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1) The Yield to Maturity of a bond is the same as:
a) The present value of the bond
b) The bonds internal rate of return
c) The future value of the bond
d) None of these

2) Choose from the following a symptom which is not relating to "Over Trading".
a) Cash shortage
b) Low inventory turnover ratio
c) Low current ratio
d) High inventory turnover ratio

3) The formula to calculate the present value of a single cash flow is given by:
a) $CF_1 / (1+r)^n$
b) $C_2 / (1+r)$

c) $C_0 + C (1+r)^n$
d) None of these

4) The effect of purchasing power or inflation on present value is important because_____:
a) It increases the real value of cash flows received in the future
b) It reduces the real value of cash flows received in the future
c) It has no effect on real value of cash flow received in the future
d) None of these

5) An Asset is_____:
a) Sources of funds
b) Use of funds
c) Inflow of funds
d) None of these

6) If a company revaluates its fixed assets, the current ratio of the company will:
a) Improve if assets are revalued upward
b) Remain unaffected
c) Improve if assets are revalued downwards
d) Undergo change only if liabilities are remaining constant

7) If we were studying a sample of 100 students and their examination performance and if the standard deviation of the list of results was say 14, then we could calculated the standard error by____:
a) Dividing the square root of the number of items in the sample by the mean
b) Dividing standard deviation by number of items in the sample
c) Dividing the standard deviation by the square root of the number of items in the sample
d) We cannot calculate standard error on account of inadequacy of information

8) Rule of 72 as a short cut method is explained by the formula:
a) 72 divided by the annual interest rate
b) Annual interest rate dividend by 72

c) 72 divided by (annual interest rate multiplied by discount factor)
d) None of these

9) Tangible net worth is calculated as:
a) Capital + Reserves
b) Capital + Reserves – Intangible Assets
c) Capital + Fictitious Assets + Reserves – Intangible assets
d) Capital + Reserves – Fictitious Assets and intangible assets

10) A researcher chooses a Sample by using a Sampling frame and taking the item that corresponds to the nth number in the list. This procedure is called:
a) Simple Random Sampling
b) Systematic Sampling
c) Stratified Sampling
d) Quota Sampling