

BOARD OF INTERMEDIATE EDUCATION, KARACHI

INTERMEDIATE EXAMINATION, 2016 (ANNUAL)

Date: 09.05.2016
2:30 p.m. to 2:50 p.m.

ACCOUNTING PAPER – II (Commerce Group – Regular & Private)

Max. Marks: 20
Time: 20 minutes

The correct answers are highlighted in red colour.

SECTION 'A' (MULTIPLE CHOICE QUESTIONS) – (M.C.Qs.)

Code No: AC-17

Write this Code No. in the Answerscript.

NOTE:

- This section consists of 20 part questions and all are to be answered. Each question carries one mark.
- Do not copy the part questions in your answerbook. Write only the answer in full against the proper number of the question and its part.
- The code of your question paper is to be written in bold letters in the beginning of the answerscript.

1. Choose the correct answer for each from the given options:

- Cost-Accumulated depreciation is equal to:
* Book value * **Depreciable cost** * Market cost * Retail cost
- The nominal value printed on the face of share is called:
* Market value * Retail value * Cost value * **Par value**
- While computing the cost of plant asset, this will not be included:
* Insurance in transit * **fire insurance** * Transportation in * Installation charges
- This does not appear in Balance sheet:
* Building * Cash * Goodwill * **Rent expenses**
- The amount of share capital with which a company is registered is called:
* Called up capital * **Authorised capital** * Paid up capital * Issued capital
- Accumulated profits of a company are called:
* Net Income * Liabilities * **Retained Earnings** * Dividends
- Owners of a Public limited company are called:
* Directors * Promoters * Liquidators * **Shareholders**
- In single entry system, a statement composed of Assets, Liabilities and Capital is called:
* Profit/Loss statement * **Statement of Affairs**
* Statement of Retained Earnings * Bank Statement
- In Non-profit concerns, the amount collected from members on regular basis is known as:
* **Subscription** * Donation * Loan * Fees
- The alternative term used for salvage value is:
* **Scrap value** * Market value * Book value * Depreciable cost
- In the absence of any agreement regarding sharing of profit/loss, it will be distributed among the partners:
* In average capital ratio * In ending capital ratio
* In beginning capital ratio * **Equally**
- Current Accounts of the partners are operated when the capitals:
* Increase * Decrease * Fluctuate * **are Fixed**
- At the time of Admission of a new partner, when the old partners do not agree to reduce their capital, it means:
* **Goodwill to new partner** * Goodwill to old partners
* Bonus to old partners * Bonus to new partner
- Partners' current accounts are a part of:
* Income statement * Current assets * Fixed assets * **Owners' equities**
- Debentures payable account is:
* Current Liability * Owners equity
* **Long term liability** * none of these
- Reserves are created out of:
* **Retained earnings** * Current liabilities
* Current assets * Long term liabilities
- If a journal entry consists more than one debit or one credit account, the entry is called:
* Single entry * **Compound entry** * Simple entry * none of these
- A public limited company is managed by the:
* **Board of Directors** * Board of Governors * Creditors * Debtors
- Accumulated Depreciation account is:
* Current asset * Intangible asset * **Contra asset** * Liability
- Profit distributed to shareholders known as:
* Interest * Net income * **Dividend** * Commission