# 5 Lecture - MGT101

## **Important Mcqs**

1.	Which category of accounts represents money owed by a company to its creditors?  a) Assets b) Liabilities c) Equity d) Income
Ar	nswer: b) Liabilities
2.	Which category of accounts represents money invested by the owners of a company?

- a) Assets
  - b) Liabilities
  - c) Equity
  - d) Income

### Answer: c) Equity

- 3. Which category of accounts represents goods or services provided by a company to generate revenue?
  - a) Assets
  - b) Liabilities
  - c) Equity
  - d) Income

#### Answer: d) Income

- 4. Which category of accounts represents expenses incurred by a company in order to generate revenue?
  - a) Assets
  - b) Liabilities
  - c) Equity
  - d) Expenses

#### Answer: d) Expenses

- 5. Which category of accounts represents cash and other resources owned by a company?
  - a) Assets
  - b) Liabilities
  - c) Equity
  - d) Income

#### Answer: a) Assets

6. Which category of accounts represents the amount of money that a company owes to its creditors? a) Assets b) Liabilities c) Equity d) Income **Answer: b) Liabilities** 7. Which category of accounts represents the value of a company's assets after deducting its liabilities? a) Assets b) Liabilities c) Equity d) Income Answer: c) Equity 8. Which category of accounts represents expenses incurred by a company for the maintenance and repair of its assets? a) Assets

9. Which category of accounts represents the amount of revenue earned by a company but

10. Which category of accounts represents the amount of money paid by a company for the

b) Liabilitiesc) Equityd) Expenses

Answer: d) Expenses

not yet received?

a) Assetsb) Liabilitiesc) Equityd) Income

Answer: a) Assets

a) Assetsb) Liabilitiesc) Equityd) Income

**Answer: b) Liabilities** 

use of borrowed funds?