

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

