

MGT-101 Final Term Exams Preparation Virtual University

Sr	Questions	Answers Choice
1	If you start with cash book favourable balance in Bank Reconciliation Statement which item will be added?	A. cheque 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.
2	_____ is the detail of transaction in one account provided by the bank	A. bank statement B. income statement C. bank reconciliation statement
3	Accountancy cover which of the following series	A. bookkeeping B. accounting C. auditing D. all of the above
4	Depreciation arises because	A. fall in 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	Net profit + expenses = _____	A. Liabilities B. assets C. capital D. income
7	An estimate of the income and expenses needed to carry out business plans for a fiscal year is known as :	A. Budgeting B. costing C. Management D. Auditing
8	Which one of the following is equal to the carrying cost of an asset?	A. original cost minus accumulated depreciation B. original cost plus accumulated depreciation C. original cost minus residual value
9	Firms charges 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
10	The basic purpose of depreciation is to achieve the :	A. matching principle B. Dual aspect principle C. separate entity concept