SOLVENCY

Meaning: Solvency is the ability of a company to meet its long-term financial obligations and liabilities.

1. The company's solvency was called into question after several months of declining revenue.
2. Investors are often concerned about a firm's solvency before committing their capital.
3. During the financial audit, the accountants assessed the solvency ratios to ensure compliance.
4. A sudden drop in sales can quickly jeopardize a business's solvency and ability to meet obligations.
5. Maintaining solvency is crucial for businesses to sustain operations and attract potential investors.

Source: sentences.whatistheurl.com

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