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MGT101 Financial Accounting

Final Term Examination – Spring 2005

Time Allowed: 150 Minutes

INSTRUCTIONS:

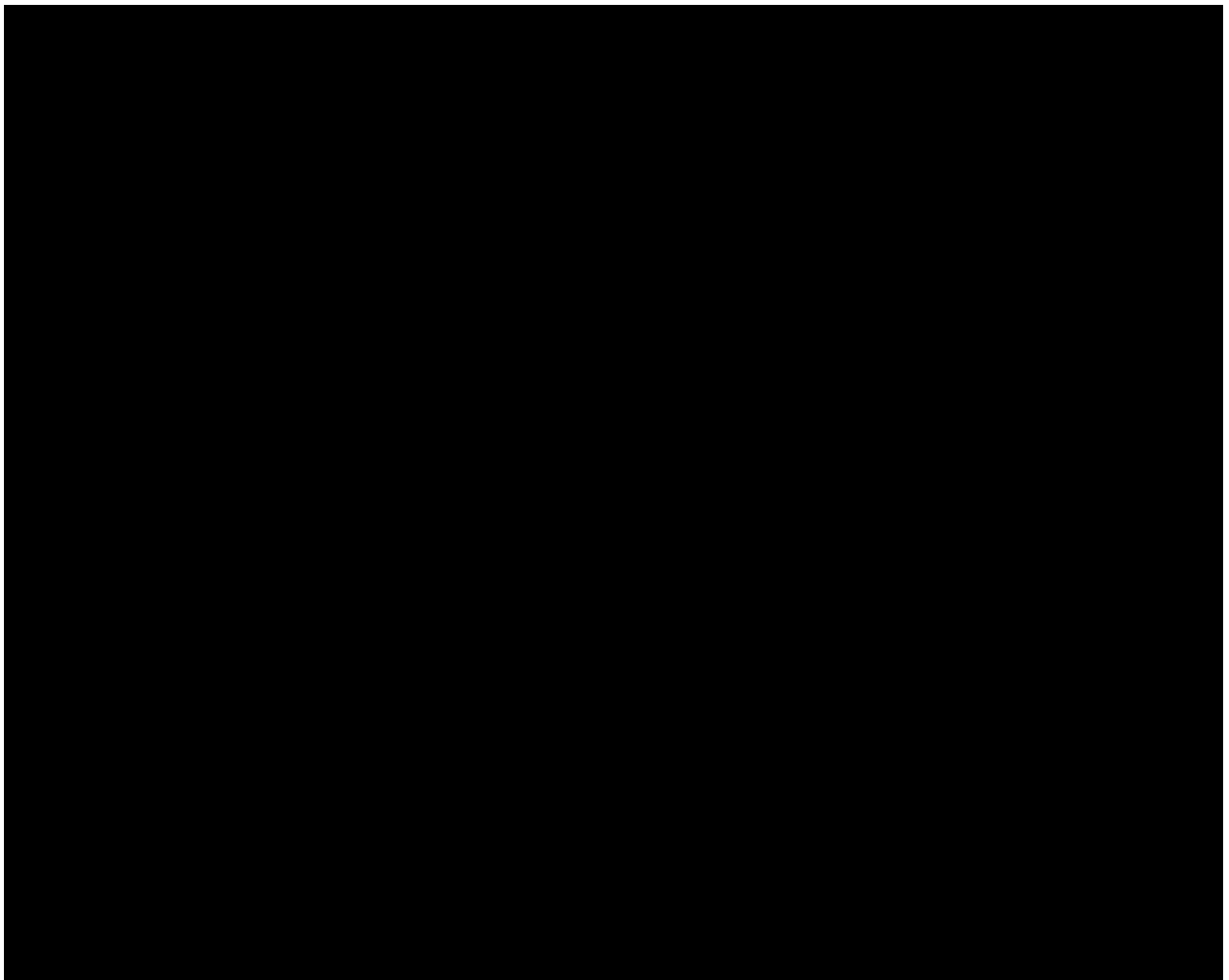
Please read the following instructions carefully before attempting any question:

- The duration of this examination is 150 minutes .
- All questions are compulsory.
- This exam consists of 5 Multiple Choice Questions (MCQ's) carrying 2 marks each, 6 Short questions carrying 5 marks each and 2 Descriptive questions carrying 10 marks.
- You are required to show all the working of short questions as well as Descriptive questions.
- This examination is closed book, closed notes, closed neighbors.
- Do not ask any questions about the contents of this examination from anyone.
- The use of calculator is allowed.
- You may wish to pace yourself with your own watch, but the Supervisor will be the official timekeeper of the test.
- Failure to comply with the Supervisor's directions will result in your test being cancelled. Please comply with supervisor's directions to avoid any unpleasant event.

Total Marks: 60

Total Questions: 13

Question No. 1	Marks : 10
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Question No. 2

Marks : 05

What is the difference between cash accounting and Accrual accounting?

Question No. 3

Marks : 02

Which is the best definition of Balance sheet?

- ☐ An account proving the Book balances
- ☐ A record of closing entries
- ☐ A listing of balances
- ☐ A statement of Assets

Question No. 4

Marks : 05

What is meant by Subsidiary ledgers?

Question No. 5**Marks : 05**

What is meant by Prepaid expenses?

Question No. 6**Marks : 02**

Depreciation is:

- ☐ The amount spent to buy a fixed asset
- ☐ The salvage value of a fixed asset
- ☐ The part of the cost of the fixed asset consumed during its period of use by the firm
- ☐ The amount of money spent on replacing asset

Question No. 7**Marks : 05**

What are the major components of a cash flow statement?

Question No. 8**Marks : 10**

From the particulars given below, find out the balance, by means of a statement that would appear in the Pass Book as on 30th June, 2005.

- 1. Bank overdraft as per Pass book (Dr.) Rs. 1,660.**
- 2. Amount deposited directly into bank by a debtor Rs. 200 in June but not recorded in Cash Book.**
- 3. Interest on Overdraft Rs. 40 and the Bank charges Rs. 20 are debited in the Pass Book only.**
- 4. Cheque deposited in June but credited by the bank in the month of July, 2005 Rs. 800.**
- 5. Cheque drawn in June but presented in the month of August, 2005 Rs. 20,000, Rs. 1,200 and Rs. 400.**

Question No. 9**Marks : 05**

Differentiate between Return Inwards and Return Outwards?

Question No. 10**Marks : 02**

Which of the following is not a Cash flow in Cash flow statement?

- ☐ A depreciation charge
- ☐ Dividend paid

- ☐ Proceeds on Sales of Fixed Assets
- ☐ Tax paid

Question No. 11

Marks : 05

What is meant by Short term Assets or Current Assets?

Question No. 12

Marks : 02

Gross Profit is:

- ☐ Excess of sales over Cost of good sold
- ☐ Sales less Purchases
- ☐ Cost of good sold plus Opening Stock
- ☐ Net profit less expenses of the period

Question No. 13

Marks : 02

Which of the following is an intangible asset?

- ☐ Patents
 - ☐ Copyrights
 - ☐ Trade marks
 - ☐ All of the given options
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