Quizlet

NAME ____________________

20 Multiple choice questions

1. funds contributed by owners or partners to establish and build the business
   a. interest rates
   b. equity
   c. owners' equity
   d. unsecured note

2. markets that deal with the purchase and sale of existing securities
   a. interest rates
   b. debentures
   c. primary markets
   d. secondary markets

3. a type of bill of exchange (loan) issued by non-bank institutions
   a. commercial bills
   b. internal finance
   c. external finance
   d. interest rates

4. a facility that allows a business or individual to overdraw their account up to an agreed limit for a specified time
   a. mortgage
   b. bank overdraft
   c. bill of exchange
   d. factoring

5. the ease with which a business can access funds (for borrowing) on the international financial markets
   a. interest rates
   b. bill of exchange
   c. primary markets
   d. availability of funds

6. financial products issued by a company for a fixed rate of interest for a fixed period of time
   a. interest rates
   b. equity
   c. debentures
   d. mortgage

7. funds provided by the owners of the business (finance) or from the outcomes of business activities (retained earnings)
    a. internal finance
    b. interest rates
    c. external finance
    d. commercial bills

8. the primary stock exchange group in Australia
    a. financial decision making
    b. unsecured note
    c. Australian Securities Exchange (ASX)
    d. bill of exchange

9. a distribution of the profits of a company to shareholders
    a. leasing
    b. dividend
    c. factoring
    d. equity

10. a long-term source of borrowing for businesses involving the payment of money for the use of equipment that is owned by another party
    a. factoring
    b. leasing
    c. equity
    d. dividend

11. funds provided by sources outside the business, including banks, government, suppliers or financial intermediaries
    a. leasing
    b. internal finance
    c. external finance
    d. interest rates

12. markets that deal with the issue of debt instruments by the borrower of funds
    a. primary markets
    b. mortgage
    c. interest rates
    d. secondary markets

13. a loan for a set period of time that is not backed by any collateral or assets
    a. equity
    b. unsecured note
    c. debentures
    d. interest rates

14. a loan secured by the property of the borrower
    a. mortgage
    b. equity
    c. dividend
    d. leasing

15. the cost of borrowing money
    a. interest rates
    b. debentures
    c. unsecured note
    d. internal finance

16. the projected changes to the level of economic growth throughout the world
    a. factoring
    b. global economic outlook
    c. unsecured note
    d. secondary markets

17. a process that requires relevant information to be identified, collected and analysed to determine an appropriate course of action
    a. financial decision making
    b. internal finance
    c. leasing
    d. factoring

18. the finance (cash) raised by a company by issuing shares
    a. equity
    b. leasing
    c. mortgage
    d. dividend

19. the selling of accounts receivable for a discounted price to a finance company
    a. mortgage
    b. dividend
    c. leasing
    d. factoring

20. a document ordering payment of a certain amount of money at some fixed future date
    a. leasing
    b. bank overdraft
    c. bill of exchange
    d. mortgage