

MGT-101 Final Term Exams Preparation Virtual University

Sr	Questions	Answers Choice
1	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
2	Cost incurred for the maintenance of shop in considered as	A. revenue expenses B. capital expenses C. deferred expenses
3	We can say that business in profit when	A. Assets exceeds expenditure B. Assets exceeds liabilities C. income exceeds expenditure D. income exceeds liabilities
4	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
5	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
6	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
7	The asset which have limited useful life are termed as :	A. Limited assets B. Depreciation assets C. Unlimited assets D. None of the given option
8	Word credit is derived from	A. Latin B. English C. French D. Chinese
9	Following are the inventories of Manufacturing Concern EXCEPT	A. Raw material B. work in process C. finished goods D. merchandise inventory
10	Which of the following is the example of direct material cost?	A. Polish and finish material for chair B. A piece of wood for the production of wood C. Production worker wages D. Depreciation expenses