

## MGT-101 Final Term Exams Preparation Virtual University

Sr	Questions	Answers Choice
1	Which of the following is an alternate term which can be used for "Capital"?	A. Liability B. Owner net worth C. Asset D. Working Capital
2	Which of the following account will be credit,if business sold goods for Rs 10,000 on credit?	A. Cash account B. Sales account C. account receivable account D. purchase account
3	A decrease in value of a fixed asset due to age wear and tear is known as	A. depreciation B. accumulated depreciation C. administrative expenses D. operating expenses
4	Depreciation arises because of :	A. Fall in the market value of an asset B. Fall in the value of money C. Physical wear and tear D. All of the above
5	Firm charges 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 states they must be reduced
6	If a business purchase machinery for rs 30000 on 31 january 2008 having life of 8 years,this expenses will be realized under the concept of accrual accounting	A. for the year 2008 only B. for the last day of 10th year only C. over 10 year D. nothing can be said about it
7	Which of the following shows summary of a company financial position at a specific date?	A. Profit and loss account B. Cash flow statement C. Balance Sheet
8	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
9	Net profit + expenses = _____	A. Liabilities B. assets C. capital D. income
10	Which of the following is non profit-able organization?	A. Partnership B. Trust C. Limited Company
11	Cost incurred for the maintenance of shop in considered as	A. revenue expenses B. capital expenses C. deferred expenses
12	_____ 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
13	The cost of moving planet and machinery to a new site will be treated as:	A. Revenue expenses B. Capital expenses C. Operating expenses D. Administrative expenses
14	Accrued expenses are the example of	A. Current liabilities B. Long term liabilities C. Capital expenses
15	All the cost incurred on the incomplete assets up to the balance sheet date must be transferred to:	A. Capital account B. Capital work in progress C. Relevant asset account
16	If the cost of the sales is Rs 60,000 are Rs 95,000 and opening expenses are Rs 20,000	A. Rs 15000 B. Rs 35000

	during the year.What would be the net profit?	C. Rs 55000 D. Rs 60000
17	Which of the following account balance will be shown on debit side of trial balance?	A. Cash account B. Furniture account C. Motor account D. all of the above
18	The product that are ready for sale are known as	A. raw material B. work in process C. finished in goods D. closing stock
19	A summarized record of transaction related to individual or things is called	A. Account B. Voucher C. Journal D. Trail Balance
20	An asset that is not physical in nature is called _____	A. intangible asset B. liquid assets C. current asset