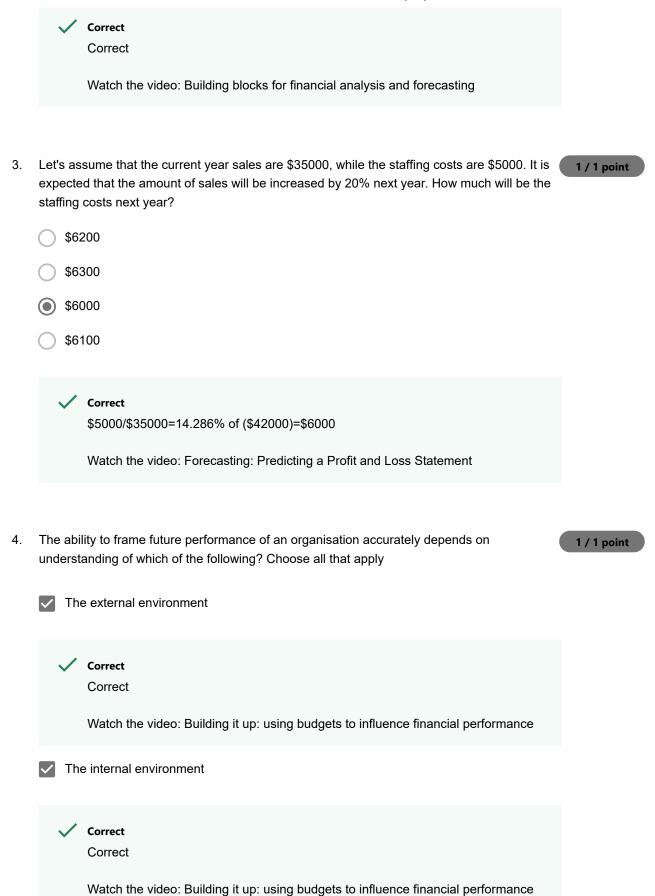
## Week 4 quiz

## LATEST SUBMISSION GRADE 90%

1.	Which of the following types of analyses provide insights into the current organisation? Choose all that apply	trends of an 1 / 1 pc	oint
	✓ Horizontal analysis		
	Correct Correct		
	Watch the video: Building blocks for financial analysis and foreca	asting	
	✓ Vertical analysis		
	Correct Correct		
	Watch the video: Building blocks for financial analysis and foreca	asting	
	✓ Financial analysis		
	Correct		
	Watch the video: Building blocks for financial analysis and foreca	asting	
	None of the above		
2.	How does the horizontal analysis deal with observing trends from one pe	riod to the next?	oint
	By observing percentage changes in financial categories		
	By observing changes in absolute figures pertaining to financial cate	gories	
	By observing changes in cash flows related to financial categories		
	All of the above		



Financial statements

	None of the above	
5.	How will profitability be affected if it is predicted that the amount of expenses will increase faster than revenue in next year, keeping all other factors constant?	1 / 1 point
	Profitability will be decreased	
	No impact on profitability	
	Profitability will be increased	
	Correct Incorrect	
	Watch the video: Building it up: using budgets to influence financial performance	
6.	Which of the following aspects should a manager consider carefully during the budgeting process? Choose all that apply	1 / 1 point
	Focus on creating realistic goals	
	✓ Correct Correct	
	Watch the video: Building it up: using budgets to influence financial performance	
	Free from arbitrary allocation of expenses without substantial reasoning	
	✓ Correct Correct	
	Watch the video: Building it up: using budgets to influence financial performance	
	Consideration of expenses consistent with revenue	
	✓ Correct Correct	

Watch the video: Building it up: using budgets to influence financial performance

None of the above

7.	Which of the following is NOT a purpose of preparing a Budget?
	Figuring out the ways of improving organisational overall performance
	Setting a limit on expenses on operations
	Preparing income statement
	Predicting the expected costs of operations
	✓ Correct Correct.
	Budgeting is future oriented and not focused on calculating past performance through financial statements including income statement.
	Watch the video: Building it up: using budgets to influence financial performance
8.	Which of the following can be best described as a forecasting technique?  Order  Order
	Firm valuation
	Preparing a balance sheet
	Incorrect Incorrect Watch the video: Building it up: using budgets to influence financial performance
9.	Let's assume that the current year's sales fgure is \$10000, while the factory overhead costs are \$2000. It is expected that the amount of sales will be increased to \$15000 next year. How much will be the overhead costs next year?
	\$3000

/15/20	020 Week 4 quiz   Coursera
	\$6000
	\$5000
	<b>4000</b>
	Correct.
	Watch the video: Forecasting: Predicting a Profit and Loss Statement
10.	Which of the following statements is correct?
	Vertical analysis involves observing trends by calculating percentage changes between two periods
	Horizontal analysis involves observing trends by comparing one item on a financial statement with another item on the same statement
	None of the above
	Correct Incorrect.
	Watch the video: Building blocks for financial analysis and forecasting