FIN611 solved MCQ

Solved by DR ABDUL SABOOR
MS business administration
mb120400120@vu.edu.pk
cell=0334-7165488

Question # 1 of 15 (Start time: 12:41:38 AM) Total Marks: 1
A subsidiary is a company that is controlled by a parent company through majority ownership of its:
Select correct option:
Debtors
Debentures
Common Stock
Both preferred and Common Stock

Question # 2 of 15 (Start time: 12:43:08 AM) Total Marks: 1
Which of the following appears in the debit side of Trial Balance of company account?
Select correct option:
Owners' equity
Revenues
Liabilities
Assets

Question # 3 of 15 (Start time: 12:44:17 AM) Total Marks: 1
Which of the following is NOT a feature of branch expense account, under the stock and debtor system?
Select correct option:
1…It is debited with the cash sent to branch (not sure)
2…It is debited with the discount allowed to branch debtors
3…It is debited with the depriciation of branch fixed assets
4…It is debited with the branch bad debts during the year

Question # 4 of 15 (Start time: 12:45:34 AM) Total Marks: 1
Which of the following statement is TRUE about the issuance of bonus shares?
Select correct option:
These are issued to the existing share holders
These are issued against capitalization of the reserves
It causes a decrease in the EPS comparing with the previous year's EPS
All of the given options

Question # 7 of 15 (Start time: 12:48:55 AM) Total Marks: 1

When shall an entity change the accounting policy?
Select correct option:
If the change is required by law
If the change is required by interpretation
If the result in the financial statements providing reliable and more relevant information
All of the given options
Question # 8 of 15 (Start time: 12:50:13 AM) Total Marks: 1
The difference of two sides of "Receipts & Payments Account" represents:
Select correct option:
Opening cash balance
Closing creditors
Closing cash or bank balance
Closing debtors

Question # 9 of 15 (Start time: 12:51:19 AM) Total Marks: 1
Mr. A is the incoming partner, is to bring Rs. 6,000 by way of goodwill for 1/5th share in the firms profit. The total goodwill of the firm will be valued at:
Select correct option:
Rs. 1,200
Rs. 17,000
Rs. 33,000
Rs. 30,000

Question # 10 of 15 (Start time: 12:51:57 AM) Total Marks: 1
Which of the following represents that the shares are issued at a price above the face value?
Select correct option:
Share issued at premium
Share issued at discount
Share issued at par value
Share issued at nominal value

Question # 11 of 15 (Start time: 12:52:21 AM) Total Marks: 1
Which one of the following reason occur, would change the constitution of the Partnership (Partnership deed)?
Select correct option:
1….Revaluation of assets
2….Increase in liabilities
3….Retirement of an existing partner
4….In case of Net loss

Question # 12 of 15 (Start time: 12:52:57 AM) Total Marks: 1
Which of the following consist of money owing for goods supplied to the firm and for expenses & loans?
Select correct option:

Asset
Capital
Liability
Income

Question # 13 of 15 (Start time: 12:54:23 AM) Total Marks: 1
With respect to IAS 10, business announcing a plan to discontinue an operation after the balance sheet dates is considered as which of the following?
Select correct option:
Adjusting Event
Non-Adjusting Event
Bogus Event
Contingent Event

Question # 14 of 15 (Start time: 12:55:44 AM) Total Marks: 1
Borrowing cost is shown under benchmark treatment in:
Select correct option:
1…Profit and Loss Account as expense
2…Profit and Loss Account as income
3…Balance sheet as a liability
4…Balance sheet as an asset
Question # 15 of 15 (Start time: 12:56:53 AM) Total Marks: 1
Which of the following is a type of business formed under the Companies Ordinance 1984?
Select correct option:
Sole-Proprietorship
Partnership
Joint Stock Company
All of the given options