

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 1) A client voices concerns about her physical appearance despite diligently following a healthy diet. Which of the following age-related changes can best explain these changes? 1) \_\_\_\_\_
- A) The changes associated with body fat promote a pear-shaped appearance for aging women.
  - B) Fat is redistributed to the hips after middle age.
  - C) Body weight increases after middle age.
  - D) Body fat increases until middle age.
- 2) A resident at the assisted living facility reports continued anger about the loss of her husband to a younger, more attractive woman 4 years ago. She further asserts this is responsible for both her physical and social decline. Which of the theories of aging is supportive of this position? 2) \_\_\_\_\_
- A) Erickson's Developmental Theory
  - B) Activity Theory
  - C) Disengagement Theory
  - D) Jung's Theory of Individualism
- 3) The nurse is working in a long-term care facility that embraces the Continuity Theory of Aging. The nurse is charged with developing client activities that will promote this theory. Which of the following activities will meet the criteria? 3) \_\_\_\_\_
- A) Encourage the clients to begin exercise programs.
  - B) Plan a relaxing movie night for residents.
  - C) Develop a family night for clients to invite members of their family to the facility to eat with their loved ones.
  - D) Arrange for a group of children to visit the residents.
- 4) While making rounds on the unit, you find a 90-year-old client sitting in his chair looking out the window. He seems sad and depressed and talks about how his health has declined over the years. He was planning to do a lot of things after his retirement and now, with his recent surgery, he feels he cannot do anything. You respond to him by helping him to understand that these changes are often a challenge for the elderly with which to cope and adapt in order to age successfully. This response incorporates what type of aging theory? 4) \_\_\_\_\_
- A) spiritual
  - B) biological
  - C) psychological
  - D) sociological
- 5) A 60-year-old client in good health has asked the nurse about what steps can be taken to build muscle mass. What information should be provided to the client? 5) \_\_\_\_\_
- A) Increasing protein and fat intake will increase muscle mass.
  - B) There is little that can be done to reduce the loss of muscle mass associated with aging.
  - C) Muscle mass declines by 40% between the ages of 30 and 70.
  - D) Exercise can slow the loss of muscle mass.
- 6) A group of nursing students is preparing a presentation for teens. Their focus is on healthful living. Which of the following statements by a participant indicates an inadequate understanding of the content? 6) \_\_\_\_\_
- A) The beginnings of chronic disease are noted in populations starting around age 30.
  - B) The majority of senior citizens have at least one chronic condition.
  - C) Respiratory disorders are one of the leading causes of disability in the United States.
  - D) The rates of disability are decreasing in the United States.

- 7) The triage nurse is taking vital signs of a 59-year-old African American male who has arrived to be treated for a laceration in his right hand. His blood pressure is 180/104. The nurse applies a dressing to his hand and plans for continuation of his care for the laceration. When questioning the client about his blood pressure, he states he did not know if that was normal for him and that he was not on any medication. In analyzing the blood pressure, the nurse decides 7) \_\_\_\_\_
- A) this is normal for someone in pain from an injury.
  - B) this finding is abnormal and presents an opportunity to initiate secondary prevention to prevent the progression of illness.
  - C) this patient needs to have his pressure taken in a standing position.
  - D) the blood pressure may not be accurate, therefore, it does not need to be addressed.
- 8) An assisted living facility is targeting a group of residents at risk for cardiac problems. As part of the program, the residents are being offered blood pressure monitoring, BMD analysis, and referrals to a nutritionist for counseling to reduce cholesterol levels. These activities are examples of 8) \_\_\_\_\_
- A) tertiary prevention.
  - B) health promotion.
  - C) primary prevention.
  - D) secondary prevention.
- 9) A client tells you during her admission assessment that she is taking several herbs and supplements. She states she read a theory about how this would help slow down the aging process. She asks you if you believe in this approach. In preparing to respond to her question, you would consider which of the following theories of aging? 9) \_\_\_\_\_
- A) nutritional theory
  - B) cross-link theory
  - C) free radical theory
  - D) error theory
- 10) The nurse is preparing a care plan for an African American client at risk for colon cancer. Which of the following should be included in the plan of care? 10) \_\_\_\_\_
- A) Flexible sigmoidoscopy testing annually
  - B) Fecal occult blood screening every 2 years
  - C) Serum cancer marker testing every year
  - D) Colonoscopy every 2 years
- 11) You are preparing to conduct a blood pressure screening at a local senior citizen's high-rise apartment building in the inner-city impoverished location. In anticipation of the clients you will care for, you will most likely find which of the following characteristics of the residents living at this location. Select all that apply. 11) \_\_\_\_\_
- A) older women.
  - B) married men and women.
  - C) widowed women.
  - D) less educated women.
  - E) residents living alone.
  - F) older men.
- 12) You are answering questions of a 92-year-old man's family who has been admitted for the treatment of pneumonia. His 32-year-old granddaughter asks you why her grandfather became so sick so quickly with the disease. She further states that she had pneumonia last winter and was never even hospitalized. Your best response to her questions would include 12) \_\_\_\_\_
- A) there are some differences between men and women and illness.
  - B) I don't think you can compare your grandfather to yourself.
  - C) your grandfather must have chronic illnesses that put him at risk.
  - D) all elderly have decreases in the ability to restore balance to the body systems when challenged by trauma or infection.

- 13) The nurse is planning a presentation concerning the Immunological Theory of Aging. When reviewing items for inclusion in the program, which of the following should be considered? 13) \_\_\_\_\_
- A) Some individuals are genetically programmed to have a markedly reduced immune system.
  - B) Reduced immune function leads to an increase in vulnerability to illness, aging, and death.
  - C) Anti-oxidants are linked to a bolstered immune system and improved response to aging.
  - D) Hormones control the pace of aging, and their reduction will result in a decrease in immunity.
- 14) A recent graduate nurse wants to know what role he can play to reduce the gap between life span and healthy life span. What information can be provided to the graduate nurse? Select all that apply. 14) \_\_\_\_\_
- A) Encourage client participation in primary prevention activities.
  - B) Volunteer at a local senior citizen center.
  - C) Engage in tertiary promotion activities.
  - D) Provide education concerning modifiable risk factors.
- 15) The nurse is teaching a client about the need to take the flu and pneumococcal vaccines. The client states he is too old and there is little reason to waste the solutions. Which response by the nurse is most therapeutic at this time? 15) \_\_\_\_\_
- A) "You are likely to get this disease if you do not take the vaccines."
  - B) "I understand your feelings."
  - C) "I will report your concerns to the physician."
  - D) "It is never too late in life to begin health promotion activities."
- 16) A recent nursing school graduate is hired at an assisted living facility. During orientation, she reports she is nervous about working with the older adult because of the personality changes she has heard ensue with aging. What response by the nursing preceptor is indicated? 16) \_\_\_\_\_
- A) "The losses many elderly experience understandably will impact their personality."
  - B) "The personalities of the elderly do undergo some significant changes after the eighth decade of life."
  - C) "Personality is relatively stable throughout life."
  - D) "After retirement, feelings of disuse cause many elderly to begin demonstrating personality changes."
- 17) A client stops at the desk of his doctor's office to ask the nurse a few questions. He is a retired teacher who has just been diagnosed with diabetes and wants to know how to manage his care. While the nurse is going over glucose testing, he talks about how expensive his medications and healthcare have become. The nurse can best provide support to him by stating 17) \_\_\_\_\_
- A) "I believe that some parts of Medicare will cover preventative care, such as diabetes monitoring."
  - B) "I don't know anything about insurance."
  - C) "Don't worry, I don't think the total bill will be too much."
  - D) "You only need to do this once a day so the supplies should last you a long time."
- 18) A client reports she has just become eligible for Medicare. She has been reading about her coverage. Which of the following statements indicates an understanding of the health plan? 18) \_\_\_\_\_
- A) "Because I have a family history of heart disease, I can have a screening ultrasound."
  - B) "I am required to have a 'Welcome to Medicare' examination."
  - C) "My Medicare coverage will cover routine physical examinations."
  - D) "My plan recommends I have a mammogram annually."

- 19) A nurse is caring for an 89-year-old woman who was admitted to the hospital for generalized weakness and a cough. The client describes in her assessment that she has to go to the bathroom frequently and manages this by monitoring her fluid intake, especially before going to bed. She has no pain or discomfort with voiding. The nurse may consider this finding 19) \_\_\_\_\_
- A) indicative of a urinary tract infection.
  - B) that the patient is drinking too many fluids.
  - C) a sign of diabetes.
  - D) normal for a woman that age.
- 20) The clinical facility has a unit that has a focus of tertiary prevention. Which of the following goals is consistent with this focus? 20) \_\_\_\_\_
- A) Clients with pressure ulcers will have whirlpool therapy as indicated.
  - B) Clients at risk for the development of pressure ulcers will be turned every 2 hours to prevent pressure ulcer development.
  - C) Clients will be taught to move in bed at least every 2 hours to prevent pressure ulcer development.
  - D) Clients will be assessed for the presence of factors that place them at risk for pressure ulcer development.
- 21) A recently hired graduate nurse questions her preceptor about the demographics on the unit. The preceptor reports that the clients and their diagnoses are consistent with nationwide demographics. Based upon your understanding, which of the following statements best supports this? 21) \_\_\_\_\_
- A) The African American clients have a lower incidence of hypertension than the Caucasian clients.
  - B) The female clients with chronic disorders are more self-sufficient than men with similar ailments.
  - C) The Hispanic clients have a greater incidence of obesity than the Caucasian clients.
  - D) Diabetes is not a significant problem in the African American community.
- 22) A nursing student is preparing a program for her peers covering health concerns for seniors. When planning the program, which of the following statements should be included in the presentation? 22) \_\_\_\_\_
- A) The rate of heart disease death for senior citizens is demonstrating an increase in rate.
  - B) Decreases have been shown in the rate of Alzheimer's disease.
  - C) Heart disease is the leading cause of death for senior citizens.
  - D) Cancer is the leading cause of death in the senior citizen population.
- 23) A 62-year-old former professional football player is in the hospital for a total knee replacement as a result of osteoarthritis. In discussing the disease with the patient during preoperative teaching, you may consider the incorporation of the error theory of aging to help the client understand how the disease has affected him. The specific theory that applies in this case is 23) \_\_\_\_\_
- A) cross-link theory.
  - B) wear and tear theory.
  - C) free radical theory.
  - D) somatic DNA damage theory.
- 24) The nurse is reviewing the discharge plans for an 84-year-old man who is to leave tomorrow. Included is a plan for quitting smoking. In discussing this with a co-worker, the nurse states, "I don't know why we need to do this, he has been smoking for years, and he isn't going to stop now." This statement by the nurse reflects the concept of 24) \_\_\_\_\_
- A) negative stereotyping.
  - B) senescence.
  - C) reality orientation.
  - D) character assessment.

25) The nurse is completing an admission assessment for a female adult client. When discussing the social history, the nurse identifies that the client is a smoker (one pack/day for 20 years) and has worked at a chemical plant operating a chemical packing machine. When reviewing this assessment, the nurse would consider this client at risk for

- A) no difference in risk because of her social and occupational circumstances.
- B) decreased fertility.
- C) environmental and occupational hazards that may affect life expectancy.
- D) increased life expectancy because she is female.

25) \_\_\_\_\_

Answer Key  
Testname: CH1

- 1) D
- 2) D
- 3) C
- 4) C
- 5) D
- 6) A
- 7) B
- 8) D
- 9) C
- 10) D
- 11) A, C, D, E
- 12) D
- 13) B
- 14) A, B, C, D
- 15) D
- 16) C
- 17) A
- 18) D
- 19) D
- 20) A
- 21) C
- 22) C
- 23) B
- 24) A
- 25) C

<div style="text-align: right; font-size: small;">11th Edition</div> <p style="text-align: center; font-weight: bold; margin: 10px 0;">FINANCIAL &amp; MANAGERIAL ACCOUNTING CORPORATE FINANCIAL ACCOUNTING</p> <p style="text-align: center; margin: 5px 0;">Warren/Reeve/Duchac</p> <p style="text-align: center; font-size: large; margin-top: 20px;">Chapters 1–2</p>	<div style="text-align: right; font-size: large; font-weight: bold; margin: 0 10px;">Section Test 1</div> <p>Score _____ %</p> <p>Name _____</p> <p>Course _____ Section _____</p> <p style="font-size: small;">NOTE: Each of the 100 correct answers is assigned a weight of 1%.</p>
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FILL-IN-THE-BLANK—PRINCIPLES AND TERMINOLOGY—36%

**INSTRUCTIONS:** Answer the following questions or complete the statements by writing the appropriate words or amounts in the Answers column.

<u>QUESTIONS/STATEMENTS</u>	Answers	For Scoring
0. An information system that provides essential information about the economic activities of an entity is called .....	<i>accounting</i>	0. _____
1. A business that changes basic inputs into products is a(n) .....		1. _____
2. A business that provide services to customers is a(n) .....		2. _____
3. 10% of the businesses in the United States are .....		3. _____
4. Resources owned by a business are called .....		4. _____
5. A business entity that is a separate taxable entity is called a(n) .....		5. _____
6. Principles that guide the conduct of individuals are .....		6. _____
7. Financial accountants prepare financial statements according to .....		7. _____
8. The accounting equation is Assets = Liabilities + .....		8. _____
9. The four most common financial statements for a corporation are: .....	a.	9. _____
	b.	_____
	c.	_____
	d.	_____
10. Amounts owed by customers that result from sales on account are referred to as .....		10. _____
11. Lee Co. offered for sale at \$10,000 a machine that had been purchased for \$17,500. If Whitney Co. paid Lee Co. \$6,000 for the machine, the amount that Whitney Co. would record in the accounting records for the purchase of the machine is .....	\$	11. _____
12. An economic event that must be recorded is a(n) .....		12. _____
13. If operations for an accounting period resulted in fees on account of \$65,000 and fees for cash of \$21,000, the amount of revenue for the period was .....	\$	13. _____
14. If operations for an accounting period resulted in cash fees of \$75,000, fees on account of \$15,000, and expenses paid in cash of \$40,000, did the business incur a net income or a net loss for the period? .....		14. _____
15. What was the amount of the net income or net loss indicated in Question 14? .....	\$	15. _____
16. If stockholders' equity is \$150,000 and liabilities are \$25,000, the amount of assets is .....	\$	16. _____
17. If assets are \$125,000 and liabilities are \$60,000, the amount of stockholders' equity is .....	\$	17. _____

continued

<u>QUESTIONS/STATEMENTS</u>		Answers	For Scoring
18.	The excess of revenues over expenses is referred to as .....	\$	18. ____
19.	If total assets increased by \$54,500 and stockholders' equity increased by \$40,000 during the period, the amount and direction (increase or decrease) of the period's change in total liabilities was .....	\$	19. ____
20.	The stockholders' equity at the beginning of the period was \$100,000; at the end of the period, assets were \$155,000 and liabilities were \$59,000. If the owner made no additional investments and paid no dividends during the period, did the business incur a net income or a net loss for the period? .....		20. ____
21.	What was the amount of the net income or net loss indicated in Question 20? .....	\$	21. ____
22.	A report of investments and dividends for a specific period of time is a(n) .....		22. ____
23.	A report of the changes in cash for a specific period of time is a(n) .....		23. ____
24.	The process of recording data in an entry to the appropriate accounts is called .....		24. ____
25.	Revenue before it is earned is called .....		25. ____
26.	Amounts entered on the right side of an account are called .....		26. ____
27.	The list of accounts in a company's ledger is the .....		27. ____
28.	The normal balance of expense accounts is .....		28. ____
29.	The entire number moved one or more places to the right is a(n) .....		29. ____
30.	A listing of all accounts in the ledger with their balances is called a(n) ....		30. ____
31.	The account of a corporation which represents the cash dividends paid to investors is .....		31. ____
32.	The normal balance of asset accounts is .....		32. ____
33.	An account of a corporation which represents the investments made by stockholders is .....		33. ____

NOTE: No credit is given for a partially correct answer.



**PROBLEM 1—ACCOUNTING EQUATION—24%**

**INSTRUCTIONS:** Indicate the effect of each of the following transactions for the current month on assets, liabilities, and stockholders' equity by inserting "+" for increase and "-" for decrease in the appropriate columns at the right.

	Answers			For Scoring
	A	L	SE	
0. Paid wages .....	-		-	0. ____
1. Received cash for services provided on account.....				1. ____
2. Received cash from owner as additional investment .....				2. ____
3. Purchased office supplies on account .....				3. ____
4. Charged customers for services provided on account .....				4. ____
5. Paid cash to customer who was overcharged for fees invoiced .....				5. ____
6. Paid cash to stockholders for dividends .....				6. ____
7. Received cash for office supplies sold to employee at cost .....				7. ____
8. Received cash to pay off a note receivable .....				8. ____
9. Recorded cost of office supplies used during the month .....				9. ____
10. Paid wages .....				10. ____
11. Paid creditors on account .....				11. ____
12. Received cash on account from customers .....				12. ____

NOTE: Each "+" or "-" is assigned a weight of 1%.

**PROBLEM 2—DEBIT AND CREDIT—10%**

**INSTRUCTIONS:** Indicate the manner in which each of the increases and decreases in the accounts listed below would be recorded by placing a check mark in the debit column or the credit column at the right.

<u>DESCRIPTIONS</u>	Answers		For Scoring
	Debit	Credit	
0. Prepaid insurance is increased .....	✓		0. ____
1. Accounts Payable is increased .....			1. ____
2. Cash is increased .....			2. ____
3. Notes Receivable is increased.....			3. ____
4. Accounts Receivable is increased .....			4. ____
5. Fees Earned is decreased .....			5. ____
6. Capital Stock is decreased .....			6. ____
7. Buildings is increased .....			7. ____
8. Prepaid Insurance is decreased .....			8. ____
9. Salaries Expense is decreased.....			9. ____
10. Equipment is increased.....			10. ____

**PROBLEM 3—ANALYSIS OF TRANSACTIONS—20%**

**INSTRUCTIONS:** For Demo Tech Systems Consultants, indicate the accounts to be debited and credited in recording the transactions described below by inserting the letter designation for the accounts in the appropriate columns.

ACCOUNTS

A. Cash	E. Equipment	I. Capital Stock	M. Prepaid Rent
B. Accounts Receivable	F. Office Supplies	J. Dividends	N. Fees Earned
C. Building	G. Notes Receivable	K. Notes Payable	O. Rent Expense
D. Land	H. Accounts Payable	L. Office Supplies Expense	P. Wages Expense

<u>TRANSACTIONS</u>	Debit	For Scoring	Credit	For Scoring
0. Provided professional services to customers on account .....	<i>B</i>	0. ____	<i>N</i>	0. ____
1–2. Provided professional services for cash .....		1. ____		2. ____
3–4. Paid cash dividends to stockholders .....		3. ____		4. ____
5–6. Purchased office supplies on account .....		5. ____		6. ____
7–8. Discovered an error in computing and paying the wages of an employee. Paid cash to the employee for the amount of the underpayment .....		7. ____		8. ____
9–10. Paid rent covering a two-year period .....		9. ____		10. ____
11–12. Purchased building and equipment, paying one-fourth in cash and giving a note for the balance .....		11. ____		12. ____
13–14. Sold office supplies to employees at cost, receiving cash .....		13. ____		14. ____
15–16. Returned for credit office supplies purchased on account .....		15. ____		16. ____
17–18. Received cash from customers on account .....		17. ____		18. ____

NOTE: Each debit and credit is assigned a weight of 1%.

**PROBLEM 4—CLASSIFICATION OF ACCOUNTS—10%**

**INSTRUCTIONS:** The customary classifications for accounts listed in the chart of accounts are listed below. Classify each account by inserting the appropriate letter in the classification column and indicate the normal balance by inserting a check mark in the debit column or the credit column.

CLASSES

A. Assets      B. Liabilities      C. Stockholders' equity      D. Revenue      E. Expenses

<u>ACCOUNTS</u>	Classification	Normal Balance		For Scoring
		Debit	Credit	
0. Land .....	<i>A</i>	√		0. ____
1. Unearned Revenue .....				1. ____
2. Equipment .....				2. ____
3. Notes Payable .....				3. ____
4. Supplies Expense .....				4. ____
5. Dividends .....				5. ____
6. Commissions Earned .....				6. ____
7. Prepaid Rent .....				7. ____
8. Wages Expense .....				8. ____
9. Cash .....				9. ____
10. Unearned Revenue .....				10. ____

NOTE: No credit is given for a partially correct answer.

# ACHIEVEMENT TEST SOLUTIONS—SECTION TEST 1 (Chapters 1 and 2)

## Fill-in-the-Blank Principles and Terminology

1. manufacturer
2. service business
3. partnerships
4. assets
5. corporation
6. ethics
7. generally accepted accounting principles (GAAP)
8. Owner's Equity
9. a. income statement  
b. balance sheet  
c. retained earnings statement  
d. statement of cash flows
10. accounts receivable
11. \$6,000
12. transaction
13. \$86,000
14. net income
15. \$58,000
16. \$175,000
17. \$65,000
18. net income
19. \$14,500 increase
20. net loss
21. \$4,000
22. retained earnings statement
23. statement of cash flows
24. posting
25. unearned revenue
26. credits
27. chart of accounts
28. debit
29. slide
30. trial balance
31. Dividends
32. debit
33. Capital Stock

## Problem 1 Accounting Equation

	<u>A</u>	<u>L</u>	<u>SE</u>
1.	+, -		
2.	+		+
3.	+	+	
4.	+		+
5.	-		-
6.	-		-
7.	+, -		
8.	+, -		
9.	-		-
10.	-		-
11.	-	-	
12.	+, -		

## Problem 2 Debit and Credit

	<u>Debit</u>	<u>Credit</u>
1.		√
2.	√	
3.	√	
4.	√	
5.	√	
6.		√
7.	√	
8.		√
9.		√
10.	√	

## Problem 3 Analysis of Transactions

	<u>Debit</u>	<u>Credit</u>
1.	A	2. N
3.	J	4. A
5.	F	6. H
7.	P	8. A
9.	M	10. A
11.	C, E	12. A, K
13.	A	14. F
15.	H	16. E
17.	A	18. B

## Problem 4 Classification of Accounts

	<u>Classi- fication</u>	<u>Normal Balance</u>	
		<u>Debit</u>	<u>Credit</u>
1.	B	√	
2.	A	√	
3.	B		√
4.	E	√	
5.	C	√	
6.	D		√
7.	A	√	
8.	E	√	
9.	A	√	
10.	B		√