



For More Visit VUStudents.pk

MGT101 Solved Grand Quiz 2020

Question No 1

Expense account is closed at the end of the accounting period in:

Select Correct Option

- Income Statement**.....(For More Visit VUStudents.pk)
- Balance Sheet
- General Journal
- Income Account

Question No 2

Bank overdraft will fall under which of the following classification of accounts?

Select Correct Option

- Assets
- Expenses
- Revenues
- Liabilities**.....(For More Visit VUStudents.pk)

Question No 3

Increase in liability can cause increase in:

Select Correct Option

- Receivables
- Equity**.....(For More Visit VUStudents.pk)
- Profit
- Cash

Question No 4

Which of the following account is 'Debit' of "The owner has paid Rs.500 from the business for his personal use"?

Select Correct Option

- Cash account
- Drawings account**.....(For More Visit VUStudents.pk)
- Bank account
- Capital account



For More Visit VUStudents.pk



Question No 5

After specific intervals, sum of sales return journal is posted to the debit side of _____.

Select Correct Option

- ✓ Total debtors account
- ✓ **Sales return account**.....(For More Visit VUStudents.pk)
- ✓ Total creditors account
- ✓ None of the given options

Question No 6

Which of the following accounts will be affected when we acquire building and paid Rupees Rs. 500,000?

Select Correct Option

- ✓ Capital account
- ✓ Expense account
- ✓ Bank account
- ✓ **Cash account**.....(For More Visit VUStudents.pk)

Question No 7

Bank Reconciliation Statement is a:

Select Correct Option

- ✓ **Memorandum statements**.....(For More Visit VUStudents.pk)
- ✓ Ledger accounts
- ✓ Part of cash book
- ✓ Part of journal

Question No 8

Which of the following is TRUE?

Select Correct Option

- ✓ Nature of incomes is credit
- ✓ Nature of Expenses is Debit
- ✓ Nature of owners' Equity is Credit
- ✓ **All of the given options**.....(For More Visit VUStudents.pk)





Question No 9

An event can be classified as non-monetary:

Select Correct Option

- ✓ Loss by accident
- ✓ Purchases on cash
- ✓ Selling on credit
- ✓ **Placing purchase order**.....(For More Visit VUStudents.pk)

Question No 10

All of the following are expenses EXCEPT:

Select Correct Option

- ✓ Wages
- ✓ **Rent payable**.....(For More Visit VUStudents.pk)
- ✓ Interest
- ✓ Utilities

Question No 11

The term “Debit” is derived from _____ language.

Select Correct Option

- ✓ **Latin**.....(For More Visit VUStudents.pk)
- ✓ English
- ✓ French
- ✓ Chinese

Question No 12

Which of the following is WRONG?

Select Correct Option

- ✓ Nature of Assets is Debit
- ✓ Nature of Expenses is Debit
- ✓ Nature of Owner’s Equity is Credit
- ✓ **Nature of Liabilities is Debit**.....(For More Visit VUStudents.pk)





Question No 13

Accrued income at the end of the period is treated as:

Select Correct Option

- ✓ Liability
- ✓ **Asset**.....(For More Visit VUStudents.pk)
- ✓ Expense
- ✓ Drawings

Question No 14

The person who is responsible for maintaining a journal is known as:

Select Correct Option

- ✓ Chief financial officer
- ✓ Bookkeeper
- ✓ **Financial manager**.....(For More Visit VUStudents.pk)
- ✓ Internet auditor

Question No 15

If resources in business are supplied by the owner(s) only, then financial position looks like:

Select Correct Option

- ✓ **Asset = Capital**.....(For More Visit VUStudents.pk)
- ✓ Assets = Liabilities
- ✓ Assets = Liabilities + Capital
- ✓ Assets = Liabilities – capital

Question No 16

ABC & Co purchase goods for resale purposes on cash. Which one of the following account head will decrease?

Select Correct Option

- ✓ Creditor
- ✓ Debtor
- ✓ **Cash**.....(For More Visit VUStudents.pk)
- ✓ Capital





Question No 17

Which of the following is an asset?

Select Correct Option

- ✓ Sales
- ✓ Account payable
- ✓ **Prepaid insurance**.....(For More Visit VUStudents.pk)
- ✓ Wages

Question No 18

The main purpose of _____ is to ascertain true and fair result of the business operations during a particular period of time, for external reporting only.

Select Correct Option

- ✓ Cost Accounting
- ✓ Managerial Accounting
- ✓ **Financial Accounting**.....(For More Visit VUStudents.pk)
- ✓ Tax Accounting

Question No 19

Which of the following is TRUE regarding a 'Closing stock'?

Select Correct Option

- ✓ It is an expired cost and an asset
- ✓ It is an expired cost and a liability
- ✓ **It is an un-expired cost and an asset**.....(For More Visit VUStudents.pk)
- ✓ It is an un-expired cost and a liability

Question No 20

The cost of goods sold account falls under which of the following classification of accounts.

Select Correct Option

- ✓ Assets
- ✓ **Expenses**.....(For More Visit VUStudents.pk)
- ✓ Liabilities
- ✓ Income





Question No 21

Which of the following are recorded in sales journal?

Select Correct Option

- ✓ Cash sales transactions
- ✓ **Credit sales transactions**.....(For More Visit VUStudents.pk)
- ✓ Credit sales return transactions
- ✓ Both credit and cash sales transactions

Question No 22

Expenses paid in advance at the end of the period is treated as:

Select Correct Option

- ✓ **Assets**.....(For More Visit VUStudents.pk)
- ✓ Liability
- ✓ Income
- ✓ Drawings

Question No 23

Goods sold on cash increase:

Select Correct Option

- ✓ **Assets**.....(For More Visit VUStudents.pk)
- ✓ Liabilities
- ✓ Expenses
- ✓ Creditors

Question No 24

Which of the following might be a reason, when a Bank Statement shows greater balance than the Cash Book balance?

Select Correct Option

- ✓ **Cheque issued but not yet presented**.....(For More Visit VUStudents.pk)
- ✓ Unrecorded bank charges in cash book
- ✓ Cheque deposited but not yet credited
- ✓ None of the given options





Question No 25

_____ is charged to profit and loss account.

Select Correct Option

- ✓ Capital
- ✓ Drawings
- ✓ Long term load
- ✓ **Bad debts account**.....([For More Visit VUStudents.pk](http://VUStudents.pk))

Question No 26

In case of goods sold on credit basis, _____ is debited.

Select Correct Option

- ✓ **Debtors account**.....([For More Visit VUStudents.pk](http://VUStudents.pk))
- ✓ Bank account
- ✓ Credit account
- ✓ Debit account

Question No 27

Which of the following is a source for preparation of a Trial Balance.

Select Correct Option

- ✓ Journal entry
- ✓ Invoice
- ✓ Journal
- ✓ **Ledger**.....([For More Visit VUStudents.pk](http://VUStudents.pk))

Question No 28

Depreciation is mainly a process of _____ of cost of Fixed Asset over the useful life.

Select Correct Option

- ✓ Allocation
- ✓ Valuation
- ✓ **Calculation**.....([For More Visit VUStudents.pk](http://VUStudents.pk))
- ✓ None of the above





Question No 29

A company's merchandise, raw materials, and finished and unfinished products which have not yet been sold are known as:

Select Correct Option

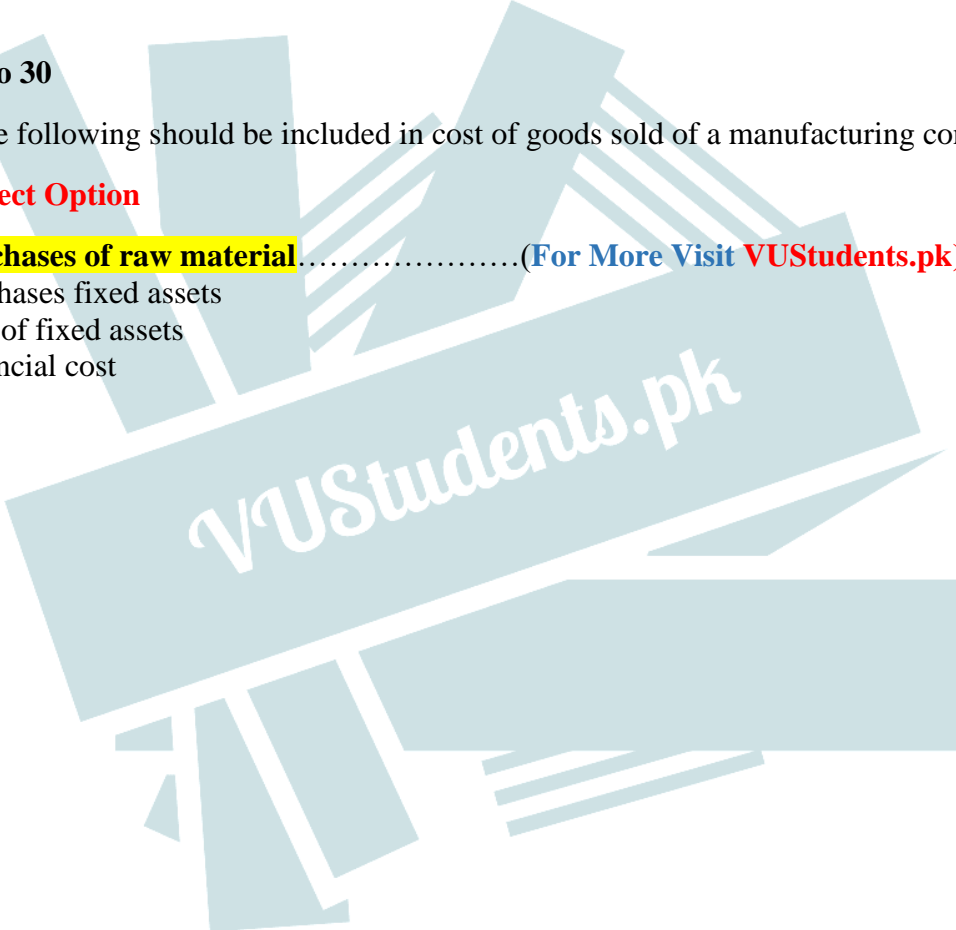
- ✓ **Sales**.....(For More Visit VUStudents.pk)
- ✓ Purchases
- ✓ Inventory
- ✓ Word in process

Question No 30

Which of the following should be included in cost of goods sold of a manufacturing concern?

Select Correct Option

- ✓ **Purchases of raw material**.....(For More Visit VUStudents.pk)
- ✓ Purchases fixed assets
- ✓ Sale of fixed assets
- ✓ Financial cost



THE END

