

Question No : 1 of 27

Marks: 1 (Budgeted Time 1 Min)

Word "Credit" is derived from _____ language.

Answer (Please select your correct option)

- ☐ Latin
- ☐ English
- ☐ French
- ☐ Chinese

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Question No : 2 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 : 3 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following account balance will be shown on debit side of Trial Balance? (It is assumed that all account balances are shown on normal balance)

Answer (Please select your correct option)

- ☐ Cash account
- ☐ Furniture account
- ☐ Vehicle account
- ☐ All of the given options

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Question No : 4 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following particular is **NOT** included in the specimen of a Journal Voucher?

Answer (Please select your correct option)

- ☐ Name of organization
- ☐ Bank receipt
- ☐ Debit amount
- ☐ Credit amount

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Question No : 5 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is the investment in business by the owners?

Answer (Please select your correct option)

- ☐ Capital
- ☐ Liability
- ☐ Asset
- ☐ Profit

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Question No : 6 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is another name of a Journal?

Answer (Please select your correct option)

- ☐ A day book
- ☐ Transaction book
- ☐ Ledger book
- ☐ Cash book

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Question No : 7 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is an alternate term used for "Capital"?

Answer (Please select your correct option)

- ☐ Opening capital
- ☐ Owner's net worth
- ☐ Working capital
- ☐ Closing capital

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Question No : 8 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following particulars are included in the specimen of a cash receipt voucher?
0) Name of the organization
1) Cash code
2) Date of transaction

Answer (Please select your correct option)

- ☐ (1) & (2) only
- ☐ (1) & (3) only
- ☐ (2) & (3) only
- ☐ (1), (2) & (3)

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Question No : 9 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following represent(s) the Cost of goods sold?

Answer (Please select your correct option)

- ☐ Cost of goods Manufactured + Opening Finished Goods Inventory – Closing Finished Goods Inventory
- ☐ All of the given options
- ☐ Sales – Gross Profit
- ☐ Opening Stock + Purchases – Closing Stock

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Question No : 10 of 27

Marks: 1 (Budgeted Time 1 Min)

What is the treatment of Accumulated Depreciation in accounting?

Answer (Please select your correct option)

- ☐ Charged to profit and loss account
- ☐ Written in balance sheet under the head of current assets
- ☐ Written in balance sheet under the head of liabilities
- ☐ Written in balance sheet as a reduction in relevant fixed asset

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Question No : 11 of 27

Marks: 1 (Budgeted Time 1 Min)

Distinction between capital and revenue items is important for the preparation of:

Answer (Please select your correct option)

- ☐ Income statement only
- ☐ Balance sheet only
- ☐ Final accounts
- ☐ Bank statement

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Question No : 12 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is **TRUE** about capital receipt?

Answer (Please select your correct option)

- ☐ It decreases value of property or increases value of liability
- ☐ It is shown in the income and expenditure account
- ☐ It is recurring in nature
- ☐ It is not shown in the statement of financial positions

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Question No : 13 of 27

Marks: 1 (Budgeted Time 1 Min)

Calculate total profit of a firm from the following data:

Cash Sales Rs. 50,500
Cash Purchases Rs. 20,500
Other Cash Expenses Rs. 5,000
Credit Sales Rs. 25,000
Other Credit Expenses Rs. 3,000

Answer (Please select your correct option)

☐ Rs. 47000

☐ Rs. 30,000

☐ Rs. 22,000

☐ Rs. 55,000

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Question No : 14 of 27

Marks: 1 (Budgeted Time 1 Min)

The of concept of "Capital" is always applied to:

☐ a sole proprietorship

☐ a firm

☐ a joint stock company

☐ all of the given options.

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Question No : 15 of 27

Marks: 1 (Budgeted Time 1 Min)

Mr. A received from his debtor Rs. 5,000 and allowed cash discount of Rs. 125. Mr. A should credit his debtor by:

☐ Rs. 5,000

☐ Rs. 4,875

☐ Rs. 125

☐ Rs. 5,125

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Question No : 16 of 27

Marks: 1 (Budgeted Time 1 Min)

If the administrative expenses account for Rs. 150,000; marketing expenses Rs. 75,000 and financial expenses incurred was Rs. 50,000. The total operating expenses would be:

Answer (Please select your correct option)

☐ Rs. 150,000

☐ Rs. 225,000

☐ Rs. 200,000

☐ Rs. 275,000

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Question No : 17 of 27

Marks: 1 (Budgeted Time 1 Min)

A summarized record of transactions related to individuals or things is called a/an _____.

Answer (Please select your correct option)

☐ Account

☐ Voucher

☐ Journal

☐ Trial balance

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Question No : 18 of 27

Marks: 1 (Budgeted Time 1 Min)

Cost of Rs. 100,000 is incurred for the construction of incomplete fixed assets and these assets are not completed till the end of an accounting period. Which of the following account would be credited for the cost of Rs. 100,000 incurred on construction of such assets if the payment is made through cheque?

Answer (Please select your correct option)

☐ Fixed asset account

☐ Cheque account

☐ Capital work in progress account

☐ Bank account

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Question No : 19 of 27

Marks: 1 (Budgeted Time 1 Min)

Closing stock of the previous year becomes:

Answer (Please select your correct option)

- ☐ Opening stock of the next year
- ☐ Opening stock of current year
- ☐ Closing stock of the next year
- ☐ None of the given options

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Question No : 20 of 27

Marks: 1 (Budgeted Time 1 Min)

A sum of Rs. 5,000 spent on painting the factory should be treated as:

Answer (Please select your correct option)

- ☐ Capital expenditure
- ☐ Revenue expenditure
- ☐ Deferred revenue expenditure
- ☐ Capital loss

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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 un-presented cheques should be:

Answer (Please select your correct option)

- ☐ Added
- ☐ Subtracted
- ☐ Multiplied
- ☐ Divided

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Question No : 22 of 27

Marks: 1 (Budgeted Time 1 Min)

In financial accounting, transactions are recorded on ----- basis.

Answer (Please select your correct option)

- ☐ Regular
- ☐ Monthly
- ☐ Semi-annual
- ☐ Annual

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Question No : 23 of 27

Marks: 3 (Budgeted Time 6 Min)

You are given the following data relating to a firm:

Opening Stock, Rs. 7,000; Sales (net), Rs. 125,000; Closing Stock Rs. 15,000; and Direct Expenses, Rs. 13,000.

Required: Calculate purchases of the firm assuming that the gross profit is Rs. 10,000.

Answer (Please [click here](#) to Add Answer)

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Question No : 24 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 31st December, 2010. If you start with the Cash Book debit balance in preparing a Bank Reconciliation Statement as on 31st December, 2010, will you add them or deduct?

Particulars	Add/Less
Cheques drawn but presented for payment after 31 st December, 2010	?
Cheques deposited into the bank but credited in bank account after 31 st December, 2010	?

Answer (Please [click here](#) to Add Answer)

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Question No : 25 of 27

Marks: 3 (Budgeted Time 6 Min)

From the information given below, you are required to prepare a Bank A/C for the month of January 2011 to find out the amount of receipts during the month of January 2011:

	Rs.
Total payments during the month	480,620
Discount received during the month	2,780
Balance as on January 01, 2011	130,570
Balance as on January 31, 2011	180,830

Answer (Please [click here](#) to Add Answer)

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Question No : 26 of 27

Marks: 5 (Budgeted Time 10 Min)

Following is the Trial Balance of a manufacturing company for the month ended April 30th, 2008.

Manufacturing Company		
Trial Balance		
As on April 30 th , 2008		
Title of account	Dr. (Rs.)	Cr. (Rs.)

Answer (Please [click here](#) to Add Answer)

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Question No : 27 of 27

Marks: 5 (Budgeted Time 10 Min)

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

- Favorable balance as per the Pass Book Rs. 60,000.
- A cheque paid to S. Ltd for Rs. 3,000 had been entered in the cash book as Rs. 2,000.
- A receipt of Rs. 4,000 shown on the bank statement has not been entered in the cash book.

Answer (Please [click here](#) to Add Answer)

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