

## MTH-501 Quiz Online Test

Sr	Questions	Answers Choice
1	A book in which receipts and payments are recorded is known as	A. Pass book B. Cash book C. Purchase book D. Sales book
2	An informal accounting statement that lists the ledger account balance at a time and compare the total of debit balance with the total of credit balance is known as :	A. Income statement B. balance sheet C. trail balance D. cash book
3	Which of the following financial statement summarizes the profitability of an organization for a particular period?	A. Trade and profit & loss account B. cash flow statement C. balance sheet
4	Which of the following is NOT prepared by Non Profit organization?	A. Profit and loss account B. Income and expenditure account C. Receipts and payments accounts D. Balance sheet
5	What type of expense are paid out of gross profit?	A. Selling expenses B. general expenses C. financial expenses D. All of the above
6	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
7	Which of the following is not an item of Balance Sheet?	A. Accounts receivable B. accounts payable C. sales revenue D. marketable securities
8	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
9	Which one of the following is CORRECT about closing stock?	A. It appears in the asset side of the balance sheet B. it decrease the value of cost of goods sold C. It becomes the opening stock of the next year D. All of the above
10	_____ 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
11	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.
12	_____ is the detail of transaction in one account provided by the bank	A. bank statement B. income statement C. bank reconciliation statement
13	Accountancy cover which of the following series	A. bookkeeping B. accounting C. auditing D. all of the above
14	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

15	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
16	Net profit + expenses = _____	A. Liabilities B. assets C. capital D. income
17	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
18	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
19	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
20	The basic purpose of depreciation is to achieve the :	A. matching principle B. Dual aspect principle C. separate entity concept