### Question # 1 of 20 (Start time: 10:28:20 PM)

The conflict of interest between stockholders and management is known as:

Select correct option:

- **Agency problem**
- **Interest conflict**
- **Management conflict**
- **Agency cost**

### Question # 2 of 20 (Start time: 10:29:16 PM)

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

Select correct option:

- **Land & Building**
- **Machinery & Equipment**
- **Inventory**
MC080202583 : Muhammad Omar
Quiz Start Time: 10:28 PM

Question # 3 of 20 (Start time: 10:30:10 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

Correct

MC080202583 : Muhammad Omar
Quiz Start Time: 10:28 PM

Question # 4 of 20 (Start time: 10:31:06 PM) Total Marks: 1
In corporate form of business, which of the following is the primary objective of shareholders?
Select correct option:
- Maximize current year income
- Delay in payment to supplier
- Reduce the expenditure on inventory maintenance
- Maximization of shareholder wealth

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

- Market Value (Correct)
- Book Value
- Intrinsic Value
- None of the given options

Double taxation of earnings is the major disadvantage of which of the following form of business?

- Corporate form (Correct)
- Partnership
- Sole proprietorship
- None of the given options
Which of the following is the process of planning and managing a firm’s long-term investments?

Select correct option:

- Capital Structuring
- Capital Rationing
- Capital Budgeting
- Working Capital Management

Correct

Which of the following best represents the term “Financing”?

Select correct option:

- It means raising money to acquire something.
- It is an object that provides services.
- It is trade license to trade securities on behalf of investors.
- It represents an ownership interest.

Correct

Which of the following form of business organization is least regulated?
Who of the following make a broader use of accounting information?

Select correct option:

- Accountants
- Financial Analysts
- Auditors
- Marketers

MC080202583 : Muhammad Omar
Quiz Start Time: 10:28 PM

Mr. Y and Mr. Z are planning to share their capital to run a business. They are going to employ which of the following type of business?

Select correct option:

- Sole-proprietorship
- General Partnership
- Limited Partnership
- Corporation
Question # 13 of 20 (Start time: 10:37:17 PM)
Agency problems can be controlled by which of the way?

Select correct option:

- Monitor what the agent is doing?
- Employ auditors to review company books to make sure funds are used properly
- Pay bonus share to manager as compensation plan
- All of the given options

Correct

Question # 14 of 20 (Start time: 10:38:21 PM)
Which of the following issue is NOT covered by “Investment” area of finance?

Select correct option:

- Best mixture of financial investment

Correct
Question # 15 of 20 (Start time: 10:38:59 PM)
Which of the following is (are) the characteristic(s) of a sole proprietor business?

Select correct option:

- Easy to start
- Business income is considered as personal income
- Limited sources
- All of the given options

Correct

Question # 16 of 20 (Start time: 10:39:19 PM)
Which of the following statement shows assets, liabilities, and net worth as of a specific date?

Select correct option:

- Income Statement
- Balance Sheet

Correct
Question # 17 of 20 (Start time: 10:40:07 PM)

The difference between current assets and current liabilities is known as:

Select correct option:

- Surplus Asset
- Short-term Ratio
- Working Capital
- Current Ratio

Correct:

Working Capital

Question # 18 of 20 (Start time: 10:40:37 PM)

Which of the following is subcategory (ies) of finance department?

Select correct option:

- Accounting department only
- Treasury department only
- Accounting department and Treasury department

Correct:

Accounting department and Treasury department
Question # 19 of 20 (Start time: 10:41:37 PM)
A portion of profits, which a company retains itself for further expansion, is known as:

Select correct option:

- Dividends
- Retained Earnings [Correct]
- Capital Gain
- None of the given options

Total Marks: 1

Question # 20 of 20 (Start time: 10:42:39 PM)
Which of the following area of finance deals with stocks and bonds?

Select correct option:

- Financial institutions
- International finance
- Investments [Correct]
- All of the given options

Total Marks: 1