Intelligent Business

Unit 8 Finance Review Questions from the Intermediate Coursebook

1) What do auditors do?
   a) They look after a company’s financial matters.
   b) They check a company’s financial documentation.
   c) They report financial results to the company.

2) What is another word for income?
   a) outgoings
   b) expenditure
   c) revenue

3) What is gross profit?
   a) what the company earns after deducting all costs
   b) what the company earns before deducting all costs
   c) what the companies pay out to shareholders

4) What are liabilities?
   a) money that the company owes to others
   b) money that is owed to the company
   c) money that the company needs to make each month

5) Which word is a synonym for discounts?
   a) rebates
   b) dividends
   c) interest

6) What is the opposite of in debt?
   a) in the black
   b) in the red
   c) overdrawn

7) Which of the following describes a dramatic and sudden fall in figures?
   a) profits peaked
   b) profits rose steadily
   c) profits plunged alarmingly

8) For what reason might a company overstate its earnings?
   a) to save taxes
   b) to push up share prices
   c) to avoid bankruptcy

9) What are fixed assets?
   a) land, buildings and machinery owned by the company for company use
   b) cash and investments belonging to the company
   c) everything that a company possesses

10) What are financial irregularities?
    a) making false statements on balance sheets
    b) overspending budgets
    c) making risky investments