



Pearson  
Edexcel

# GCSE (9-1)

Theme 1.3.4 Retrieval Resource

**Business**  
Sources of business finance



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## Retrieval Quiz - 1.3.4: Sources of business finance

### Questions:

1. Define the term **net cash-flow**.

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.....

2. Give **two** reasons why cash is important to a business.

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3. Which **two** of the following are examples of overheads?

- A. Advertising
- B. Insurance
- C. Packaging
- D. Raw materials
- E. Stock

4. Give **one** benefit to a business of having a positive cash-flow position.

.....  
.....

5. Match the terms with the correct definition:

Terms	Definitions
1. Net cash flow	a. The amount of money a business has at the start of each month
2. Opening balance	b. All the money that comes into a business
3. Cash inflow	c. The amount of money a business has at the end of each month
4. Closing balance	d. The difference between cash inflows and cash outflows



## Answers:

1. Define the term **net cash-flow**.

The difference between cash inflows and cash outflows.

2. Give **two** reasons why cash is important to a business.

To pay suppliers

To pay employees

To pay overheads

To prevent business failure (insolvency)

3. Which **two** of the following are examples of overheads?

**A. Advertising**

**B. Insurance**

C. Packaging

D. Raw materials

E. Stock

4. Give **one** benefit to a business of having a positive cash-flow position.

Ability to pay suppliers

Ability to pay wages of staff

5. Match the terms with the correct definition:

Terms	Definitions
1. Net cash flow	a. The amount of money a business has at the start of each month
2. Opening balance	b. All the money that comes into a business
3. Cash inflow	c. The amount of money a business has at the end of each month
4. Closing balance	d. The difference between cash inflows and cash outflows