

Acc 501 fall 2011 3rd solve quiz 6:25 pm 12/16/2011
Muhammad ibrar

Quiz Start Time: 07:10 PM Time Left 88
sec(s)

Question # 1 of 10 (Start time: 07:10:45 PM) Total Marks: 1
The conflict of interest between stockholders and management is known as:
Select correct option:

Agency problem

Interest conflict

Management conflict

Agency cost

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Question # 2 of 10 (Start time: 07:12:12 PM) Total Marks: 1
What will be the real rate if the nominal rate is 14% and the inflation rate is 6%?
Select correct option:

6.02%

7.55%

10.0%

14.3%

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Question # 3 of 10 (Start time: 07:12:49 PM) Total Marks: 1
The difference between current assets and current liabilities is known as:
Select correct option:

Surplus Asset
Short-term Ratio
Working Capital
Current Ratio

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Question # 4 of 10 (Start time: 07:14:13 PM) Total Marks: 1
How many years will it take to pay off a Rs. 11,000 loan with a Rs. 1,241.08 annual
payment and a 5% interest rate?
Select correct option:

- 6 years
- 12 years
- 24 years
- 48 years

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Question # 5 of 10 (Start time: 07:15:43 PM) Total Marks: 1
SNT Corporation has policy of paying a Rs. 6 per share dividend every year. If this
policy is to continue indefinitely, what will be the value of a share of stock at a 15%
required rate of return?
Select correct option:

- Rs. 30
- Rs. 40**
- Rs. 50
- Rs. 60

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Question # 6 of 10 (Start time: 07:16:10 PM) Total Marks: 1
In case of international business which of the given factor(s) must be considered?
Select correct option:

Role of foreign exchange

Balance of payments

Attitude of Governments

All of the given options

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Question # 7 of 10 (Start time: 07:17:40 PM) Total Marks: 1
Which of the following item(s) is(are) not included while calculating Operating Cash
Flows?

Select correct option:

Depreciation

Interest

Expenses related to firm's financing of its assets

All of the given options

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Question # 8 of 10 (Start time: 07:18:08 PM) Total Marks: 1
SNT Inc. has net income of Rs. 300,000. How much is kept as retained earnings if the
firm has a dividend payout ratio of 40%?

Select correct option:

Rs. 30,000

Rs. 120,000

Rs. 180,000

Rs. 200,000

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Question # 9 of 10 (Start time: 07:19:25 PM) Total Marks: 1
Which of the following cash flow activities are reported in the Cash Flow Statement and
Income Statement?

Select correct option:

Operating Activities

Investing Activities

Financing Activities

All of the given options

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Question # 10 of 10 (Start time: 07:20:26 PM) Total Marks: 1

Which of the following is NOT included in a bond indenture?

Select correct option:

The basic terms of bond issue

The total amount of bonds issued

A personal profile of the issuer

A description of the security

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