

MTH-501 Quiz Online Test

Sr	Questions	Answers Choice
1	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 file C. because the law states they must be reduced
2	Commercial accounting is based on	A. Single entry book keeping B. Double entry book keeping C. Both single and double entry book keeping D. cash basic of book keeping
3	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
4	Net profit + expenses =	A. Liabilities B. assets C. capital D. income
5	The amount brought propritier in the business should be credited to	A. cash account B. capital account C. drawing account
6	What will be the effect on accounting equation ,which payment is made to the creditor of the business?	A. Decrease in an asset ,decrease in liability B. Increase in asset,increase in liability C. Increase in asset ,increase in owner equity
7	If you start with cash book favourable balance in Bank Reconciliation Statement which item will be added?	A. cheaque deposited but not credit by the bank B. Cheques omitted to be deposited into the bank C. any amount directly collected by bank on behalf of customer but not recorded in cash book D. Debit side cash book was overcast.
8	The stock of manufacturing concern consists of	A. work in process inventory B. raw material inventory C. finished goods inventory D. all of the given option
9	Under the reducing balance method of depreciation :	A. Amount of depreciation increase every year B. Amount of depreciation remains constant for every year C. Amount of depreciation depreciation b>decrease every year
10	Word credit is derived from	A. latin B. english C. french D. chinese
11	Cost incurred for the maintenance of shop in considered as	A. revenue expenses B. capital expenses C. deferred expenses
12	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
13	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

14	An asset that is not physical in nature is called	A. intangible asset B. liquid assets C. current asset
15	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
16	The price paid for an item , in terms of currency is called	A. Sale B. Cost C. Debt D. Revenue
17	Which of the following account will be credited ,if business bought goods on credit from Mr.Ali?	A. Purchase account B. Mr.Ali account C. Cash account D. Sale account
18	A summarized record of transaction related to individual or things is called a	A. Account B. Voucher C. Journal D. Trail Balance
19	In which of the following condition a company will have positive working capital?	A. if current assets> current liabilities B. if current assets < current liabilities C. if current assets = current liabilities D. if current assets <= current liabilities
20	The time span in which financial statements of the business are prepared is called	A. Financial year B. Accounting period C. Business life cycle D. Accounting Cycle