

HONESTY IN ACCOUNTING (FINANCIAL REPORTS)

Question 1: Why is honesty crucial in the world of accounting?

- A) It ensures that financial statements are colorful and appealing.
- B) It helps build credibility in financial statements.
- C) It guarantees that the company always makes a profit.
- D) It allows accountants to avoid paying taxes.

Question 2: What is one of the legal consequences of not being honest in accounting?

- A) Winning an award for creativity.
- B) Facing serious legal consequences.
- C) Earning a bonus for creative accounting.
- D) Getting a promotion.

Question 3: How does honest financial information benefit a company?

- A) It makes financial data more complex and confusing.
- B) It helps the company avoid making any decisions.
- C) It provides a clear map for business decisions.
- D) It leads to excessive spending.

Question 4: Who are the stakeholders in a company?

- A) Just the investors.
- B) Only the government.
- C) Investors, employees, customers, suppliers, and the community.
- D) Only the financial analysts.

Question 5: What is the importance of honesty in accounting for future accountants?

- A) It allows them to get away with financial manipulation.
- B) It ensures they will never make mistakes.
- C) It guarantees they will always be rich.
- D) They play a vital role in ensuring honesty in the financial world.

Question 6: In the analogy provided, what is the financial information compared to?

- A) A treasure map.
- B) A colorful painting.
- C) A clear map for navigation.
- D) A secret code.

Question 7: What role does honesty play in building trust with stakeholders?

- A) None, stakeholders don't care about honesty.
- B) It makes stakeholders more suspicious.
- C) It builds trust and support from stakeholders.
- D) It doesn't affect stakeholders at all.

Question 8: What can happen to someone who falsifies financial information?

- A) They might receive a promotion.
- B) They may face serious legal consequences.
- C) They will be given a reward.
- D) They will be celebrated as a financial genius.

Question 9: What do financial statements represent for a business?

- A) A list of all expenses.
- B) A report card of the company's health and performance.
- C) A secret document for accountants only.
- D) A tool for avoiding taxes.

Question 10: How does honesty in accounting affect a company's reputation?

- A) It has no impact on a company's reputation.
- B) It damages a company's reputation.
- C) It builds a good reputation and encourages support and investment.
- D) It only affects the company's financial performance.