

Question No : 1 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following essentials are shown in Bank Book?  
(1) Date of transaction  
(2) Narration of transaction  
(3) Cheque number

Answer ( Please select your correct option )

☐ (1) & (2) only

☐ (2) & (3) only

☐ (1) & (3) only

☐ (1), (2) & (3)

**Made By: Waqar Siddhu**

Question No : 2 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following organizations prepare Income & Expenditure account?

☐ Public libraries

☐ NGOs

☐ Labor unions

☐ All of the given options

**Made By: Waqar Siddhu**

Question No : 3 of 27

Marks: 1 (Budgeted Time 1 Min)

The unfavorable balance of Profit and Loss account should be:

☐ Added in liabilities

☐ Subtracted from current assets

☐ Subtracted from liabilities

☐ Subtracted from capital

**Made By: Waqar Siddhu**

Question No : 4 of 27

Marks: 1 (Budgeted Time 1 Min)

The amount of salary paid to Mr. Sohail should be debited to:

Answer ( Please select your correct option )

- ☐ Mr. Sohail account
- ☐ Salaries account
- ☐ Cash account
- ☐ Drawings account

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Question No : 5 of 27

Marks: 1 (Budgeted Time 1 Min)

In cost of goods sold statement the 'total factory cost' is equal to:

Answer ( Please select your correct option )

- ☐ Cost of material consumed + Labor cost
- ☐ Cost of material consumed + Conversion cost
- ☐ Cost of material consumed + Total factory cost
- ☐ Cost of material consumed + Factory overhead

**Made By: Waqar Siddhu**

Question No : 6 of 27

Marks: 1 (Budgeted Time 1 Min)

If you start with cash book favorable balance in Bank Reconciliation Statement, which item will be added?

Answer ( Please select your correct option )

- ☐ Cheque deposited but not credited by the bank
- ☐ Cheques omitted to be deposited into bank
- ☐ Any amount directly collected by bank on behalf of customer but not recorded in cash book
- ☐ Debit side of cash book was overcast

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Question No : 7 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following fixed asset is normally appreciated with the passage of time?

Answer ( Please select your correct option )

- ☐ Land
- ☐ Vehicles
- ☐ Furniture
- ☐ Machinery

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Question No : 8 of 27

Marks: 1 (Budgeted Time 1 Min)

Particulars	Rs.
Direct materials costs	80,000
Direct labor costs	50,000
Manufacturing overhead costs	60,000
Prime cost	?

Answer ( Please select your correct option )

- ☐ Rs.130, 000
- ☐ Rs.110, 000
- ☐ Rs.140, 000
- ☐ Rs.190, 000

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Question No : 9 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is the basis of accounting?

Answer ( Please select your correct option )

- ☐ Book-keeping
- ☐ Financial Accounting
- ☐ Cost Accounting
- ☐ Management Accounting

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Question No : 10 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is comparatively low cost organization?

Answer ( Please select your correct option )

- ☐ Sole-proprietorship
- ☐ Partnership
- ☐ Public Limited Company
- ☐ Private Limited Company

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Question No : 11 of 27

Marks: 1 (Budgeted Time 1 Min)

Ledger is a book in which:

Answer ( Please select your correct option )

- ☐ Only real accounts are opened
- ☐ Only personal accounts are opened
- ☐ Only nominal accounts are opened
- ☐ All types of accounts are opened

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Question No : 12 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following statement is/are **TRUE** about a Balance sheet?

Answer ( Please select your correct option )

- ☐ It is prepared to show the financial position of a business
- ☐ It shows the assets, liabilities and owners equity of a business
- ☐ It is prepared after the preparation of profit and loss account
- ☐ All of the given options

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Question No : 13 of 27

Marks: 1 (Budgeted Time 1 Min)

What is the best condition to finance a business?

Answer ( Please select your correct option )

- ☐ Fully financed from your own resource
- ☐ Fully relied on financial institutions
- ☐ Investment through own resources as well as rely on financial instructions
- ☐ None of the given options

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Question No : 14 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following account would be credited, when the goods are purchased on credit?

Answer ( Please select your correct option )

- ☐ Stock account
- ☐ Accounts receivable account
- ☐ Accounts payable account
- ☐ Work in process account

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Question No : 15 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following would be required for the calculation of depreciation under straight line method?

Answer ( Please select your correct option )

- ☐ Cost of asset
- ☐ Expected Life of asset
- ☐ Residual value
- ☐ All of the given options

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Question No : 16 of 27

Marks: 1 (Budgeted Time 1 Min)

Firms charge depreciation each year:

Answer ( Please select your correct option )

- ☐ To ensure that there is enough money in the firm to replace the asset
- ☐ To spread the cost of the asset over its working life
- ☐ To reduce the profit and thus reduce the dividends they can pay to shareholders
- ☐ Because the law states they must be reduced

**Made By: Waqar Siddhu**

Question No : 17 of 27

Marks: 1 (Budgeted Time 1 Min)

Particulars	Rs.
Opening written down value of machine	375,000
Cost of machine bought during the year	50,000
Depreciation during the year	11,000
Written down value of the Machine at the year end	?

Answer ( Please select your correct option )

- ☐ Rs. 414,000
- ☐ Rs. 425,000
- ☐ Rs. 386,000
- ☐ Rs. 61,000

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Question No : 18 of 27

Marks: 1 (Budgeted Time 1 Min)

If the goodwill of a business is determined at Rs. 50,000 and its net worth is Rs. 350,000, The new value of business is:

Answer ( Please select your correct option )

- ☐ Rs. 300,000
- ☐ Rs. 200,000
- ☐ Rs. 350,000
- ☐ Rs. 400,000

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Question No : 19 of 27

Marks: 1 (Budgeted Time 1 Min)

If factory overhead cost is Rs. 90,000 (150% of direct Labor cost). What will be the cost of direct material consumed if total manufacturing cost is Rs. 240,000?

Answer ( Please select your correct option )

☐

Rs. 90,000

☐

Rs. 150,000

☐

Rs. 180,000

☐

Rs. 330,000

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Question No : 20 of 27

Marks: 1 (Budgeted Time 1 Min)

If cost of direct material used during the period is Rs. 18,000 and cost of direct labor is 40% of prime cost. What would be the total manufacturing cost for the period?

Answer ( Please select your correct option )

☐

Rs. 27,000

☐

Rs. 12,000

☐

Rs. 30,000

☐

Can not be determined from given information

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Question No : 21 of 27

Marks: 1 (Budgeted Time 1 Min)

When drawing-up a bank reconciliation statement, if you start with a favorable balance as per the Cash book, the debit balance of Rs. 1,000 in the bank column of the cash book was carried forward as its credit balance will be:

Answer ( Please select your correct option )

☐

Added by Rs. 1,000

☐

Added by Rs. 2,000

☐

Subtracted by Rs. 1,000

☐

Subtracted by Rs. 2,000

**Made By: Waqar Siddhu**

Question No : 22 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following statement is **TRUE** under double entry system of accounting?

Answer ( Please select your correct option )

- ☐ It is possible to verify the arithmetical accuracy of books through Trial Balance
- ☐ It is not possible to record equal and opposite effects in at least two different accounts
- ☐ It is the system of incomplete records
- ☐ It is not possible to prepare the financial statements

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Question No : 23 of 27

Marks: 3 (Budgeted Time 6 Min)

Calculate Total factory cost with the help of given data.

Particulars	Rs.
Raw materials inventory, July 1 2006	15,000
Purchases of materials	120,000
Materials inventory, June 30, 2007	21,000

Answer ( Please click here to Add Answer )

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Question No : 24 of 27

Marks: 3 (Budgeted Time 6 Min)

Following data relates to Wonderland Company Limited as on December 31, 2010. You are required to calculate the amount of Long Term Debt as on that date:

	Rs.
Fixed Assets	518,950
Current Liabilities	75,750
Investments	102,650

Answer ( Please click here to Add Answer )

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Question No : 25 of 27

Marks: 3 (Budgeted Time 6 Min)

The following are some of the causes of difference between the Cash Book and the Pass Book balances found on 31<sup>st</sup> December, 2010. If you start with the Cash Book debit balance in preparing a Bank Reconciliation Statement as on 31<sup>st</sup> December, 2010, will you add them or deduct?

Particulars	Add/Less
Credit side of cash book was overstated	?
The bank charges paid recorded twice in cash book	?

Answer ( Please click here to Add Answer )

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Question No : 26 of 27

Marks: 5 (Budgeted Time 10 Min)

From the following particulars of Shahbaz & Company, prepare a Bank Reconciliation Statement as on 31<sup>st</sup> December 2010.

- Favorable balance as per the Cash Book Rs. 80,000.
- Transport subsidiary of Rs. 20,000 received from State Government directly by the bank but not advised to the company.
- Amount of Rs. 10,000 wrongly debited to company account by the bank for which no details are available.

Answer ( Please click here to Add Answer )

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Question No : 27 of 27

Marks: 5 (Budgeted Time 10 Min)

From the information given below, you are required to prepare an Accounts Receivable Account for the month of May 2011 to find out the balance of A/R as on May 01, 2011:

Cash collected during the year	Rs. 585,940
Total Sales during the year	545,530
Cash Sales	25% of the total sales
Balance of A/R as on May 31, 2011.	59,550

Answer ( Please click here to Add Answer )

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