

# 13 Lecture - MGT401

## Important Mcqs

- 1. What are the components of current assets as per the Fourth Schedule of the Companies Ordinance 1984?**
  - A) Cash and cash equivalents
  - B) Accounts receivable
  - C) Inventory
  - D) All of the above

**Answer: D) All of the above**
- 2. According to the Fourth Schedule of the Companies Ordinance 1984, which of the following assets are considered non-current assets?**
  - A) Land and buildings
  - B) Long-term investments
  - C) Patents and trademarks
  - D) All of the above

**Answer: D) All of the above**
- 3. Under the Fourth Schedule of the Companies Ordinance 1984, how are current assets classified on the balance sheet?**
  - A) In order of liquidity
  - B) In order of maturity
  - C) In alphabetical order
  - D) None of the above

**Answer: A) In order of liquidity**
- 4. Which of the following is an example of a cash equivalent as per the Fourth Schedule of the Companies Ordinance 1984?**
  - A) Accounts receivable
  - B) Marketable securities
  - C) Inventory
  - D) Machinery and equipment

**Answer: B) Marketable securities**
- 5. What is the purpose of disclosing significant estimates or judgments made in determining the value of current assets?**
  - A) To ensure accurate financial reporting
  - B) To comply with legal requirements
  - C) To attract investors
  - D) None of the above

**Answer: A) To ensure accurate financial reporting**
- 6. Which of the following is an example of an inventory as per the Fourth Schedule of the Companies Ordinance 1984?**
  - A) Land
  - B) Buildings

- C) Raw materials
- D) None of the above

**Answer: C) Raw materials**

7. **How often are companies required to present their financial statements as per the Fourth Schedule of the Companies Ordinance 1984?**

- A) Annually
- B) Biannually
- C) Quarterly
- D) Monthly

**Answer: A) Annually**

8. **What is the purpose of presenting current assets separately on the balance sheet?**

- A) To facilitate analysis and decision-making
- B) To comply with legal requirements
- C) To avoid confusion
- D) None of the above

**Answer: A) To facilitate analysis and decision-making**

9. **Which of the following is an example of an account receivable as per the Fourth Schedule of the Companies Ordinance 1984?**

- A) Cash
- B) Inventory
- C) Advances to suppliers
- D) None of the above

**Answer: C) Advances to suppliers**

10. **According to the Fourth Schedule of the Companies Ordinance 1984, what is the maximum time frame for an asset to be classified as a current asset?**

- A) 6 months
- B) 1 year
- C) 2 years
- D) 5 years

**Answer: B) 1 year**