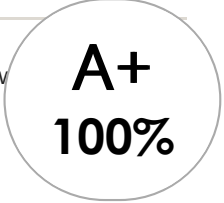


## 11 Multiple choice questions



**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