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BFN209 NOUN PQ

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1. The short-term liabilities of a firm includes all of the following except_____

--->> Lendings

Trade advances

Creditors

Borrowings

2. The dividend rate for _____ shareholders is not fixed and can vary from year to year depending on the board of directors.

Preference

Cumulative Preference

--->> Ordinary

Participating Cumulative shares

3. _____ is an artificial creature, invisible, intangible, and existing only in contemplation of law. As a legal (artificial) person, it is separate from the owners. It can enter into a contract, sue and be sued in its name.

--->> limited liability company

Agency Relationship

partnership

Sole proprietorship

4. Cash management is concerned with the managing of the following except_____

Cash flows into and out of the enterprise

Cash flows within the enterprise

--->> All of the above

Cash balances held by the enterprise at a point of time by financing deficit or investing surplus cash.

5. _____ allows for dividend payment to be deferred if a firm does not make adequate profit to pay such dividend.

Convertible preference shares

Participating Cumulative shares

Participating Non-Cumulative shares

--->> Cumulative preference shares

6. The following are the motives for holding cash except_____

Transaction motive

--->> Budgetary motive

Precautionary motive

Speculative motive

7. The Memorandum of Association of a company must contain the following information except_____ -

objects for which the company is formed

address of the registered office of the effect that the
"liability" of the members or shareholders is "limited"

--->> address of the company and the reason why it is in existence

name of the company, with the term "Limited" as the last
word of the name

8. The following are the main components of working capital management
except_____

Cash Management

--->> Fixed income

Receivables Management

Inventory Management

9. The _____ is the market that serves as an intermediary between fund-
raisers and suppliers of capital

CBN

SEC

--->> NSE

CSCS

10. _____ may be made to attract new and existing shareholders to
contribute equity capital

--->> Public issue

External finance

Rights issue

Preference shares