

CFA® SAMPLE QUESTION - LEVEL I

Financial Reporting and Analysis

Q: At the beginning of the year, Firm XYZ already paid its annual operating lease obligation in advance. What is the immediate impact of this transaction on Firm XYZ's total assets and total liabilities?

	<u>Assets</u>	<u>Liabilities</u>
(a)	No Effect	No Effect
(b)	No Effect	Decrease
(c)	Increase	Decrease



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