1. How did the VOC raise money in 1602?

   ☐ By a bank overdraft

   ☐ By charging taxes

   ☐ By crowdfunding online

   ☐ By selling shares to the public

2. Which is an internal source of finance?

   ☐ a government grant

   ☐ a share issue

   ☐ a bank loan

   ☐ retained profit

3. Inflows are 50 and outflows are 62. What is the net cash flow?

   _____

4. Which is a fixed cost?

   ☐ piece-rate wages

   ☐ factory rent

   ☐ power used by machines

   ☐ raw materials

5. Selling price is 15 and variable cost per unit is 9. What is the contribution per unit?

   _____

6. A budget is:

   ☐ the firm's bank balance

   ☐ a tax return

   ☐ a record of past sales only

   ☐ a financial plan for the future

7. Which are current assets?

   ☐ Cash

   ☐ A factory building

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   ☐ Inventory

   Tick every correct option.

8. Which is a short-term source of finance?

   ☐ a 20-year mortgage

   ☐ a share issue

   ☐ a bank overdraft

   ☐ a long-term loan

9. Opening balance 20, net cash flow −8. What is the closing balance?

   _____

10. Fixed cost 500, variable cost 4 per unit, output 200. What is total cost?

    _____

1. **By selling shares to the public**

   The first public shares.

2. **retained profit**

   Retained profit comes from within the business.

3. **-12**

   Net cash flow = $50 - 62 = -12$.

4. **factory rent**

   Rent does not change with output – a fixed cost.

5. **6**

   Contribution = $15 - 9 = 6$.

6. **a financial plan for the future**

   A budget plans expected income, spending or profit.

7. **Cash; Receivables; Inventory**

   A building is a long-term asset.

8. **a bank overdraft**

   Overdrafts and trade credit are short-term.

9. **12**

   Closing = opening + net cash flow = $20 + (-8) = 12$.

10. **1300**

    TC = $500 + 4 \times 200 = 1300$.

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