

ACC 501
3RD QUIZ (after midterm)
Solved by me ☺

1st quiz.....*

Question # 1 of 10 (Start time: 08:22:21 PM) Total Marks: 1

In how many years, an amount will be doubled at a discount rate of 8 percent?

Select correct option:

3 years

6 years

9 years (correct)

Cannot be determined without more information

Question # 2 of 10 (Start time: 08:23:00 PM) Total Marks: 1

In which of the following form of business “All Business income is not considered as personal income”?

Select correct option:

Corporate form (correct)

Partnership

Sole proprietorship

None of the given options

Question # 3 of 10 (Start time: 08:23:48 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 (correct)

12 years

24 years

48 years

Question # 4 of 10 (Start time: 08:24:24 PM) Total Marks: 1

The most common application of term “Finance” involves raising money to acquire_____.

Select correct option:

Current Asset

Fixed Asset
Intangible Asset

All of the given options (correct)

Question # 5 of 10 (Start time: 08:24:53 PM) Total Marks: 1

The most important item that can be extracted from financial statements is the actual _____ of the firm.

Select correct option:

Net Working Capital

Cash Flow (correct)

Net Present Value

None of the given options

Question # 6 of 10 (Start time: 08:25:35 PM) Total Marks: 1

An investment will be _____ if the IRR doesn't exceeds the required return and _____ otherwise.

Select correct option:

Accepted; rejected

Accepted; accepted

Rejected; rejected

Rejected; accepted

Question # 7 of 10 (Start time: 08:27:04 PM) Total Marks: 1

The concepts of present value and future value are:

Select correct option:

Directly related to each other

Not related to each other

Proportionately related to each other

Inversely related to each other (correct)

Question # 8 of 10 (Start time: 08:27:56 PM) Total Marks: 1

In which of the following procedure of voting for a company's directors, each shareholder is entitled to one vote per share?

Select correct option:

Straight Voting (correct)

Proportional Voting

Cumulative Voting

None of the given options

Question # 9 of 10 (Start time: 08:28:23 PM) Total Marks: 1

In which type of projects, the unequal lives of the projects do affect the analysis ?

Select correct option:

- Mutually exclusive
- Dependent
- Independent
- Correlated

Question # 10 of 10 (Start time: 08:29:53 PM) Total Marks: 1

Which of the following is NOT included in discounted cash flow criteria for capital budgeting decision?

Select correct option:

- Payback Period (correct)**
- Net Present Value
- Profitability Index
- Internal Rate of Return

2nd Quiz.....*

Question # 1 of 10 (Start time: 08:36:22 PM) Total Marks: 1

Suppose you have just passed your Intermediate and now planning to get admission in some college for graduation. You have three choices of colleges A, B, and C. You bought the prospectuses for all these three colleges and finally got admission in College B. The cost incurred on the prospectuses of other two colleges A and C will be considered as:

Select correct option:

- Sunk Cost
- Opportunity Cost
- Fixed Cost
- None of the given options

Question # 2 of 10 (Start time: 08:37:51 PM) Total Marks: 1

Which of the following is an example of positive covenant?

Select correct option:

- Maintaining any collateral or security in good condition (correct)**
- Limiting the amount of dividend according to some formula
- Restricting pledging assets to other lenders
- Barring merger with another firm

Question # 3 of 10 (Start time: 08:38:26 PM) Total Marks: 1

IRR and NPV rules always lead to identical decisions as long as:

Select correct option:

Cash flows are conventional

Cash flows are independent

Cash flows are both conventional and independent (correct)

None of the given options

Question # 4 of 10 (Start time: 08:39:25 PM) Total Marks: 1

Which of the following is the amount of cash we would get if we actually sell an asset?

Select correct option:

Market Value (correct)

Book Value

Intrinsic Value

None of the given options

Question # 5 of 10 (Start time: 08:40:09 PM) Total Marks: 1

Financial policy is evaluated by which of the following?

Select correct option:

Profit Margin

Total Assets Turnover

Debt-equity ratio (correct)

None of the given options

Question # 6 of 10 (Start time: 08:40:37 PM) Total Marks: 1

Period costs include which of the following?

Select correct option:

Selling expense (correct)

Raw material

Direct labor

Manufacturing overhead

Question # 7 of 10 (Start time: 08:41:14 PM) Total Marks: 1

A project whose acceptance does not prevent or require the acceptance of one or more alternative projects is referred to as a(n):

Select correct option:

mutually exclusive project (correct)

independent project

dependent project
contingent project

Question # 8 of 10 (Start time: 08:41:56 PM) Total Marks: 1

AST Company has a current ratio of 4:3. Current Liabilities reported by the company are Rs. 30,000. What would be the Net Working Capital for the company?

Select correct option:

- Rs. 40,000
- (-Rs. 40,000)
- Rs. 10,000 (correct)**
- (-Rs. 10,000)

Question # 9 of 10 (Start time: 08:42:28 PM) Total Marks: 1

Which of the following term refers to establish of a standard to follow for comparison?

Select correct option:

- Benchmarking (correct)**
- Standardizing
- Comparison
- Evaluation

Question # 10 of 10 (Start time: 08:42:58 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 (correct)**
- Rs. 50
- Rs. 60