

Inefficient use of working capital will lead to:

- ☐ No income in the business
- ☐ Crises in business
- ☐ Loss in business
- ☒ All kinds of losses and crises

Correct!

That's correct!

Question 3

1 / 1 pts

Funds from long-term loans, Sale of fixed assets and Funds from increase in share capital are:

- ☐ Internal source of funds
- ☒ External source of funds
- ☐ Large source of funds
- ☐ Multiple source of funds

Correct!

That's correct!

Question 4

0 / 1 pts

Expenditure incurred after the commencement of business in connection with the extension of existing undertaking or in connecting with setting up a new unit is known as:

- ☒ Operating expenses
- ☐ Market expenses
- ☐ Preliminary expenses
- ☐ Goodwill

You Answered

Correct Answer

That's incorrect! Revisit the module for this week.

Question 5

1 / 1 pts

The funds flow statement has two sides

- ☐ Application of funds
- ☐ Working capital

Correct!

Correct!

☒ Source and Application of funds

☐ Source of fund

That's correct!

Question 6

1 / 1 pts

Rules pertaining to statement of change in working capital for current liability.

☐

Increase in current liability is Increase; decrease in current liability is decrease.

☐

Decrease in current liability is decrease; decrease in current liability is increase.

Correct!

☒

Increase in current liability is decrease; decrease in current liability is increase

☐

Increase in current liability is decrease; Increase in current liability is increase.

That's correct!

Question 7

0 / 1 pts

If current liability increases it is an indicator of:

Correct Answer

☐ Non-payment to creditors

☐ Lack of operating income

You Answered

☒ Lack of funds in the business

☐ Non repayment of funds

That's incorrect! Revisit the module for this week.

Question 8

1 / 1 pts

When an acquirer pays less for an acquire than the fair value of its assets and liabilities.

☐ Neutral goodwill

☐ Manageable goodwill

Correct!

- ☐ Positive goodwill
- ☒ Negative goodwill

That's correct!

Question 9

1 / 1 pts

Source of funds in funds flow statement is:

- ☐ Generating funds
- ☐ Sale of assets
- ☒ Sale of assets and Issue of Shares
- ☐ Issue of shares

Correct!

That's correct!

Question 10

1 / 1 pts

Expenses which the promoters of a company incur at the time of incorporating the company is called:

- ☐ Provisional expenses
- ☐ Company expenses
- ☐ Marginal expenses
- ☒ Preliminary expenses

Correct!

That's correct!

Question 11

1 / 1 pts

Decrease in working capital is recorded in Funds flow statement under

- ☒ Sources of Funds
- ☐ Statement of change in working capital
- ☐ Application of funds
- ☐ Adjusted profit and loss a/c

Correct!

That's correct!

Question 12

0 / 1 pts

Increase in working capital is recorded in Funds flow statement under:

Correct Answer

- ☐ Application of funds
- ☐ Statement of change in working capital
- ☐ Adjusted profit and loss a/c

You Answered

- ☒ Sources of Funds

That's incorrect! Revisit the module for this week.

Question 13

1 / 1 pts

If land value reduces in the current year it is called as:

Correct!

- ☐ Modification
- ☒ Depreciation
- ☐ Appreciation
- ☐ Rectification

That's correct!

Question 14

1 / 1 pts

If proposed dividend and income tax is given only in the adjustment than where will it appear:

Correct!

- ☒ Adjusted profit and loss and Funds flow statement
- ☐ Funds flow statement
- ☐ Adjusted Profit and loss a/c
- ☐ Changes in working capital

That's correct!

Question 15

0 / 1 pts

When Goodwill decreases from the previous year it is called:

- ☐ Goodwill appreciation
- ☐ Goodwill under cast.

You Answered

☒ Goodwill devaluation

Correct Answer

☐ Goodwill written off

That's incorrect! Revisit the module for this week.

Question 16

0 / 1 pts

Profit on sales of Assets is recorded in Adjusted Profit and loss under

☐ No Dr and Cr

☐ Dr

Correct Answer

☐ Cr

You Answered

☒ Dr and Cr

That's incorrect! Revisit the module for this week.

Question 17

0 / 1 pts

The flow of funds from various sources is called:

☐ Statement of change in working capital

☐ Application of funds

Correct Answer

☐ Source of funds

You Answered

☒ Sources of funds and application of funds

That's incorrect! Revisit the module for this week.

Question 18

1 / 1 pts

Items that do not form part of Current asset statement of change in working capital

Correct!

☒ Income tax

☐ Sundry debtors

☐ Inventory

☐ Cash in hand and bank

That's correct!

Question 19

0 / 1 pts

Loss on sales of Assets is recorded in Adjusted Profit and loss under

Loss on sales of Assets is recorded in Adjusted Profit and loss under.

- ☐ Cr
- ☐ Dr
- ☐ No Dr and Cr
- ☒ Dr and Cr

Correct Answer

You Answered

That's incorrect! Revisit the module for this week.

Question 20

1 / 1 pts

When the value of Building increases from previous year to current year is called:

- ☐ Modification
- ☒ Appreciation
- ☐ Rectification
- ☐ Depreciation

Correct!

That's correct!

Quiz Score: 13 out of 20

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