

# Q&A!

CFE MCQs  
CFE TestPrep  
CFE Study Guide  
CFE Practice Test  
CFE Exam Questions

Up-to-date Questions and Answers from authentic resources to improve knowledge and pass the exam at very first attempt. ----- Guaranteed.



*killexams.com*

**SOFE**

## SOFE-CFE

*SOFE Certified Financial Examiner (CFE)*

ORDER FULL VERSION



**QUESTION: 394**

The costs that provide a benefit to a company over more than one accounting period are called:

- A. Capital expenses
- B. Revenue expenses
- C. Asset expenses
- D. Manufacturing equipments expenses

**Answer: A**

**QUESTION: 395**

\_\_\_\_\_ are potential obligations that will materialize only if certain events occur in future.

- A. Warranties returns
- B. Liability omissions
- C. Contingent liabilities
- D. Concealed expenses

**Answer: C**

**QUESTION: 396**

According to Accounting Changes and Errors Corrections, which of the following is NOT the type accounting change that must be disclosed to avoid misleading the user of financial statements?

- A. accounting principles
- B. estimates
- C. reporting entities
- D. liability omissions

**Answer: D**

**QUESTION: 397**

Improper asset valuations usually fall into which of the following category?

- A. Inventory valuation
- B. Accounts receivable
- C. Business combinations
- D. All of the above

**Answer:** D

**QUESTION:** 398

To debit accounts receivables and credit sales is the typical entry under:

- A. Fictitious account payables
- B. Fictitious account receivables
- C. Failure to write off account receivables
- D. Failure to write off account payables

**Answer:** B

**QUESTION:** 399

Which of the following is NOT the scheme of fixed assets that are subject to manipulation?

- A. Related party transactions
- B. Booking fictitious assets
- C. Misrepresentation asset valuation
- D. Improperly capitalizing inventory and start-up costs

**Answer:** A

**QUESTION:** 400

Which type of misstatements are considered relevant for audit purpose?

- A. Misstatements arising from fraudulent financial reporting
- B. Misstatements arising from misappropriation of assets
- C. Both A and B
- D. Neither A nor B

**Answer:** C

**QUESTION:** 401

In identifying risks that may result in material misstatements due to fraud, auditors should consider:

- A. type of risk
- B. significance of risk
- C. pervasiveness of risk

D. All of the above

**Answer:** D

**QUESTION:** 402

Judgments about the risk of material misstatement due to fraud have an overall effect on how the audit is concluded in what ways?

- A. Assignment of personnel and supervision
- B. Accounting principles
- C. Predictability of auditing procedures
- D. All of the above

**Answer:** D

**QUESTION:** 403

Which of the following is NOT included in financial statement analysis?

- A. Vertical analysis
- B. Horizontal analysis
- C. Fraction analysis
- D. Ratio analysis

**Answer:** C

**QUESTION:** 404

A technique for analyzing the relationships between the items on an income statement, balance sheet, or statement of cash flows by expressing components as percentages is called:

- A. Vertical analysis
- B. Horizontal analysis
- C. Fraction analysis
- D. Ratio analysis

**Answer:** A

**QUESTION:** 405

A technique for analyzing the percentage change in individual financial statement items from one year to the next is known as:

- A. Vertical analysis
- B. Horizontal analysis
- C. Fraction analysis
- D. Ratio analysis

**Answer:** B

**QUESTION:** 406

A fraction analysis is a means of measuring the relationship between two different financial statement amounts.

- A. True
- B. False

**Answer:** B

**QUESTION:** 407

The formula to calculate quick ratio is:

- A. Quick ratio = (Credit + Securities + Receivables) / Current liabilities
- B. Quick ratio = (Cash + Securities + Payables) / Final liabilities
- C. Quick ratio = (Credit + Securities + Payables) / Final liabilities
- D. Quick ratio = (Cash + Securities + Receivables) / Current liabilities

**Answer:** D

**QUESTION:** 408

The receivable turnover can be calculated by which of the following formula:

- A. Receivable turnover = Net Sales on Account / Average Net Receivables
- B. Receivable turnover = Gross Sales on Account / Average Gross Receivables
- C. Receivable turnover = Net Sales on Receivables / Average Net Account
- D. Receivable turnover = Gross Sales on Receivables / Average Gross Account

**Answer:** A

**QUESTION:** 409

Collection ratio can be calculated by the formula:

- A. Collection Ratio = 365 / Payable Turnover
- B. Collection Ratio = 365 + Net Income / Receivable Turnover

- C. Collection Ratio = 365 / Receivable Turnover
- D. Collection Ratio = 365 + Net Sales / Receivable Turnover

**Answer:** C

**QUESTION:** 410

Which of the following is the formula for the inventory turnover?

- A. Inventory turnover = Cost of Goods Purchased / Average Inventory
- B. Inventory turnover = Cost of Goods Sold / Average Inventory
- C. Inventory turnover = Cost of Goods Sold / Total Inventory
- D. Inventory turnover = Cost of Goods Purchased / Total Inventory

**Answer:** B

**QUESTION:** 411

The modification of behavior through the perception of negative sanctions is called:

- A. Endorsement
- B. Deterrence
- C. Consent
- D. Authorization

**Answer:** B

**QUESTION:** 412

What is considered by most professionals to be the cornerstone of an employee reporting program?

- A. Focus line
- B. Report Foundation
- C. Hotline
- D. Imputed Reports

**Answer:** C

**QUESTION:** 413

Which of the following is NOT the type of hotline?

- A. Part-time hotline
- B. Full-time hotline

- C. Third-party hotline
- D. Detective hotline

**Answer:** D

**QUESTION:** 414

According to Wheelwright; branch of philosophy which is the systematic study of reflective choice, of the standards of right and wrong by which a person is to be guided, and of the goods toward which it may ultimately be directed id called:

- A. Ethics
- B. Morality
- C. Legality
- D. Saintliness

**Answer:** A

**QUESTION:** 415

What advocates that there are concrete ethical principles that cannot be violated?

- A. Utilitarian principle
- B. Imperative principle
- C. Functional activity
- D. Serviceable principle

**Answer:** B

**QUESTION:** 416

When each situation must be evaluated on its own, in essence, the end can justify the means, this is referred to as:

- A. Situational ethics
- B. Situational behavior
- C. Situational principle
- D. Situational hotline

**Answer:** A

Killexams.com is a leading online platform specializing in high-quality certification exam preparation. Offering a robust suite of tools, including MCQs, practice tests, and advanced test engines, Killexams.com empowers candidates to excel in their certification exams. Discover the key features that make Killexams.com the go-to choice for exam success.



## Exam Questions:

Killexams.com provides exam questions that are experienced in test centers. These questions are updated regularly to ensure they are up-to-date and relevant to the latest exam syllabus. By studying these questions, candidates can familiarize themselves with the content and format of the real exam.

## Exam MCQs:

Killexams.com offers exam MCQs in PDF format. These questions contain a comprehensive collection of questions and answers that cover the exam topics. By using these MCQs, candidate can enhance their knowledge and improve their chances of success in the certification exam.

## Practice Test:

Killexams.com provides practice test through their desktop test engine and online test engine. These practice tests simulate the real exam environment and help candidates assess their readiness for the actual exam. The practice test cover a wide range of questions and enable candidates to identify their strengths and weaknesses.

## Guaranteed Success:

Killexams.com offers a success guarantee with the exam MCQs. Killexams claim that by using this materials, candidates will pass their exams on the first attempt or they will get refund for the purchase price. This guarantee provides assurance and confidence to individuals preparing for certification exam.

## Updated Contents:

Killexams.com regularly updates its question bank of MCQs to ensure that they are current and reflect the latest changes in the exam syllabus. This helps candidates stay up-to-date with the exam content and increases their chances of success.