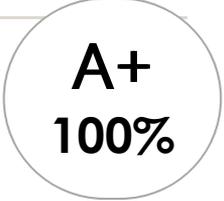


11 Multiple choice questions



A+
100%

1. the ability of a business to use its resources effectively in ensuring financial stability and profitability
 - a. strategy
 - b. **CORRECT: efficiency**
 - c. liquidity
 - d. solvency

2. the ability of a business to increase its size in the longer term
 - a. **CORRECT: growth**
 - b. assets
 - c. strategy
 - d. solvency

3. a statement of objectives encompassing the strategies that a business will use to achieve its goals
 - a. solvency
 - b. strategy
 - c. **CORRECT: strategic plan**
 - d. efficiency

4. those aspects of a business that have a monetary or money value
 - a. financial management
 - b. efficiency
 - c. **CORRECT: financial resources**
 - d. assets

5. these are established by breaking operations into achievable and manageable outcomes that can be measured and evaluated
 - a. **CORRECT: business objectives**
 - b. assets
 - c. solvency
 - d. financial resources

6. the extent to which a business can meet its financial commitments in the short term
 - a. assets
 - b. **CORRECT: liquidity**
 - c. solvency
 - d. profitability

7. the major tool adopted by a business to achieve its goals
 - a. assets
 - b. **CORRECT: strategy**
 - c. strategic plan
 - d. solvency

8. the planning and monitoring of the financial resources of a business to enable it to achieve its financial goals
 - a. strategic plan
 - b. efficiency
 - c. **CORRECT: financial management**
 - d. financial resources

9. the ability of a business to maximise its profits
 - a. **CORRECT: profitability**
 - b. liquidity
 - c. efficiency
 - d. growth

10. the property and effects of a business, including premises, machinery, vehicles and cash (tangible assets) and patents, trade marks and goodwill (intangible assets)
 - a. **CORRECT: assets**
 - b. strategy
 - c. growth
 - d. solvency

11. the extent to which a business can meet its financial commitments in the longer term
 - a. assets
 - b. strategy
 - c. efficiency
 - d. **CORRECT:** solvency