replacement cost C. Imputed cost D. Sunk cost
5	What are accrued expenses?	A. The expenses that have been incurred during current year and paid till the end of current year B. The expenses that have been incurred previous year and paid in the current year C. The expenses that have been incurred during current year and not paid till the end of current year D. The expenses that have been incurred previous year and not paid till the end of current year
6	Depreciation expenditure is a	A. Fixed cost B. Variable cost C. Semi-variable cost D. Step fixed cost
7	Cost which is calculated before manufacture operation is called	A. Sunk cost B. Mixed cost C. Standard cost D. None of above
8	The bills which are drawn and accepted against the sale and purchase of goods on credits are called	A. Trade bills B. Bill of exchange C. In-land bills D. Foreign bills
9	The cost of holding the stock in storage is called	A. Ordering cost B. Material cost C. Caring cost D. All of the above
10	Tenor is the period of time ----- which a bill becomes payable	A. Before B. After C. Both a and b D. None
11	Which one of the following is not a negotiable instrument?	A. Cheque B. Promissory note C. Bill of exchange D. None of the above
12	Which ratio tells how many times in a year stock is used up and replaced?	A. Gross profit ratio B. Net profit ratio C. Cost ratio D. None of these
13	Office salaries are include in	A. Direct material cost B. Indirect material cost C. Factory overhead cost D. Total payroll
		A. Premium

14	Rebate is the ----- in the amount of bill paid	B. Increase C. Expense D. Concession
15	The ----- includes a control account entitled general ledger that shows is equity of the general office in the factory.	A. General ledger B. Head office ledger C. Factory ledger D. None of these
16	From the following statements which one is not true about over applied F.o.H	A. Less from cost of goods sold at normal B. Less from entire production if required C. Add in gross profit if required D. Less from Net profit.
17	The primary objective of cost accounting is to	A. Control cost B. Calculate profit C. Avoid cost D. All of above
18	Quick assets are	A. Cash in hand B. Cash at bank C. Debtors D. All of the above
19	The primary object of non-profit organizations is	A. Not to earn profit B. Work for the welfare of society C. Buy/sell goods D. A and B but not C
20	A cost whose magnitude will be affected by decision being made is called	A. Historical cost B. Relevant cost C. Irrelevant cost D. Sunk cost