

MTH-501 Quiz Online Test

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
11	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
12	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
13	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
14	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 consumed + total factory cost D. Amount of depreciation increase every year

15	Under the reducing balance method of depreciation :	B. Amount of depreciation remains constant for every year C. Amount of depreciationdecrease every year
16	The allocation of the cost of a tangible plant asset to expenses in the periods ,in which service are received from the asset is termed as	A. Appreciation B. Depreciation C. Fluctuation D. None of the given
17	Double entry accounting system include:	A. Accrual accounting only B. Cash accounting only C. Both A and B D. ^{None of the given}
18	Cost incurred for the maintenance of the shop is considered as	A. Deferred expense B. Capital expenses C. Revenue expenses D. Preliminary expenses
19	When a liability is reduced or decreased,it is recorded on the	A. Right or the debt side of the account B. Left or the debt side of the account C. Left or the credit side of the account D. Right or the credit side of the account
20	A summarized record of transaction related to individual or things is called a	A. Account B. Voucher C. Journal D. Trail Balance