

Business Communication (1 - 20)

1. The set of laws, rules or conventions guiding the conduct of a business meeting is referred to as _____
 - A. Rules of law.
 - B. Business law.
 - C. Rules of order or standing orders.
 - D. Corporate laws.

2. For very complicated/complex tasks or operations, the decentralized network that proves faster, more accurate and guarantees best performance of individual staff is _____
 - A. The Cycle/Circular network.
 - B. The Wheel network.
 - C. The Criss-cross network.
 - D. The All-Channel/Star network.

3. A memo can be used to communicate to members within an organisation while a/an _____ can be used to communicate both within and outside it.
 - A. Journal.
 - B. Minutes.
 - C. Circular.
 - D. Report.

4. A/an _____ is a mediator who hears employees' complaints/grievances, investigates and seeks to resolve problems fairly.
 - A. Notary public.
 - B. Arbitrageur.
 - C. Ombudsman.
 - D. Umpire.

5. A member, drawing attention to a breach of rules or procedures at a meeting can do so under _____
 - A. Point of information.
 - B. Point of order.
 - C. Interlocutor.
 - D. Interruption.

6. The type of minutes that guarantees the anonymity of members is _____
 - A. Action Minutes.
 - B. Resolution Minutes.
 - C. Narrative Minutes.
 - D. Consideration Minutes.

7. The set of laws/rules or conventions guiding the conduct of a business meeting if referred to as _____
 - A. Rules of law.
 - B. Business law.
 - C. Rules of Order or Standing Orders.
 - D. Corporate laws.

8. CIS, SEC, NSE, CBN, JAMB, etc. are examples of _____
- A. Synonyms.
 - B. Antonyms.
 - C. Homonyms.
 - D. Acronyms.
9. The process of transferring messages from one person to another/organisation is known as _____
- A. Communication.
 - B. Meditation.
 - C. Soliloquy.
 - D. Telepathy
10. A committee which has an indefinite term of office is known as _____ committee.
- A. Abridged.
 - B. Standing.
 - C. Sitting.
 - D. Ad-Hoc.
11. A formal piece, usually published to confirm or refute, deny, etc. anything said or written, especially one that is sharp, critical, angry or defensive, about an individual or organisation is known as a/an _____
- A. Advertorial
 - B. Rejoinder
 - C. Communiqué
 - D. Article
12. The simultaneous dissemination of identical messages through any medium to a diverse, heterogeneous and dispersed audience is called _____ communication.
- A. Public.
 - B. Group.
 - C. Mass.
 - D. Organisational.
13. Memoranda can be put into the following uses except:
- A. To delegate responsibilities.
 - B. To assign tasks to workers.
 - C. To summon intra-departmental meetings.
 - D. To network among large number of people.
14. The minutes of a meeting is usually written by the _____
- A. Chairman.
 - B. Public Relations Officer.
 - C. Scribe.
 - D. Welfare Officer.
15. A common characteristic in oligopolistic markets is _____
- A. Consideration of rivals' reactions.
 - B. Standardized products.
 - C. High profits.
 - D. Unused capacity.

Business Communication (1 - 15)

1	C	9	A
2	D	10	B
3	C	11	B
4	C	12	C
5	B	13	D
6	B	14	C
7	C	15	A
8	D		

Elements of Economics (16-30)

16. To find its profit-maximizing output level, a firm should operate where
- A. $AVC = MC$.
 B. $MC = MR$.
 C. $TFC = TVC$.
 D. $AFC = AVC$.
17. If the number of people classified as unemployed is 20,000 and the number of people classified as employed is 230,000, what is the unemployment rate?
- A. 8%
 B. 8.7%
 C. 9.2%
 D. 11.5%
18. National income could be computed using which of these approaches?
- A. Factor income approach.
 B. Expenditure approach.
 C. Value added approach.
 D. All of the above.
19. Price discrimination is common in which of these markets?
- A. Monopoly.
 B. Monopolistic competition.
 C. Perfect competition.
 D. Oligopoly.
20. When the price of a product falls, lesser quantity of the product is demanded for. That product is known as _____
- A. An inferior product.
 B. Normal product.
 C. Luxury Product.
 D. None of the above.

21. Which of the following is not responsible for a shift in supply curve?
- A. Changes in technology.
 - B. Increase in prices of related goods.
 - C. A reduction in inputs prices.
 - D. Prices of the good.
22. Which of the following controls money supply in the economy to promote economic growth and development?
- A. Commercial banks.
 - B. Development banks.
 - C. Discount houses.
 - D. Central Bank.
23. The study of inflation is part of _____
- A. Macroeconomics.
 - B. Normative economics.
 - C. Descriptive economics.
 - D. Microeconomics.
24. Which of the following is not a factor of production?
- A. Labour.
 - B. A bank loan.
 - C. Capital.
 - D. Land.
25. When the price of a given commodity rises above the equilibrium price, the quantity supplied of that commodity?
- A. Exceeds the demand.
 - B. Equals demand.
 - C. Less than the demand.
 - D. Increases continuously
26. The law of diminishing marginal utility explains why _____
- A. Most individual demand curves are straight lines.
 - B. The consumer's optimal purchase is at the tangency of an indifference curve and the budget line.
 - C. Most individual demand curves slope downward.
 - D. Marginal utility falls when total utility falls.
27. Which of the following determinants of aggregate demand can grow without limits?
- A. Consumption.
 - B. Investment.
 - C. Exports.
 - D. Money supply.
28. Which of the following is not likely to result in an increase in potential GDP?
- A. An advance in technology.
 - B. An increase in the money wage rate.
 - C. An increase in the quantity of capital.
 - D. None of the above.

29. The production of more goods and services and the development of higher standard of living would be associated with what economic goals?
- A. Economic security.
 - B. Economic freedom.
 - C. Economic growth.
 - D. Economic efficiency.
30. The price paid for a natural resource that is completely fixed in supply is _____
- A. Profit.
 - B. Interest.
 - C. Rent.
 - D. A risk payment.

Elements of Economics (16-30)

16	B	24	B
17	A	25	A
18	D	26	C
19	A	27	D
20	A	28	B
21	D	29	C
22	D	30	C
23	A		

Business Law (31 - 45)

31. The only court that has original jurisdiction in Constitutional matters is _____
- A. Court of Appeal.
 - B. National Arbitration Court.
 - C. Supreme Court.
 - D. Federal High Court.
32. A display in a shop window will generally be held to constitute _____
- A. An offer.
 - B. It depends upon the perceived intention of the seller.
 - C. An invitation to treat.
 - D. It has no legal significance.
33. The Court of Appeal is headed by _____
- A. Chief Judge of a State/County.
 - B. Judge of a Customary Court of Appeal.
 - C. President of the Court of Appeal.
 - D. Senate President.
34. The maximum number of persons who can form a partnership is _____
- A. 10
 - B. 15
 - C. 22
 - D. 20

35. A resolution shall be a special resolution when it has been passed by _____
- A. Simple majority.
 - B. 95% of votes cast by members of the company.
 - C. Three-fourth of the votes cast by members of the company.
 - D. 50% of votes by proxy.
36. The principle of law on which a judicial decision is based is called _____
- A. Obiter dictum.
 - B. Ratio decidendi.
 - C. Res judicate.
 - D. Legacy.
37. It is the duty of the Corporate Affairs Commission/Registrar General's office to carry out which of the following functions?
- A. Winding-up of companies.
 - B. Protect minority rights.
 - C. Terminate contracts.
 - D. Incorporate new companies.
38. Which of the following consequences flows from corporate personality of a company?
- A. Statutory.
 - B. Mediation.
 - C. Separate entity.
 - D. Equity.
39. The fact that provisions are made against doubtful debts upholds the concept of _____
- A. Consistency.
 - B. Prudence.
 - C. Materiality.
 - D. Business entity.
40. In a democracy, the highest legislative organ is the _____
- A. Supreme Council.
 - B. Parliament/National Assembly/National legislature.
 - C. House of Commons
 - D. Privy Assembly Council.
41. Which of following are the factors that will terminate an agency relationship by operation of law?
- I. Renunciation of the agent.
 - II. Effluxion of time.
 - III. Death of principal or agent.
 - IV. Insanity of principal or agent.
- A. I and II only.
 - B. II, III and IV only.
 - C. II and III only.
 - D. I, II and III only.

42. The laws passed by British overlords in Nigeria during the colonial era are called _____

- A. Edict.
- B. Bye law.
- C. Colonial law.
- D. Ordinances.

43. A term which goes to the root of a contract and the breach of which entitles the other party to repudiate the contract is called _____

- A. Express term.
- B. Condition.
- C. Warranty.
- D. Exemption clause.

44. An agency can be terminated by which of the following?

- A. Ratification.
- B. Obligation.
- C. Acceptance.
- D. Necessity.

45. _____ is a type of contract which is valid and subsisting until it is avoided or rescinded at the option of none of the parties to the contract, usually the innocent party.

- A. Void contract.
- B. Unenforceable contract.
- C. Avoidable contract.
- D. Voidable contract.

Business Law (31 - 45)

31	D	39	B
32	C	40	B
33	C	41	B
34	D	42	D
35	C	43	B
36	B	44	C
37	D	45	D
38	C		

Business Accounting (46 - 75)

Use the following information to answer questions 110 and 111:

	₦
Inventory at start	20,000
Inventory at close	32,000
Purchases	205,500
Sales	318,600

46. What is the cost of goods sold?

- A. ₦125,100
- B. ₦153,500
- C. ₦193,500
- D. ₦215,500

47. What is the Gross profit?
- A. ₦185,500
 - B. ₦205,500
 - C. ₦125,100
 - D. ₦237,500
48. Discount Allowed is a/an _____
- A. Credit in the Income Statement.
 - B. Asset in the Statement of Financial Position.
 - C. Debit in the Income Statement.
 - D. Liability in the statement of Financial Position.
49. What is net salary?
- A. Basic pay plus allowances plus deductions.
 - B. Basic pay plus deductions minus allowances.
 - C. Basic pay plus allowances minus deductions.
 - D. Basic pay plus allowances only.
50. Which of the following is not an importance of accounting and book keeping?
- A. Book keeping provides permanent records for all financial transactions.
 - B. The records are used by the Inland Revenue for tax assessment.
 - C. The records can be used to determine the promoters of the organization.
 - D. The assets and liabilities of a business are shown.
51. Which of the following will increase the value of the account?
- I. Debit an asset account.
 - II. Debit a liability account.
 - III. Debit an expense account.
 - IV. Debit an income account.
- A. I and II only.
 - B. I and III only.
 - C. II and III only.
 - D. II and IV only.
52. Which of the accounts will be debited and credited when a set of office equipment is purchased on credit for ₦500,000?
- | <u>Debit</u> | <u>Credit</u> |
|---------------------|-------------------|
| A. Office equipment | Purchases. |
| B. Purchases | Office equipment. |
| C. Seller | Office equipment. |
| D. Office equipment | Seller. |
53. Which of the following conditions is not necessarily true for an item to qualify as an asset?
- A. There should be probable future benefits from it.
 - B. It represents the claim of other entities.
 - C. It should be under the control of the firm.
 - D. It should have been bought or created by past events or transactions.
54. Which is the most appropriate stage in the transaction cycle at which revenue be recognized?
- A. When the product is delivered to the customer.
 - B. When the invoice is sent to the customer.
 - C. When the seller receives the payment from the customer.
 - D. None of the above answers is correct.

55. A firm bought a machine for ₦320,000. It is to be depreciated at the rate of 25 per cent using the reducing balance method. What would be the remaining book value after two years?
 A. ₦160,000
 B. ₦240,000
 C. ₦180,000
 D. None of the above.
56. The last phase of book keeping is _____
 A. Extraction of the Trial Balance.
 B. Preparation of final accounts.
 C. Issuing annual reports.
 D. Preparation of source document.
57. Who reports on the "true and fair view of the financial statements?"
 A. Government agencies.
 B. Owners of the business.
 C. The company's accountant.
 D. The Auditor.
58. What is the usefulness of the Annual Reports and Accounts?
 A. To boost company's profit.
 B. For periodic review of company's performance.
 C. For daily operations of the business by management.
 D. To be able to minimize tax payable by the company.

Use the information below to answer Questions 59 to 63:

	31/12/05	31/12/06
	₦	₦
Non-current assets (cost)	320,000	286,000
Current assets	750,000	920,000
Current liabilities	150,000	130,000
Provision for depreciation	70,000	74,000

During 2006, a non-current asset costing ₦54,000 with a book value of ₦20,000 was sold for ₦15,000.

59. What was the capital of the business as at 31st December 2005?
 A. ₦920,000
 B. ₦865,000
 C. ₦860,000
 D. ₦850,000
60. What was the capital of the business as at 31st December 2006?
 A. ₦1,002,000
 B. ₦865,000
 C. ₦860,000
 D. ₦1,076,000
61. What was the value of the net profit or loss for the year ended 31st December, 2006?
 A. ₦152,000 loss.
 B. ₦152,000 profit.
 C. ₦140,000 profit.
 D. ₦240,000 loss.

62. What was the depreciation charge for 2006?
A. ₦4,000
B. ₦38,000
C. ₦14,000
D. ₦16,000
63. A "statement of affairs" is similar to a/an _____
A. Trading Account.
B. Income and Expenditure account.
C. Statement of financial position.
D. Trial Balance.
64. What is the effect of under-valuation of closing stock on the income statement of any organization?
A. Capital will be understated.
B. Net profit will be understated.
C. Net profit will be overstated.
D. Expenses will be understated.
65. In preparing financial statements, accountants normally assume that an entity would continue in business into perpetuity without any factor that would force the business into liquidation, or make it to curtail its scale of operations significantly. Which of the following accounting concepts is applicable?
A. Consistency.
B. Going concern.
C. Accrual.
D. Historical cost.
66. An asset is impaired when _____
A. Its value in use is higher than the carrying amount.
B. Its carrying amount is higher than its recoverable amount.
C. Its recoverable amount is higher than its carrying amount.
D. Its net realisable value is higher than its value in use.
67. A trial balance is made up of a list of debit balances and credit balances. Which of the following statements is correct?
A. Every debit balance represents an expense.
B. Assets are represented by debit balances.
C. Liabilities are represented by debit balances.
D. Income is included in the list of debit balances.
68. When a trade discount is received from a supplier the double entry is as follows:

<u>Debit</u>	<u>Credit</u>
A. Discounts received	Payables.
B. Payables	Discount received.
C. Discount received	Income statement.
D. Payables	Discount allowed.
69. Which of the following is the cause of depreciation?
A. Decrease in the market value of the asset.
B. Decrease in the book value of the asset.
C. Physical wear and tear of fixed assets.
D. Increase in the market value of assets.

70. Which of the following conditions is not necessarily true for an item to qualify as an asset?
 A. There should be probable future benefits from it.
 B. It represents the claim of other entities.
 C. It should be under the control of the firm.
 D. It should have been bought or created by past events or transactions.
71. An allowance for doubtful debts is created _____
 A. When debtors become bankrupt.
 B. When debtors cease to be in business.
 C. To provide for possible bad debt.
 D. To write off bad debt.
72. Which of these errors would be disclosed by the trial balance?
 A. Credit sales of ₦3,000 entered in both double entry accounts as ₦300
 B. Cheque ₦95,000 from C Smith entered in Smith's account as ₦59,000
 C. Selling expenses had been debited to Sales Account.
 D. A purchase of ₦25,000 was omitted entirely from the books.
73. Which of the following calculates a trader's net profit for a period?
 A. Closing net assets + drawings - capital introduced - opening net assets.
 B. Closing net assets - drawings - capital introduced - opening net assets.
 C. Closing net assets - drawings + capital introduced - opening net assets.
 D. Closing net assets + drawings + capital introduced - opening net assets.
74. Which of the following is not true about the Profit after tax?
 A. It can be distributed among holders of ordinary shares as a dividend.
 B. It can be held by the firm as retained earnings.
 C. It is a calculated figure which represents actual cash.
 D. It is obtained by subtracting expenses from the revenues.
75. When a customer returns damaged goods, he should receive a _____
 A. Proforma invoice.
 B. Credit note.
 C. Debit note.
 D. Goods returned note

Business Accounting (46 - 75)

46	C	54	A	62	B	70	B
47	C	55	C	63	C	71	C
48	C	56	A	64	B	72	B
49	C	57	D	65	B	73	A
50	C	58	B	66	B	74	C
51	B	59	D	67	B	75	B
52	D	60	A	68	B		
53	B	61	B	69	C		

Business Management (1-30)

1. Which of these is not a principle of effective planning?
 - A. Principle of efficiency.
 - B. Principle of Premising.
 - C. Principle of hierarchy.
 - D. Principle of commitment.

2. The flow of information through inter-related stages of analysis towards the achievement of aim is called _____
 - A. Progress.
 - B. Process.
 - C. Procurement.
 - D. Production.

3. Which of the following is a major consideration of McClelland's motivation theory?
 - A. Existence need.
 - B. Safety need.
 - C. Need for power.
 - D. Hygiene factors.

4. The main thrust of Blake and Mouton's managerial grid is _____
 - A. Concern for people and concern for production.
 - B. Country club management.
 - C. Impoverished Management.
 - D. Authority compliance management.

5. Which of the following statements is not true about managers?
 - A. Top managers require the best conceptual skill, because their primary responsibilities are planning and organizing.
 - B. Middle managers require the best human skills because they are required to communicate, coordinate and motivate people.
 - C. Effective managers need conceptual, human and technical skills in sizeable proportion to avoid failure.
 - D. First-line managers require more of human skills than technical skills.

6. A special skill which requires a manager to demonstrate his ability to analyze and diagnose a situation and distinguish between cause and effect is _____
 - A. Human relations skills.
 - B. Competitive skills.
 - C. Technical skills.
 - D. Conceptual skills.

7. The linking together of superiors and subordinates of units and sub-units at different levels of the organization is referred to as _____
 - A. Vertical coordination.
 - B. Horizontal coordination.
 - C. Composite coordination.
 - D. Parallel coordination.

8. Control helps the organization to achieve which of the following alternatives?
 - A. Adapting to changing conditions.
 - B. Minimizing the errors.
 - C. Determining the budget.
 - D. Minimizing cost.

9. Which of the following is not an objective of planning?
 - A. To minimize risk and uncertainty.
 - B. To implement guidelines.
 - C. To focus attention on objectives.
 - D. To secure economy in operation.

10. Who is generally regarded as the father of scientific management?
 - A. Henri Fayol.
 - B. Federick Taylor.
 - C. Abraham Maslow.
 - D. Federick Herzberg.

11. The concept of power refers to _____
 - A. Defined authority and responsibility.
 - B. A relative hierarchical position in an organization.
 - C. The ability to influence the behavior of others.
 - D. The specialized knowledge possessed by an individual.

12. The school of thought typified by Joan Woodward says that _____
 - A. Size is the most critical determinant of structure.
 - B. Technology is the most critical determinant of structure.
 - C. Structure follows strategy.
 - D. Strategy follows structure.

13. A major problem with a task force type of management is _____
 - A. There is no logical basis for task force information.
 - B. Its status is too inflexible.
 - C. Accountability.
 - D. Lack of planning.

14. Policies are sometimes defined as a(n) _____
 - A. Shortcut for thinking.
 - B. Action plan.
 - C. Substitute for strategy.
 - D. Substitute for management authority.

15. One method of bringing a group to agreement is called _____
 - A. Proportional values.
 - B. Consensus.
 - C. Accordance.
 - D. Conformance.

16. Contingency theories of leadership are based on the belief that:
 - A. There is no single style of leadership appropriate to all situations.
 - B. There is a single style of leadership appropriate to all managers.
 - C. There is a single style of leadership appropriate to all situations.
 - D. None of the above.

17. A Theory Y approach is more suitable where a job offers:
 - A. The ability to exercise initiative.
 - B. A high degree of intrinsic satisfaction.
 - C. An element of problem solving.
 - D. All of the above.

18. Which of the following statements about MBO is/are true?
- A. Subordinates are given freedom of action to decide how best to achieve objectives and targets of the organization.
 - B. Measurement of performance is in terms of the subordinates' degree of accomplishment rather than the ability to follow detailed instructions on how to perform.
 - C. The central feature of MBO is that objectives and targets are not imposed but established and agreed through participation of subordinates with superiors.
 - D. All of the above.
19. The following are kinds of information transmitted through upward communication except _____
- A. Employee views and suggestions.
 - B. Answers to queries.
 - C. Instructions.
 - D. Employee grievances.
20. Which of the following is not an objective of planning?
- A. To minimize risk and uncertainty.
 - B. To implement guidelines.
 - C. To focus attention on objectives.
 - D. To secure economy in operation.
21. According to Herzberg, which of the following is a maintenance factor?
- A. Salary.
 - B. Work itself.
 - C. Responsibility.
 - D. Recognition.
22. The concept of power refers to _____
- A. Defined authority and responsibility.
 - B. A relative hierarchical position in an organization.
 - C. The ability to influence the behavior of others.
 - D. The specialized knowledge possessed by an individual.
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 - D. All of the above.
25. Which of these is not a principle of effective planning?
- A. Principle of efficiency.
 - B. Principle of Premising.
 - C. Principle of hierarchy.
 - D. Principle of commitment

26. In Maslow hierarchy of needs, the need for protection from danger, threat or deprivation is called _____
 A. Physiological needs.
 B. Safety needs.
 C. Social needs.
 D. Self-esteem needs.
27. The management school of thought that articulated that there is no one best way to manage and appropriate management actions and approaches depend on the situation is _____
 A. Bureaucratic.
 B. Quantitative.
 C. System.
 D. Contingency.
28. Which of these is not a principle of effective planning?
 A. Principle of efficiency.
 B. Principle of Premising.
 C. Principle of hierarchy.
 D. Principle of commitment.
29. The idea that the whole is greater or less than the sum of its part within an organization is called _____
 A. Competence.
 B. Synergy.
 C. Behaviour.
 D. Strength.
30. The problem-solving process begins with _____
 A. Clarification of the situation.
 B. Establishment of alternatives.
 C. Identification of the difficulty.
 D. Isolation of the cause.

Business Management (1-30)

1	C	6	D	11	C	16	A	21	A	26	B
2	B	7	A	12	B	17	D	22	C	27	D
3	C	8	C	13	C	18	D	23	C	28	C
4	A	9	B	14	A	19	C	24	D	29	B
5	D	10	B	15	B	20	B	25	C	30	C

Business Mathematics and Statistics (31-70)

31. Which of the following statements least accurately interprets the IRR rule?
- The IRR could be interpreted as the expected return on an investment.
 - It is possible for an investment to have multiple IRRs.
 - If the required return is equal to the IRR, then the project's NPV will also be equal to zero.
 - If a project has a positive IRR, it should be accepted.
32. What is the value of X in the equation below?
 $9(3x+4)-2x = 11 + 5(4x -1)$
- $x = -6$
 - $x = 6$
 - $x = 0$
 - $x = -9$
33. The act of rounding off data is known as _____
- Approximation.
 - Rounding off.
 - Estimation.
 - None of the above.
34. The expression $(x^3)^4$ equals _____
- x^7
 - x^{12}
 - $7x$
 - $x/7$
35. Cumulative frequency curve is also called _____
- Ogive.
 - Pie Chart.
 - Bar chart.
 - Data curve.
36. The expression $\frac{x^8}{x^7}$ can be expressed as _____
- 1
 - x^{-1}
 - x
 - $x^{8/7}$
37. Harmonic mean is defined as _____
- The arithmetic mean of the reciprocals of the data values.
 - The reciprocal of the arithmetic mean of the reciprocals of the data values.
 - The arithmetic mean of the squares of the values.
 - The reciprocal of the arithmetic mean of the data values.
38. A worker earning ₦30 a week gets a raise to ₦35, what is the percentage increase?
- 116.67%
 - 16.67%
 - 85.71%
 - 26.67%

39. What is the value of X if $2(X + 3) = -11$?
- A. $X = -8\frac{1}{2}$
 - B. $X = 8\frac{1}{4}$
 - C. $X = -4$
 - D. $X = 8$
40. If A and B are two events with $\Pr(A) = 0.30$, $\Pr(B) = 0.78$ and $\Pr(A \cap B) = 0.16$, what is $\Pr(A \cup B)$?
- A. 0.84
 - B. 0.92
 - C. 0.48
 - D. 0.38
41. You are told that for a given series of cashflows, NPV is zero at 8% discount rate. Which of the following statements is correct?
- A. IRR is 0%.
 - B. IRR is 8%
 - C. IRR is lower than 8%
 - D. IRR is greater than 8%
42. What is the present value of ₦10,000 payable into perpetuity, if the discount rate is 10%?
- A. ₦42,772.50
 - B. ₦41,772.50
 - C. ₦1,000.00
 - D. ₦100,000.00
43. There are 45 students in a classroom, 24 of whom have dark hair. What proportion of the students (to 4 decimal places) does not have dark hair?
- A. 0.4667
 - B. 0.5334
 - C. 0.4666
 - D. 0.5333
44. A buyer has spent ₦30,151 on 550 units of a particular item. The first 100 units cost ₦50 each, the next 150 units cost ₦8,250 in total, the next batch cost ₦11,200 in total and the final 100 cost ₦x each. The value of x is _____
- A. ₦57.01
 - B. ₦107.01
 - C. ₦139.51
 - D. ₦169.01
45. T Bobo is considering investing in Project A, which requires an initial cash outlay of ₦50,000 and would generate an annual cash inflow of ₦20,000 for 5 years. He has a cost of capital of 10%.
- What is the net present value of project A?
- A. ₦15,820
 - B. ₦25,820
 - C. ₦20,400
 - D. ₦30,820
46. Money received by a borrower in a loan arrangement is called _____
- A. Interest.
 - B. Profit.
 - C. Principal.
 - D. Returns.

47. Two variants of interest are _____ and _____
- A. Simple & difficult.
 - B. Simple & compound.
 - C. Compound & amortization.
 - D. None of the above.
48. Time value of money is a critical consideration in which of the following investment appraisal methods?
- A. Payback period method.
 - B. Accounting rate of return method.
 - C. Net present value method.
 - D. Analysis method.
49. George invests ₦5,000 in a building society account earning compound interest of 8% pa. How much will the investment have grown to in 6 years' time (to the nearest ₦) ?
- A. ₦1,600
 - B. ₦6,525
 - C. ₦ 7,934
 - D. ₦32,400
50. In a test a student obtained 30 marks out of a possible 40. What percentage was his score?
- A. 71%
 - B. 75%
 - C. 61%
 - D. 65%
51. A man buys a car costing ₦1.1 million and pays a 20% deposit. How much is the deposit?
- A. ₦220,000
 - B. ₦22,000
 - C. ₦2,200,000
 - D. ₦22,000,000
52. Which of the following is correct if 0.09 is rounded off to the nearest tenth?
- A. 0.1
 - B. 0.2
 - C. 0.05
 - D. 0.6
53. Which of the following will be the result of Expanding $(6 - x)(3 + x)$?
- A. $18 + 3x - x^2$
 - B. $18 + 3x + x^2$
 - C. $18 + 4x - x^2$
 - D. $18 + 4x + x^2$
54. What is the value of X if $2(x + 3) = -11$?
- A. $X = -8 \frac{1}{2}$
 - B. $X = +8 \frac{1}{4}$
 - C. $X = 4$
 - D. $X = 8$

55. What are the values of X and Y, given this simultaneous equation: $2x - y = 4$, $3x + y = 11$?
- A. $X = 3, y = 2$
 - B. $X = 4, y = 3$
 - C. $X = 2, y = 3$
 - D. $X = 3, y = 4$
56. If a fair coin is tossed once, what is the probability of obtaining a head?
- A. 0.9
 - B. 0.87
 - C. 0.05
 - D. 0.5
57. Two variants of interest are _____ and _____
- A. Simple & difficult.
 - B. Simple & compound.
 - C. Compound & amortization.
 - D. None of the above.
58. Mortgage involves use of _____ as collateral for a loan.
- A. Right to loan.
 - B. Right to Interest.
 - C. Right to property.
 - D. None of the above.
59. Money taken as loans is often paid back _____
- A. Installmental.
 - B. At will.
 - C. Anyhow.
 - D. Later.
60. IRR is the acronym for _____
- A. Intra rate and returns.
 - B. International rate of returns.
 - C. Internal rate of returns.
 - D. None of the above.
61. The data whose mean is greater than the median can be said to be _____
- A. Symmetrical.
 - B. Skewed to the right.
 - C. Skewed to the left.
 - D. Normal.
62. The amount of an Annuity equals _____ plus _____
- A. Annuity plus interest.
 - B. Interest plus capital.
 - C. Annuity plus capital.
 - D. None of the above.

63. The probability of a manager getting late to work is 0.08 while that of a messenger getting late to work is 0.25. The probability that both will come late to work is 0.02.

What is the probability that at least one of them will come late?

- A. 0.02
- B. 0.08
- C. 0.31
- D. 0.33

64. Which of the following is used in finding the power of a test?

- A. Sampling error.
- B. Type II error
- C. Random error.
- D. Standard error.

65. In a sample of five days, the market prices of a quoted company on the floor of the Nigerian Stock Exchange were recorded by a researcher as 5.22, 5.23, 5.24, 5.25 and 5.23. The unbiased estimate of the true mean is _____

- A. 5.230
- B. 5.234
- C. 5.324
- D. 4.234

66. A man gets a 10% pay rise. If his present wages is ₦6,000 per week, what will be his new weekly wage?

- A. ₦6,300
- B. ₦6,400
- C. ₦6,500
- D. ₦6,600

67. What is the value of X in the equation below?

$$9(3x+4)-2x = 11 + 5(4x -1)$$

- A. $x = -6$
- B. $x = 6$
- C. $x = 0$
- D. $x = -9$

68. What is the value X if $4x - 3 \geq 2x + 5$?

- A. $x \geq 5$
- B. $x \geq 4$
- C. $x \geq 3$
- D. $x \geq 2$

69. A worker earning ₦30 a week gets a raise to ₦35, what is the percentage increase?

- A. 116.67%
- B. 16.67%
- C. 85.71%
- D. 16.67%

70. What is the probability that the face up shows an odd number if a die is thrown once?

- A. $1/2$
- B. $1/4$
- C. $1/3$
- D. 1

Business Mathematics and Statistics (31-70)

31	D	36	C	41	B	46	C	51	A	56	D	61	B	66	D
32	A	37	B	42	D	47	B	52	A	57	B	62	A	67	A
33	A	38	B	43	A	48	C	53	A	58	C	63	C	68	B
34	B	39	A	44	A	49	C	54	A	59	A	64	B	69	B
35	A	40	B	45	B	50	B	55	A	60	C	65	B	70	A

Fundamentals of Financial Markets (71-100)

71. A mechanism that allows people to easily trade in financial securities is called _____

- A. Financial market.
- B. Commercial bank.
- C. Securities and Exchange Commission.
- D. Broker.

72. A short term credit investment created by a non financial firm and guaranteed by a bank to make payment is known as _____

- A. Cheque.
- B. Commercial paper.
- C. Ordinary shares.
- D. Bankers Acceptance.

73. The full meaning of IPO in capital market environment is _____

- A. Investment portfolio offer.
- B. Initial private offer.
- C. Initial public order.
- D. Initial public offer.

73. Shares allotted to existing shareholder by capitalization of reserves or surplus of a company is _____

- A. Right issue.
- B. Public issue.
- C. Private issue.
- D. Bonus issue.

74. A short term promissory notes with fixed maturity issued mostly by reputable and highly rated companies is known as _____

- A. Commercial Paper.
- B. Bankers' acceptance.
- C. Certificate of deposit.
- D. Shares.

75. A middleman who provides a vital connecting link between the prospective investors and the issuing company is known as _____

- A. Jobber.
- B. Broker.
- C. Banker.
- D. Registrar

76. Which of the following are residual claimants of the funds flowing into business firms?
- A. Managers.
 - B. Bondholders.
 - C. Directors.
 - D. Shareholders.
77. Holding other things constant, a stock's value is _____ related to the dividend it pays and _____ related to the required return on investments in equity.
- A. Positively; negatively.
 - B. Positively; Positively.
 - C. Negatively; negatively.
 - D. Negatively; Positively.
78. A fund that enables investors to enjoy both current income and long term capital appreciation within the same fund is _____
- A. Mutual fund.
 - B. Bond fund.
 - C. Blend fund.
 - D. Sector fund.
79. An aggressive portfolio designed to both maximize returns while minimizing risks is _____
- A. Float Fund.
 - B. Bond.
 - C. Mutual fund.
 - D. Hedge fund.
80. Financial markets are used for trading _____
- A. Both real assets and financial assets.
 - B. The goods and services produced by a firm.
 - C. Securities, such as shares of BCE.
 - D. The raw materials used in manufacturing.
81. The primary distinction between securities sold in the primary and secondary markets is the _____
- A. Riskiness of the securities.
 - B. Price of the securities.
 - C. Previous issuance of the securities.
 - D. Profitability of the issuing corporation.
82. The money market is a(an) _____ market, while the capital market is a(an) _____ market.
- A. Investment; liquidity.
 - B. Short-term; long-term.
 - C. Liquidity; financial institution.
 - D. Long-term; short-term.
83. The full meaning of IPO in capital market environment is _____
- A. Initial public offer.
 - B. Initial Private offer.
 - C. Initial Public order.
 - D. Investment portfolio offer.

84. The system of offering shares to private individuals and institutions without prospectus is called _____
- A. Private issue.
 - B. Private placement.
 - C. Public offer.
 - D. Private offer.
85. The issuance of shares to existing shareholders is _____
- A. Bonus issue.
 - B. Right issue.
 - C. Public issue.
 - D. Private issue.
86. Shares allotted to existing shareholder by capitalization of reserves or surplus of a company is _____
- A. Right issue.
 - B. Bonus issue.
 - C. Private issue.
 - D. Public issue.
87. The return to an ordinary shareholder is known as _____
- A. Dividend.
 - B. Interest.
 - C. Profit.
 - D. None of the above.
88. The rates charged by the commercial banks on the loans to customer are known as _____
- A. Discount Rates.
 - B. Interest rate.
 - C. Yield.
 - D. None of the above.
89. Which of the following cards allows expenditure against earned income?
- A. Debit card.
 - B. Credit card.
 - C. ATM card.
 - D. None of the above.
90. The money market is a(an) _____ market, while the capital market is a(an) _____ market.
- A. Investment; liquidity.
 - B. Short-term; long-term.
 - C. Liquidity; financial institution.
 - D. Long-term; short-term.
91. As new information is made available, financial markets _____
- A. Reflect this new information immediately in the prices of securities traded.
 - B. Publish this information.
 - C. Provide the information to financial intermediaries.
 - D. Decide how best to tell the public.

92. When shareholder A sells its Nortel stock to shareholder B in the secondary market, such as on the Toronto Stock Exchange, how much money is received by Nortel?
- A. Nortel will receive most of the funds, except for commissions.
 - B. Nortel will receive nothing.
 - C. Nortel will receive only the commissions on the sale of stock.
 - D. Nortel will receive a portion of the funds for every stock traded on the secondary market.
93. A mechanism that allows people to easily trade in financial securities is called _____
- A. Financial market.
 - B. Commercial bank.
 - C. Securities and Exchange Commission.
 - D. Broker.
94. A short term credit investment created by a non financial firm and guaranteed by a bank to make payment is known as _____
- A. Cheque.
 - B. Commercial paper.
 - C. Ordinary shares.
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96. The system of offering shares to private individuals and institutions without prospectus is called _____
- A. Private issue.
 - B. Private placement.
 - C. Public offer.
 - D. Private offer.
97. The issuance of shares to existing shareholders is _____
- A. Bonus issue.
 - B. Right issue.
 - C. Public issue.
 - D. Private issue.
98. The ease with which an asset can be converted into cash is called _____
- A. Convertibility.
 - B. Floating.
 - C. Flexibility.
 - D. Liquidity.
99. A long term debt security issued by firms and government for raising large amount of fund is called _____
- A. Bond.
 - B. Shares.
 - C. Stock.
 - D. All of the above.

100. Which of following is not a reason to invest in equity and other financial instruments?

- A. To gain a return on investment.
- B. To buy or sell shares anytime during the trading day.
- C. To diversify an investment portfolio.
- D. None of the above.

Fundamentals of Financial Markets (71-100)

71	A	76	D	81	C	86	B	91	A	96	B
72	D	77	A	82	B	87	A	92	B	97	B
73	D	78	C	83	A	88	B	93	A	98	D
74	A	79	D	84	B	89	B	94	D	99	A
75	B	80	C	85	B	90	B	95	D	100	D