MTH-501 Quiz Online Test

Sr	Questions	Answers Choice
1	The favourable balance of profit and loss account should be:	A. added in liabilities B. subtracted from current assets C. Subtracted from liabilities D. added in capital
2	Accountancy cover which of the following series	A. bookkeeping B. accounting C. auditing D. all of the above
3	If a business pays rent in 12 months mit will be treated as:	A. Prepaid expenses of business B. Long term liability of business C. Fixed assets of business
4	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
5	Which of the following essentials are shown in Bank book?1.Date of transaction ,2.Narration of transaction ,3.Cheque Number	A. 1,2 B. 2,3 C. 1,3 D. 1,2,3
6	Which of the following is not an item of Balance Sheet?	A. Accounts receivable B. accounts payable C. sales revenue D. marketable securities
7	Cost incurred for the maintenance of the shop is considered as	A. Deferred expense B. Capital expenses C. Revenue expenses D. Preliminary expenses
8	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
9	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
10	Which of the financial statement DO NOT show the financial health of a business at specific date?	A. Profit and Loss account B. Balane Sheet C. Statement of financial position
11	What will be the effect on accounting equation ,which payment is made to the creditor of the business?	A. Decrease in an asset ,decrease in liability B. Increase in asset,increase in liability C. Increase in asset ,increase in owner equity
12	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 file C. because the law states they must be reduced
13	A decrease in value of a fixed asset due to age ,wear and tear is known as	A. depreciation B. accumulated depreciation C. WDV
14	In a balance sheet fixed asset is shown at	A. cost price B. market value C. fair value D. written down value

15	Which of the following is not depreciated?	A. factory building B. office equipment C. Plant D. Land
16	In an accounting if credit sale < debit side then the balance is known as :	A. Negative balance B. debit balance C. positive balance D. credit balance
17	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 gievn
18	Word credit is derived from	A. Latin B. English C. French D. Chinese
19	Which of the following account balance will be shown on debit side of trail balance ?	A. Capital account B. Sundry credit accounts C. Cash account
20	Firms chargers 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