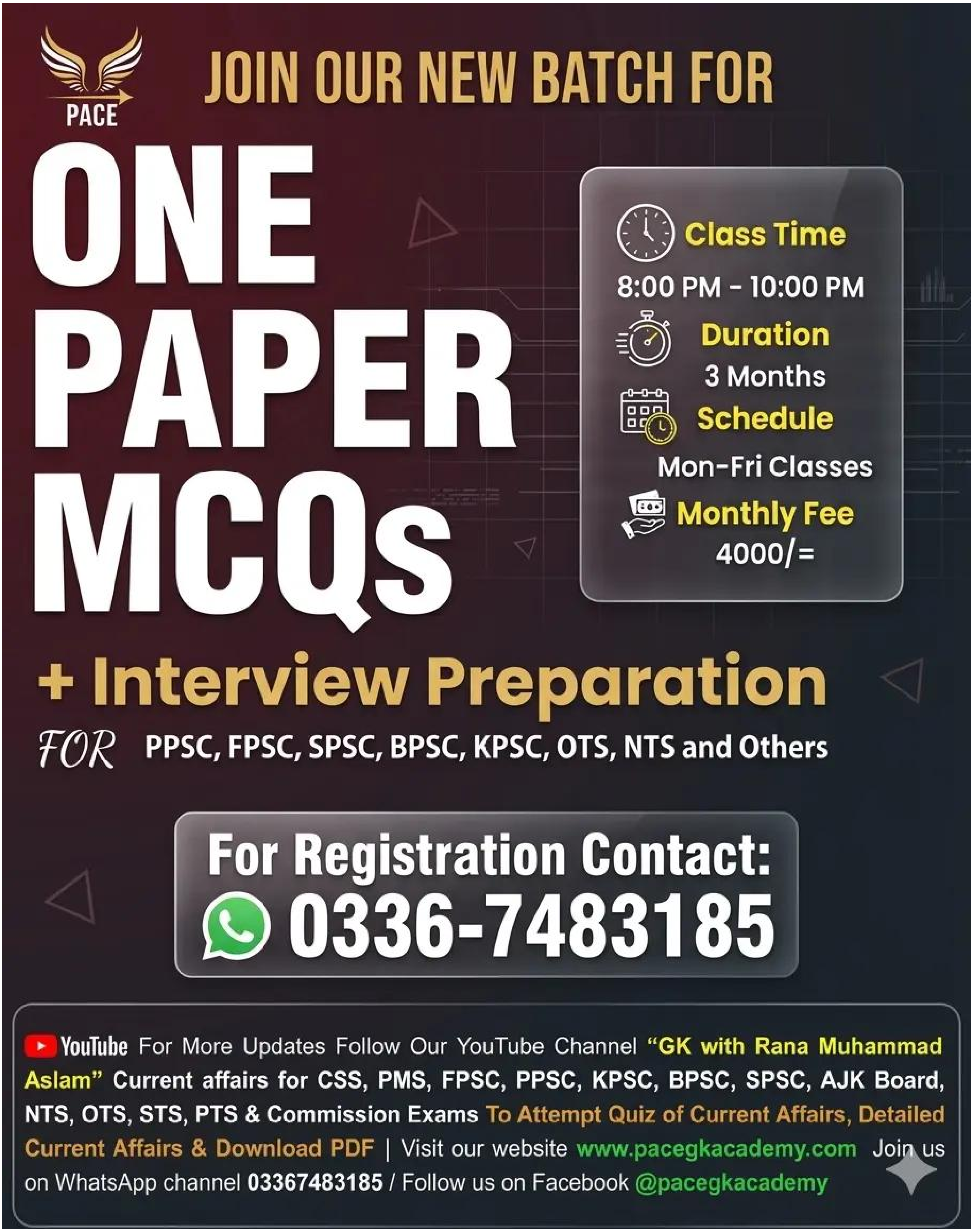
(Audits & Accounting)



Audits & Accounting

Q.1: Stakeholders are related to ?
A. Decisions
B. Actions
C. Organizations
D. **All of the above**

Q.2: Stock exchange is known as market for securities.
A. Primary Market
B. **Secondary Market**
C. Capital Market
D. Service value and monetary cost

Q.3: Right Shares are the shares
A. **Offered to the exsiting equity shareholers**
B. Issued by a newly formed company
C. Legally issued to the public at large
D. That have a right of redemption

Q.4: Net profit ratio is a :
A. Long term solvency ratio
B. **Short term solvency ration**
C. Turnover ratio
D. Profitability ratio

Q.5: Liquid ratio is also known as ratio:
A. inventory
B. Current
C. **Acid test**
D. Debt equity

Q.6: In his traditional role the finance manager is responsible for
A. **Arrangement of financial resources**
B. Acquiring capital assets of the organization
C. Efficient management of capital
D. Proper utilization of funds

Q.7: Control of financial planning is key responsibility of :
A. **Treasury management**
B. Authoritative management
C. Participative management
D. None of These

Q.8: A buyer's perception of value is considered a trade-off between;
A. Product value and psychic cost
B. **Total customer value and total customer cost**
C. Image value and energy cost
D. Service value and monetary cost

Q.9: Having some overall goal in mind, financial management is concerned with:
A. Financing of assets
B. Acquisition of assets
C. Management of assets
D. **All of These**

Q.10: Capital Structure is an optimal mix of which one of the following options;
A. Sales and profits
B. **Debt and equity**
C. Current assets and fixed assets
D. None of these

Q.11: Bonds with longer maturities generally have ___ interest rate risk
A. **Higher**
B. Lower
C. Depends on the type of bond
D. None of These

Q.12: At breakeven point;
A. **Total expenses = Total revenue**
B. Tota expenses > Total revenue
C. Total expenses < Total revenue
D. None of these

Q.13: Patents, Copyrights and Trademakrs are :
A. Investments
B. **Intangile assets**
C. curret assets
D. Fixed assets

Q.14: Floating assets are valued at;
A. Market price
B. Cost
C. **Cost or market whichever is lower**
D. Cost less depreciation

Q.15: When the coupon rate is less than the required rate of return the discount on the bond as maturity approaches.
A. Increases
B. **Decreases**
C. Does not change
D. First decreases then Increases

Q.16: _______ refers to the risk inherent to the entire market or market segment .
A. Financial risk
B. Purchasing power
C. **Systematic risk**
D. Interest free risk

Q.17: Which of the following is not a current asset?
A. Temporarty Investment
B. Salary paid in advance
C. Inventory
D. **Preliminary expenses**

Q.18: The first and foremost function of management is:
A. **Planning**
B. Organizing
C. Controlling
D. Coordination

Q.19: Money Market is an in which only short-term debt instrument (Maturity less than one year) are traded.
A. **Financial market**
B. Security market
C. Secondary market
D. All of These

Q.20: Which of the following is a method that is commonly used in qualitative research?
A. Self-completion questionnaires
B. Surveys
C. **Ethnography**
D. Structured observation

Q.21: The form of business having unlimited liabilities
A. **General partnership**
B. Limited partnership
C. Limited liability partnership
D. Particular partnership

Q.22: A is a potential obligation that may arise from an event that has not yet occured
A. current liabilities
B. **contingent liability**
C. Long term liabilities
D. None of These

Q.23: Contribution margin is also known as :
A. **Marginal income**
B. Gross Profit
C. Newt Profit
D. Net Loss

Q.24: A series of constant cash flows that occur at the end of each period for some fixed number of periods is :
A. **Ordinary annuity**
B. Annuity due
C. Multiple cash flows
D. Perpetuity

Q.25: Verification refers to:
A. Confirming ownership
B. Valuation and Possession
C. Actual existence
D. **All of these**

Q.26: Process of verifying the documentary evidences of trasactions are known as :
A. Auditing
B. **Vouching**
C. Testing
D. Verification

Q.27: Bringing all parties to an agreement is termed as:
A. Joinder
B. Consensus
C. **Contract**
D. None of these

Q.28: Zero Coupon Bond is also known as :
A. **Deep discount bond**
B. Bearer bond
C. Zero interest bond
D. Irredeemable bond

Q.29: An efficient market hypothesis state all public information which is reflected in current market prices is classified as :
A. Strong from efficiency
B. Weak form efficiency
C. **Semi strong effiency**
D. Market efficiency

Q.30: The firm operate, produce, market all over the world is called:
A. International firm
B. **Global firm**
C. Limited liability company
D. None of These

Q.31: Debtors have least profit share due to:
A. **Not participating in operational risk**
B. Payment to trade payables
C. Current ratio and Quick ratio
D. None of these

Q.32: A feasibility study considers all of the aspects of project, including:
A. Availability of time and capacity
B. Financial resources
C. Market demand
D. **All of These**

Q.33: An expenditure which occurs non-repeatedly and regularly is known as:
A. **Capital expenditure**
B. Revenue expenditure
C. Deferred revenue expenditure
D. None of these

Q.34: Land revenue assigned to jagirdar used for:
A. **Agricultural income purpose**
B. Non-Agricultural income purpose
C. Passive income purposes
D. none of these

Q.35: Supervisor wage is a part of:
A. **Conversion cost**
B. Operating cost
C. Variable cost
D. None of these

Q.36: A market for wholesale loans and deposits traded between banks is called:
A. **interbank market**
B. Investor market
C. Subsidiary market
D. none of these

Q.37: Government made policy for the industrial sector is called
A. Factories policy
B. **Industrial policy**
C. Distributive policy
D. Regulatory policy

Q.38: Characteristics of the job is also known as:
A. Job analysis
B. Job rating
C. **Job description**
D. Job evaluation

Q.39: which one of the following becomes a creative factor in production:
A. Land
B. **Capital**
C. Consumers
D. Human resources

Q.40: Which research is conducted when a researcher needed a solution to a problem?
A. Scientific Research
B. **Applied Search**
C. Descriptive Research
D. Basic Research

Q.41: Which factor has been the most rapidly changing component in an organization's general enviroment in the past quarter-century:
A. Global
B. Social
C. **Technological**
D. Economic

Q.42: Change in government policy with in the content of tax:
A. Tax policy
B. **Fiscal policy**
C. Monetary policy
D. Regulatory policy

Q.43: The Main operation expenses of a business are termed as :
A. **<u>Operating expense</u>**
B. Administration expense
C. Non administration expenses
D. Selling expense

Q.44: The part of equity having certain return is called:
A. Common stock
B. **<u>Preferred stock</u>**
C. Growth stock
D. None of these

Q.45: The primary objective of cost accounting is to :
A. **<u>Ascertain the cost of goods and services</u>**
B. Ascertain the profit
C. Inventory valuation
D. Fixation of selling price

Q.46: Human Resource Management deals with:
A. Insurance matters
B. **<u>Staff functions</u>**
C. Acounting function
D. None of these

Q.47: Agency Theory suggests that managers (the agents), particularly those of large , publically-owned firms , may have different objectives from those of the :
A. Workers
B. Subordinates
C. Employees
D. **<u>Shareholders</u>**

Q.48: Auditing refers to:
A. Reporting the financial information
B. **<u>Examination of financial information</u>**
C. Preparation of financial statements
D. Maintaining the ledger accounts

Q.49: Inventory Period + Accounts Reeviable Preiod is called
A. Cash cycle
B. **<u>Operationg cycle</u>**
C. Collective Cycle
D. None of these

Q.50: The standard deviation is the __________ of the variance:
A. Square
B. **<u>Square root</u>**
C. Cube
D. Cube root

Q.51: Fixed assets turnover ratio is a :
A. Long -term solvency ratio
B. Short-term solvency ratio
C. **<u>Turnover ratio</u>**
D. Profitability ratio

Q.52: The following factor would be relatively low if supply of labor is higher than demand:
A. Production
B. Labor cost
C. **<u>Wage</u>**
D. All Of these

Q.53: According to the capital-asset pricing model (CAPM), a security's expected (required) return is equal to the risk-free rate plus a premium:
A. Equal to the security's beta
B. Based on the unsystematic risk of the security
C. Based on the total risk of the security
D. **Based on the Systematic risk of the security**

Q.54: Which one renders high profitability?
A. Asset
B. Balance sheet
C. **Inventory**
D. Equity

Q.55: is the phase of an audit where the auditor gathers samples to identify any material misstatements in the client's accounting records or other data
A. **Substanting testing**
B. Control testing
C. Detective testing
D. None of these

Q.56: In response to market expectations, the credit period has been increased from 45 days to 60 days. This would result in a:
A. Decrease in sales
B. Decrease in debtors
C. Increase in bad debts
D. **Blocking of funds**

Q.57: Bonus shares are issued out of:
A. Capital reserve
B. **Free reserve**
C. Share premium
D. None of these

Q.58: Balance Sheet shows
A. The financial performance at particular date
B. **the financial position at particular date**
C. The financial position for an accounting period
D. the financial performance for an accounting period

Q.59: Which body prepare and publish audit standards:
A. **International Auditing and Assurance Standards Board**
B. International Federation of Accountants
C. Generally Accepted Auditing Standards
D. None of these

Q.60: income statement is also known as :
A. Statement of earnings
B. Statement of balance Sheet
C. **Statement of income**
D. Statement of operations

Q.61: which statement shows the flow of cash and cash equivalents during the financial period:
A. Statement of changes in equity
B. **Cash flow statement**
C. Balance Sheet
D. income statement

Q.62: Investment decision making traditionally consists of two steps __________:
A. Investment banking and security analysis
B. Buying and selling
C. Risk and expected return
D. **Security analysis and portfolio managements**

Q.63: Monopolistic competition differs from perfect competition primarily because:
A. **Monopolistic competition, firms can differentiate their products**
B. Perfect competition, firms can differentiate their products
C. in monopolistic competition industry produces all of the market supply of goods
D. none of these

Q.64: An advertisement which conceal organization identity:
A. Display advertising
B. **Blind advertising**
C. Native advertising
D. None of these

Q.65: Each element having equal chances of selection is called:
A. **Probability**
B. Non-probability
C. Stratified sampling
D. Quota sampling

Q.66: A nationwide electronic funds transfer network which enables participating banksfincial institutions to distribute electronic credit and debit entries to bank accounts and to settle such entries is termed as :
A. Clearing bank
B. **Clearing House**
C. Clearing Cheque
D. Certificate of Deposits

Q.67: The maximum amount beyond which a company is not allowed to raise funds by Issue of Share is :
A. Issue Capital
B. Reserve Capital
C. **Nominal capital**
D. Subscribed Capital

Q.68: Banks realize dividend and interest on behalf of customer is included in:
A. Beneficiary
B. **Agency**
C. Nominee
D. None of these

Q.69: Ratio of net profit before interest and tax to sales is :
A. Capital gearing
B. Solevency ratio
C. **Operating profit ratio**
D. none of these

Q.70: The capital budgeting in which we check in how many year initial investment is cover is called:
A. Net present Value
B. Internal rate of return
C. **Payback period**
D. Disocunted cash flow

Q.71: Which is the primary activity of a commercial bank?
A. Maintaining deposit accounts including current accounts
B. Issue and pay cheques
C. Collect cheques for the bank's customers
D. **All of these**

Q.72: Variable manufacturing overhead (VMOH) Fixed manufacturing overhead (FMOH) is a part of :
A. Standard cost
B. **Manufacturing overhead cost**
C. Activity based cost
D. Marginal overhead cost

Q.73: The term depletion applies to decrease in value of
A. Current asset
B. **Wasting asset**
C. Tangible asset
D. intangible asset

Q.74: Diversification as a tool for reducing risk by:
A. Holding more assets in always better than holding fewer
B. **Interesting in more than one asset**
C. Portfolio losses be prevented
D. None of these

Q.75: Assets are usually show in Balance Sheet (at
A. **Unexpired cost**
B. Replacement cost
C. Revalue Cost
D. Market Value

Q.76: A Joint Stock Company is managed by
A. Owner
B. Shareholders
C. Secretary
D. **Board of Directors**

Q.77: When government revenue exceeds government expenditure, it is known as ________ budget.
A. **Surplus**
B. Zero
C. Balanced
D. Deficit

Q.78: Which of the following is an example of nonverbal communication?
A. An online blog where employees in different cities can share ideas
B. **A company logo designed to project the organization's image**
C. An email message reminding employees of an upcoming staff meeting
D. A phone call from attorney to a client

Q.79: Which is not a characteristic of a service?
A. Variability
B. **Intagibility**
C. Inseparabilty
D. None of these

Q.80: Petty cash is a part of:
A. **Cash book**
B. Cash receipt
C. Expense book
D. Expenditure book

Q.81: Which of the following can be distributed among shareholders?
A. Capital reserve
B. **General reserve**
C. Revaluation reserve
D. None of these

Q.82: Strategy is developed by the visionary chief executive in _______ mode of strategic management
A. Planning mode
B. Adaptive mode
C. Strategic mode
D. **Entrepreneurial mode**

Q.83: The doctrine of impossibility of performance, rendering a contract void, is based on:
A. a commercial impossibility
B. **a supervening impossibility**
C. just and reasonable ground
D. an unjust enrichment

Q.84: Price elasticity of demand that ___________ is called inelastic.
A. More than 1
B. **Less than 1**
C. Equal to 1
D. None of these

Q.85: Debt is a part of:
A. Working Capital
B. Financial equity
C. **Capital structure**
D. None of these

Q.86: The types of good that are tangible in nature and that can be consumed in few uses are classified as:
A. Durable goods
B. **Non-durable goods**
C. Services
D. Augmented goods

Q.87: Selling expenses includes in:
A. Material cost
B. Labour cost
C. **Advertising cost**
D. Factory cost

Q.88: Audit evidence is cosidered sufficient when:
A. **There is enough of it to afford a reasonable basis for an opinion on financial statements**
B. It has been obtained by random selection.
C. It is competent.
D. It has the qualities of being relevant, objective, and free from known bias.

Q.89: The career-related consequences of the delayering of organisations most likely options is:
A. A higher proportion of job moves being demotion
B. **Promotion being a bigger step when it happens**
C. Lateral moves becoming scarcer
D. All of these

Q.90: Preference shareholders are _______ of the company:
A. Creditors
B. **Owners**
C. Customers
D. Borrowers

Q.91: Which of the following statements are incorrect?
A. Services are intangible
B. Services are perishable
C. Services can be co-produced with customers
D. **Services are invariable**

Q.92: The two internal elements of SWOT analysis are:
A. Weaknesses and threats
B. Opportunities and threats
C. **Strenthens and weaknesses**
D. Strengthens and threats

Q.93: An organizational structure in which more than one type of departmentalization is employed is called:
A. **Mixed departmentalization**
B. Process departmentalization
C. Matrix form
D. Centralization

Q.94: Which of these options, apart from cash, are instruments to distribute profits to shareholders?
A. Stock purchase
B. Bonus shares
C. Stock split
D. **All of these**

Q.95: _________ is the subject matter of Macroeconomics.
A. Factory pricing
B. **Growth theory**
C. Individual incomes
D. Market structures

Q.96: Joint venture account is a:
A. **Nominal account**
B. Personal account
C. Real account
D. Dummy account

Q.97: The basic factors of production are land, labour, capital and:
A. **Enterprise**
B. Investment
C. Machinery
D. Resources

Q.98: Which of the following is a measure to reduce inequality of income?
A. Promotion of industries
B. **Social securities**
C. Granting of credit to poor on concessiona rate
D. None of these

Q.99: The difference between desired service and the level of service considered adequateis known as:
A. Service Quality
B. Service failures
C. **Tolerance Zone**
D. Service recovery

Q.100: The concept of consumer surplus was developed by:
A. **Marshal**
B. Gotham
C. Benethan
D. None of these

Q.101: Which is a system of selling goods directly to customers through a network of self-employed people.
A. **Multilevel marketing**
B. Whole sale marketing
C. Vertical marketing
D. None of these

Q.102: An exceptional demand curve is one that slopes:
A. Upward to the left
B. Downward to the right
C. **Upward to the right**
D. Horizontally

Q.103: Authorized share capital is also known as:
A. **Registered capital**
B. Issued capital
C. Paid up capital
D. None of these

Q.104: Net loss occurs when:
A. **Expenses are greater than income**
B. Expenses are less than income
C. Liabilities are greater than income
D. None of these

Q.105: The assets than can be converted into cash within a short period (i.e. 1 year or less) are known as:
A. **Current assets**
B. Fixed assets
C. Intangible assets
D. Investment

Q.106: Liquid Ratio is equal to liquid assets divided by ________
A. **Current Liabilities**
B. Total Liabilities
C. Contingent Liabilities
D. None of these

Q.107: Liabilities are which of the following:
A. Resources
B. **Obligations**
C. Future benefits
D. Expenses

Q.108: Goods returned by customer should be debited to which of the following accounts:
A. Sale income account
B. Sales account
C. **Return inward account**
D. Expenses account

Q.109: ________ is the aggregate of direct material cost, direct labor cost, and direct expenses.
A. **Prime cost**
B. Bottom line cost
C. `Variable cost
D. None of these

Q.110: Guarantee made by company bank to foreign bank for import is called:
A. Letter of assurance
B. **Letter of credit**
C. Deferred payment letter
D. None of these

Q.111: Implicit cost is also known as:
A. Component cost
B. Opportunity cost
C. **Notional cost**
D. Incremental cost

Q.112: Bank pass book is also known as:
A. Bank Book
B. Bank Account
C. Bank column
D. **Bank statement**

Q.113: Which statement is correct: Agency conflict is minimized by:
A. increasing share of debt by bond holder & stockholder
B. **Restructuring remuneration**
C. Both are correct
D. Both are incorrect

Q.114: Residual value is the:
A. Value of the asset when it is purchased
B. **Value of the asset at the end of its useful life**
C. Cost of the asset
D. Allocation of the cost

Q.115: Which bank gave monetary policy in Pakistan
A. **State Bank of Pakistan**
B. National Bank of Pakistan
C. International Monetary Fund
D. None of these

Q.116: P/V ratio shows the ______ ratio.
A. Profit earning capability
B. **Profit and Volume**
C. Safety margin
D. None of these

Q.117: Which item comes under financial activities in cash flow?
A. Redemption of Preference Share
B. Issue of Preference Share`
C. Interest paid
D. **All of these**

Q.118: Cash budget include:
A. Dividend payable
B. Postal expoenditure
C. Issue of capital
D. **All of these**

Q.119: Which of the following is a revenue reserve?
A. **Security premium account**
B. Capital reserve
C. Capital redemption reserve
D. None of these

Q.120: Market control process consists:
A. Formation of Performance standards
B. Performance Appraisal
C. Correcting Deviations
D. **All of these**

Q.121: Bank overdraft is a __________.
A. **Current liability**
B. Contingent liability
C. Current asset
D. None of these

Q.122: The statement of cash flow clarifies cash flows according to:
A. inflow and Outflow
B. **Operating, Investing, and Financing Activities**
C. Operating and non-operating Flows
D. None of these

Q.123: Microeconomics theory is also known as:
A. **Price theory**
B. Surety theory
C. Capital consumption theory
D. None of these

Q.124: The basic financial statements include:
A. Statement of Cash Flows
B. Statement of Retained Earnings
C. Balance Sheet and Income Statement
D. **All of these**

Q.125: Performance measurement is:
A. The determination of improvement efforts
B. **The process of quantifying action**
C. The improvement of operations
D. The planning and control of operations

Q.126: The parties to joint venture are called:
A. Principal and agent
B. Friends
C. **Co-ventures**
D. Partners

Q.127: Income from property held under trust for charitable or religious purposes is:
A. **Exempted from tax**
B. Taxable @ 10%
C. Taxable @ 20%
D. None of these

Q.128: Verification of the value of assets, liabilities, the balance of reserves, provision, and the amount of profit earned or loss suffered by a firm is called:
A. Continuous audit
B. Interim audit
C. **Balance sheet audit**
D. Partial audit

Q.129: Undistributed profits are also known as:
A. Corporate saving
B. Retained earning
C. General reserve
D. **All of these**

Q.130: The concept of reliability refers to:
A. Objectivity of instrucitions
B. Purpose of measurement
C. **Consistency of scores**
D. Uniformity of scoring

Q.131: The difference between assets and liabilities is called as:
A. Drawings
B. **Capital**
C. Income
D. Expenses

Q.132: Financial planning for long term and seasonal expense is:
A. Best
B. Worst
C. Aggresive
D. **Conservative**

Q.133: A smart tag will be removed from the cell when:
A. The cell is hidden
B. The cell is moved
C. The formatting of the cell is changed
D. **The data in the cell is changed or deleted**

Q.134: Leadership motivates the people to work and not the power of money", this concept is related to
A. Autocratic model
B. **Custodial model**
C. Supportive model
D. Collegial model

Q.135: A current account surplus implies that:
A. **The country is a net lender to the rest of the world**
B. The country is running a net capital account surplus
C. Foreign investment in domestic securities is at very low levels
D. None of these

Q.136: Which of the following is not an element of credit Policy?
A. Collection Policy
B. Credit terms
C. **Sales price**
D. Cash discount price

Q.137: __________ is a type of preferred stock that provides a greater guarantee of dividend payments to its holders
A. **Cumulative preferred stock**
B. Non-comulative preferred stock
C. Common stock
D. None of these

Q.138: Electronic magnified information is called
A. E-commerce
B. Digital business
C. Electronic Business
D. **None of these**

Q.139: The ________ is the rate of interest an investor, saver or lender receives (or expects to receive) after allowing for inflation
A. Prime interest rate
B. **Real interest rate**
C. Variable interest rate
D. None of these

Q.140: The net present value is:
A. **is calculated by discounting all cash flows to present value and subtracting outflows from inflows**
B. calculates the rate return which leaves you indifferent between undertaking the project, and not undertaking the project
C. leads to the same decisions as the use of the payback period
D. None of these

Q.141: Intrest rate can be used in :
A. Mathematics
B. Statistics
C. **Financial**
D. None of these

Q.142: The Proposed Kalabagh dam will produced how much electricity :
A. 3000 MW
B. **3600MW**
C. 4000MW
D. None of these

Q.143: Which Pakistani climber died recently with foreign climbers at K-2
A. Sajid Sadpara
B. **Mohammad Ali Sadpara**
C. Gulzar Ahmad Sadpara
D. None of these

Q.144: Because its chief accountant altered figures and completely fabricated others, the company's financial records were entire ___
A. taxable
B. transparent
C. **spurious**
D. Hidden

Q.145: Pakistan is Situated in which continent?
A. **Asia**
B. Australia
C. Africa
D. None of these

Q.146: The first person who climbed the Nanga Parbat?
A. Ashraf Aman
B. **Hermann Buhl**
C. Martin Conway
D. None of these

Q.147: Which country gets most monsoon rain?
A. **South & East Asia**
B. Africa
C. East US
D. None Of these

Q.148: ____ is outcome of payment divided by the interest rate:
A. Due perpetuity
B. Deferred perpetuity
C. **Present value of perpetuity**
D. Future value of perpetuity

Q.149: __is a strategy that focuses on offering cheapest product in the market.
A. **Cost leadership**
B. Focus strategy
C. Differentiation strategy
D. None of these

Q.150: Deferred tax payments would be shown as _____while calculating net cash flows.
A. **Non-cash charges**
B. Non-cash revenues
C. Income expense
D. Current liabilities

Q.151: A service firm may have additional segment of marketing mix:
A. **People**
B. Price
C. Place
D. Promotion

Q.152: Promotion of an employee to fill a vacant post is a good example of
A. External recruitment
B. Online recruitment
C. **Internal recruitment**
D. All of these

Q.153: Job enrichment is___
A. **Vertical expansion in job**
B. Horizontal expansion in job
C. Lateral expansion in job
D. None of these

Q.154: ____Is a digital asset designed to work as a medium of exchange.
A. E-commerce.
B. E-currency
C. **Cryptocurrency**
D. None of these

Q.155: _____has a unique origin i.e. zero.
A. Nominal scale
B. Ordinal scale
C. Interval scale
D. **Ratio scale**

Q.156: A strategy where firm tries to expand the market and move to a new market with existing product is called:
A. Market development
B. Diversification
C. Product development
D. **Market Penetration.**

Q.157: ___not a form of departmentalization.
A. Geographical based
B. Functional based.
C. Product based
D. **Quality based**

Q.158: ___represents the net worth of a business
A. **Assets net of liabilities**
B. Liabilities net of assets spo
C. Liabilities net of earning
D. Earnings per share

Q.159: Gathering information from advertising campaigns and sales people could be better named as:
A. Personal sources of information gathering
B. Experiential sources of information gathering
C. **Commercial sources of Information gathering**
D. None of these

Q.160: _________dimension of transformational leadership deals with the focus on each member of the organization.
A. Idealized influence
B. **Inspirational motivation**
C. Individualized consideration
D. None of these

Q.161: ____ focuses on the future needs of both organizational and employee needs:
A. **training and development**
B. performance management
C. career management
D. None of these

Q.162: The working capital reaches to zero when the current ratio is:
A. **1**
B. 2
C. 3
D. None of these

Q.163: Accounting principles are generally based on
A. **Practicability**
B. Subjectivity
C. Convenience in recording
D. None of the above

Q.164: Real accounts are related to
A. **Assets**
B. Expense and incomes
C. Customers and creditor
D. None of the above

Q.165: Quick Asset includes which of the fallowing
A. Cash
B. **Account receivable**
C. Both a &b
D. Marketable securities

Q.166: Depreciation Expense is
A. a cash inflow.
B. a cash outflow
C. **Added to the accumulated**
D. Ignored when proper cash flow statements

Q.167: Double entry book-keeping was fathered by
A. F.W.Taylor
B. Henry Fayol
C. **Lucas Pacioli**
D. None of these

Q.168: Partners in Pakistan can today be fixed at the following numbers
A. **20**
B. 50
C. 70
D. 22

Q.169: Cash budget excludes the following
A. **Non Cash items**
B. Cash items
C. Purchase on Credit items
D. Credit Sales

Q.170: NGOs are legally required to
A. **Prepare accounts in a prescribed manner under the law**
B. Prepare accounts as dseired by donors
C. submit Balance sheet only
D. Submit income source only

Q.171: Conversion cost is:
A. Material Cost +Overhead Cost
B. Direct Labour+Material Cost
C. Direct Labour-Material Cost
D. **Labour Cost +Overhead Cost**

Q.172: Process Costing is relevant to:
A. **Cement industry**
B. Job Order cost oriented Project
C. Banking Industry
D. None of these

Q.173: A partnership in today 's Pakistan under the current law can have the following number of partners
A. 50
B. **20**
C. 100
D. 70

Q.174: Combination can be best described as:
A. Restructuring of Capital of a Company
B. Reduction of Capital of a Company
C. **Amalgamation of two different types of business**
D. Joint venture

Q.175: Sources of funds can be increased by
A. Describing selling price
B. Increasing expenditure
C. By opting efficient processes
D. **None of these**

Q.176: Books of original entry are called:
A. ledger
B. Work Sheets
C. **Journal**
D. None of these

Q.177: For preparing balance sheets prepaid expenses are shown as part of
A. Liability
B. Equities
C. **Assets**
D. None of these

Q.178: Unpaid and unrecorded expenses are called:
A. Prepaid expenses
B. **Accrued expenses**
C. Additional expenses
D. None of these

Q.179: Amount cash or other assets removed from business by owner is
A. Capital
B. **Drawings**
C. Assets
D. None of these

Q.180: Under the diminishing balance method depreciation amount is:
A. Payment
B. Receipt
C. **Expenditure**
D. None of these

Q.181: Return on investment is computed:
A. Investment /Profit*100
B. **(Profit / Investment) *100**
C. (Profit-dividend) / Investment*100
D. None of these

Q.182: Sugar used in a sugarcane company is:
A. **Variable cost**
B. Semi Variable cost
C. FIxed cost
D. Step fixed cost

Q.183: An auditor is liable under the following circumstances
A. Third Party Liabilites
B. **Fraud Perpetrated in highly sophisticated circumstances**
C. Both a & b
D. None of these

Q.184: Conversion Cost is calculated as under
A. Labour Plus Material
B. **Labour Plus overheads**
C. Labour minus overhead
D. None of these

Q.185: Double Entry Book Keeping was fathered by
A. **Luca Pacioli**
B. Youjiljiri
C. Micheal Hammer
D. Ishikawa

Q.186: Accumulated loss of a company is shown in the balance sheet as:
A. Liability
B. **Asset**
C. As foot note to balance sheet
D. None of these

Q.187: Under the Companies ordinance 1984 disclosure of financial information is legally required for listed companies under
A. Schedule 6
B. Shedule 5
C. **Schedule 4**
D. Schedule 8

Q.188: Trading loss occurs when
A. Revenues exced the matching relevant costs
B. Revenue and matching costs are wqual to each other
C. **When relevant matching cost exceeds revenues**
D. None of these

Q.189: Accounting requirements governing NGOs are prescribed in:
A. Partnership Act 1932
B. **Cooperative Societies legislation**
C. Companles Ordinance 1984
D. None of these

Q.190: Work sheet is equivalent to:
A. Balance sheet
B. Income statement
C. **Trial Balance**
D. nn

Q.191: The following represent tangible assets and are shown in the balance sheet as:
A. People
B. Expenses
C. Revenue
D. **Good will**

Q.192: Under the Rule of thumb a good current ratio is:
A. 6:1
B. 10:1
C. 5:1
D. **2:1**

Q.193: Pakistan follows the following budgeting system at Federal level
A. Zero Based Budgeting
B. Program Budgeting
C. **Incremental/Decremental Budgeting**
D. Responsibility Budgeting

Q.194: PSX is a/an ____company
A. Limitd liability
B. Unlimited Liability
C. **Single member**
D. Limited by guarantee

Q.195: Setting goals and devising strategies to achieve them denotes Which of the management function?
A. Controlling
B. Leading
C. Organizing
D. **Planning**

Q.196: Marketing is an
A. Outside in activity
B. Inside out activity
C. **Both in and outside activity**
D. None of these

Q.197: Class room lectures seminars and workshops are example:
A. Non-Job traning
B. on the job training
C. **Off the job training**
D. None of these

Q.198: Selling is different from marketing as:
A. **Selling is outside in activity**
B. Selling is inside out activity
C. Marketing is inside out aactivity
D. All of the above

Q.199: Herzberg's Motivation two-factor theory covers factor named___ and ____:
A. **Hyglene and motivator factors**
B. Hyglene and esteem factors
C. Motivators and esteem factor
D. None of these

Q.200: The ownership of central bank of a country may belong to:
A. **Government**
B. Private Ownership
C. Both a & b
D. None of these

Q.201: _____is a form of partnership where a partner is liable for amount of capital invested in business.
A. Special partnership
B. General partnership
C. **Limited partnership**
D. None of these

Q.202: Which of the following Pakistani player won the 1994 World Snooker Championship?
A. **Muhammad Yousaf**
B. Muhammad Asif
C. Hamza Akbar
D. Shoukat Ali

Audits & Accounting
(Answer Key)

1. **D**	2. **B**	3. **A**	4. **B**	5. **C**	6. **A**	7. **A**	8. **B**	9. **D**	10. **B**
11. **A**	12. **A**	13. **B**	14. **C**	15. **B**	16. **C**	17. **D**	18. **A**	19. **A**	20. **C**
21. **A**	22. **B**	23. **A**	24. **A**	25. **D**	26. **B**	27. **C**	28. **A**	29. **C**	30. **B**
31. **A**	32. **D**	33. **A**	34. **A**	35. **A**	36. **A**	37. **B**	38. **C**	39. **B**	40. **B**
41. **C**	42. **B**	43. **A**	44. **B**	45. **A**	46. **B**	47. **D**	48. **B**	49. **B**	50. **B**
51. **C**	52. **C**	53. **D**	54. **C**	55. **A**	56. **D**	57. **B**	58. **B**	59. **A**	60. **C**
61. **B**	62. **D**	63. **A**	64. **B**	65. **A**	66. **B**	67. **C**	68. **B**	69. **C**	70. **C**
71. **D**	72. **B**	73. **B**	74. **B**	75. **A**	76. **D**	77. **A**	78. **B**	79. **B**	80. **A**
81. **B**	82. **D**	83. **B**	84. **B**	85. **C**	86. **B**	87. **C**	88. **A**	89. **B**	90. **B**
91. **D**	92. **C**	93. **A**	94. **D**	95. **B**	96. **A**	97. **A**	98. **B**	99. **C**	100. **A**
101. **A**	102. **C**	103. **A**	104. **A**	105. **A**	106. **A**	107. **B**	108. **C**	109. **A**	110. **B**
111. **C**	112. **D**	113. **B**	114. **B**	115. **A**	116. **B**	117. **D**	118. **D**	119. **A**	120. **D**
121. **A**	122. **B**	123. **A**	124. **D**	125. **B**	126. **C**	127. **A**	128. **C**	129. **D**	130. **C**
131. **B**	132. **D**	133. **D**	134. **B**	135. **A**	136. **C**	137. **A**	138. **D**	139. **B**	140. **A**
141. **C**	142. **B**	143. **B**	144. **C**	145. **A**	146. **B**	147. **A**	148. **C**	149. **A**	150. **A**
151. **A**	152. **C**	153. **A**	154. **C**	155. **D**	156. **D**	157. **D**	158. **A**	159. **C**	160. **B**
161. **A**	162. **A**	163. **A**	164. **A**	165. **B**	166. **C**	167. **C**	168. **A**	169. **A**	170. **A**
171. **D**	172. **A**	173. **B**	174. **C**	175. **D**	176. **C**	177. **C**	178. **B**	179. **B**	180. **C**
181. **B**	182. **A**	183. **B**	184. **B**	185. **A**	186. **B**	187. **C**	188. **C**	189. **B**	190. **C**
191. **D**	192. **D**	193. **C**	194. **C**	195. **D**	196. **C**	197. **C**	198. **A**	199. **A**	200. **A**
201. **C**	202. **A**								