



Grand Quiz Spring 2021

Subject Code MGT401 lecture 1 to 22

Solved By Riz Mughal



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<https://www.facebook.com/groups/923887914750307>



<https://www.youtube.com/channel/UCINsFwDiB62SValCcPDZbRQ/playlists>

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I'm providing 100% correct quiz solution. You can visit my YouTube channel and get more information about all other subjects' quizzes and final year project (CS619).

RIZ MUGHAL (SQA ENGINEER)



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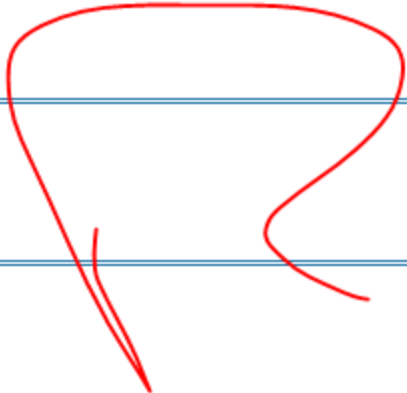
Question # 1 of 30 (Start time: 11:23:36 AM, 27 June 2021)

Total Marks: 1

Which of the following assets should be amortized according to IAS(International Accounting Standards) and Companies Ordinance 1984?

Select the correct option

<input checked="" type="radio"/>	Intangible assets	//
<input type="radio"/>	Tangible assets	//
<input type="radio"/>	Non-current assets	//
<input type="radio"/>	Current assets	//



Question # 2 of 30 (Start time: 11:24:05 AM, 27 June 2021)

Which of the followings information(s) should be disclosed by a company in respect of long term loans made to others?


Select the correct option

- | | |
|----------------------------------|--|
| <input type="radio"/> | Interest rate |
| <input type="radio"/> | Any other terms and conditions which have material effects |
| <input checked="" type="radio"/> | All of the given options |
| <input type="radio"/> | Period or installments for loan repayment |

Question # 3 of 30 (Start time: 11:24:37 AM, 27 June 2021)

How many person(s) is(are) required to takeover the business after the death of a member in case of Single Member company?

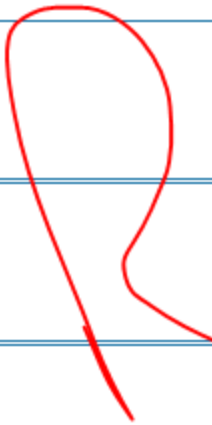
Select the correct option

- | | |
|----------------------------------|-------|
| <input type="radio"/> | One |
| <input type="radio"/> | Three |
| <input type="radio"/> | Seven |
| <input checked="" type="radio"/> | Two |
- 

Question # 4 of 30 (Start time: 11:25:09 AM, 27 June 2021)

In which of the following activities, a business should capitalize its incurred expenditures according to IAS-38?

Select the correct option

- | | |
|----------------------------------|--|
| <input checked="" type="radio"/> | Development activities |
| <input type="radio"/> | None of the given options |
| <input type="radio"/> | Both development and research activities |
| <input type="radio"/> | Research activities |
- 

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Question # 5 of 30 (Start time: 11:25:30 AM, 27 June 2021)

Depreciation is charged to which of the following financial statement?

Select the correct option


<input type="radio"/>	Statement of changes in equity
<input checked="" type="radio"/>	Profit and loss account
<input type="radio"/>	Cash flow statement
<input type="radio"/>	Balance sheet

Question # 6 of 30 (Start time: 11:25:45 AM, 27 June 2021)

Total M

Company ABC is limited by shares which incorporated in the year of 2005. At the time of incorporation, the Memorandum of Association was developed according to which section of Companies Ordinance 1984?


Select the correct option

- | | |
|----------------------------------|------------|
| <input type="radio"/> | Section 17 |
| <input type="radio"/> | Section 19 |
| <input type="radio"/> | Section 18 |
| <input checked="" type="radio"/> | Section 16 |
- 

Question # 7 of 30 (Start time: 11:26:10 AM, 27 June 2021)

What is the meeting requirement for the directors of a Public Limited Company?

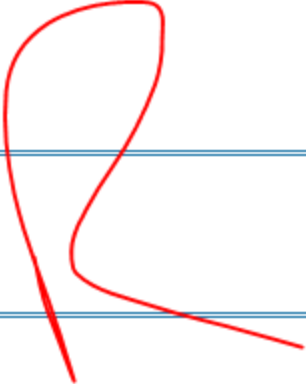
Select the correct option

- | | |
|----------------------------------|-------------------------------|
| <input type="radio"/> | At least once in each year |
| <input checked="" type="radio"/> | At least once in each quarter |
| <input type="radio"/> | At least once in each month |
| <input type="radio"/> | At least once in each week |
- 

Question # 8 of 30 (Start time: 11:26:26 AM, 27 June 2021)

Which of the following is a rebate or allowance from the scheduled price granted by the seller to the buyer?

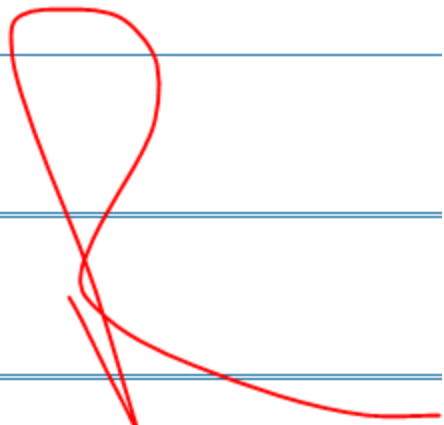
Select the correct option

- | | |
|----------------------------------|------------------|
| <input type="radio"/> | Purchases return |
| <input type="radio"/> | Sales return |
| <input checked="" type="radio"/> | Trade Discount |
| <input type="radio"/> | Cash Discount |
- 

Question # 9 of 30 (Start time: 11:26:41 AM, 27 June 2021)

In balance sheet, surplus on revaluation of fixed assets is shown as part of:

Select the correct option

- | | |
|----------------------------------|---|
| <input type="radio"/> | Fixed assets on asset side |
| <input type="radio"/> | Current assets on asset side |
| <input type="radio"/> | Current liabilities on liabilities side |
| <input checked="" type="radio"/> | Capital on liabilities side |
- 

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Question # 10 of 30 (Start time: 11:26:54 AM, 27 June 2021)

If:

- Total Factory Cost is Rs. 30,000
- Opening Work in Process Inventory is Rs. 5,000
- Closing Work in Process Inventory is Rs. 10,000

Then:

What will be the amount of Cost of Goods Manufactured?

Select the correct option

<input type="radio"/>	Rs. 15,000
<input type="radio"/>	Rs. 20,000
<input checked="" type="radio"/>	Rs. 25,000
<input type="radio"/>	Rs. 35,000


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Question # 11 of 30 (Start time: 11:27:08 AM, 27 June 2021)

An inventory valuation system should include the cost of:

Select the correct option

<input checked="" type="radio"/>	Carriage in
<input type="radio"/>	Carriage out
<input type="radio"/>	Both Carriage in & Carriage out
<input type="radio"/>	None of the given options



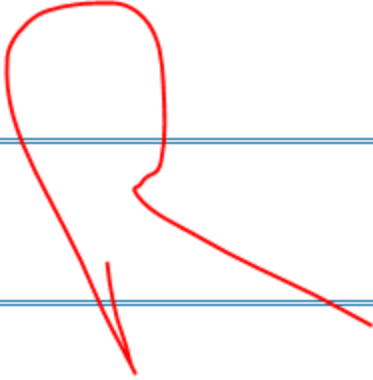
Question # 12 of 30 (Start time: 11:27:52 AM, 27 June 2021)

Total

At least what percentage of voting right is required for assuming an investor company to have significant influence in the affairs of investee company?

Select the correct option

<input checked="" type="radio"/>	20%
<input type="radio"/>	60%
<input type="radio"/>	10%
<input type="radio"/>	50%



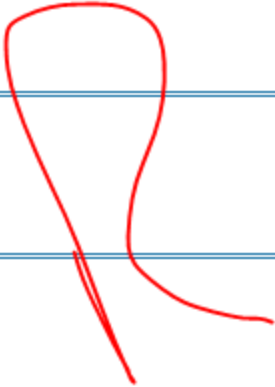
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Question # 13 of 30 (Start time: 11:28:09 AM, 27 June 2021)

Allowances for trade debtors are an example of which accounting concept?

Select the correct option

<input type="radio"/>	Matching
<input checked="" type="radio"/>	Prudence
<input type="radio"/>	Accruals
<input type="radio"/>	Consistency




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Question # 14 of 30 (Start time: 11:28:25 AM, 27 June 2021)

In which document the information about how to run the business is stated?

Select the correct option


- | | |
|----------------------------------|-----------------------------|
| <input type="radio"/> | Memorandum of Association |
| <input checked="" type="radio"/> | Articles of Association |
| <input type="radio"/> | Annual Report |
| <input type="radio"/> | Memorandum of Understanding |
- 

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Question # 15 of 30 (Start time: 11:29:27 AM, 27 June 2021)

Funds contributed by the owner(s) to run a business are called:

Select the correct option

- | | |
|----------------------------------|-----------------------|
| <input type="radio"/> | Expenses |
| <input type="radio"/> | Assets |
| <input type="radio"/> | Running Finance Loans |
| <input checked="" type="radio"/> | Capital |
- 

Question # 16 of 30 (Start time: 11:30:18 AM, 27 June 2021)

Which of the following is TRUE with respect to the disclosure requirements of Trade Debts?

Select the correct option

- | | |
|----------------------------------|--|
| <input type="radio"/> | Provision for doubtful debts is not taken into consideration |
| <input type="radio"/> | Doubtful debts and its Provision is shown separately as asset |
| <input checked="" type="radio"/> | None of the given options |
| <input type="radio"/> | Doubtful debts is deducted from the Provision for doubtful debts |

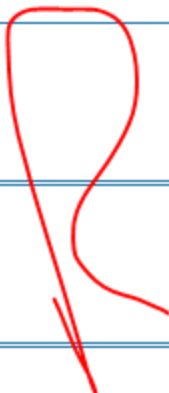
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Question # 17 of 30 (Start time: 11:30:35 AM, 27 June 2021)

Which of the followings is(are) type of stock in trade?

Select the correct option

<input checked="" type="radio"/>	All of the given options
<input type="radio"/>	Machinery tools & spares
<input type="radio"/>	Goods held for resale purpose
<input type="radio"/>	Consumable stationery

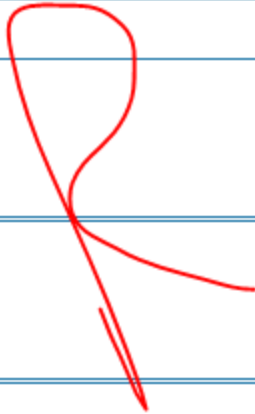


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Question # 18 of 30 (Start time: 11:30:50 AM, 27 June 2021)

Which institute issues the "Certificate of Incorporation" in Pakistan?

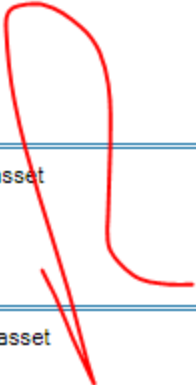
Select the correct option

- | | |
|----------------------------------|------|
| <input type="radio"/> | SECI |
| <input type="radio"/> | SEC |
| <input checked="" type="radio"/> | SECP |
| <input type="radio"/> | SECB |
- 

Question # 19 of 30 (Start time: 11:31:06 AM, 27 June 2021)

How gain or loss on disposal of an asset is calculated?


Select the correct option

- It is a difference between carrying and revalued amount of an asset
 - It is a difference between carrying and accumulated depreciation of an asset
 - It is a difference between revalued and accumulated depreciation of an asset
 - It is a difference between carrying and disposal value of an asset
- 

Question # 20 of 30 (Start time: 11:31:21 AM, 27 June 2021)

Which of the following may result from an inability to sell a financial asset quickly at close to its fair value?

Select the correct option

- | | |
|----------------------------------|--------------------|
| <input type="radio"/> | Currency risk |
| <input checked="" type="radio"/> | Liquidity risk |
| <input type="radio"/> | Interest rate risk |
| <input type="radio"/> | Price risk |
- 

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Question # 21 of 30 (Start time: 11:31:36 AM, 27 June 2021)

Which of the following will be included in the cost of inventory?

Select the correct option

<input type="radio"/>	Freight inward cost
<input type="radio"/>	Purchasing cost
<input checked="" type="radio"/>	All of the given options
<input type="radio"/>	Conversion cost

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Question # 22 of 30 (Start time: 11:31:53 AM, 27 June 2021)

According to the Prudence concept, Stock should be included in Balance Sheet at:

Select the correct option

- | | |
|----------------------------------|--|
| <input type="radio"/> | Higher of its total cost Or its total net realizable value |
| <input type="radio"/> | Its net Realizable value |
| <input checked="" type="radio"/> | Lower of its total cost Or its total net realizable value |
| <input type="radio"/> | Cost |

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Question # 23 of 30 (Start time: 11:32:25 AM, 27 June 2021)

Which one of the following is a method of stock valuation?

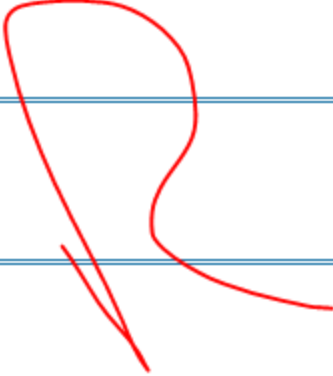
Select the correct option

- | | |
|----------------------------------|--------------------------------|
| <input type="radio"/> | Diminishing Balance Method |
| <input type="radio"/> | Written Down Value Method |
| <input type="radio"/> | Sum of Year Digit Method |
| <input checked="" type="radio"/> | Specific Identification Method |
- R

Question # 24 of 30 (Start time: 11:32:54 AM, 27 June 2021)

Which of the following is NOT shown under the heading of Stores and Spares in Balance Sheet?

Select the correct option

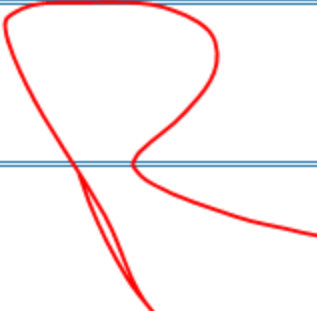
- | | |
|----------------------------------|--------------------|
| <input type="radio"/> | Stores |
| <input type="radio"/> | Spares |
| <input checked="" type="radio"/> | Packaging material |
| <input type="radio"/> | Tools |
- 

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Question # 25 of 30 (Start time: 11:33:10 AM, 27 June 2021)

Which of the following is not a recommended method of inventory costing under IAS-2?

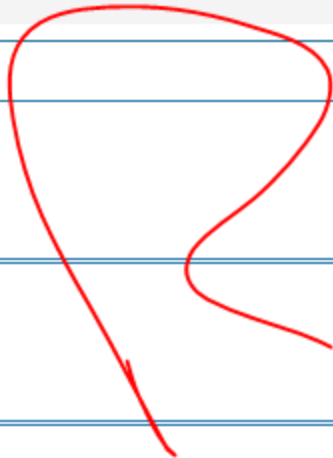
Select the correct option

- | | |
|----------------------------------|---------------------------|
| <input type="radio"/> | FIFO (First in First Out) |
| <input type="radio"/> | Average Cost |
| <input type="radio"/> | None of the given options |
| <input checked="" type="radio"/> | LIFO (Last in First Out) |
- 

Question # 26 of 30 (Start time: 11:33:24 AM, 27 June 2021)

Which one of the following schedule provides disclosure requirements for Non-Listed Companies under Companies Ordinance 1984?

Select the correct option

- | | |
|----------------------------------|--------------|
| <input type="radio"/> | 6th schedule |
| <input type="radio"/> | 2nd schedule |
| <input type="radio"/> | 4th schedule |
| <input checked="" type="radio"/> | 5th schedule |
- 

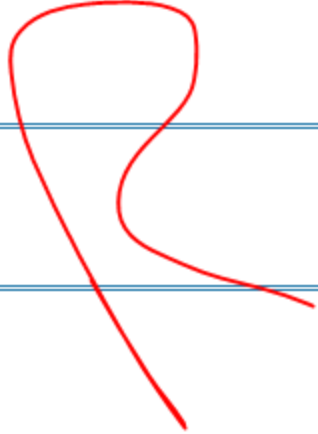
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Question # 28 of 30 (Start time: 11:33:56 AM, 27 June 2021)

Which of the following is (are) example(s) of intangible asset(s)?

Select the correct option

<input type="radio"/>	Trademark
<input type="radio"/>	Copyright
<input type="radio"/>	Royalty
<input checked="" type="radio"/>	All of the given options

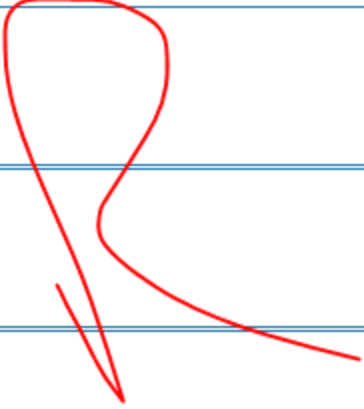


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Question # 29 of 30 (Start time: 11:34:10 AM, 27 June 2021)

What is the treatment of Accumulated Depreciation in accounting?

Select the correct option

- | | |
|----------------------------------|---------------------------|
| <input type="radio"/> | Treated as a surplus |
| <input type="radio"/> | Treated as an expense |
| <input checked="" type="radio"/> | Treated as a contra asset |
| <input type="radio"/> | Treated as a reserve |
- 

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Question # 30 of 30 (Start time: 11:34:26 AM, 27 June 2021)

A person who acquires shares in a Company is known as a:

Select the correct option

- | | |
|----------------------------------|-------------|
| <input type="radio"/> | Director |
| <input type="radio"/> | Partner |
| <input type="radio"/> | Manager |
| <input checked="" type="radio"/> | Shareholder |
- 



Thank you for watching

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RIZ MUGHAL (SQA ENGINEER)

