

5. Financial information and decisions

Starter Quiz · 课前小测

IGCSE Business Studies

Name: _____ Score: _____

1. Day-to-day money for wages and suppliers is called:

- ☐ working capital
- ☐ start-up capital
- ☐ a fixed asset
- ☐ profit

2. Inflows are 40 and outflows are 52. What is the net cash flow?

3. Revenue is 200 and cost of sales is 130. What is the gross profit?

4. Which is an asset?

- ☐ machinery the business owns
- ☐ a bank loan
- ☐ money owed to a supplier
- ☐ a tax bill

5. Gross profit is 80 and revenue is 200. What is the gross profit margin (%)?

6. Which is an internal source of finance?

- ☐ retained profit
- ☐ a bank loan
- ☐ a share issue
- ☐ a government grant

7. Opening balance 15, net cash flow –6. What is the closing balance?

8. Gross profit is 70 and expenses are 45. What is the profit?

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

- ☐ a bank overdraft

☐ a 15-year loan

☐ a share issue

☐ selling the factory

10. The main purpose of a cash-flow forecast is to:

- ☐ predict when the business might run short of cash
- ☐ calculate yearly profit
- ☐ value the company
- ☐ set the selling price

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1. **working capital**

Working capital funds day-to-day operations.

2. **-12**

Net cash flow = $40 - 52 = -12$.

3. **70**

Gross profit = $200 - 130 = 70$.

4. **machinery the business owns**

Assets are what the business owns; the others are liabilities.

5. **40**

$80 \div 200 \times 100 = 40\%$.

6. **retained profit**

Retained profit comes from within the business.

7. **9**

Closing = opening + net cash flow = $15 + (-6) = 9$.

8. **25**

Profit = $70 - 45 = 25$.

9. **a bank overdraft**

Overdrafts and trade credit are short-term.

10. **predict when the business might run short of cash**

It flags cash shortages early.