Solution

# Business Budgeting

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| Questions | |  | Answers | |
| 1 | A budgeting approach of cycling between budgets created by senior management and line management until the two are reconciled. |  | J | TD – BU – TD |
| 2 | A business budgeting approach where the senior manager or owner decides on all entries in the budget unilaterally. |  | E | Golden Rule |
| 3 | An annual budget representing business operations including sales and spending plans. |  | G | Op Plan |
| 4 | A business budgeting approach that relies on input from individuals and line managers to create the budget. |  | A | Bottom Up |
| 5 | The goals and plans that business management will use for creating and approving the business budget. |  | F | Management Intent |
| 6 | A financial plan that is used to estimate the results of future operations. |  | B | Budget |
| 7 | A business budgeting approach that relies on guesses. |  | I | SWAG |
| 8 | A business budgeting approach that requires support and justification for every item before it is included in the budget. |  | L | Zero Based Budgeting |
| 9 | A forecast of future financial results or performance. |  | C | Estimate |
| 10 | A business budgeting approach that relies on senior management creating a budget based upon the implementation of the strategy. |  | K | Top Down |
| 11 | The intended approach for reacting to a business problem or to operate the business throughout a scenario. |  | H | Plan |
| 12 | A business budgeting approach that uses the previous year’s budget or actual spending and applies factors based upon assumptions about future operations. |  | D | Extrapolation |