Business English Test 5

Fill in the blanks with the terms below:

Cost, inventory, ending, purchases, operating, sales, income, selling, current, balance, asset, fixed, intangible, prepayments, depreciation, accrued, current, liabilities, long-term.

1. Utilities, telephone, rent expenses are all ……………..expenses.
2. The financial statement showing how the business managed or failed to make profit is an …………….statement.
3. The total amount received for goods sold or services rendered is termed as………
4. All costs necessary to convert raw materials into finished products for sale are known as ………….of sales.
5. The cost of merchandise on hand at the beginning of the accounting period is the beginning…………………..
6. The net cost of purchases made during the company's accounting period is termed as ………….inventory.
7. The cost of merchandise unsold at the end of the accounting period is termed as…...inventory.
8. The gross ………..on sales is obtained by subtracting the cost of goods sold from the net sales.
9. All costs involved in the selling of a product are ………….expenses.
10. The financial condition of a business is shown by its …………..sheet.
11. Anything of value owned by a company is a company …………………………
12. Assets that can be turned into cash within 12 months are…………………….assets.
13. Assets used in the operation of a business to produce, promote a product, are ……...assets.
14. The decline in the useful value of an asset due to wear and tear is called …………
15. Goods, services purchased in advance of their use are called …………………..

16. ……………….. Assets represent non-physical items such as goodwill, patents, copyrights.
17. Debts or obligations of the company are known as ………………
18. Wages, salaries due and payable, but unpaid at the date of the balance sheet are …….liabilities.
19. Debts of the company to be paid within 12 months are ……..liabilities.
20. Debts and obligations to be paid beyond 12 months are ………..liabilities.