



Dear Student:  
 1-Please fill in all the required information about you on the question paper  
 2-Please answer all question in this paper

**Part-1 Indicate whether the sentence or statement is true or false  
 Please insert (T for true and F for false) inside the box below (10 marks)**

Question	1	2	3	4	5	6	7	8	9	10
Answer										

- 1- Company's good well is considered an asset.
- 2- Current liabilities are the company's debt that must be paid within one year.
- 3- Accounts payable the balance of money due to a firm for goods or services delivered or used but not yet paid for by customers.
- 4- Retained earnings is company's net profits before any dividend payments to shareholders.
- 5- Leveraging is a good financial practice for companies.
- 6- Company's market capitalisation is the dollar value (market value) of stocks listed on a stock exchange.
- 7- Speculative risk is an event that offers the chance for either a gain or a loss.
- 8- Skimming pricing is associated with promoting old products.
- 9- Money is characterized by its portability and stability only.
- 10- Fixed cost is cost that changes with the quantity of a product produced and sold.

**Part-2 Fill in the blank questions (10 marks)**

Speed to market	Market share	Broker	Short sale	Breakeven point	Branding
Return on sales	Venture capital	Inventory	Net income	Book Value	Market Index

1. Selling borrowed shares of stock in the expectation that their price will fall before they must be replaced, so that replacement shares can be bought for less than the original shares were sold for \_\_\_\_\_.
2. independent intermediary who matches numerous sellers and buyers as needed, often without knowing in advance who they will be \_\_\_\_\_.
3. sales volume at which the seller's total revenue from sales equals total costs (variable and fixed) with neither profit nor loss \_\_\_\_\_.
4. process of using symbols to communicate the qualities of a product made by a particular producer \_\_\_\_\_.
5. strategy of introducing new products to respond quickly to customer or market changes \_\_\_\_\_.

6. A firm's gross profit less its operating expenses and income taxes\_\_\_\_\_.
7. Ratio calculated by dividing net income by sales revenue\_\_\_\_\_.
8. Companies that provides funds for new or expanding firms thought to have significant potential\_\_\_\_\_.
9. Materials and goods currently held by the company that will be sold within the year\_\_\_\_\_.
10. The value of a common stock expressed as total stockholders' equity divided by the number of shares of stock\_\_\_\_\_.

**Part-3 Answer the following questions:**

1- What is the difference between ASSET, LIABILITY and OWNERS' EQUITY? (5 marks)

2- What are the three types of financial statements? (5 marks)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

3- What is the difference between secured and unsecured loan? (5 Marks)

**4- Explain three ways a company can raise money or a line of credit. (5 marks)**

- 1- \_\_\_\_\_
- 2- \_\_\_\_\_
- 3- \_\_\_\_\_

**5- Define Risk management and explain three ways to manage it? (5 marks)**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- 1- \_\_\_\_\_
  - 2- \_\_\_\_\_
  - 3- \_\_\_\_\_

**Part-4 Answer only ONE of the following questions**

**6- Define the following terms:**

**a) Product placement? (2.5 marks)**

**b) Auditing (2.5 marks)**

**7- What is the difference between GROSS PROFIT and OPERATING EXPENSES? (5 marks)**

**End of questions**