

## MGT-101 Final Term Exams Preparation Virtual University

Sr	Questions	Answers Choice
1	The area of accounting concerned with reporting financial information to the interested parties is called	A. cost accounting B. financial accounting C. management accounting D. tax accounting
2	Income of the business includes:	A. Cash sales only B. Credit sales only C. Credit purchase only D. Both cash sales and credit sales
3	Cost incurred for the maintenance of the shop is considered as	A. Deferred expense B. Capital expenses C. Revenue expenses D. Preliminary expenses
4	Bank book is a part of :	A. Voucher B. General journal C. General ledger D. trail balance
5	Accrued expenses are the example of	A. Current liability B. Long term liability C. Capital expenses
6	In cost of goods sold statement the total factory cost is equal to	A. I cost of material + Labor cost B. cost of material consumed + conversion cost C. cost of materia<b>I consumed + total factory cost</b> D. total factory cost</b>
7	The price paid for an item , in terms of currency is called	A. Sale B. Cost C. Debt D. Revenue
8	Depreciation arises because of :	A. Fall in the market value of an asset B. Fall in the value of money C. Physical wear and tour D. All of the above
9	Assets total Rs 50,000 and liability total rs 10,000 ,What is the equity of the business?	A. 40000 B. 60000 C. 30000 D. 10000
10	The main goal of bank reconciliation statement is:	A. If the discrepancy is due to error rather than timing B. If the discrepancy is due to timing rather than error C. If the discrepancy is due to error rather than amount D. If the discrepancy is due to amount rather than timing
11	Which of the following essentials are shown in Bank book?1.Date of transaction ,2.Narration of transaction ,3.Cheque Number	A. 1,2 B. 2,3 C. 1,3 D. 1,2,3
12	Firms chargers depreciation each year :	A. To ensure there is enough money in the firm to replace the asset B. To spread the cost of the asset over its working life C. Because the law state must be reduced
13	What would be the affects on component of the accounting equation if goods are purchased on cash?	A. increase in cash and decrease in equity B. increase in cash and increase in goods C. increase in cash and decrease in goods D. increase in cash and decrease in equity
		A. factory building

14	Which of the following is not depreciated?	B. office equipment C. Plant D. Land
15	The basic purpose of depreciation is to achieve the	A. Matching principle B. Dual aspect principle C. Separate entity concept D. Money measurement concept
16	_____ is the amount for which an assets could be exchanged between knowledge willing parties in a arm length transaction	A. Present Value B. Fair Value C. Book Value
17	Net profit + expenses = _____	A. Liabilities B. assets C. capital D. income
18	Which of the financial statement DO NOT show the financial health of a business at specific date?	A. Profit and Loss account B. Balane Sheet C. Statement of financial position
19	If the cost of the sales is Rs 60,000 are Rs 95,000 and opening expenses are Rs 20,000 during the year.What would be the net profit?	A. Rs 15000 B. Rs 35000 C. Rs 55000 D. Rs 60000
20	_____ is the detail of transaction in one account provided by the bank	A. bank statement B. income statement C. bank reconciliation statement