38 Lecture - MGT101

Important Mcqs

- 1. What is the primary financial statement that reports a company's financial position at a specific point in time?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: c) Balance sheet

- 2. Which financial statement reports a company's revenues, expenses, and net income or loss for a specific period?
 - a) Balance sheet
 - b) Income statement
 - c) Statement of cash flows
 - d) Statement of changes in equity

Answer: b) Income statement

- 3. What is the purpose of the statement of cash flows?
 - a) Report a company's financial position at a specific point in time
 - b) Report a company's revenues, expenses, and net income or loss for a specific period
 - c) Report a company's cash inflows and outflows during a specific period
 - d) Report the changes in a company's equity over a period of time

Answer: c) Report a company's cash inflows and outflows during a specific period

- 4. What is the primary financial statement that reports the changes in a company's equity over a period of time?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: d) Statement of changes in equity

- 5. Which financial statement includes information about a company's current assets and liabilities?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: c) Balance sheet

- 6. What is the primary financial statement used to evaluate a company's liquidity?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: b) Statement of cash flows

- 7. Which financial statement includes information about a company's revenues, cost of goods sold, and gross profit?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: a) Income statement

- 8. Which financial statement includes information about a company's long-term assets and liabilities?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: c) Balance sheet

- 9. What is the purpose of the notes to the financial statements?
 - a) To provide additional details about the company's financial statements
 - b) To provide a summary of the company's financial performance
 - c) To report a company's cash inflows and outflows during a specific period
 - d) To report the changes in a company's equity over a period of time

Answer: a) To provide additional details about the company's financial statements

- 10. Which financial statement includes information about a company's stock issuances, dividends, and net income?
 - a) Income statement
 - b) Statement of cash flows
 - c) Balance sheet
 - d) Statement of changes in equity

Answer: d) Statement of changes in equity