Comprehensive Analysis of the Financial and Economic Activities of the Enterprise.d

1. Which of the following prescribe(s) the general structure of governments and provide(s) protection for individual rights?
2. Which of the following laws create, define, and regulate legal rights and obligations?
3. Contracts, agency, and commercial paper are traditional business topics in the __________ category.
4. In a broad sense, crimes consist of two elements: __________ and __________.
5. For a misdemeanor case, the prosecutor typically files a(n) __________, a formal expression of the charge(s) against the defendant.
6. A civil action begins when a plaintiff files his or her first pleading, a(n) __________.
7. At the top of the judicial pyramid in all states is a court of appeals, ordinarily labeled the __________ court.
8. In theory, when deciding an appeal, the appellate court may take all but which of the following actions?
9. Which of the following is true regarding the appeals process?
10. Which of the following is true regarding mediation?
11. The function a decision maker seeks to maximize or minimize is the ________ function.
12. For an unconstrained maximization problem
13. When marginal cost is greater than marginal benefit at the current activity level, the decision maker can increase net benefit by decreasing the activity because
14. The decision rule for constrained optimization is to select the level for each activity at which
15. In a linear regression equation of the form Y = a + bX, the slope parameter b shows
16. In a linear regression equation of the form Y = a + bX, the intercept parameter a shows

17. In a linear regression equation Y = a + bX, the fitted or predicted value of Y is
18. In the regression model , a test of the hypothesis that parameter c equals zero is
19. In making a decision about whether to increase its advertising budget the firm management should not consider
20. A firm can maximize profit (net benefit) by choosing to produce that level of output at which
21. A typical indifference curve
22. The rate at which a consumer is ABLE to substitute one good for another is determined by
23. A utility function
24. Marginal utility is
25. When marginal revenue is positive,
26. When demand is inelastic,
27. The demand for heart surgery is price inelastic. So it follows that
28. If the demand for plastic surgery is price inelastic,
29. If a drought increases the price of corn by 10% and decreases the quantity of corn demanded by 5%, then demand for corn is
30. If E1 is the demand elasticity for a product after a price change has been in effect one day, E2 is the demand elasticity for that product after one week, and E3 is demand elasticity for that product after one month,
31. The estimated demand for a good is where Q is the quantity demanded of the good, P is the price of the good, M is income, and is the price of related good R. The coefficient on P
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34. For a linear demand function, , the income elasticity is
35. For a nonlinear demand function of the form , , the estimated cross-price elasticity of demand is
36. A production function measures the relation between
37. A short-run production function assumes that
38. If average product is increasing, then marginal product
39. Diminishing returns refers to the decrease in
40. Average fixed cost
41. A producer is hiring 20 units of labor and 6 units of capital (bundle A). The price of labor is $10, the price of capital is $2, and at A, the marginal products of labor and capital are both equal to 20. The producer
42. A producer is hiring 20 units of labor and 6 units of capital (bundle A). The price of labor is $10, the price of capital is $2, and at A, the marginal products of labor and capital are both equal to 20. In equilibrium,
43. Which of the following is FALSE?
44. Suppose that when a firm increases output by 50%, long-run total cost increases by less than 50%. The firm will experience
45. The expansion path shows how
46. A linear specification, Q = aK + bL, is not appropriate for estimating a production function because
47. With a cubic production function of the form , in order for the average and marginal product functions to have their usual theoretical properties, it must be the case that
48. A short-run production function was estimated as What is average product when it is at its maximum level?
49. Which of the following is NOT a condition of a perfect competition:
50. In order to minimize losses in the short run, a perfectly competitive firm should shut down if

51 Which of the following is NOT a characteristic of long-run equilibrium for a perfectly competitive firm?

52 When total fixed costs increase,

53 A typical firm in a perfectly competitive market made positive economic profits last period. This period,

54 A competitive firm will maximize profit by hiring the amount of an input at which

55 A firm in a competitive industry faces a market price for output of $25 and a wage rate of $750. At the current level of employment (50 units of labor), the marginal product of labor is 20. In order to maximize profit, the firm should

56 The short-run market supply in a perfectly competitive market is the horizontal summation of the firms' marginal cost curves when

57 A consulting company estimated market demand and supply in a perfectly competitive industry and obtained the following results: where P is price, M is income, and is the price of a key input. The forecasts for the next year are = $15,000 and = $20. Average variable cost is estimated to be Total fixed cost will be $6,000 next year. What is the profit-maximizing output choice for the firm?

58 The capital gains yield equals which one of the following?

59 . Which one of the following types of securities has no priority in a bankruptcy proceeding?

60 Discounted cash flow valuation is the process of discounting an investment's:

61 Reynolds Metals common stock is selling for $25 a share and has a dividend yield of 3.1 percent. What is the dividend amount?

62 You are considering an equipment purchase costing $187,000. This equipment will be depreciated straight-line to zero over its three-year life. What is the average accounting return if this equipment produces the following net income?

63 What is the net present value of the following cash flows if the relevant discount rate is 9.0 percent?

64 . Greenbriar Cotton Mill is spending $330,000 to update its facility. The company estimates that this investment will improve its cash inflows by $56,500 a year for 10 years. What is the payback period?

65 Any changes to a firm's projected future cash flows that are caused by adding a new project are referred to as which one of the following?

66 Based on the most recent survey information presented in your textbook, CFOs tend to use which two methods of investment analysis the most frequently?

67 A project has the following cash flows. What is the internal rate of return?

68 . A pro forma financial statement is a financial statement that:

69 Jamie is analyzing the estimated net present value of a project under various what if scenarios. The type of analysis that Jamie is doing is best described as:

70 Mark is analyzing a proposed project to determine how changes in the variable costs per unit would affect the project's net present value. What type of analysis is Mark conducting?

71 A proposed project will increase a firm's accounts payables. This increase is generally:

72 . A project has annual depreciation of $16,200, costs of $87,100, and sales of $123,000. The applicable tax rate is 40 percent. What is the operating cash flow according to the tax shield approach?

73 . The variance is the average squared difference between which of the following?

74 Which one of the following is defined as the average compound return earned per year over a multiyear period?

75 The rate of return on which one of the following is used as the risk-free rate?

76 Semistrong form market efficiency states that the value of a security is based on: