

MUHAMMAD IBRAR

Acc501 fall 2011 solve Quizz

Quiz Start Time: 02:24 PM Time Left 87
sec(s)

Question # 1 of 10 (Start time: 02:24:21 PM) Total Marks: 1
According to Du Pont Identity, ROE is affected by which of the following?
Select correct option:

- Operating efficiency
- Asset use efficiency
- Financial Leverage
- All of the given options**

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Question # 2 of 10 (Start time: 02:25:13 PM) Total Marks: 1
A portion of profits, which a company retains itself for further expansion, is known as:
Select correct option:

- Dividends
- Retained Earnings**
- Capital Gain
- None of the given options

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Question # 3 of 10 (Start time: 02:26:38 PM) Total Marks: 1
Which of the given statement is correct?
Select correct option:

Less income will be available for taxation due to debt financing
More income will be available for taxation due to debt financing
There will be no effect on taxable income due to debt financing
None of the given options

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Question # 4 of 10 (Start time: 02:27:49 PM) Total Marks: 1
Which of the following is disadvantage of sole proprietor business?
Select correct option:

Easy to start

Business income is considered as personal income
Limited sources

None of the given options

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Question # 5 of 10 (Start time: 02:29:18 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 # 6 of 10 (Start time: 02:30:02 PM) Total Marks: 1

A company having a current ratio of 1 will have _____ net working capital.

Select correct option:

Positive

Negative

zero

None of the given options

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Question # 7 of 10 (Start time: 02:30:30 PM) Total Marks: 1

The accounting definition of income is:

Select correct option:

Income = Current Assets – Current Liabilities

Income = Fixed Assets – Current Assets

Income = Revenues – Current Liabilities

Income = Revenues – Expenses

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Question # 8 of 10 (Start time: 02:31:09 PM) Total Marks: 1

Which of the following is the most significant financial advantage of corporate form?

Select correct option:

Easy to raise money

Double taxation

Easy to start

All business income is divided among shareholder

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Question # 9 of 10 (Start time: 02:32:41 PM) Total Marks: 1
Which of the following terms refers to the use of debt financing?
Select correct option:

- Operating Leverage
- Financial Leverage**
- Manufacturing Leverage
- None of the given options

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Question # 10 of 10 (Start time: 02:33:47 PM) Total Marks: 1
Which one of the following is NOT a liquidity ratio?
Select correct option:

- Current Ratio
- Quick Ratio
- Cash Coverage Ratio**
- Cash Ratio